WIRC BULLETIN

Vol. 38 No. 2 | **Rs. 5/-** | ***For Members only*** | **February 2010**

From the Desk of Chairman

My dear professional colleagues,

The Ministry of Corporate affairs is reposing tremendous faith on our abilities and wants our members to be partners in Policy initiatives undertaken by Government. In pursuit of the same "Investor Awareness Programmes" are being conducted throughout the country to educate the Investors and general public at large. We at WIRC have already started organizing Investor Awareness Programmes at Chapters level. I urge all the Office bearers of Chapters to spread the message of Government and serve the society.

The President and Vice President of ICWAI along with Central Council Members and the Regional Council Members from WIRC visited Surat SG Chapter on the occasion of "Investor Awareness programme" and Prize distribution function of the students. Kalyan Ambernath Chapter also organized seminar on "Investor Awareness" on 30/01/2010. Training programme for Central Excise Officers was also organized by WIRC. Seminars on study circle meetings on IFRS were also organized during the month. Members meet on QRB and CAS were also organized at WIRC.

The preparations for Regional cost conference are in full swing and I am sure that majority of you have already enrolled for the mega annual event of WIRC on 11th & 12th February, 2010. This time 'Aurangabad Chapter" is having the privilege to be the host of this mega event and let me assure you that seeing the enthusiasm of the Chapter, the event would be a memorable one. Also 2nd WIR Students Conference 2010 to be hosted by Nashik chapter on 13th February, 2010. Nasik Chapter is also conducting campus interview for CWA Inter/Final pass candidates at Nasik on 14th February, 2010.

I would conclude my message with a small quote,

"Not all fingers are same in length, but when they are bent all stand equal. Life becomes easy when we bend and adjust to all situations"

With Warm Regards,

MANUBHAI K. DESAI

Continuing Education Programme

on

UNION BUDGET

Date: **Saturday, the 27th February 2010**

Time: **3.00 p.m. to 6.00 p.m.**

Speakers :

Advocate M. H. Patil &
Mr. Shripad Kabadi, FCA

Venue:
WIRC Hall, Rohit Chambers, Mumbai

(2 CEP Credit Hours will be provided)

Programme Co-ordinators

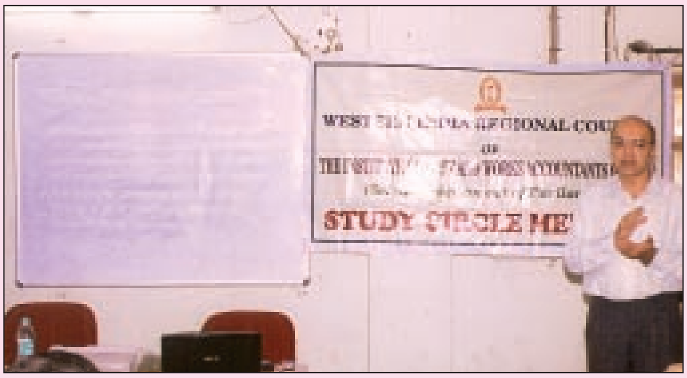
CMA Aruna Soman ... 98692 07020
CMA S.G. Narasimhan ... 98199 95065

For Registration:

E.mail: seminar@icwai-wirc.org

10 FUNDAMENTALS OF HAPPINESS

1. Pursue a productive, exciting and active life.
2. Engage in meaningful activities every minute of every day.
3. Develop an organised planned lifestyle with little chaos.
4. Set realistic goals yet keep your mark high.
5. Think positively - you cannot afford the luxury of a negative thought.
6. Avoid needless worry over trifling matters.
7. Devote time to fun.
8. Develop a warm, outgoing personality with a sincere love of people.
9. Get in the habit of giving more than receiving.
10. Learn to live in the present. The past is water under the bridge of life.



CMA (Dr.) N.M. Vechalekar delivering lecture on "Strategic Cost Management" during Study Circle Meeting held at Mulund College on 10-1-2010.

View of members during Study Circle Meeting held at Mulund College on 10-1-2010.

CMA P. V. Wandrekar, Secretary, WIRC speaking on the occasion of Training Programme organised by WIRC for Central Excise officials on 15-1-2010 at WIRC. Also seen (L to R) : CMA Aruna Soman, Programme Co-ordinator, WIRC and Faculties CMAs S. G. Narasimhan and S. R. Bhargave

CMA S. R. Bhargave interacting with Central Excise officials on 15-1-2010 at WIRC on the occasion of Training Programme

CMA Aruna Soman, Programme Co-ordinator WIRC welcoming CMA R.N. Bhave, faculty of Study Circle meeting held at Borivli on 16-1-2010.

CMA P.V. Wandrekar, Secretary WIRC, CMA Aruna Soman, Programme Co-ordinator WIRC, CMA R.N. Bhave, faculty and CMA Y.R. Doshi, Past Chairman WIRC at the Study Circle meeting held at Borivli on 16-1-2010.

CMAs V.C. Kothari, CCM-ICWAI, S.R. Bhargave, CCM-ICWAI, P.V. Wandrekar, Secretary - WIRC, Manubhai Desai, Chairman WIRC and Dhananjay Joshi, Past President, ICWAI during Members Meet organized by WIRC on 22-1-2010.

View of members during Members Meet organized by WIRC on 22-1-2010.

GST (Goods & Service Tax)

A path ahead...

— **CMA Ashok B. Nawal,** Past Chairman, WIRC

The Honourable Finance Minister, Shri Pranab Mukherjee refused to declare any deadline for implementation of GST. The Finance Minister said that the GST is good for the Centre, equally good for the States and much better for the trade and industry but unless States sort out their differences with the EC, Centre is not going to agree to any future date for GST roll-out. In other words, there is not going to be any formal announcement about the postponement of GST in near future, and even if it is postponed, it would be for an indefinite period.

State Government still couldn't come to conclusion for sharing of income and reimbursement of losses to State Government. Current state of affairs of politics is not good enough to bring the concusses to have the constitutional amendment where 2/3 amendment is needed and also some of the State Governments already objected for implementation of GST till proper solutions are found out to address the present recommendations of "Empowered Committee". Thirteenth Finance Commission Report is already submitted to Honourable President of India. Department of Revenue has already come up with their suggestions / dis-agreement on certain issues which are re-produced below: The said report has been submitted before announcement of 13th Finance Commission Report.

Para No. of the Discussion Paper	Issues	Comments of the DoR
3.1	It is important to take note of the significant administrative issues involved in designing an effective GST model in a federal system with the objective of having an overall harmonious structure of rates. Together with this, there is a need for upholding the powers of Central and State Governments in their taxation matters. Further, there is also the need to propose a model that would be easily implementable, while being generally acceptable to stakeholders.	Agreed.
3.2	Keeping in view the report of the Joint Working Group on Goods and Services Tax, the views received from the States and Government of India, a dual GST with defined functions and responsibilities of the Centre and the States is recommended. An appropriate mechanism that will be binding on both the Centre and the States should be worked out whereby the harmonious rate structure along with the need for further modification could be upheld, if necessary with a collectively agreed Constitutional Amendment.	Dual GST model with appropriate binding mechanism to harmonise the various important aspects of the GST like rate structure, taxation base, exemption etc. between Centre and States is agreed.
3.2(i)	The GST shall have two components: one levied by the Centre (hereinafter referred to as Central GST), and the other levied by the States [hereinafter referred to as State GST]. Rates for Central GST and State GST should be prescribed appropriately, reflecting revenue considerations and acceptability. This dual GST model would be implemented through multiple statutes (one for CGST and a SGST statute for every state). However, the basic features of law such as chargeability, definition of taxable event and taxable person, measure of levy including valuation provisions, basis of classification etc. should be uniform across these statutes as far as practicable.	Agreed. In addition, IGST on inter-State transactions should be levied by the Centre. SGST on imports should also be levied and collected by the Centre. Centre should pass on SGST collection on imports to concerned States on the destination principle.

Para No. of the Discussion Paper	Issues	Comments of the DoR
3.2(ii)	The Central GST and the State GST should be applicable to all transactions of goods and services made for a consideration except the exempted goods and services, goods are outside the purview of GST and the transactions which are below the prescribed threshold limits	Agreed. There should be a common base for taxation between Centre and States.
3.2(iii)	The Central GST and State GST are to be paid to the accounts of the Centre and the States separately. It would have to be ensured that account-heads for all services and goods would have indication whether it relates to Central GST or State GST (with identification of the State to whom the tax is to be credited).	Agreed. In addition, IGST should be paid to the accounts of the Centre.
3.2(iv)	Since the Central GST and State GST are to be treated separately, taxes paid against the Central GST shall be allowed to be taken as input tax credit (ITC) for the Central GST and could be utilized only against the payment of Central GST. The same principle will be applicable for the State GST. A taxpayer or exporter would have to maintain separate details in books of account for utilization or refund of credit. Further, the rules for taking and utilization of Credit for the Central GST and the State GST would be aligned.	Agreed.
3.2(v)	Cross utilization of ITC between the Central GST and the State GST should not be allowed except in the case of inter-State supply of goods and services under the IGST model which is explained later.	Agreed.
3.2(vi)	Ideally, the problem related to credit accumulation on account of refund of GST should be avoided both by the Centre and the States except in the cases such as of exports, purchase of capital goods, input tax at higher rate than output tax etc. where, again refund/adjustment should be completed in a time bound manner.	Agreed.
3.2(vii)	To the extent feasible, uniform procedure for collection of both Central GST and State GST may be prescribed in the respective legislation for Central GST and State GST.	Agreed.
3.2(viii)	The administration of the Central GST to the Centre and for State GST to the States would be given. This would imply that the Centre and the States would have concurrent jurisdiction for the entire value chain and for all taxpayers on the basis of thresholds for goods and services prescribed for the States and the Centre.	Agreed. The threshold for goods and services should be common between Centre and State on one hand and between goods and services on the other.
3.2(ix)	The present threshold prescribed in different State VAT Acts below which VAT is not applicable varies from State to State. A uniform State GST threshold across States is desirable and, therefore, it is recommended that a threshold	There should be a uniform threshold for goods and services for both SGST and CGST. This annual turnover threshold could be Rs.10 lakh or even more than that. The threshold exemption should not apply to dealers and

Para No. of the Discussion Paper	Issues	Comments of the DoR
3.2(ix)	of gross annual turnover of Rs.10 lakh both for goods and services for all the States and Union Territories may be adopted with adequate compensation for the States (particularly, the States in North-Eastern Region and Special Category States) where lower threshold had prevailed in the VAT regime. Keeping in view the interest of small traders and small scale industries and to avoid dual control, the States also considered that the threshold for Central GST for goods may be kept Rs.1.5 Crore and the threshold for Central GST for services may also be appropriately high. It may be mentioned that even now there is a separate threshold of services (Rs. 10 lakh) and goods (Rs. 1.5 crore) in the Service Tax and CENVAT	service providers who undertake inter-State supplies. The problem of dual control is better addressed through a compounding scheme as well as administrative simplification for small dealers through measures such as: • Registration by single agency for both SGST and CGST without manual interface • No physical verification of premises and no pre-deposit of security • Simplified return format • Longer frequency for return filing • Electronic Return filing through certified service centres / CAs etc. • Audit in 1-2% cases based on risk parameters • Lenient penal provisions There may not be any need to have direct link between compensation package, if decided for, and the threshold for registration for North-Eastern and special category States
3.2(x)	The States are also of the view that Composition / Compounding Scheme for the purpose of GST should have an upper ceiling on gross annual turnover and a floor tax rate with respect to gross annual turnover. In particular there will be a compounding cut-off at Rs.50 lakh of gross annual turnover and a floor rate of 0.5% across the States. The scheme should also allow option for GST registration for dealers with turnover below the compounding cut-off.	Agreed. Centre may also have a Composition Scheme up to gross turnover limit of Rs. 50 lakh, if threshold for registration is kept as Rs.10 lakh. The floor rate of 0.5% will be for SGST alone, in case Centre also brings a Composition Scheme for small assesses. The Centre may consider leaving the administration of Compounding Scheme, both for CGST and SGST to the States.
3.2(xi)	The taxpayer would need to submit periodical returns, in common format as far as possible, to both the Central GST authority and to the concerned State GST authorities.	In addition, taxpayers having inter-State transactions will require submission of returns to related Central IGST authority.
3.2(xii)	Each taxpayer would be allotted a PAN-linked taxpayer identification number with a total of 13/15 digits. This would bring the GST PAN-linked system in line with the prevailing PAN-based system for Income tax facilitating data exchange and taxpayer compliance.	There should be a uniform registration system through-out the country and this registration system should enable easy linkage with Income Tax database through use of PAN number.
3.2(xiii)	Keeping in mind the need of taxpayer's convenience, functions such as assessment, enforcement, scrutiny and audit would be undertaken by the authority which is collecting the tax, with information sharing between the Centre and the States.	Since the tax base is to be identical for the two components, viz., CGST and SGST, it is desirable that any dispute between a taxpayer and either of the tax administrations is settled in a uniform manner. The possibility of setting up a harmonised system for scrutiny, audit and dispute settlement may be developed.
3.4	On application of the principle, it is recommended that the following Central Taxes should be, to begin with, subsumed under the Goods and Services Tax:	Agreed.

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3.4	i) Central Excise Duty ii) Additional Excise Duties iii) The Excise Duty levied under the Medicinal and Toiletries Preparation Act iv) Service Tax v) Additional customs duty, commonly known as countervailing duty (CVD) vi) Special Additional Duty of Customs - 4% (SAD) vii) Surcharges, and viii) Cesses.	Since the tax base is to be identical for the two components, viz., CGST and SGST, it is desirable that any dispute between a taxpayer and either of the tax administrations is settled in a uniform manner. The possibility of setting up a harmonised system for scrutiny, audit and dispute settlement may be developed.
	Following State taxes and levies should be, to begin with, subsumed under GST: i) VAT / Sales tax ii) Entertainment tax (unless it is levied by the local bodies). iii) Luxury tax iv) Taxes on lottery, betting and gambling. v) State Cesses and Surcharges in so far as they relate to supply of goods and services. vi) Entry tax not in lieu of octroi.	Electricity duty, Octroi, purchase tax and taxes levied by local bodies should also be subsumed under GST.
	Purchase tax: Some of the States felt that they are getting substantial revenue from Purchase Tax and, therefore, it should not be subsumed under GST while majority of the States were of the view that no such exemptions should be given. The difficulties of the food grain producing States and certain other states were appreciated as substantial revenue is being earned by them from Purchase Tax and it was, therefore, felt that in case Purchase Tax has to be subsumed then adequate and continuing compensation has to be provided to such States. This issue is being discussed in consultation with the Government of India.	Purchase tax is nothing but sales tax where the responsibility for collection of tax is with the purchaser (and not with the seller as in the case of sales tax). Keeping 'purchase tax' outside will give the loophole to the States to impose 'purchase tax' on any commodity (food-grains, agricultural / forest produce, minerals, industrial inputs etc.) over and above GST. Hence, purchase tax must be subsumed. The compensation package, if agreed, need not have any link to any particular tax being subsumed.
	Tax on items containing Alcohol: Alcoholic beverages may be kept out of the purview of GST. Sales Tax/VAT can be continued to be levied on alcoholic beverages as per the existing practice. In case it has been made Vatable by some States, there is no objection to that. Excise Duty, which is presently being levied by the States may not be also affected.	Alcoholic beverages should be brought under the purview of GST in order to remove the cascading effect on GST paid on inputs such as raw material and packaging material. Sales tax / VAT and State excise duty can be charged over and above GST. Similar dispensation should apply to opium, Indian hemp and other narcotic drugs and narcotics but medicines or toilet preparations containing these substances should attract only GST.
	Tax on Tobacco products: Tobacco products should be subjected to GST with ITC. Centre may be allowed to levy excise duty on tobacco products over and above GST without ITC.	Agreed.

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	Tax on Petroleum Products: As far as petroleum products are concerned, it was decided that the basket of petroleum products, i.e. crude, motor spirit (including ATF) and HSD should be kept outside GST as is the prevailing practice in India. Sales Tax could continue to be levied by the States on these products with prevailing floor rate. Similarly, Centre could also continue its levies. A final view whether Natural Gas should be kept outside the GST will be taken after further deliberations	Keeping crude petroleum and natural gas out of the GST net would imply that the credit on capital goods and input services going into exploration and extraction would not be available resulting in cascading. Diesel, ATF and motor spirit are derived from a common input, viz., crude petroleum along with other refined products such as naphtha, lubricating oil base stock, etc. Leaving diesel, ATF and motor spirit out of the purview of GST would make it extremely difficult for refineries to apportion the credit on capital goods, input services and inputs. These products are principal inputs for many services such as aviation, road transport, railways, cab operators etc. As such, these may be levied to GST and in select cases credit of GST paid on these items may be disallowed in order to minimize the possibility of misuse.
	Taxation of Services: As indicated earlier, both the Centre and the States will have concurrent power to levy tax on all goods and services. In the case of States, the principle for taxation of intra-State and inter-State has already been formulated by the Working Group of Principal Secretaries/Secretaries of Finance / Taxation and Commissioners of Trade Taxes with senior representatives of Department of Revenue, Government of India. For inter-State transactions an innovative model of Integrated GST will be adopted by appropriately aligning and integrating CGST and SGST.	The sub-working group of the Empowered Committee in its report has suggested two options each for B to B and B to C transactions. A decision is required to be taken by the Empowered Committee with respect to the option to be adopted. Such a decision may be taken and communicated to DoR.
3.5	**Inter-State Transactions of goods & services:** The Empowered Committee has accepted the recommendations of the Working Group of concerned officials of Central and State Governments for adoption of IGST model for taxation of inter-State transaction of Goods and Services The scope of IGST Model is that Centre would levy IGST which would be CGST plus SGST on all inter-State transactions of taxable goods and services with appropriate provision for consignment or stock transfer of goods and services. The inter-State seller will pay IGST on value addition after adjusting available credit of IGST, CGST, and SGST on his purchases. The Exporting State will transfer to the Centre the credit of SGST used in payment of IGST. The Importing dealer will claim credit of IGST while discharging his output tax liability in his own State. The Centre will transfer to the importing State the credit of IGST used in payment of SGST. The relevant information is also submitted to the Central Agency which will act as a clearing house mechanism, verify the claims and inform the respective governments to transfer the funds.	Agreed. It may however be noted that IGST model will work smoothly only when there is a common threshold for goods and services and for Centre and States. Having more than one rate either for CGST or SGST will complicate the working of IGST model.

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3.5	The major advantages of IGST Model are: a) Maintenance of uninterrupted ITC chain on inter-state transactions. b) No upfront payment of tax or substantial blockage of funds for the inter-state seller or buyer. c) No refund claim in exporting State, as ITC is used up while paying the tax. d) Self monitoring model. e) Level of computerization is limited to inter-state dealers and Central and State Governments should be able to computerize their processes expeditiously. f) As all inter-state dealers will be e-registered and correspondence with them will be by e-mail, the compliance level will improve substantially. g) Model can take 'Business to Business' as well as 'Business to Consumer' transactions into account.	
3.6	GST Rate Structure: The Empowered Committee has decided to adopt a two-rate structure - a lower rate for necessary items and goods of basic importance and a standard rate for goods in general. There will also be a special rate for precious metals and a list of exempted items. For upholding of special needs of each State as well as a balanced approach to federal flexibility, and also for facilitating the introduction of GST, it is being discussed whether the exempted list under VAT regime including Goods of Local Importance may be retained in the exempted list under State GST in the initial years. It is also being discussed whether the Government of India may adopt, to begin with, a similar approach towards exempted list under the CGST.	There should be a single rate of SGST both for goods and services. A two rate structure for goods would pose the following problems: a) Likelihood of inversions in duty structure with raw materials and intermediates being at a higher rate and finished goods being at a lower rate, especially as the intention is to apply the lower rate to necessities. b) Inversions would result in input credit accumulation and demand for refunding the same from time to time. c) The general rate (RNR) would have to be higher than under a single rate structure. d) Currently, services are chargeable to tax at a single rate. Adopting a dual rate for goods would generate a similar demand for services too. e) Having different rates for goods and services would imply that the distinction between goods and services should continue. Around 99 items presently exempted under VAT may continue to remain exempted in GST regime. There should be no scope, with individual States, for expansion of this list even for goods of local importance. Efforts will be made by Centre to substantially reduce the number of items presently exempted under CENVAT regime. At the end, there must be a common list of exemptions for CGST and SGST.
	The States are of the view that for CGST relating to goods, the Government of India may also have a two-rate structure, with conformity in the levels of rate under the SGST. For taxation of services, there may be a single rate for both CGST and SGST.	There should be one CGST rate both for goods as well as services.

Para No. of the Discussion Paper	Issues	Comments of the DoR
	The exact value of the SGST and CGST rates, including the rate for services, will be made known duly in course of appropriate legislative actions.	SGST and CGST rates are required to be put in public domain much before initiation of legislative action.
3.7	**Zero Rating of Exports:** Exports should be zero-rated. Similar benefits may be given to Special Economic Zones (SEZs). However, such benefits should only be allowed to the processing zones of the SEZs. No benefit to the sales from an SEZ to Domestic Tariff Area (DTA) will be allowed.	Agreed.
3.8	**GST on Imports:** The GST is proposed to be levied on imports with necessary Constitutional Amendments. Both CGST and SGST will be levied on import of goods and services into the country. The incidence of tax will follow the destination principle and the SGST amount will accrue to the State where the imported goods and services are consumed. Full and complete set-off will be available on the GST paid on import on goods and services.	Levy of GST on imports may be handled by Centre through a Central legislation either as a customs duty (as is being done now) or along the lines of IGST. SGST collected by Centre may be passed on to concerned State following the destination principle. Taxation of import of services may be on the basis of reverse charge model, as is being done at present.
3.9	**Special Industrial Area Scheme:** After the introduction of GST, the tax exemptions, remissions etc. related to industrial incentives and special industrial area schemes should be converted, if at all needed, into cash refund or subsidy schemes after collection of tax, so that the GST scheme on the basis of a continuous chain of set-offs is not disturbed. Regarding Special Industrial Area Schemes, it is clarified that the benefits of such exemptions, remissions etc. would continue up to legitimate expiry time both for the Centre and the States. Any new exemption, remission etc. or continuation of earlier exemption, remission etc. would not be allowed. In such cases, the Central and the State Governments could provide reimbursement after collecting GST	Agreed.
3.10	**IT Infrastructure:** After acceptance of IGST Model for Inter-State transactions, the major responsibilities of IT infrastructural requirement will be shared by the Central Government through the use of its own IT infrastructure facility. The issues of tying up the State Infrastructure facilities with the Central facilities as well as further improvement of the States' own IT infrastructure, including TINXSYS, is now to be addressed expeditiously and in a time bound manner.	Agreed.
3.11	**Constitutional amendments, legislations and rules for administration of CGST and SGST:** It is essential to have Constitutional Amendments for empowering the States for levy of service tax, GST on imports and consequential	The Joint Working Group (JWG) has held several meetings by now. Department of Revenue is closely working with Ministry of Law, Government of India, for finalisation of draft Constitutional amendment. The issue of

Para No. of the Discussion Paper	Issues	Comments of the DoR
3.11	issues as well as corresponding Central and State legislations with associated rules and procedures. With these specific tasks in view, a Joint Working Group has recently been constituted (September 30, 2009) comprising of the officials of the Central and State Governments to prepare, in a time bound manner a draft legislation for Constitutional Amendment, draft legislation for CGST, a suitable Model Legislation for SGST and rules and procedures for CGST and SGST. Simultaneous steps have also been initiated for drafting of a legislation for IGST and rules and procedures. As a part of this exercise, the Working Group may also address the issues of dispute resolution and advance ruling.	empowering States to levy GST on imports has been deliberated by the JWG and the view which has emerged out of discussion is that the Centre shall collect GST on imports and pass on the SGST component of it to concerned State on destination principle.
3.12	**Harmonious structure of GST and the States' autonomy in federal framework:** As a part of the exercise on Constitutional Amendment, there would be, as mentioned earlier, in para 3.2, a special attention to the formulation of a mechanism for upholding the need for a harmonious structure for GST along with the concern for the States' autonomy in a federal structure.	Agreed in principle.
3.13	**Dispute Resolution & Advance Rulings:** As a part of the exercise on drafting of legislation, rules and procedures for the administration of CGST and SGST, specific provisions will also be made to the issues of dispute resolution and advance ruling	The provisions related to dispute resolution, advance rulings and other business processes need to be harmonised between Centre and States.
3.14	**Need for compensation during implementation of GST:** Despite the sincere attempts being made by the Empowered Committee on the determination of GST rate structure, revenue neutral rates, it is difficult to estimate accurately as to how much the States will gain from service taxes and how much they will lose on account of removal of cascading effect, payment of input tax credit and phasing out of CST. In view of this, it would be essential to provide adequately for compensation for loss that may emerge during the process of implementation of GST for the next five years. This issue may be comprehensively taken care of in the recommendations of the Thirteenth Finance Commission. The payment of this compensation will need to be ensured in terms of special grants to be released to the States duly in every month on the basis of neutrally monitored mechanism.	Empowered Committee has already referred the issue to the Thirteenth Finance Commission (TFC). TFC is likely to submit its report shortly. A view on the subject will be taken after more clarity on the subject is available.
3.15	With this First Discussion Paper and the Annexure on frequently asked Questions and Answers on GST, interaction with the representatives of industry, trade and agriculture	Empowered Committee may prepare a plan with clear timelines for orientation of stakeholders so that required steps may be taken by all the States in time.

Para No. of the Discussion Paper	Issues	Comments of the DoR
3.15	would begin immediately at the national level, and then also simultaneously at the State levels. Similarly awareness campaign for common consumers would also be initiated at the same time. As a part of the discussion and campaign the views of the industry, trade and agriculture as well as consumer may be sought to be obtained in a structured and time bound manner.	

I give below the major issues which 13th Finance Commission Report has addressed after considering 1st Discussion Report of "Empowered Committee" of State Finance Ministers.

1. The 'flawless' GST recommended by us comprises of the following elements:
   (a) It should be a dual levy imposed concurrently by the Centre and the States, but independently to promote cooperative federalism.
   (b) Both the Central Goods and Services Tax (CGST) and the State Goods and Services Tax (SGST) should be levied on a common and identical base.
   (c) The Centre and the States should adopt a consumption-type GST, that is, there should be no distinction between raw materials and capital goods in allowing input tax credit.
2. GST rate will include CGST @ 5% and SGST @7% on common & identical base.
3. GST ie CGST & SGST will have common classification of goods & services to avoid classification disputes.
4. The GST should be structured on the destination principle. As a result, the tax base will shift from production to consumption whereby imports will be liable to both CGST and SGST and exports should be relieved of the burden of goods and service tax by zero rating. Consequently, revenues will accrue to the State in which the consumption takes place or is deemed to take place.
5. The CGST and SGST should be credited to the accounts of the Centre and the States separately. Since the CGST and SGST are to be treated separately, taxes paid against the CGST should be allowed to be taken as input tax credit (ITC) for the CGST and could be utilized only against the payment of CGST. The same principle will be applicable for the SGST. Cross utilization of ITC between the CGST and the SGST should not be allowed.
6. It is also advised that there should not be exemption except in following cases:
   (a) All public services of Government (Central, State and municipal/panchayati raj) including Civil administration, health services and formal education services provided by Government schools and colleges, Defence, Para-military, Police, Intelligence and Government Departments. However, public services will not include Railways, Post and Telegraph, other commercial Departments, Public Sector enterprises, banks and Insurance, health and education services.
   (b) Any service transactions between an employer and employee either as a service provider, recipient or vice versa;
   (c) Any unprocessed food article which is covered under the public distribution system should be exempt regardless of the outlet through which it is sold; and
   (d) Education services provided by non-Governmental schools and colleges
   (e) Health services provided by non-Governmental agencies.
7. The SIN - goods comprising of emission fuels, tobacco products and alcohol should be subject to a dual levy of GST and excise. No input credit should be allowed for excise. However, industrial fuels should be subjected only to GST (both Central and State) with the benefit of input credit like any other intermediate good.
8. The consignment sales and branch transfers across states should be subject to treatment in the same manner as if it was a inter-state transaction in the nature of sale between two independent dealers.
9. The function of all state border check posts should be reduced to checking contrabands by setting up large scanners for trucks to pass through without any need for physical verification. The cost of the scanners should be entirely borne by the Central Government. All check-posts should be jointly manned by both States so as to reduce the number of check-posts and enhance efficiency in the road movement of goods.
10. They have recommended to stop the exemption for
    (a) Area-base exemption
    (b) SEZ Developer & SEZ unit
11. They have recommended to include in the GST Net

the Power sector, Real Estate sector, Vehicle, Goods & passengers sector, financial and Housing services.

(i) As far as the registered dealer is concerned, he would be required to make a single payment of the aggregate of all sums due to the Centre and all other States. Even though he would have collected tax in the Origin State for inter- state transactions with buyers in a number of destination States, he can fulfil his obligation of directly remitting the tax so collected to all the destination states through a single payment made along with the electronic furnishing of Form No. GST-I. This mechanism will have the benefit of extremely low compliance cost.

12. The GST envisages a mechanism whereby both the Centre and the States will cease to have any independent power to make changes in the design and structure once agreed upon. The existing mechanism for arriving at a collective decision on the structure of the GST should be permanently institutionalised so that changes in the initial design of the GST are collectively agreed and implemented by both the Centre and the States. The Empowered Committee of State Finance Ministers may, upon the introduction of the GST, be transformed into a permanent constitutional body known as the Council of Finance Ministers. This Council shall comprise of the Union Finance Minister and all State Finance Ministers. The Union Finance Minister would be the Chairman of this Council.

13. The Council should be responsible for any modification in the initial design of the dual GST and regulating the indirect tax system in the country. The initial design of the dual GST should be approved by the Chairman and three-fourth of the State Finance Ministers. Thereafter, any change in the structure of the GST (both base and the rates) should be allowed to be carried out only if the Chairman and two-thirds of the State Finance Ministers agree to do so. Consequently, neither the Centre nor any State will have the authority to unilaterally make any change in the agreed design of the GST. However, in the event of a crisis, the Member State or the Centre may take immediate steps to impose a surcharge subject to ex-post facto approval by the Council within one month. Further, such surcharge should not be allowed to remain in force beyond a period of one year.

GST is only the answer for avoiding cascading effect of taxes and also removing the difficulties faced by the Trade & Industry. However, 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.

Now it is almost certain that GST may be implemented not earlier than 1st April 2011 and there should be pressure on the Government on all the segments of society, then only some sense will prevail. To control the present level of inflation and the consumer price, perhaps, one of the solutions is to implement GST with immediate effect. Budget 2010-2011 preparation is already in process and Ministry of Finance had a meeting with number of industries and Trade Associations and still he has refused to declare the date of implementation of GST.

Being an Indian one has to be proud but he has to also bear with such type of delays since democracy of India is respected not only by Indians but also respected in the world. Let us pray to the almighty that concusses will reach amongst politicians at least for implementations of GST at the earliest.

AT THE HELM

CMA Sunil Deshmukh (M/10691) Fellow member of the Institute from Aurangabad has been promoted as Managing Director in Indo-Jordan Chemicals Ltd, Amman in Jordan. CMA Sunil Deshmukh is also LLB and Company Secretary. CMA Sunil Deshmukh has served as Chairman of Aurangabad Chapter during the period 1999-2001 and actively participated in various initiatives of the Chapter.

CMA Sunilkumar Jain (M/11875) Associate Member of the Institute from Aurangabad has been promoted as CFO, CE & HA Business of Videocon Industries Ltd. CMA Sunilkumar Jain, a Cost Accountant of 1989 batch and Company Secretary by qualification, has 18 years of exposure in the areas of accounting, controlling, finance and commercial operations. He has worked with the organizations like Cimmco (Birla) Ltd., Autolite India Ltd and Grasim Industries Ltd. in various capacities. CMA Jain has served as Vice Chairman of Aurangabad Chapter during 2004-2006 and actively participated in various initiatives of the Chapter.

CMA Paresh Raval (M/11543), Associate Member of the Institute from Ahmedabad has been elected as Regional Council Member of WIRC of ICAI.

IFRS CORNER

A monthly column by CMA Rammohan Bhave and CMA Dr Anjali Bhave

R N Bhave, FICWA,FCA, ACS, LLB(G), IFRS-ICAI, Six sigma green belt & Dr. Anjali Bhave, CWA, DBF, Ph.D.

Write queries to **mohanbhave@gmail.com**

What is IFRS 9 – Financial Instruments?

It is a new standard issued on 12 November 2009 by the International Accounting Standards Board. The Standard introduces new requirements for the classification and measurement of financial assets. At present it does not cover financial liabilities.

What is the purpose of issuing a new standard?

IFRS 9 is intended to replace the existing IAS 39 *Financial Instruments: Recognition and Measurement*.

Is it a complete standard at present?

The replacement if IAS 39 is to be done in a phased manner as follows –

- The first phase is complete with the issuance of IFRS 9 which covers the chapters of IFRS 9 relating to the classification and measurement of financial assets.
- Other aspects of IAS 39, viz, Financial liabilities - classification and measurement, Impairment, Hedge Accounting and Derecognition will be added later.
- IAS 39 is to be replaced in its entirety by the end of 2010.

Why is a new standard being introduced?

Requirements in IAS 39 are felt to be difficult to understand, apply and interpret. A need is also felt to have the standard more principle-based and less complex. Many concerns were expressed during the financial crisis arising from the classification and measurement requirements for financial assets in IAS 39.

What are the major deviations from IAS 39?

1. Number of categories - The number of classification and measurement categories is reduced for 4 to 2. The available-for-sale and held-to-maturity classifications in IAS 39 are dropped under IFRS 9 retaining only Fair Value and amortised cost classifications.
2. Classification of debt instruments - If both the 'business model test' and the 'contractual cash flow characteristics test' are satisfied a debt instrument should be measured at amortised cost
   - Business model test: The objective of the entity's business model is to hold the financial asset to collect the contractual cash flows (rather than have the business model objective to sell the instrument prior to its contractual maturity to realise its fair value changes. The test is applied at portfolio or business unit level rather than at individual financial instrument
   - Contractual cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Thus bonds convertible into equity would not meet this test as the cash flows are not payments of principal and interest on the principal amount outstanding. If the contractual cash flows are not solely payments of principal and interest on the principal amount outstanding, the instrument would not satisfy this test, for example creditor's claim is limited to specified assets of the debtor or the cash flows from specified assets or a 'non-recourse' financial asset. In such situations, the creditor is required to assess ('look through to') the particular underlying assets or cash flows to determine whether the contractual cash flows of the financial asset being classified are payments of principal and interest on the principal amount outstanding.

There is an option to designate a debt instrument as FVTPL on initial recognition if it eliminates or significantly reduces an accounting mismatch

3. Reclassification - Reclassification is permitted if an entity changes its business model for managing financial assets. All the financial assets affected are to be reclassified. The tainting rule is no more applicable.
4. Separation of embedded derivatives - Separation of Embedded derivatives which are not closely related to the host contracts is not required. The financial assets are assessed in their entirety and the asset as a whole is measured at FVTPL if any of its cash flows do not represent payments of principal and interest. IFRS 9 only applies to financial assets at present so provisions of IAS 39 for separation of embedded derivatives are still applicable to all hybrid contracts with a financial liability host.
5. Equity instruments - all equity investments held must be measured at fair value Under IAS 39 unquoted equity investments could be measured at cost less impairment where fair valuation is not sufficiently reliable. This exemption is not available under IFRS 9.
6. Fair value change through OCI - The entity is given a choice at initial recognition to make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument which is not held for trading.

What is the date of application of this standard?

An entity shall apply this IFRS for annual periods beginning on or after 1 January 2013. Earlier application is permitted.

IFRS ROADMAP INDIA JAN 2010

Article by CMA R N Bhave, FICWA,FCA, ACS, LLB(G), IFRS-ICAI, Six sigma green belt, IFRS Consultant and CMA Dr. Anjali Bhave, CWA, DBF, Ph.D., and IFRS Consultant alongwith CA Anand Banka ***(views are personal)***

INDIA JAN 2010 is published and while it opens the door, reaffirms commitment, opens up more questions than answers

As of 5th Feb 2010, there are many clarifications not available to general public. Also while it is called as MCA press release, it is published on pib.nic.in and not on MCA.GOV.IN

On 22 January 2010, the Ministry of Corporate Affairs (MCA) issued a press release setting out the roadmap for International Financial Reporting Standards (IFRS) convergence in India. The roadmap requires IFRS to be made applicable in a phased manner, as under:

Phase	Opening balance sheet as at	Applicable to
1.	April 1, 2011	· NSE Nifty · BSE Sensex · Companies whose shares or other securities are listed on a stock exchange outside India · Companies with Net Worth > 1000 crores
2.	April 1, 2013	· Companies with Net Worth > 500 crores
3.	April 1, 2014	· All other Listed Companies

Further, separate roadmap for banking and insurance companies will be submitted by the Sub-Group I, constituted by MCA, in consultation with the concerned regulators by 28th February, 2010.

The said roadmap gives rise to numerous questions, as mentioned below, that needs detailed guidance:

1. Banks and BFSI sector for which it is very crucial - postponed to Feb and hope it comes up in Feb
2. IFRS talks about entity or enterprise while roadmap talks about company - losing spirit of IFRS.
3. Net worth of Rs 1000 cr as per balance-sheet - so even companies reaching 1000 cr now or till 31st March 2012 looks like excluded and which balance sheet is to be considered is still unknown to common investors
4. Similarly net worth is as per Indian balance-sheet, so companies have huge properties but low book values, get scot-free.
5. IFRS looks for consolidated accounts. But roadmap does not specify about net worth to be considered is of group or individual companiesand that point is not clear.
6. Roadmap talks about banks and insurance - No clarity about NBFC. Does it mean it is compulsory to NBFC being a company.
7. As per IFRS 1 previous year comparatives are required. So 1st April 2010 balance-sheet was required. - press release talks 1st April 2011 as opening balance sheet creating anamoly with IFRS.
8. MCA changes applicable - will SEBI accept? IFRS format for quarterly is different. Has SEBI accepted this? No clarity
9. The main purpose of financial statements is to facilitate comparison. With a phased roll out the decision makers especially investors will have a tough time comparing financial statements of a IFRS compliant NIFTY / SENSEX company and the one which is not following IFRS. There are more than 2000 listed companies on BSE out of which only handful will be following IFRS. Any reader of bank balancesheet can imagine that comparing balancesheets of an IFS compliant and non compliangt bank is comparing apples to oranges.
10. IFRS 9 becomes applicable from 2013 with early adoption permitted by existing users. The Standard is work in process and further requirements will be added over a period if time till 2013. There has to be clarity about how this standard will become applicable. Otherwise applying IAS 32 and 39 now and then switching to IFRS 9 later will be a big headache.
11. It is very essential to have clarity from RBI about the linkage of the CRR requirements and its linkage with the amortised cost category of Financial instruments.
12. Clarity is also essential from RBI about loan loss provisioning. IFRS till date had gone with the incurred loss mode. A project to consider application of expected loss principles is underway. In many countries Central banks have maintained , their own methods of provisioning for NPAs. Considering the conservative and cautious approach of RBI it is difficult to assume that it will go with the present incurred loss model or even the expected loss model.

So what do you say WAIT AND WATCH

CHAPTER NEWS

KALYAN AMBERNATH

On 9th January 2010. CMA G. B. Shamnani, Chairman of Chapter along with Mr. Raju P.C. Executive Secretary of the Chapter visited Adarsh College of Arts & Commerce, Badlapur and met Principal Dr.Vaidehi Daptardar and informed about details of I.C.W.A.I. course, Management of the College was glad to know and requested to open Extension Center of Chapter for benefit of students of Badlapur.

On 21-22 January 2010 Chapter participated in Two Days Career Fair Organized by R.K. College of Arts Science & Commerce, Ulhasnagar. Mr. Parag Patki, Consultant, Patni Computers Ltd., Mumbai, inaugurated the Career Fair. CMA G. B. Shamnani, Chairman of Chapter along with Mr. Raju P.C. Executive Secretary and Mr. Ravi Rohra informed the students about details of the course.

On 27th January 2010, Chapter organized Career Counselling Programme at Bharat College of Arts, Science & Commerce, Badlapur (West). CMA G. B. Shamnani, Chairman of Chapter informed students about ICWAI course and its scope in service and practice.

Republic Day Celebrations

Chapter celebrated 60th Republic Day at Chapter's premises. CMA. G.B. Shamnani Chairman of Chapter hoisted the flag along with many students and Mr. Omprakash Dalwani, Mr. Shamsher Chand and Mr. Ravi Rohra, Staff members of the Chapter. Chairman interacted with students on the various topics of current developments in profession. He informed about government's plan for restructuring the Direct and Indirect Taxation during next financial year and emerging opportunities and challenges to be faced by newly qualified members of Institutes with especial reference to introduction of IFRS. Mr. Raju P.C. Executive Secretary of Chapter, proposed vote of thanks.

Investors Awareness Programme

On 30th January 2010 Chapter organized Investors Awareness Programme at Hotel Jawahar, Ulhasnagar. Mr. Nand S. Vagarya, Vice-Principal of R.K.Talreja College of Arts Science & Commerce, and CMA P.V. Wandrekar, Secretary of WIRC OF ICWAI were Chief Guests. The programme was also attended by CMA Aruna Soman. CMA G.B. Shamnani Chairman of Chapter welcomed the guests and informed that our Institute has been organizing such programmes all over India to educate the investors. CMA P.V. Wandrekar explained importance of investor's education. CMA. S.G. Narasimhan spoke on "Enterprise Governance and Corporate Governance". He explained the concepts in very simple language and informed importance of corporate Governance for investor protection. CMA. D.M. Bathija spoke on "Investors Guide to Depositories" .He explained the concept of depositories and its benefits to investors. CMA. M.R. Dudani, Vice-Chairman of the Chapter informed about special measures taken by Govt. for Investors Education and Protection. On this occasion, Ms. Anupama Jawale, Faculty Member for Computer Training was felicitated at the hands of CMA Aruna Soman for taking special efforts to develop Chapter's web site and also Mr. Raju P.C. Executive Secretary was felicitated at the hands of CMA P.V. Wandrekar, for spreading awareness about ICWA course among various colleges. CMA G.U.Keswani, Treasurer of Chapter, Ms. Kirti Sharma, Mr. Srichand Hinduja, faculty members and many students, their parents and general public and staff members of Chapter, attended the Programme. Programme ended with vote of thanks proposed by Mr. Raju P. C., Executive Secretary of Chapter and National Anthem.

NAVI MUMBAI

New Address of Navi Mumbai Chapter

Navi Mumbai Chapter of Cost Accountants
303, Continental Society, Plot No 48, Sector - 29,
Vashi, NAVI MUMBAI - 400 703

CEP on Fixed assets and capitalization under different GAAP

Navi Mumbai Chapter of Cost Accountants conducted a CEP on Fixed assets and capitalization under different GAAP on 17th January 2010.

The speaker was CMA Amtava Sur - Director, Vidieo Jet Technology, and is a senior member of the Chapter.

CMA Amtava Sur started his discussion with Capitalization of Property, Plant and Equipment under different GAAP. He discussed different statutes, definition under IFRS, US GAAP, and Indian GAAP.

He also informed that Under US GAAP and IGAAP, recognition of Property, Plant and Equipment happens when the asset is PUT to use, whereas under IFRS, recognition happens when the asset is AVAILABLE for use.

CMA Amtava Sur also discussed about Depreciation of assets, assets held for disposal, and Revaluation under different GAAP.

He also informed that Revaluation of Assets is not permitted in USGAAP.

The speaker also discussed about how the interest cost can be capitalized and under which situation the capitalization of interest cost does not apply.

The session was very much interactive and well received by the members.

CMA K.R.Jethani - Chairman of the Chapter concluded the session with a vote of thanks.

PUNE

Inauguration of Pune Chapter's Oral Coaching Classes

The inaugural function of Oral Coaching Classes –Session No. 4, for January 2010 to June 2010 was organized at various centers of Pune Chapter on 4th January 2010 as under :

- CMA (Dr.) N.M. Vechalekar, Past Chairman, WIRC and CMA Pramod Dube – Chairman of Pune Chapter at Laxminagar Premises (morning batch) and CMA Sanjay Bhargave CCM and CMA D.V.Patwardhan – Hon. Director PCCA at Laxminagar Premises (evening batch).
- CMA N.K.Nimkar – Past Chairman,PCCA and CMA Neeraj Joshi –Chairman Prof. Development Committee of PCCA at Wadia College
- CMA Anant Dhavale, Chairman, Student's Co-ordination Committee, PCCA, at H V Desai College, Pune
- CMA D.R.Kulkarni, Working Committee Chairman, PCA Center with other Committee Members at Ram Krishna More Mahavidyalaya –Akurdi
- CMA (Mrs.) Madhuvanti Sathe, Vice Chairman, PCCA at Garware College

Business Communication Seminar

The first Business Communication Seminar for Intermediate Students was organized on 24th January 2010 at Wadia College premises. Mr. Savyasachin Mittal, a well-known faculty on the subject of Communication Skills from Pune, conducted the programme.

He covered the topics such as Communication – Principles, Inter-personal communication, Body language, Business Letter, Report Writing, Leadership Skills, Personal Interview, Project Presentation etc.

With practical examples wherein he made the students to participate in, the programme proved to be very effective and interesting for the students to understand closely the principles of communication skills.

Republic Day Celebration

Flag Hoisting Ceremony was organized on 26th Jan.2010 on Republic Day at Laxminagar Premises of Pune Chapter in the morning. CMA Amit Apte –Vice Chairman –WIRC hoisted the flag on this occasion. Present were CMA Pramod Dube, Chairman-PCCA, CMA Sanjay Bhargave CCM, CMA Nimkar Past Chairman, CMA D.V. Patwardhan – Hon. Director PCCA, Mr. Shah –Director Science Academy, PCCA Staff and Students of PCCA.

CMA Amit Apte –Vice Chairman –WIRC in his brief speech on this occasion observed that concentration on our goals is very essential to every body and all of us should aim at achieving the same.

CMA Sanjay Bhargave advised students to keep themselves up to date with the changes taking place around us and understand their impacts and accordingly plan for the strategy for future.

Modular Training Programme

Modular Training programme for Final year students for the current stage was inaugurated on 31st January 2010 at Pune Chapter's Premises by CMA Milind Date, FICWA & our faculty member. CMA D V Patwardhan, Hon. Director explained the importance of Modular Training. He further explained the scheme & schedule of Modular Training. CMA S S Limaye, was the faculty for the first session. The subject was Accounting Standards I, II, III & XIV.

Four groups of students were formed for the purposes of making Power Point Presentation on any of these standards. This gave an opportunity to the students to understand the subject very well and also explain the same to the gathering. CMA S S Limaye after these presentations explained the various concepts underlying these standards and covered various provisions under IFRS. There was a very good response from the students for this first programme on Modular Training in the current session.

Half Day Seminar on 'Global Financial Crisis' at SolapurPune Chapter of Cost Accountant's Solapur Unit, organized a Half Day Seminar on 31-1-2010 at Solapur on the subject 'Global Financial Crisis'. Mr. Ambadas Kodam, Management Consultant – London was the main speaker. Mr. Pramod Vaidya, Director – K P Mangalwedhekar Institute of Management, Solapur inaugurated the Seminar by lighting the traditional lamp. CMA Murali Iyengar, Mr. Kodam. Mr. N. K. Alwal, Director – Finance, Vamsy Labs Ltd. felicitated Mr. Kodam by offering a bouquet.Mr. Kodam superbly analysed the Global Financial Crisis and its impact on Indian Economy. There was question and answer session at the end. Large number of members, Tax Consultants, Representatives from the Corporate and students were present for the seminar. CMA R. V. Kshirsagar, member of the Institute proposed a vote of thanks.

SURAT-SOUTH GUJARAT

Prize Distribution Function and Felicitation of President of ICWAI

On 10th January 2010, Chapter felicitated President CMA G. N. Venkataraman, Vice President CMA B. M. Sharma & Chairman WIRC CMA Manubhai Desai at K. P. Commerce College, Vanijya Bhavan auditorium. On this occasion CMAs Sanjay Bhargave, V. C. Kothari and A. G. Dalwadi Central Council Members and CMAs Amit Apte, Vice Chairman WIRC, P. V. Wandrekar, Secretary WIRC, Dinesh Birla, Treasurer of WIRC and G. R. Paliwal, RCM were present.

The Felicitation Function started by inaugural address of Chairperson of the Chapter CMA (Dr.) Heena Oza who outlined the activities of the Chapter. The President motivated students and gave them a bird's eye view of opportunities for CMA's. CMA Manubhai Desai also showered his blessings on students. CMA S. V. Mohite, Vice Chairman of the Chapter proposed vote of thanks at the end of the programme. The meritious students were felicitated by the President & Vice President of ICWAI and Chairman of WIRC. The parents of Rank holders were also felicitated on this occasion.

Investor Awareness Programme

The Chapter also organized Investor Awareness Programme, under the genesis of Ministry of Corporate Affairs, GOI, where experts on the topic deliberated and shared their views about Investor protection. President of ICWAI CMA G. N. Venkataraman in his keynote address elaborated the importance of investor awareness. Vice- President CMA B. M. Sharma also informed the investors about corporate laws for their benefit. Expert faculties include Mr. Satish Joshi, Investment Consultant, Mr. Aditya Shrinivasan, MBA & CMA Debjit Sanyal who dealt with topics in vernacular language as well. Around 250 investors, students and members took benefit of this programme.

On 9th January 2010 there was a Press Conference where President of ICWAI briefed the Media about opportunities for Cost Accountants and future of profession, the same was covered widely by all local newspapers and channels.

Report on IFRS Programs

WIRC had arranged the programs on IFRS on 16th January 2010 at St. Francis Institute of Management, Borivli and on IFRS – Compliance, Career & Challenges at WIRC on 23rd January 2010. The speaker of the program was CMA Rammohan Bhave, the fellow member of the Institute.

CMA Bhave explained in detail the implications of implementation of IFRS in India effective 1.4.2011. He also talked about the role of Cost Accountants in the said scenario. The programs were attended and well received by the members, non members and the students.

SEMINAR ON SOFT SKILL

WIRC arranged a full day seminar on Soft Skill for the Final Students of Oral Coaching Classes on Sunday the 31st January 2010 at N.M. College, Vile Parle.

Smt. Pratima Hawaldar, MA (Psychology), Consulting Psychologist delivered the lecture on How to prepare for Interview.

She also conducted Practical interviews among the students and live demonstration of interviews.

CMA (Mrs.) Aruna Soman, Programme Co-ordinator, WIRC also helped the students for solving their particular problems.

WIRC has received excellent feedback from the students about the seminar.

Training Programme Organized by WIRC for Central Excise Officials

WIRC - ICWAI has organized Training Programme for Central Excise Officials on 15th January 2010 at WIRC office. CMA S. G. Narasimhan, Programme Co-ordinator & CMA Sanjay Bhargave were the faculty for the programme. The programme was appreciated by the Central Excise Department.

Study Circle Meeting Report

CMA (Dr) N.M. Vechalekar, Past Chairman of WIRC, presented a topic on Strategic Cost Management, on 10th January 2010 at Mulund College of Commerce, Mulund. The subject emphasized more on case study with a view to bring clarity on the concepts of Cost Management.

The programme was well attended by members.

While CMA Ashish Thatte, Programme Co-ordinator WIRC welcomed the speaker, CMA Shekhar Joshi, Programme Co-ordinator, Eastern Suburbs Study Circle, concluded with a Vote of Thanks.

Western India Regional Council of ICWAI

announces

(Second repeat programme as requested by Members)

Full Day Seminar on

IFRS Roadmap by MCA – Disclosure, Valuation & Practical Example

Faculty:

CMA R. N. Bhave, FICWA,FCA, ACS, LLB(G), IFRS-ICAI, Six Sigma Green Belt and renouned International faculty on IFRS

***Date:* Friday, the 19th February 2010**

***Time:* 9.30 a.m. to 5.30 p.m.**

Venue:

WIRC Hall, Rohit Chambers, Mumbai

Fees: Rs. 600/- for ICWAI Members
Rs.750/- for non Members

(4 CEP Credit Hours will be provided)

Programme Co-ordinators

CMA Aruna Soman ... 98692 07020
CMA S.G. Narasimhan ... 98199 95065

For Registration:

E.mail: seminar@icwai-wirc.org

Quote

For every minute you are angry with someone, you lose 60 seconds of happiness that you can never get back.

Secrets of Success :

"First identify your core competency and then change your playing field to suit your core competency"

STUDY CIRCLE MEETING OF EASTERN SUBURBS / THANE

Date	:	Saturday, 13th February 2010
Time	:	5.30 p.m. to 8.30 p.m.
Topic	:	**External Commercial Borrowing**
Speaker	:	**CMA Debashish Mitra**
Venue	:	Mulund College of Commerce Mulund (W), Mumbai 400 080.

Programme Co-ordinators :

CMA S. G. Narasimhan ... 98199 95065

CMA Shekhar Joshi ... 98204 25493

(2 CEP Credit Hours will be provided)

Inauguration of Modular Training Programme

WIRC organised the Inauguration function of Modular Training Programme at Sydenham College on 7-2-10 for the Final Students who are appearing for June 2010 examination. CMA Aruna Soman, Programme Co-ordinator, WIRC inaugurated the session. More than 170 students attended the first session. These sessions will continue for 15 Sundays.

Smt. Pratima Hawaldar conducting full day seminar on Soft Skill arranged by WIRC on 31st January 2010.

View of students and members during seminar on IFRS-Compliance, Career & Challenges organized by WIRC on 23-1-2010.

Mr. Raju P.C., Executive Secretary of Kalyan Ambernath Chapter interacting with the members during Investors Awareness Programme organized by the Chapter on 30th January 2010. Also seen CMA G. B. Shamnani, Chairman of Chapter, CMA D. M. Bathija, CMA S. G. Narasimhan, Speaker for the programme, CMA Aruna Soman, Programme Co-ordinator WIRC, CMA P.V.Wandrekar, Secretary WIRC and CMA M.R.Dudani, Vice Chairman of the Chapter

View of students & members during Investors Awareness Programme organized by Kalyan Ambernath Chapter on 30th January 2010.

(L to R) CMA (Dr.) Heena Oza, Chairperson of the Chapter & CMA Dinesh Birla, Treasurer WIRC lighting the lamp during Investor Awareness Programme held at Surat on 10-1-2010. CMAs Manubhai Desai, Chairman WIRC, G. N. Venkataraman, President ICWAI and B. M. Sharma, Vice President ICWAI look on.

CMA G. N. Venkataraman, President ICWAI felicitated by CMA Manubhai Desai, Chairman WIRC during felicitation function held at Surat on 10-1-2010.

(L to R) CMAs S. V. Mohite, Vice Chairman of the Chapter, V. C. Kothari, CCM-ICWAI, Manubhai Desai, Chairman WIRC, G. N. Venkataraman, President ICWAI, B. M. Sharma, Vice President ICWAI, Dr. Heena Oza, Chairperson of the Chapter, Amit Apte, Vice Chairman WIRC, S. R. Bhargave, CCM-ICWAI during felicitation function held at Surat on 10-1-2010.

CMA G. N. Venkataraman, President ICWAI alongwith Mr. Mayank Agarwal, All India Topper and his parents during felicitation function held at Surat on 10-1-2010.

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CMA R.N. Bhave, faculty alongwith the participants of seminar on International Financial Reporting Standards (IFRS) jointly organized by WIRC-ICWAI and MHD Training Institute, LLC, Oman on 24th & 25th January 2010 at Muscat.

CMA (Mrs.) Aruna Soman, Programme Co-ordinator WIRC welcoming the participants during the seminar on IFRS-Compliance, Career & Challenges organized by WIRC on 23-1-2010. Also seen CMAs G.R. Paliwal, RCM-WIRC, R.N.Bhave, Speaker for the seminar, Manubhai Desai, Chairman WIRC.

CMA S R Bhargave, CCM addressing the students at inaugural function of oral coaching classes held on 4th January 2010 at Pune Chapter. Also seen (From L to R): Mr. Shekhar Sane, Chartered Accountant & Faculty, CMA.V R Jain, Fellow Member of the Institute & Faculty and CMA.D.V.Patwardhan, Hon. Director, Pune Chapter.

CMA Amit Apte, Vice-Chairman of WIRC hoisting the flag on Republic Day at Pune Chapter. Also seen (Lto R) CMA Pramod Dube, Chairman – PCCA, CMA S R Bhargave, CCM-ICWAI, CMA D V Patwardhan, Hon. Director – PCCA, Pune Chapter Staff and students of Oral Coaching Classes.

Mr. Hubert D'Souza, Speaker for the session – Modular Training – being welcomed by Final Student organised by WIRC on 7-2-2010 at Sydenham College

View of the students at the Modular Training organised by WIRC on 7-2-2010 at Sydenham College

To

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