



WIRC BULLETIN



Shri Rajesh Pandey, Commissioner of Central Excise lighting the lamp

Programme on "Model GST Law in India -Train the Trainers" organized by Taxation Committee, ICAI on 1st & 2nd Oct. 2016 at Pimpri, Pune

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WESTERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)

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Felicitation function held at Sydenham College on 24th September 2016



CMA A K Mukhopadhyay, Vice President - Business Planning, Tata Motors inaugurating the function



Presentation by CMA Harshad Deshpande - RCM, WIRC on MOU with different Institutions by ICAI



Mr. Indranil Sarker, Chief Financial Officer, Mumbai Metro Rail Corpn. Ltd. presenting memento to student



Inaugural session of 12 Days Pre-Placement Orientation Programme held on 12th September 2016 at Thane SMFC



CMA Debasish Mitra, Chairman Students, Members and Chapter Co-ordination Committee WIRC welcomes all



CMA L. Prakash, Vice President - Strategy, Reliance Industries Ltd addressing the Fresh CMAs



CMA Malvika B, selected in Tata Motors in 2015 Campus Placement sharing her experience



CMA Naval Bozorgi, selected in Accenture in 2010 Campus Placement sharing his experience



View of Newly qualified CMAs



From the Desk of Chairman . . .



Dear Members and Students,

September was the month of festivals. All of you must have enjoyed your festivals and relaxed in spite of the heavy work pressure and deadlines. Let us feel our lives with full of joy and happiness by following principal of Vasudhaiv Kutumbakam.

Pathankot and Uri episodes were very disturbing to India at large. These episodes revealed the threat to the security system in our country as well as highlighted our weaknesses and the strength of the enemies. Our government retaliated with matured political policies and strong defense actions. Our country people have shown their concern and have given aggressive and united support to our government. This kind of spirit is very much necessary for combating internal as well as external risks and threats.

We also expect aggressive support from our members for strengthening our profession within India and internationally. It is also a time for us to put before our government about what our profession can contribute in optimum utilization of scarce resources available with our country. Let us remain united and keep ourselves away from blame or claim game.

The Hon'ble President of India has given his assent to the Constitution Amendment Bill on Goods and Services Tax (GST) on 8th September 2016. As GST is proposed to be rolled out by 1st April 2017, it is important for us to plan for further training programs on GST for our members. So that our institute and our members together can impart Quality and authoritative GST training at reasonable cost to trade, industry and other stake holders, as a part of the Government of India's Programme for successful rollout of GST.

WIRC is always ready and eager to provide the opportunities to cost accountants- fresh or experienced. We have approached Sugar commissioner of Maharashtra for liberalizing as well as modifying some of the criteria for empanelment so that more and young cost accountants can also participate in the empanelment process. We have also requested them to extend the last date upto 15th October 2016.

Approximately, 150 Fresh CMAs are participating in Campus placement program at Mumbai organized on 21st and 22nd October 2016. We have approached nearly 100 companies. Till date we have received the confirmation of 5 companies and likely to get confirmation from few more companies by next week. However, we need more

companies/organizations/ firms to provide job to maximum cost accountants. WIRC appeals all cost accountants to help us in bringing more companies in the campus.

We also work hard to update the knowledge of our members and students in the region. All our activities are supported by our learned and experienced members and faculties. I thank all of them for their support.

12 days Pre-placement orientation program was successfully completed at Mumbai and Ahmedabad. 12 Days Orientation Programme was inaugurated on 12th September 2016 at Thane SMFC. by CMA L Prakash, Vice President-Strategy, Reliance Industries Ltd. and on 13th September at Ahmedabad by CMA Hiranand Savalani.

We felicitated successful students and rankers of June 2016 ICAI examination in the Felicitation program on 24th September at Sydenham College. CMA A. K. Mukhopadhyay, Vice President - Business Planning, Tata Motors- Chief Guest & Mr. Indranil Sarkar - CFO of Mumbai Metro Rail Corporation Limited- Guest of Honour inspired, motivated and guided more than 300 students. At the same time, certificates were distributed to fresh CMAs on successful completion of 12 Days Orientation Programme.

I congratulate WIRC, all the Chapters, members and students for joining in campaign for creating awareness on cleanliness under Swachh Bharat Mission during the first week of October 2016.

I congratulate all those chapters who are actively organizing CEP on various subjects. Their activities are reported in this Bulletin. We are receiving activity reports from few chapters. I appeal other chapters also to send us their activity reports.

WIRC alongwith Chapters of Maharashtra organized 12 programs on Investor Awareness during the month.

I congratulate CMA Sumeet Bahadur-Director of Electronic & Power Control Company, Bhilai. He been declared as the brand ambassador for apprenticeship training for promoting the skill development programmes of the Ministry of Skill Development & Entrepreneurship at New Delhi on 15th Sept., 2016.

I thank all learned members for contributing articles of variety and quality in WIRC News Bulletin. I also appeal more and more members to come forward and share their knowledge and experience through the bulletin.

I wish you all a happy and joyous festive season. Wish you and your family happy Navratri, Durga Puja and Diwali. I also wish happy, healthy and prosperous new year to you and your family.

With warm regards.

CMA Pradip H. Desai



Highlights on the Draft GST Rules

By CMA Vineet Chopra

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Government is promptly moving ahead to ensure timely roll out of Goods and Service Tax. Recent developments in this regard after Constitutional amendment were setting up of GST Council, holding of its meetings and now the release of below Draft GST Rules by Central Board of Excise & Customs (CBEC) alongwith the related forms and formats.

| Rules | Format |
|---------------------------------|---------------------------------------|
| 1. Draft GST Invoice Rules | Draft Formats under GST Invoice Rules |
| 2. Draft GST Payment Rules | Draft GST Rules, Payment Formats |
| 3. Draft GST Registration Rules | Draft GST Rules, Registration Formats |
| 4. Draft GST Refund Rules | Draft Refund Formats |
| 5. Draft Return Rules | Draft GST Rules, Returns Formats |

Besides, draft mismatch report and draft formats of audit report also released. An overview of the provisions of draft rules are as under.

1. Draft GST Invoice Rules

- **Format:** Tax invoice format is prescribed which contains routine details viz. supplier, goods or services, value, taxes charged, place of supply and delivery HSN code of goods or accounting code of services, etc, with signature or digital signatures of supplier.
- **Time limit:** Tax Invoice for taxable goods is to be issued at the time of supply and for taxable services within 30 days from the date of supply and in case of banking company or financial institution the time limit is 45 days.
- **Manner of Issue:** In case of supply of goods, tax invoice to be issued in three copies, original for recipient, duplicate for transporter and triplicate for supplier and in case of services tax invoice shall be issued in duplicate viz. original for recipient and duplicate for supplier. Where a registered taxable person has obtained an 'Invoice Reference Number' by uploading tax invoice on common portal then duplicate copy of invoice need not to carry by transporter and he just need to produce Invoice Reference Number to proper officer.
- **Non-taxable supply:** In case the goods or services are non taxable or supplier is under composition scheme, the registered taxable person shall issue a Bill of Supply. Bill of supply may not be issued if value is less than rupees one hundred.
- Supplementary tax invoice, Debit / Credit Notes can also be issued
- Input Service Distributor to issue tax invoice with details of distribution of credit, supplier, recipient of credit, GSTIN, etc.

2. Draft GST Registration Rules

- **Application for registration** shall be made electronically on common portal in prescribed form with reference number generated on email or mobile after verification of PAN, email id and mobile number. Necessary documents will be submitted alongwith application. If all the details are in order the proper office will grant registration within three working days from date of application or will seek clarifications or details which in turn will be submitted within next seven days. On receiving further details, the proper office shall either grant a certificate of registration or reject it with reasons within seven days of receipts of further details. If he fails to take any action, the registration shall be deemed to be approved within three days of submission of application or within seven days of receipt of the required details.
 - A person having multiple business verticals within a state may file separate application for each such vertical and can obtain separate registration for each vertical.
 - A person liable to deduct tax at source or collect tax at source shall apply for registration on common portal in a prescribed form.
 - Application for amendment or any change or cancellation of registration can be made.
 - **Suo moto registration:** In case a proper officer during the course of search, inspection, survey or enquiry finds that a person is failed to apply for registration, he may suo moto grant a registration on a temporary basis and such person has to apply for registration as per the regular procedure within 30 days.
 - **Migration of persons registered under earlier law:** Every registered person in earlier law and having a PAN shall be granted provisional registration on the appointed day, that will be valid for six months and such person shall submit application electronically with requisite details and information.
 - The proper officer can do the physical verification of the place of business and can submit his report alongwith photographs of verification.
- ## 3. Draft GST Returns Rules
- Every registered taxable person need to file prescribed Returns electronically on common portal for different categories at different intervals.
 - Details of outward supplies shall be furnished in form GSTR-1 on or before the 10th day of every succeeding month and shall be made available to recipient in form GSTR-2A after due date, in other words the details of supplies received by a recipient will be auto populated on the basis of GSTR-1

- After verification of details furnished in GSTR-1 (supplier), the taxable person (recipient) will furnish the details of inward supplies in GSTR-2 on or before the 15th day of succeeding month. Taxable person under composition shall file details in form GSTR-4 on quarterly basis. Details of recipient about inward supplies shall be made available to supplier electronically in GSTR-1A which he can either accept reject or modify and GSTR-1 shall stand amended accordingly.
 - GSTR-3 is a monthly return to be furnished on or before 20th date of succeeding month; is based on GSTR-1 & GSTR-2 and most of the details are auto populated. Tax liability will be discharged based on GSTR-3 and any balance in the electronic cash ledger can be claimed as refund in this form and such Return shall be deemed to be an application filed under section 38 of Model GST Law. As per section 35(6), balance in credit ledger may also be refunded after payment of tax, interest, penalty fee or any other amount payable.
 - A matching system is provided to check accuracy of claims of ITC and therefore, details of every inward supply furnished by the 'recipient' for a tax period shall be matched with the corresponding details of outward supply furnished by the corresponding 'supplier' in his valid Return for the same tax period or any preceding tax period.
 - The mismatches shall be informed for rectification and after final acceptance it shall be communicated in form GST ITC-1. If discrepancy is not rectified even after communication it shall be added to output tax liability
 - Recipient himself can feed the invoices if supplier missed and credit will be given provisionally but subject to matching. If mismatch is rectified, the provisional credit will be confirmed otherwise it will be reversed. Large part of GSTR-2 will be auto populated, however, certain details can be filled by recipient.
 - Composition supplier shall file GSTR-4 on quarterly basis.
 - Non resident taxable person shall furnish return in form GSTR-5 by giving details of outward / inward supplies.
 - Input Service Distributor shall furnish his Return in GSTR-6. GSTR-7 shall be filed for tax deducted at source and GSTR-8 for tax collected at source.
 - Annual Return for every financial year shall be furnished in form GSTR-9 by registered taxable person (except Input service distributor, TDS deductor, casual taxable person and a non-resident taxable person), and in GSTR-9A by composition supplier before the 31st day of December following the end of such financial year.
 - Revision: Returns can't be revised, however, the system will allow changing the details of transactions viz. invoices or debit / credit notes in subsequent Returns.
 - Its important to note that Return is not considered as a valid Return if tax is not paid.
 - Delay in filing Returns will attract late fee of Rs. 100 for every day subject to a maximum of Rs. five thousand.
 - Rules regulating tax return preparer also provided under the rules.
- 4. Draft GST Payment Rules**
- Under GST regime payments of deposits of tax will be made electronically by various modes namely, e-payment, credit / debit cards, RTGS or NEFT, which shall be credited in electronic cash ledger.
 - All amounts payable by a registered taxable person shall be debited to electronic tax liability register. Liability shall be discharged by debiting electronic credit ledger or electronic cash ledger and corresponding credit to electronic tax liability register.
 - Amount of tax deducted at source or tax collected at source shall be credited in electronic cash ledger of the deductee.
- 5. Draft GST Refund Rules**
- Refund includes refund of tax, inputs, input services, refund of unutilised input tax credit, tax wrongly paid or balance in electronic cash ledger. Refund of goods lying in stock at the end of financial year shall be carried forward and cannot be claimed as refund.
 - Time limit for filing application is two years from the relevant dates and for sanctioning of refund it is 90 days except few exceptions. Refund application must be supported by prescribed documentary evidence. In case of delay interest shall be payable by the department.
 - Principle of unjust enrichment will be applicable except in cases of exports or refund of unutilised input tax credit. In case of refund of Rs. Five lakh or more a certificate from CMA or CA will be required certifying that incidence of tax or interest under refund is not passed on to any other person. However, such certificate shall not be required in case of refund with respect to exports, unutilised input tax credit or specified categories of applicants.
 - In cases where exports are made under bond without payment of tax under a letter of undertaking or bond refund of input tax credit shall be granted as per prescribed formula.
 - Refund shall not be granted if amount is less than Rs. One thousand.
 - Provisional Refund shall also be granted in cases where:-
 - Applicant has not been prosecuted during a period of five years preceding the tax period for tax evasion in GST or earlier law where tax involved for value exceeding Rs. Two hundred and fifty lakh rupees
 - GST compliance rating is not less than five on a scale of ten.
 - No proceedings of appeal, review or revision is pending on any issue which forms the basis of refund or same has not been stayed by appropriate authority of court.



CIPFA – A Strong bond towards public finance and accountancy

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Recently CIPFA (Chartered institute of Public Finance and Accountancy) announced recognition to the members of the Institute of cost accountants of India, specially those from the public sector and government. CIPFA advocates Public finance management (PFM) and accountancy and is engaged in various countries for better governance. CIPFA propagates IPSAS (International public sector accounting standards).

The Institute of cost accountants of India has at its core the philosophy managing public finance through advocacy of cost accountancy, in fact the sphere of public finance is broad based and in Indian context of planned development, every drop of managing counts for the ocean of business and governance. The Institute is engaged in building a strong framework of cost accounting and auditing standards.

CIPFA primarily advocates management of public finance and enables accountants in this sphere its global relevance as a lead crusader cannot be over emphasised given the two periodicals that come out regularly:

<http://www.publicfinanceinternational.org/>
<http://www.publicfinance.co.uk/>

You can reach the institute here:

<http://www.cipfa.org/>
 and to know the arrangement you can reach

<http://www.cipfa.org/join/joining-from-another-membership-organisation-for-the-online-form>

<http://www.cipfa.org/forms/accelerated-membership-form-2015> for the scheme you can reach

http://www.cipfa.org/join/joining-from-another-membership-organisation#collapse_a4052babcdc0459284e26b7d38ec27a6

Fees for full CIPFA membership:

- ICAI-CMA Associate - GBP 55
- ICAI-CMA Fellow - GBP 60

Fees for CIPFA's Affiliate membership:

- ICAI-CMA Associate - GBP 25
- ICAI-CMA Fellow - GBP 30

CIPFA is one of the five chartered Accountancy bodies of the UK focussed on Public finance.

https://en.wikipedia.org/wiki/British_qualified_accountants

What this means to us as members:

Getting an international credential is always beneficial add on to our titles apart from this the members in the Public sector and those that work in government gets a global designation and CPD arrangement much customised to their needs.

More importantly CIPFA offers these credentials at a deep discount from their regular membership fee thanks to the bargaining from our Institute side.

What is pertinent to note is CIPFA recognition makes the institute and the members worthier lot globally specially when it comes into the sphere of Public finance and accountancy. CIPFA is moving seriously globally for the past five years as is evident from the MOUs it executed recently and this perhaps may have led CIMA to believe in engaging CIPFA for a pathway. <http://www.cipfa.org/about-cipfa/press-office/latest-press-releases/cima-and-cipfa-in-discussion>

The country gains from the recognition of ICAI CMA by CIPFA in that the Indian skill set specially in the public sector and government are now aligned to global bench mark and we all as Indians should be proud of.

The direct route means for those in the public sector with five years experience would directly be elected as members by CIPFA on paying the requisite fee and upon scrutiny of the application. They will be entitled to post nominal CPFA. They are of course bound by the CPD (continuous professional development) requirement of CIPFA until an alternative arrangement of recognition of CPD of our institute is done through an MOU (memorandum of understanding).

CIPFA means much for young professionals who would like to take up assignments in public sector, governments, and public charity houses specially hospitals and educational institute. Most probably members of other sectors will be inducted as Affiliate and on completion of two designated papers will be awarded CPFA.

CIPFA is an RQB (Recognised qualifying body) under the companies act 2006 which means its members on fulfilment of certain conditions are eligible for statutory audit under the act. However FRC has clipped its status as RQB and kept it in abeyance.

CIPFA achieved the status of RQB in local audit scheme in 2014 which means its members are still entitled to audit local bodies, local authorities and Health schemes.

CIPFA members mainly work in public sector in the UK and abroad engaging in the sphere of public finance and accountancy. CIPFA promotes IPSAS that is accounting standards for Public sector world wide.

CIPFA also exhibits interest in Post membership area with number of courses in the offering. CIPFA has Pathway with ICAS Scotland CPA Australia and CPA Canada apart from several MOUs that makes it completely global body advocating public finance and accountancy.

Members of the Institute of cost accountants of India are privileged to achieve this arrangement, thanks to the efforts of the current council who actively supported this move specially the IPP CMA Bhattad, CMA Rakesh Singh CAPA chair on governance, CMA Padmanabhan Current International affairs chair of the institute.



Cost Management Tools for New Joinees and Organizational Growth

Mr. Indraneel Sen Gupta

Master in Economics / MBA in International Business Management / ICAI Final / Journalist, Global Business Strategist & Global Macro Economic Researcher

Every year we witness change of job across all segments and departments of an organization. When a new candidate is being hired the company expects growth acceleration from them since they are hired for the same reason. When a new team of sales is being hired we give them training and much of the time is being wasted considering them as honey moon period journey. This is one of the biggest problems of not getting proper professional attitude towards work and in linking the organizational goal with the sales team or the new hirers. The point of discussion is very clear that we need to make it very clear that after join within the next 15 days one new comer should be well aware about the products and process of the company and at the same time few important grey matters which are linked with the target and vision of the organization. The point is if we can't measure we can't decide. Cost Management tools can be of great game changer if these new comers are well trained and informed about the management tools and how they monitor their progress and growth aligned with the organizational growth. If we don't make them understand about the same then organization will lose its focus and time will take the vision to a dead end. Activity based costing and balanced score card needs to be communicated along with an in-depth study of how the company plans to improvise its cash flow and product wise revenue across departments.

Hence we need to make the new employees to understand in detail about the organization management measures scales and what is being expected from them in terms of business growth and vision of the organization. Most of time its being witnessed that times passes faster and organizational goal meets a dead end and then mis-selling begins within the system which creates destruction to the brand image of the organization. We all know that Balanced score card runs on 4 pillars and those pillars needs to be aligned with the organizational employees at all point of time. Well I am not an HR expert but I find that their ample loopholes in the system due to which after 6 months or 9 months when the annual review come the company is under pressure. The point of writing is that we can't wait to miss opportunity due to new employees getting into the system. High attrition rates happen as the employees are not aware about the metrics of measuring the performance and mostly the top level management never communicates properly the vision of the organization. Activity based costing and Balance score card remains within an organization but it's get dissolved slowly with new employees coming into the system Hence its strongly recommended that irrespective

If a company have developed target of getting into the top 10 within next 2 years jumping from top 20 now then

in that case strong message of doing and achieving the target should be conveyed at the time of interview. This will lead to clear filtration of candidates within the system. Further as an organization one should have a clear well documented process map for achieving the targets and also about the MIS system. We are more interested in terms of who is going to be our reporting boss but less interested to know who my work or Job description is being printed on the MIS. These things should be a part of the training process once the new joinee comes into place.

It has been noticed that much of the time is being wasted while understanding the process and also the objective of the organization. This is key area where the organization should block the loopholes and expect performance and growth from Day 2. Day 2 mean within a month's time. This month's time should be utilized for planning the sales process and making your new assignment known to the world. We all know that management science have improvised a lot over the last couple of years and hence we need to align by the same. Balance score card and Cash flow improvisation plays a pivotal in organization development. We need to engross the employees into the Balanced score card perspective and get them aligned to the vision of the organization. This will only happen when the employees have a clear understanding of the vision and targets of the organization along with the management scales to measures the same.

Now in today's competitive world all financial and performance of a company are mostly public. Hence we need to convey to the new team that how the company plans to improvise its business so that Return on capital employed is improved. Please note I did not mention how profitability needs to be improved, rather I focused on ROCE. This is the key area which comes sunder limelight when the board of directors of the company comes under review. Hence you're grooming, training and explaining the process of achieving the target for the organization should be linked with ROCE. The point is that sales team and the operation team needs to have a clear idea and understanding about the specific requirements of the company in terms of business and revenue.

When company has hired new manpower in the organization then it should not waist much time on treating the employees as enjoying honeymoon period. Performance and monitoring the same is key for the organization and one should be made very clear to know about the strategy of the organizational goal achievement. Change of employee is an integral part of organization growth but to keep the vision alive despite of change is the key to the growth path.



Effective Working Capital Management : A Driver for Smooth Business Operations

CMA Vinod Shete

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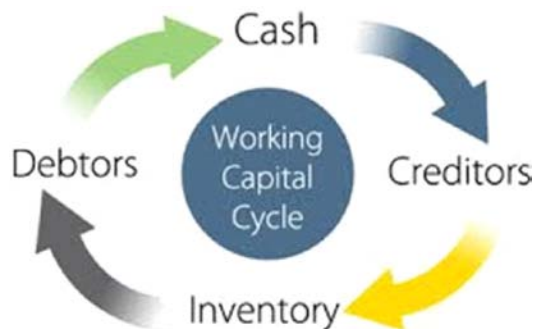
A goal of effective working capital management is ensuring sufficient cash flow to fund operations while maturing short-term debt and up coming operational expenses as well. Working Capital is a financial metric which represents operating liquidity available to a business.

Working Capital is a measure of both a company's efficiency and its short-term financial health. Working capital is the amount of a company's current assets minus the amount of current liabilities. (Working Capital = Current Assets - Current Liabilities)

In simple words, Working capital means operating liquidity available to company for running the Operations.

Effective management of working capital is very essential to maintain smooth running of a business. No business can run successfully without an adequate amount of working capital.

Four core components of working capital viz Cash & Cash equivalent, Inventory, Receivables and Payables. Working Capital cycle is as shown in below diagram



It is very crucial to determine right level of working capital needed. Working capital should not be High. It means funds get blocked in working capital not fetching any return. To calculate optimum working capital requirement, following formula may be used

(Estimated Cost of Goods Sold X Operating Cycle) ÷ Required Cash \ Bank Balance.

Where as Operating Cycle $o = R+W+F+D-C$

(o = Duration of operating cycle, R = Raw Material Storage period, W = work in progress, F = finished Goods Storage period, D = Debtor collection period and C = Creditors payment period)

CONSEQUENCES OF LOWER WORKING CAPITAL

Growth may be stunted. It may become difficult for the enterprise to run the business operations due to non-availability of working capital.

Implementation of operating plans may become difficult and consequently the profit goals may not be achieved.

Cash crisis may emerge due to paucity of working funds.

Optimum capacity utilisation of fixed assets may not be achieved due to non-availability of the working capital.

The business may fail to honour its commitment in time, thereby adversely affecting its credibility. This situation may lead to business closure.

The business may be compelled to buy raw materials on credit and sell finished goods on cash. In the process it may end up with increasing cost of purchases and reducing selling prices by offering discounts. Both these situations would affect profitability adversely.

Non-availability of stocks due to non-availability of funds may result in production stoppage.

CONSEQUENCES OF HIGHER WORKING CAPITAL

Excess of working capital may result in unnecessary accumulation of inventories.

It may lead to offer too liberal credit terms to buyers and very poor recovery system and cash management.

It may make management complacent leading to its inefficiency.

Over-investment in working capital makes capital less productive and may reduce return on investment

While LOWER working capital has disastrous implications on business, HIGHER working capital also has its own dangers.

Conclusion :

Financial professionals who are able to manage working capital at an optimal level can enable their organizations to survive and gain market share. Strong working capital management can act as a hedge against negative macroeconomic forces such as diminished access to capital. Working capital management is a critical factor in achieving operational sustainability in the current business environment as well as to emerging in a stronger competitive position in near future.

Working capital management also be the responsibility of many outside the finance department. In fact, numerous aspects of working capital management stem from operational processes well beyond the control of finance. For example, Marketing & Sales offer Credit Period to customers whereas the rate at which purchased materials and services are converted into sellable products will ultimately lead to the collection of cash (cash conversion cycle). Much of this conversion cycle can be influenced heavily by practices within the supply chain.

To improve management of working capital, company should undertake systematic approach as follows :

- 1) Cope with uncertainty. - Companies should begin by determining what new and existing risks they face and how those risks will have an impact on demands on working capital.
- 2) Continuous data update. - Companies can assess working capital effectively by analyzing data about their operations and benchmark to peers on percent of assets held in cash, cost of capital, average receivable and payable periods, and the length of the conversion cycle.
- 3) Periodic Review of Policy. - Working capital policy is a function of an organization's business model and risk tolerance. These are used to determine whether current risks allow for an aggressive, moderate or conservative policy. An organization must consider all scenarios in light of the business, customer base and ability to finance current assets with short-term credit.
- 4) Optimization. - Optimizing working capital also is a function of the organization's business model and risk tolerance. Opportunities to optimize working capital exist in areas including cash and marketable securities, accounts payable, accounts receivable and inventory.

Needless to say that, working capital is the life blood and Oxygen of business. Effective management of working capital not only run smooth operations of business but also improve the margins.



INTERNAL AUDIT- Potentially undermined and unexplored area in SMEs

By CMA Nitin Alshi

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In today's complex businesses environment, it is imperative that your business is well monitored, controlled and maintains adequate operational excellence to endure and improve on bottom-lines. Internal Audit, if utilized optimally, can assist the management to achieve its strategic and operational objectives. This is more particularly required in SMEs since due to lack of appropriate resources, these units are more vulnerable for adding intangible costs through repeated mistakes, employee incompetency, inadequate processes, exposure to various risks etc. Internal audit, if used to its potential can assist the management in risk identifications & mitigations, process & controls improvement and identification of avoidable costs etc. Following Para's' explains how contemporary internal audit techniques helps SME in bringing continuous improvements in SMEs.

Misconceptions about internal audit in SMEs:

The fallacy carried for the internal audit in small and medium industries that it is only a supporting function to accounting. It is treated as a sibling to statutory audit. It is always being considered for routine vouching, direct & indirect tax calculations and checking for some accuracy of data which management wants in any function. Unfortunately, in SMEs, it is not treated as separate function which, if given proper respect and importance, is only going to assist management in pulling off long term value.

Internal audit explained

According to ICAI definition, Internal audit is considered as, an independent management function, which involves a continuous and critical appraisal of the functioning of entity with a view to suggest improvements thereto and add value to and strengthen the overall governance mechanism of the entity, including entity's strategic risk management and internal control system

It is to be understood that it is a function of management which require that internal audit should focus on the continuous improvement in control procedures applied in an entity, uncover risk areas and add worth to business and governance process.

New dimensions of Internal audit

The modern internal audit is being looked at as a consulting activity which directs its focus towards achievement of long term objectives of the organization. With growing complexities in business environment in industries all over have realized the pressing need to have Internal Audit to help the Management at all levels in

controlling the activities in the right direction. It is now knowledge based area and must be used to its fullest aptitude.

The main duties and functions of Internal Audit other than audit financial audit, inter alia, are broadly classified as under:

- i) Process & Systems Audit
- ii) Operational Audit including Efficiency Audit
- iii) Management function Audit
- iv) Audit for Compliance to policies, Laws and best practices
- v) Performance measurement audit

What necessitates internal audit in SMEs:

SMEs by virtue of their small size or for other limitations are generally vulnerable for

- 1) Internal Control failures
- 2) Non implementation of strategic plans of the organizations.
- 3) Existence of improper or non standardized procedures & non documented procedures
- 4) Overdependence on people
- 5) Operational dis-continuity
- 6) Quality defects in processes, products which adds intangible costs
- 7) Improper resource utilization
- 8) Improper strategic focus
- 9) Employee frauds and other opportunity frauds
- 10) Improper compliance etc. Hence owners are unwarrantedly getting dragged to routine matters rather than concentrating on strategic issues like business planning, pricing, strategic alliances, building competencies, branding etc. Modern internal audit techniques can assist the management in achieving all the above listed deficiencies and assist the owners in setting up processes for long term benefit; achieve long term strategic and operational objectives, cost control measures, timely compliance and continuous monitoring of operations.

Value additions through techniques covered in modern internal audit

1. Streamlining accounting and financial reporting
2. Internal control reviews all across functions of the enterprise
3. Critical analysis of processes followed in organizations
4. Monitoring of cost and revenue drivers

5. Risk identification all across enterprise
6. Compliance of laws and Tax planning
7. Critical analysis of operational efficiency of enterprise resources by applications of TQM and Lean management tools
8. Data analysis and business intelligence
9. Enterprise Performance measurement
10. Prevention of frauds
11. Effective use of information systems through IT audit

SME owner's perspective for internal audit Vs actuality:

Since there is less awareness of focus of modern internal audit and its techniques among SME owners, internal audit is treated as internal audit cost center rather than value centre. Actually, there should be strong monitoring function in the internal audit who will act as overseer the enterprise processes and candid performance. Here

it reminds me words of legendary banker Mr Uday Kotak, owner of Kotak Mahindra bank, who said, "we have employed one person at strategic level, who only asks the question "WHY" for every decision taken by us". According to him, by answering his question, helps the bank to take cautious and informed decisions in business. The aim is not to dilute the decision power of the owners, but to add support to owners to take proper strategic and operational decisions. Internal auditor can play role of such questioner in an organisation. It always helps to implant monitoring function in the business with other verticals. It is upto owners to use the skills of the internal auditor to fullest extent to draw comprehensive worth. Ultimately,

GROWTH IN THE BUSINESS IS CERTAIN IF MONITORED PROPERLY

(The author is member of institute of cost Accountants of India and can be reached at nitinalshi@gmail.com)

Poems written by our final passed students and presented during Students Felicitation Programme organised by WIRC.

Poem of La Mancha

To dream the impossible dream
 To fight the unbeatable foe
 To bear with unbearable sorrow
 To run where the brave dare not go
 To right the unrightable wrong
 To love pure and chaste from afar
 To try when your arms are too weary
 To reach the unreachable star
 This is my quest
 To follow that star
 No matter how hopeless
 No matter how far
 To fight for the right
 Without question or pause
 To be willing to march into Hell
 For a heavenly cause



– CMA Akshay Dhande
17th Rank holder June 2016 Exam

Place with no Binding

A tear calls
 A feeling calls
 A call from within
 A call so silly
 But I want to follow it really
 In the dark woods I want to elope
 Something's pulling me by the rope
 In the deep oceans I want to sail
 My heart feels so frail
 On a beautiful rainbow I want to ride
 Towards the brighter world it would be my stride
 In the lush green valleys' I want to dance
 For a moment forget about my stance
 A world away from the world
 A life that I own
 A seed will be sown
 A seed of intellect and creativity
 A seed of freedom and festivity
 A place where my thoughts that flow
 Will also find a direction to grow
 A place like this I am finding
 Where there will be no binding!



– Payal Bhandari
Final Passed in June 2016



Role of CMAs in building responsible business

CMA (Dr.) S. K. Gupta

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In the wake of rapid changes and emerging dynamic scenario in the business world in recent years stakeholders of companies are increasingly concerned with the conduct of the affairs of the company with focus on disclosure, transparency, accountability, Stakeholders engagement and Internal Controls.

The most important right we have is the right to be responsible

Gerald Amos

Responsible Business practice is about successfully integrating responsible business issues into the core strategy and the day to day operations of the company, including inter-alia aspects relating to Corporate Governance, Corporate Social Responsibility, Risk Management, Code of Conduct and Ethics, Sustainability Reporting, and Annual Business Responsibility Reporting. Responsible business is the responsibility of the enterprises for the impact of their operations on various stakeholders. It aims at maximizing the creation of shared value for all stakeholders. Businesses should actively integrate responsible business practices in their decision making and core business strategy and promote that thinking across the whole of their business and further through to their entire value chain for engaging actively with wider society with focus on Triple Bottom Line i.e People, Profits and Planet, in the pursuit of building a sustainable and responsible business.

The Companies Act, 2013 has considerably enhanced the role and responsibilities of professionals. Following are the key tenets and levers for building a responsible business and the CMAs are expected to play a pivotal role in bringing about the desired responsible business culture in the corporate world.

Risk management

Risk management has always been regarded as an inherent or integral feature of sound business management. The board of a company is responsible for the management of risk. The board must have a clear understanding of the risks facing the company; it must ensure that the organization has effective risk management and control processes; and it must be provided with assurance that the processes and key risks are being effectively managed. The CMAs have a pivotal role to play in the provision of appropriate guidance/ advice to the board regarding its duties and responsibilities pertaining to risk management.

Section 177(4) stipulates:

Every Audit Committee shall act in accordance with the

terms of reference specified in writing by the Board which shall, inter alia, include..evaluation of internal financial controls and risk management systems

CMAs have a vital role in ensuring that a sound Enterprise wide Risk Management [ERM] which is effective throughout the company is in place. CMAs should ensure that there is an Integrated Framework on which a strong system of internal control is built. Such a Framework will become a model for assessing and evaluating risk management efforts in the organization. Risk and control consciousness should spread throughout the organization. It should be ensured that this happens so that the risk factors are duly considered at every stage of formulation of business strategy. It will also create awareness about inter-relationships of risks across business units and at every level in the organization.

Reporting of frauds

If during the course of their professional duties, a CMA has reason to believe that an offence involving fraud is being or has been committed by a company, it is his duty to report the fraud. Section 143 (12) of the Companies Act, 2013 provides that notwithstanding anything contained in this section, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed. CMAs should be vigilant and act responsibly to ensure early detection and prevention of frauds.

Corporate Social Responsibility

"The price of greatness is responsibility", Winston Churchill often used to say. There is no reason why it should be any different for companies as well.

A new initiative that has been put in place under Section 135 of the Companies Act, 2013 relates to corporate social responsibility (CSR) of companies. Regulations are supposed to modify behavior of those covered by the provisions and ensure that they behave in a socially desirable way. But whether the regulations will act a nudge or a shove depends upon how the regulated entities respond to.

CMAs can play a key and instrumental role in formulation and implementation of CSR strategy. For this first of all they must have a feeling, a desire from the bottom of the heart to do something good for the society, to participate in the welfare of the underprivileged section of the society. Then only one can leverage such attitude and

effectively encourage and drive others for CSR actions. Corporate Social Responsibility is a niche area of Corporate Behavior and Governance that needs to get aggressively addressed and implemented strategically in the organizations. The CMAs can play an effective role in right from conceptualization, deciding the legal form, structure of CSR program, identification of CSR monitoring progress of CSR projects, and conducting Post CSR project completion audit

Business Ethics

Today, the corporate world as a whole is in the process of acquiring a moral conscience. The new and emerging concepts in management like corporate governance, business ethics and corporate sustainability are some of the expressions through which this emerging ethical instinct in the corporate world is trying to express or embody itself in the corporate life

Business ethics comprises the principles and standards that guide behavior in the conduct of business. Businesses must balance their desire to maximize profits against the needs of the stakeholders. Companies must be run ethically in a manner such that all stakeholders-creditors, distributors, customers, employees, competitors, the society at large and governments-are dealt with in a fair and equitable manner. A code of ethics should reflect top managements' desire for compliance with the values, rules, and policies that support an ethical climate.

Clause 49 of the Listing Agreement requires that

- (i) The Board shall lay down a code of conduct for all Board members and senior management of the company. The code of conduct shall be posted on the website of the company.
- (ii) All Board members and senior management personnel shall affirm compliance with the code on an annual basis. The Annual Report of the company shall contain a declaration to this effect signed by the CEO

A major step in developing an effective ethical culture in the organization is constituting an Ethics Committee of the Board and implementing an education program and communication system to bring about the desired awareness amongst the employees about the firm's ethical standards and the professional managers have a key role to play in this regard. CMAs should advise the companies they are associated with regarding the importance of developing appropriate ethics framework in the organization.

Corporate sustainability

Corporate sustainability indicates a new business philosophy as an alternative to the traditional growth and profit maximization model under which sustainable development comprising environmental protection, social justice and equity, and economic development are given more significant focus while recognizing simultaneous corporate growth and profitability. It is a business approach that creates long-term shareholder value by embracing opportunities and managing risks emanating

from economic, environmental and social developments.

Corporate sustainability describes business practices built around social and environmental considerations. Corporate sustainability encompasses strategies and practices that aim to meet the needs of the stakeholders today while seeking to protect, support and enhance the human and natural resources that will be needed in the future.

Many companies have started preparing and releasing Sustainability Reports which report on economic, environmental, and social impacts of business. Sustainability reporting is a practice to measure, disclose, and be accountable to internal and external stakeholders for organizational, environmental, social and economic performance. CMAs should guide and enlighten the management and encourage them to compile Sustainability Report which has today become a key distinguishing factor in corporate branding.

Business Responsibility Reporting

Realizing that adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance, Securities and Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/ 8/2012 dated August 13, 2012 inserted a new Clause 55 in the Listing Agreement by mandating inclusion of Business Responsibility Reports ("BR reports") as part of the Annual Report for listed entities. As a starting phase, Business Responsibility Report as part of the Annual Report shall be mandatory for top 100 listed entities based on market capitalization at BSE and NSE. Other listed entities may voluntarily disclose BR Reports as part of their Annual Report.

A Business Responsibility Report contains a standardized format for companies to report the actions undertaken by them towards adoption of responsible business practices. Business Responsibility Report has been designed to provide basic information about the company, information related to its performance and processes, and information on principles and core elements of the Business Responsibility Reporting. CMAs must support and facilitate compilation and presentation of the ABRR in true spirit by providing necessary thrust and direction within the organization for compliance and reporting on the mandated social, economic and environmental parameters.

Vigil Mechanism

Whistle blowing mechanism plays a critical role in implementing Corporate Governance Practices. The effective implementation of Vigil mechanism not only reduces the fraudulent activities but also sends a signal to both internal and external agencies that organization exercises good corporate governance.

According to Section 177(9) of the Companies Act, 2013, Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine

concerns in such manner as may be prescribed. The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases: Provided that the details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report.

The Whistle Blower Policy should include mechanism to encourage employees, vendors, to report evidence of fraudulent activities. It should properly address the processes that the employees should follow in filing their representation alleging suspected impropriety. If this tool of Corporate Governance is used by the CMAs in true letter and spirit, it can be savior for protecting the stakeholders and the larger public interest

Disclosure and reporting

In recent years there has been increased emphasis on the quality of corporate reporting and calls for increased transparency. The company secretary has the responsibility for drafting the governance section of the company's annual report and must ensure that all the requisite information is communicated through this vital document for building the desired trust with the stakeholders. The disclosure requirements under the Companies Act, 2013 with regard to Board of Director Report, Annual Return, Prospectus, notices of meetings and the requirement of hosting the specific information on the website of the company must be duly complied with by the professional managers. While these additional disclosures will increase accountability of the board, it also will provide more information to shareholders and enable informed decision making.

Corporate Governance

Corporate Governance is defined as "The application of best management practices, compliances of law in letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders." Driven by Clause 49 of the Listing Agreement, Indian companies have gradually scaled up their corporate governance practices over the years. Provisions of the Companies Act, 2013 have further attempted to mandate and shore up good governance in companies.

The top five mechanisms, which are vital for implementing an effective Corporate Governance in any organization are : Independence and appropriate composition of the Board, Role of Auditors (Internal and Statutory) and Audit Committee, Whistle Blowing, Shareholder engagement, Transparency, trust, and accountability towards stakeholders. Regulations on corporate governance can only provide the framework or structure to ensure that companies are governed in the best interest of stakeholders at large but its effective assimilation and implementation is to be ensured by the

professionals by active participation in Strategic Planning process, Risk Management process, Internal Control process, MIS, Corporate Communications, Succession Planning, CSR, Board performance evaluation process. This will ensure high level corporate administration in accordance with best governance practices which results would result in well governed and sustainable business for the benefit of its stakeholders at large. CMAs are expected to play a proactive role in creating structure and processes which facilitate building a responsible business.

CMAs being professionals possessing expertise in optimum utilization of organizational resources, efficiency improvement, monitoring of corporate performance, risk management can play a pivotal role in helping and assisting companies in building their business on responsible practices. CMAs need to upgrade their capabilities in the areas mentioned above so as to be in a position to facilitate companies they are associated with to build responsible business.

FELICITATION PROGRAMME

WIRC organized Felicitation Function for the students from Mumbai who have completed Foundation, Intermediate and Final in June 2016 Examination, on Saturday 24th September 2016 at Sydenham College Auditorium, B Road, Churchgate, Mumbai.

CMAA.K.Mukhopadhyay, Vice President - Business Planning, Tata Motors, was Chief Guest & Mr. Indranil Sarkar - CFO of Mumbai Metro Rail Corporation Limited, was Guest of Honour.

CMAs Pradip Desai, Chairman WIRC, CMA Kailash Gandhi, Vice Chairman WIRC, CMA Laxman D. Pawar, Hon. Secretary WIRC and CMA Debasish Mitra- Chairman, Students Members and Chapters Co-ordination Committee and CMA Harshad Deshpande, RCM- WIRC were present on the occasion. More than 300 students attended the function. Prizes were given to all successful students of Mumbai on this occasion by the hands of above dignitaries. WIRC also felicitated all the Rank holders from the Western Region and Students who have completed 12 Days Pre Placement Orientation Programme on this occasion.

On the occasion CMA Harshad Deshpande - Regional Council Member, presented the PPT and explained in detail about the MOU with different Institutions by ICAI.

CMA Harshad Deshpande proposed vote of Thanks. The programme ended with National Anthem and followed by High Tea.



Impact of GST on manufacturing and trading concern

CMA Ajay Kumar Singh

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GST is slated to be introduced in India from 2017. Implementation of GST would have huge impact on the operations of the company. In this article we will try to discuss the positive and negative impact on the manufacturing and trading business. However we will try to analyze the impact of GST on Service industry in the next article as the cost of availing the service may increase.

Positive Impact on Manufacture

- **One Tax:** In Present structure of Indirect tax, there are various kinds of taxes such as excise duty, Service tax, VAT, Entry tax, Central Sales Tax etc. But in GST Regime there is only one tax i.e GST however, there will be three parts such CGST, SGST, IGST. This is measure relief for the manufacturer.
- **Rate of tax:** In current tax regime the consumer pays approximately 25-26% more than the cost of production due to excise duty (at 12.5%) and value added tax (almost 14.5%) though there hasn't been any indication of a GST rate, but experts suggest between 18% and 22%. Ultimately goods may become cheaper marginally which is a good sign for manufacture to compete with international market. However, it may lead in opposite way if the excise duty and Value added tax is levied at shorter rate on some goods like small cars etc. The Impact of rate of tax depends on industry wise, but mostly it is beneficial.
- **No Concept of Manufacture:** In Non-GST Regime the biggest litigation and issues are whether the transaction amount to manufacture or not. The interpretation related to term "Manufacture" will no more be relevant. It may result in ease of doing business without having litigation about the process.
- **Reduction In Cost:** In Non-GST Regime there will be reduction in Cost of production as Credit will be eligible of tax on purchases made from interstate purchases and no cascading effect. Hence, A Manufacturer need not take the decision regarding purchase from point of view of tax implication as Credit is eligible on all purchases.
- **Minimization of Classification issues:** In current regime of tax there are numerous issues on classification of goods due to separate rates on different goods and exemptions on certain goods. But in regime of GST there shall be minimization of classification issues due to uniform rate and less expected exemptions.
- **Speedy Movement of Goods:** In GST Regime of tax structure there will be minimization of trade barriers, such as filing of way bills/entry permits, Compliance under Entry tax will be abolished. There is much compliance in current regime on interstate

movements or locally such as way bills, statutory forms etc which lead to slow movements of goods Where as this concept is going to be abolished though check points will still be eligible.

- **CENVAT Credit:** In Regime of Present tax, the manufacturer is unable to utilize the credit of Central Sales tax and VAT provided output is charged under Composition Scheme, which becomes the Cost for him. But In Regime of GST, A Manufacturer will be eligible to take Credit of SGST (Earlier VAT) as well as IGST (Earlier CST) on the purchases. There will be seamless flow of Credit in GST.
- **Valuation of Samples:** In Current law Goods removed on Sample basis, tax needs to be paid by adopting the nearest aggregate value. However, In GST Regime, time up to six months is granted to decide whether the good sold on sample basis has been approved or not which is beneficial thing for manufacturer. However, after 6 months tax needs to be paid if the same is still in process of approval.
- **State Wise Registration:** Generally it has been observed that many manufacturers have two premises of factory within same locality or in same state and they are liable to take separate registration for each factory. But in GST Regime, Registration has to be taken state wise and not factory wise. This will abolish the difficulties which have been faced due to separate registration.
- **No assessment by multiple tax authorities:** Generally A manufacturers are facing many difficulties in handling the assessments done by the Separate authorities for VAT, Service Tax, Central Excise, CST, etc. In GST Regime it is expected that assessment will be done by State authorities for SGST, Central Authorities for CGST, and Interstate authorities for IGST.
- **Electronic Mode for Forms:** In current Regime of tax there is very much manual filing of documents such as initial declaration, Numbering of Invoices etc. But in GST Regime there will be less manual filing of documents and more through electronic mode. Further, the communication with department also could be through electronic mode.
- **Compliance:** In GST Regime huge Compliance would be there however, it could be negative impact as well as positive.

Negative Impact

- **Time of Supply:** In Current Regime of tax the levy of duty on manufacture attracts at the time of removal where as in GST Regime it will be earliest of the four such as (Date of Issue of Invoice, Date of Payment, Date of Removal, Debit in the books of Receiver).

- **No SSI Exemption:** In Current tax structure a manufacturer is eligible for SSI Exemption upto? 150 lakhs if the turnover of previous year does not exceed 400 Lakhs. But in GST there is Threshold limit given only Upto 20 Lakhs and 10 Lakhs for the north eastern states which biggest impact for manufacturer who was availing SSI Exemption earlier. Further, It is to be noted that No specific threshold limit is given for Jeweler that means SSI exemption for Jeweler Comes down from 8 Crore.
- **Increase in Working Capital:** In GST Regime of tax, stock transfer has been made taxable, which requires the huge working capital because the realization of tax going to be on final supply tills that It may block the Capital.
- **No Credit of Petroleum Product:** In Regime of GST, Petroleum Product has been kept out of GST hence; the tax paid on Petroleum Product is not eligible as credit and same became the cost. Each industry requires the Petroleum Product such as Fertilizer Industry, Power Sector, Logistic Sector etc.
- **Introduction of Reverse Charge on Goods:** In Current Regime Of tax structure there was reverse charge on specified services but in case of GST even the reverse charge will be applicable on goods.
- **Post supply Discount:** If the Discount has to be given post supply than it must be known to both the parties at the time of supply or pre-supply and the proof of being known is the clause of discount must be there either in contract or agreement or offer etc.
- **Matching Concept of Returns:** In Current if the tax has been made the purchaser to supplier then he is eligible to take the Credit it is immaterial whether the same has been credited to Central Government by the Supplier or not. But in GST Regime, the matching concept if Tax Credit will be there, if Credits pertaining to Supplier does not match with Purchaser than it will not be accepted in return unless it is rectified by both the parties.
- **Denial of CENVAT Credit on purchases made from unorganized/unregistered Person:** In GST Regime if the goods have been purchased from the register person then only Credit will be given otherwise the Credit will not be allowed.
- **No Compliance of "C" and "F" Forms:** As stock transfer has been made taxable in GST Regime hence Concept of "F" Forms is no more relevant and IGST has been levied on all inter-state purchases or sale and Credit will be allowed, hence No Concept of form "F" is relevant.
- **Increase in Compliance-burden :** There is going to be huge Compliance burden in GST Regime such as 37 returns for one office in a year, No debit Notes, Credit Notes to be issues after 30th Sep in succeeding year, Audit by Chartered Accountant after Certain limit etc.

Impact of GST on Trader- Positive Impact:-

- **No dispute good Versus Service:** In Present Regime of tax structure, the big issue is whether the transaction amount to sale of good or service. Though

this dispute still may arise from view of Time/place of Supply from good or time/place of supply of services as both are separately given. However, net impact is neutral, on either of them needs to pay GST.

- **Composition levy Increased:** In Current Regime of taxation the limit under Composition Scheme is 40 lakhs where as under GST it is increased upto 50 Lakhs. It is beneficial as 10 lakhs in turnover is a big thing from trader point of view. But currently it is 1% but in GST Regime it will be minimum of 1%, it could be more than that.
- **Credit of Excise Duty and Service tax:** In Current Regime of taxation then a trader is not eligible to take Credit of input service as well as the Excise duty. However, In GST Regime he will be eligible to take all credits and it will make positive impact on trader.
- **No Margin to Disclose:** Currently a trader who wants to pass on the CENVAT Credit of excise duty needs to obtain dealer registration and have to disclose the margin. But now this is no more relevant as trader is eligible to take Credit as well as no requirement of Separate dealer registration.
- **No Reversal of Credit on goods sent for stock transfer:** Currently as stock transfer is not liable to Vat as well as CST hence, credit pertains to goods sent to stock transfer needs to be reversed. However, in GST Regime stock transfer got made taxable, hence No reversal of Credit is required.
- **Credit of CST:** In Current regime of tax, on inter-state purchases CST paid became the cost to the trader as the Credit was not available where as under GST Regime it will be available as IGST Credit.

Negative Impact

- **Rates of tax:** Most of the traders are paying duty at the rate of 14.5% in current tax regime, however, after GST Comes they may pay around 18% which may be extra cost for them but on another hand they are eligible for various credit explained supra.
- **Stock transfer made taxable:** In Current regime of tax, stock transfer are not taxable on being made available "Form F" where as in Current Regime stock transfer made taxable. Due to this Warehouse decision to be taken more appropriately.
- **No Form "C":** In Current Regime of tax, on being made available the Form C, CST rates charged at the rate of 2% instead of 14.5% which is local tax rate, however in GST Regime interstate will be taxed at standard rate i.e IGST.
- **Goods sent to job work are taxable:** In Current GST Regime of tax, the goods sent for job work are not liable to CST on being made available of Form "H" whereas in Current GST Regime it became taxable.
- **Compliances:** Instead of 12 Returns A Trader needs to file 37 returns in year and much more compliances which is similar to manufacturer as explained supra.

The above analysis is solely based on the draft GST law. The above provisions may undergo changes by the time of passing of final GST Act as many representations are filing with the Government for amendments. ■



MIS Report to Monitor & Optimise Production & Capacity Utilisation

CMA Rajesh Kapadia

Capacity Utilisation indicates Actual Production of a Given Product in a Given Period as against What is Achievable considering the Given Infrastructure of Plant & Machinery, Availability of Utilities like Electricity & Other Operating Conditions

Advantages of Better / Higher Capacity Utilisation :

- (1) It reduces per unit Fixed Cost resulting into reduced per unit total cost
- (2) Higher Capacity Utilisation means better or optimum utilization of available infrastructure
- (3) Product with positive contribution, once it reaches its break even point then contribution from any additional production & sales results in profit for the company

Reasons for Lower Capacity Utilisation :

(1) Machine Break Down

This may be due to Preventive Maintenance not being carried out as there is no budget available with Maintenance Manager. So Preventive Maintenance might have been deferred. To avoid this, Budgeting should be more accurate & realistic.

This also may be due to some marketing commitment to be fulfilled within some deadlines due to which it may not be possible to stop production & take preventive maintenance.

So it also calls for proper coordination among marketing department, production department & maintenance department.

(2) Loosing Market Share

Total market has grown up but company's market share has been reduced due to better quality product being offered by competitors.

Here, company's R & D Department can play a vital role by suggesting any one or more or all of following actions / measures thereby effecting improvement in

end use of products thereby making product customer friendly.

- I) To review product designs to consider whether any components or materials can be deleted without damaging the sale of the products.
- II) Substitute materials may be specified and some aspects of design may be simplified.
- III) Standard " off-the-shell" components may be used in place of special items and the guage of materials may be reduced. It should be borne in mind that weight costs money.

(3) Non Availability of Key Raw Material

If company is obtaining its key raw material from its supplier but that supplier has either stopped its production or it has started consuming that raw material for its other product.

Under this situation, company can explore the possibility of obtaing this key raw material from some other supplier or it can even think of putting up its own captive plant for this key raw material.

Points to be Kept In View

Higher Production & Resultant Higher or Better Capacity should be in line with marketing requirement.

Higher Production without marketing requirement will result into unnecessary inventory built up a situation which is not healthy for any organization.

Higher Production should not be at the cost of quality.

Higher Production should not result in Postponement of Planned / Preventive Maintenance which may result in Untimely Break Down of Plant & Machinery.

CMA Department can prepare & submit MIS Report as mentioned in Annexure I

With suitable analysis for the management to enable it to take necessary corrective actions to monitor & optimize Productwise Production & Its Capacity Utilisation.

Annexure - I

Productwise Production & Capacity Utilisation

| Products | F.Y.2015-16 | | F.Y.2014-15 | |
|----------|-------------|--------------------------|-------------|--------------------------|
| | Production | Capacity Utilisation (%) | Production | Capacity Utilisation (%) |
| | | | | |
| | | | | |
| | | | | |
| | | | | |



"Excel" – A Multi-Tool

Part 2

By CMA Prashant Lele

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Introducing Formulas & Functions

Hello friends. In 1st article we saw the introduction to Microsoft Excel and its primary uses. (Please refer WIRC Bulletin of August 2016). In this article, we will acquaint ourselves with Formulas, Formula Types, Formula Elements and Functions in Microsoft Excel.

Formulas are nothing but codes written to apply required calculations on the data sets in order to derive "Expected Output" or "Desired Goal". They are combination of Numbers, Texts, Symbols and Cell References.

Formulas are of two main types viz. 1) Data Type 2) Other than Data Type.

- 1) Data Type Category
 - a. Number Formulas: They deliver the single number of answers such as TDS deduction amount or Usage Variance %.
 - b. Text Formulas: They deliver a text item such as a Name or Category. Cell formatting will always be "Text" in these cases.
 - c. Logical Formulas: They deliver logical values, TRUE or FALSE. Logical values are also called as Boolean values and Logical Formulas are also known as Boolean Formulas.
- 2) Other than Data Type Category.
 - a. Lookup Formulas: Look up a particular item in a table and return the value to the formula cell. Such as looking up a phone number for a customer name from Customer Master or looking up a TDS rate for a Type of Service from TDS chart.
 - b. Aggregate Formulas: They take two or more items and calculate a single answer such as adding a bunch numbers to get a single total answer.
 - c. Array Formulas: They calculate on an array of items rather than single items and deliver an array of answers (multiple answers) as a result of array calculations.

We will see each one of these in detail as we progress through the lesson.

Types of Formula Elements that are allowed to be entered inside formulas are

1. Equal Sign.
2. Cell References.
3. Table Formula nomenclature.
4. Math operators.
5. Numbers
6. Built-In Functions
7. Comparative Operators.
8. Join Symbol: Ampersand (&)

| Math Operators | |
|----------------|------------------------|
| + | Adding |
| - | Subtracting |
| * | Multiplying |
| / | Dividing |
| ^ | Raising to Exponent |
| () | Brackets (Parenthesis) |

| Comparative Operators | |
|-----------------------|--------------------------|
| = | Equal |
| <> | Not Equal |
| > | Greater than |
| >= | Greater than or Equal to |
| < | Less than |
| <= | Less than or Equal to |

9. Text within Quotation Marks

10. Array Constants.

| Array Constants | |
|---|----------------------|
| { } | Curly Brackets |
| , | Comma means column |
| ; | Semi-colon means row |
| Example | |
| { "Jo", 235.56; "Sioux", 52; "Chin", 365.21 } | |

Calculations in Excel

1. Aggregate Calculations:

Calculations that take two or more items and calculate a single answer such as : 1) Adding a column of numbers to get a total sum. 2) Counting how many names are in column to get total count.
2. Array Calculations:

Calculations that operate on array of items rather than single values and which deliver an array of answers called "Resultant Array"

Example: -Function argument array operation like: in below image, third option is calculating 1st, 2nd and 3rd Largest value in same cell. Since Cell can display only single value, it is showing only 750, but if we press F9 under Edit mode, it will show Array of Numbers 750, 600 and 450 which are 1st, 2nd and 3rd largest values in a selected array.

| Rank | Result | Formula |
|------------------------|--------|--------------------------|
| 1st Largest | 750 | =LARGE({19:24},1) |
| 2nd Largest | 600 | =LARGE({19:24},2) |
| 1st, 2nd & 3rd Largest | 750 | =LARGE({19:24}, {1,2,3}) |

| Month | Sales |
|-------|-------|
| Apr | 200 |
| May | 300 |
| Jun | 250 |
| July | 450 |
| Aug | 600 |
| Sep | 750 |
| Total | 2550 |

Order of Precedence in Excel. (How Formulas Calculate?)

- 1 **Parenthesis ()**
- 2 **Reference Operators:** colon, space, comma
 Example of colon in range of cells: =SUM(A1:A4)
 Example of intersection operator: =E12:G12 F10:F15 (retrieve what is in F12)
 Example of comma (union): =SUM(E10:G10,E14:G14)
- 3 **Negation (-)**
 Example: = -2^4 = 16
 Example: = -(2^4) = -16
 Example: --2+1 = 3
- 4 **Converts % (1% to .01)**
- 5 **Exponents (^)**
 Example: 4^(1/2) = 2
 Example: 3^2 = 9
- 6 **Multiplication (*) and Division (/), left to right**
- 7 **Adding (+) and Subtracting (-), left to right**
- 8 **Ampersand (&)**
- 9 **Comparative symbols:** =, >, >=, <=, <

Steps to find the errors in your formulas

1. Look at formula, Look at Range Finder
 - a. F2 Key puts formula in Edit Mode and shows the rainbow colored Range Finder.

| Month | Sales |
|-------|-------------|
| Apr | 200 |
| May | 300 |
| Jun | 250 |
| July | 450 |
| Aug | 600 |
| Sep | 750 |
| Total | =SUM(N4:N8) |

2. Evaluate Formula
 - a. Open Evaluate Formula Dialogue box: Formula Ribbon Tab, Formula Auditing Group, Evaluate Formula. Keyboard - Alt, M, V.
 - b. Formula can be Evaluated Step by Step to find our exact portion of Formula which is creating the problem.
 - c. To evaluate just a single part of the formula while in Edit Mode, highlight part of formula and hit F9 key. Undo the evaluation with Ctrl+Z.
3. Look to see if formula inputs are correct (May be a number is incorrect or a text item has an extra space)
4. If formula inputs are correct, then may be its raw data, which has errors. May be a name is misplaced or the names have extra spaces, or the numbers are stored as Text.
5. Excel shows different types of Error Messages in Cells if the Formula in the Cell is resulting an Error.
6. Error Messages are based on the type of mistake happened during formula input. (syntax Error, Logical Error, Mathematical Error, etc.)

Types of Error Messages

| Error Message | What it means |
|-------------------------|--|
| #DIV/0! | Divide by zero |
| #REF! | Formula is using cell reference that has been deleted, or other invalid cell reference |
| #NAME? | Excel built-in function misspelled, Defined Name misspelled, or "text" (word data) in formula is not in double quotes. |
| #N/A | Not Available, like when VLOOKUP can't find a match. |
| #VALUE! | Invalid operator or argument (like ="Red"*12 or =VLOOKUP(12,"Red",2,0), or Array Formula was entered without Ctrl + Shift + Enter |
| #NULL! | No Intersection for Space Operator Lookup |
| #NUM! | Number is too big or small (number must be between -1*10^307 and 1*10^307), or invalid numeric values in a formula or function, or an iterative function like IRR cannot find an answer. |
| ##### | Column width not wide enough to display data (values), or negative date or time |
| Circular Cell Reference | Formula contains the cell reference that the formula sits in, Like if SUM(A1:A3) was in cell A1 or the formula M147 that is in the cell M147. The formula doesn't know what to do because it is looking at itself. |

Formulas are written with the use of single or multiple Math Operators, Comparative Operators and Array Constants. These operations are performed on "Numeric" or "Text" Values, which we input through "Hard Coding" or through "Cell References"

| | A | B | C |
|---|--------------|----------------|---------------|
| 1 | Month | Sales ₹ Lakhs | Sales ₹ Lakhs |
| 2 | April | 100 | 100 |
| 3 | May | 150 | 150 |
| 4 | June | 200 | 200 |
| 5 | Q1 Total | 450 | 450 |
| 6 | Formula Used | =B2+B3+B4 | =100+150+200 |
| 7 | | Cell Reference | Hard Coding |

Hard coding is advisable only for inputting values that would never change. For example; No. of hours in a day or number of months in a year, etc. Otherwise in all cases we should use cell references to input the values in formulas. It gives the flexibility of adapting to future changes in data set.

Functions

Functions are built in programs which excel offers for doing wide range of calculations and analysis. All functions are basically formulas but all formulas are not functions.

Example SUM, IF, VLOOKUP, ROUND, etc. are functions. Functions are inbuilt part of the Excel Program Software. You cannot change the way functions operate. However, you can make use of various functions in your formulas to achieve the desired result. Following are some examples of functions and formulas where both achieve same result but functions are more sophisticated ways to do the tasks.

| Month | Sales ₹ Lakhs | | |
|-----------------|---------------|---------------|---------|
| April | 100 | | |
| May | 150 | | |
| June | 200 | | |
| Q1 Total | 450 | | |
| Functions | Result | Formulas | Result |
| =SUM(B2:B4) | 450 | =B2+B3+B4 | 450 |
| =PRODUCT(B2:B4) | 3000000 | =B2*B3*B4 | 3000000 |
| =AVERAGE(B2:B4) | 150 | =(B2+B3+B4)/3 | 150 |

Some functions are unique in nature and their tasks cannot be achieved by simply using the formulas. Eg. VLOOKUP, MAX, MIN, IF, etc.

IMPORTANT POINTS related with formulas & functions.

1. If formula input can change, put it into a cell and insert it into formula through cell reference.
2. If formula input cannot change, you can type it directly into formula (Hard Coding)
3. Always label your inputs. It helps all other users clearly understand the formulas.
4. Labeled inputs provide good documentation on how a spreadsheet solution or model is constructed.
5. The labels of formula inputs indicate exactly what the formula input represents.
6. Hard Coding leads to errors. Research has shown that #1 cause of most common errors in spreadsheets is "Hard Coding"
7. It is very hard to accurately and consistently change formula inputs if values are "Hard Coded" into formulas.
8. You can insert cell references from same worksheet, other worksheets in same workbook or even worksheets from other workbooks outside current workbooks.

Now we will see how some commonly used Excel Functions work.

ROUND Function

We can use the ROUND function to remove unwanted decimals using the standard rounding rule.

=ROUND(number,num_digits)

For rounding the number 3.547560 to nearest paisa (Hundredths position) use 2.

=ROUND(3.547560,2) = 3.55

For rounding to nearest rupee use 0

=ROUND(3.147560,0) = 4.00

Number to be rounded can be in a Cell and reference of that cell will be given in ROUND function formula. Eg. Suppose number 3.547560 is in cell A1, our formula will read like:-

=ROUND(A1,0)

AS per standard rounding rule, anything more than fraction of 0.5 will be rounded to next number and below 0.5 to the earlier number. However, if you want any fraction to be rounded to next number, then use function ROUNDUP. This will round the fraction to next possible number as per num digits mentioned in the function. Similarly, ROUNDDOWN function will round the fraction to earlier number.

See the difference in ROUND, ROUNDUP & ROUNDDOWN functions.

=ROUND(3.54756,2) = 3.55

=ROUNDDOWN(3.54756,2) = 3.54

=ROUND(3.54356,2) = 3.54

=ROUNDUP(3.54356,2) = 3.55

Further if you want to round the number to nearest 10 Rupees use -1, for 100 use -2, and so on.

IF Function

We can use IF function to tell excel perform a specific task or calculation or anything, if given condition fulfills.

Syntax of IF Function is

=IF(Logical test, value if true, value if false)

Logical test argument gets the Logical Formula that comes out to be TRUE or FALSE

Value if true argument is what will go in cell if Logical Formula gets a TRUE.

Value if false argument is what will go in cell if Logical Formula gets a FALSE

| Student | Marks | Result | Formula used |
|---------|-------|--------|--------------------------|
| Tom | 30 | FAIL | =IF(B2<35,"FAIL","PASS") |
| Dick | 55 | PASS | =IF(B3<35,"FAIL","PASS") |
| Harry | 80 | PASS | =IF(B4<35,"FAIL","PASS") |

In above example Values in column B are compared with criteria "35" as passing marks in order to find out whether student is passed or not.

In below example Actual Expenses are compared with Budget expenses through cell references and remarks put as "OK" if Actual is within budget and "Not OK" if actual is exceeding the budget.

| Top 5 Stores | | | | |
|--------------|------|-----------------|------------|--|
| Store Code | Rank | Sales Rs. Lakhs | Store Name | |
| 8403 | 1 | 300 | Mumbai | |
| 8407 | 2 | 275 | Chandigarh | |
| 8401 | 3 | 265 | Kolkata | |
| 8409 | 4 | 240 | Hyderabad | |
| 8402 | 5 | 190 | Siliguri | |

| Store Master | | | | |
|--------------|---------|-------------|--------------|--|
| Store Code | Cluster | Area Sq. Ft | Store Name | |
| 8400 | EAST | 3200 | Bhubaneshwar | |
| 8401 | EAST | 2700 | Kolkata | |
| 8402 | EAST | 1900 | Siliguri | |
| 8403 | WEST | 3550 | Mumbai | |
| 8404 | WEST | 3690 | Pune | |
| 8405 | WEST | 4520 | Ahmedabad | |
| 8406 | NORTH | 1850 | Amritsar | |
| 8407 | NORTH | 2750 | Chandigarh | |
| 8408 | NORTH | 3680 | Delhi | |
| 8409 | SOUTH | 2190 | Hyderabad | |
| 8410 | SOUTH | 2200 | Bangalore | |
| 8411 | SOUTH | 3560 | Warangal | |

VLOOKUP Function

We can use VLOOKUP function to retrieve something from a table and bring back the value to a cell.

V means Vertical. Syntax of VLOOKUP function is =VLOOKUP (lookupvalue, table array, col index, [range lookup])

Lookup value = thing you look at BEFORE you go over to the table.

Table array = vertical table = VLOOKUP table

Col index = which column in the table has the thing you want to go and get and bring back to the cell.

Range lookup = "FALSE" or "TRUE". FALSE for Exact Match and TRUE for Approximate Match. Values 0 & 1 can also be used in place of FALSE & TRUE respectively.

1. Exact Match:

VLOOKUP will look though each item in the first column of the VLOOKUP table and try to find a match. If VLOOKUP cannot find a match it will return error #N/A! saying that it is not available.

2. Approximate Match:

For Approximate Match the VLOOKUP table MUST be sorted on the first column: Ascending, A to Z, Small to Big.

For Approximate Match VLOOKUP will race through the first column. If the first value in the table is smaller than the lookup value, VLOOKUP returns a Not Available Error: #N/A!

It looks through the first column until it bumps into the first value bigger than it and then jump back one row.

If the lookup value is bigger than the last value, it stops at the last row.

| Store wise Sales | | | | |
|------------------|--------------|-----------------|----------------|--|
| Store Code | Store Name | Sales Rs. Lakhs | Store Category | |
| 8400 | Bhubaneshwar | 70 | B | |
| 8401 | Kolkata | 270 | C | |
| 8402 | Siliguri | 190 | C | |
| 8403 | Mumbai | 355 | C | |
| 8404 | Pune | 155 | C | |
| 8405 | Ahmedabad | 42 | A | |
| 8406 | Amritsar | 185 | C | |
| 8407 | Chandigarh | 85 | B | |
| 8408 | Delhi | 47 | A | |
| 8409 | Hyderabad | 219 | C | |
| 8410 | Bangalore | 220 | C | |
| 8411 | Warangal | 356 | C | |

| Store Category | | Lookup Table | |
|-----------------|----------|--------------|----------|
| Sales Rs. Lakhs | Category | Value | Category |
| > 150 | A | 0 | A |
| 50 to 150 | B | 50 | B |
| < 50 | C | 150 | C |

In above example. We have a list of Top 5 stores in Cells A2 to D8. Only Store Code is available with us and we need to fetch Store Name from the Store Master which is shown in Cells A11 to D23. If you see at formula bar (marked in red circle) formula of VLOOKUP is there inside Cell D4. It reads as this:

=VLOOKUP(A4,\$A\$11:\$D\$23,4,0)

Let's study the formula. Formula starts with Equal sign followed by name of the function here its VLOOKUP function. Then Open bracket and Look up Value is mentioned which is Cell A4. If you check the Cell A4, you will find store code 8403. We need name of the store code 8403, which is in column D in Store Master. Therefore, Formula gives the range of the lookup table A11 to D23. So we are telling excel to find the code 8403 in Column A11 to A23 and if it finds it, then return the value in column D11 to D23 in same raw. Column "D" is 4th column from column "A" so we have mentioned 4 as Range Lookup. After Range Lookup we have put 0 for Exact Match"

I suggest. Try to do it live in Excel in order to get better understanding of the function.

Now see the above example. We need to find out the category of the store based on its Sales. Category definition is mentioned in the table at bottom left corner of the image. If sales is more than 150 then its "A" category store. If sales is between 50 to 150 then it's a "B" category store and below 50 it's a "C" category store.

In table at bottom right corner, there is a look up table which read category "C" for 0, "B" for 50 and "A" for 150.

Lets study how it works. Here we have used approximate match concept of VLOOKUP so we have sorted the 1st column of look up table small to big. In Cell E4, VLOOKUP checks the look up value from Cell D4 i.e. 70 in column "D20 to D22". Since it's an approximate match, it will return the value "B" from 2nd column i.e. Column "E20 to E22" as value 70 falls between 50 and 150. Similarly for all values below 50, it will return "C" and values above 150 it will return "A".

HLOOKUP

HLOOKUP function is similar to VLOOKUP just it searches the values horizontally in rows below the look up row and you need to mention row index instead of column index in HLOOKUP formula. Concepts of Exact Match and Approximate Match are same in HLOOKUP too.

V Means Vertical and H means Horizontal.

COUNTIFS, SUMIFS, AVERAGEIFS and similar functions

COUNTIFS

We can use COUNTIFS function to count the number of entries in a given range with 1 or more conditions / criteria. Its based on the "AND" logic test where all criteria defined while inputting the formula must evaluate TRUE.

Syntax = COUNTIFS(Criteria Range1, Criteria1, Criteria Range2, Criteria2,...)

You can give up to 126 criteria in Count if function. With the help of our discussion so far, you will be by now able to understand the logic behind excel formulas by studding the formula and its elements. Just try to analyse the formula of COUNTIFS in below example.

| City | Top Car Model | Car Model | Count of Cities |
|-----------|---------------|-----------|-----------------|
| Mumbai | Toyota | Toyota | 4 |
| Chennai | Toyota | Maruti | 3 |
| Kolkata | Maruti | Ford | 2 |
| Delhi | Ford | | |
| Pune | Maruti | | |
| Trichy | Ford | | |
| Gurgaon | Maruti | | |
| Ghaziabad | Toyota | | |
| Vadodara | Toyota | | |

In this example, count of cities where each model of cars is doing good is calculated using COUNTIFS.(I know you are thinking about the Dollar (\$) sign in the formula

between the column and row indexes. Don't worry we will be studding it later in the article.)

SUMIFS

SUMIFS makes the total of items in a range if they fulfill the given criteria.

| Salesman | Top Car Model | Qty. Sold |
|----------|---------------|-----------|
| Pranav | Toyota | 4 |
| Pranav | Ford | 3 |
| Pranav | Maruti | 8 |
| Pralhad | Toyota | 17 |
| Pralhad | Ford | 12 |
| Pralhad | Maruti | 9 |
| Bhavin | Toyota | 1 |
| Bhavin | Ford | 3 |
| Bhavin | Maruti | 8 |

| Car Model | Pranav | Pralhad | Bhavin |
|-----------|--------|---------|--------|
| Toyota | 4 | 17 | 1 |
| Maruti | 8 | 9 | 8 |
| Ford | 3 | 12 | 3 |

Carefully see the difference between formulas of COUNTIFS & SUMIFS. One additional range called Sum Range is added in SUMIFS function.

=SUMIFS (Sum Range, Criteria Range1, Criteria1, Criteria Range2, Criteria2....)

Here we have calculated the number of each type of car sold by each salesman.

AVERAGEIFS works similar to SUMIFS just instead of sum, it calculates average of the values in range fulfilling the criteria.

LARGE & SMALL Functions.

=LARGE(array,k), =SMALL(array,k)

LARGE function gives the kth Largest value. K1 = Largest, K2 = second largest, K={1,2,3} = simultaneously gets 3 biggest values (remember array formulas ?). SMALL function work reverse and gives smallest value.

| | A | B | C |
|----|-----------------|--------------|------------------|
| 1 | | | |
| 2 | Higest Sales | 17 | =LARGE(B6:B14,1) |
| 3 | Lowest Sales | 1 | =SMALL(B6:B14,1) |
| 4 | | | |
| 5 | Salesman | Sales | |
| 6 | Pranav | 4 | |
| 7 | Pralhad | 3 | |
| 8 | Bhavin | 8 | |
| 9 | Vikas | 17 | |
| 10 | Aman | 12 | |
| 11 | John | 9 | |
| 12 | Lalit | 1 | |
| 13 | Dhaval | 3 | |
| 14 | Ahmed | 8 | |

CELL REFERENCES

As we already discussed, we can input values in formulas through cell references.

Cell References are of three kinds.

1. Absolute Cell Reference - Both Row & Column references are locked and will not change with movement in formula cell.
2. Relative Cell Reference - Both Row & Column references are un-locked and can move along with movement in formula cell.
3. Mixed Cell Reference - Any one of Row or Column reference is locked and another one is un-locked. Locked one will remain unchanged whereas un-locked one will change as per the movement in formula cell.

Absolute Cell Reference are fixed cell references which do not move with moving the formula from one cell to another. In other words, even if I copy and paste the formula into another cell, original cell references in the formula do not change and they continue to refer same cells or range of cells as in original formula cell. Absolute Cell References are denoted by Dollar "\$" sign before Column and Row indexes inside Cell References.

| | A | B | C | D |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | |
| 2 | | | | |
| 3 | 2 | | | |

\$A\$1 is an absolute cell reference. If I copy and paste the cell A3 to B3, it will still show value as 2 as it will continue to refer Cell A1 as earlier.

Relative cell references move along with movement in formula cell. Like if I move the formula two columns right to the original formula cell, it will make the column reference in formula to move two columns to the right but row reference will not change as there is no change in the row index of the formula cell. Vice Versa if I move the formula cell to two rows down, it will also move the row index two rows down inside the formula. This happens in relation with the movement of formula cell hence it is called relative reference.

| | A | B | C | D |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | |
| 2 | | | | |
| 3 | 2 | | | |

A1 is a relative cell reference. If I copy and paste the cell A3 to B3, it will now show value as 3 as it will change its reference to B1 from A1 with movement of formula from Cell A3 to B3. If I move the Formula from Cell A3 to A4, it will change the row reference from A1 to A2 and cell will show 0 (Zero) as Cell A2 is empty.

| | A | B | C | D |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | |
| 2 | | | | |
| 3 | 2 | | | |

A\$1 is the mixed cell reference where I have locked the row index with Dollar sign but Column index in unlocked so it will allow column index to move to right if I move the formula from A3 to B3 but it will not move the row index downward if I move formula from A3 to A4 or B4.

Try doing this on your own and see how cell references move in relation with movement in formula cell.

A Quick recap of the topics discussed in this lesson will be a good way to conclude this 2nd article on Microsoft Excel.

1. Types of Formulas and Formula elements.
2. Types of Calculations in Excel
3. Steps to find errors in formulas.
4. ROUND & IF Functions
5. VLOOKUP & HLOOKUP
6. COUNTIFS, SUMIFS, AVERAGEIFS
7. LARGE & SMALL Functions
8. Types of Cell References.

In next article, we will go through some of the data analysis tools like sort, filter, pivot tables and charts.

Congratulations !!!

CMA (Dr.) Anil Anikhindi (M/6564) has been authorised by Maharashtra Electricity Regulatory Commission (MERC), Mumbai as Individual Consumer Representative under the MERC (Authorised Consumer Representatives) Regulations 2012 for the period of 3 years. The panel consists of 5 persons from Maharashtra state.

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Impact of GST on Export of Goods and Services

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GST is not the change in Tax Structure but would result in Business Transformation. One would definitely witness the Growth in Exports with the introduction of GST.

Taxes and Duties are never exported and have to be neutralized to the Exporter by way of refund or drawback so that the same may not add to the cost of goods and exports remain competitive in the International market.

Exports can be Direct Exports, Deemed Exports or Third Party Exports. "Direct Exports" refer to exports where the goods supplied are exported to any country outside India and the payment is received either in Free Foreign Exchange or in Indian Rupees through Vostro account. "Deemed Exports" refer to exports where the goods supplied do not leave India and the payment is received either in Free Foreign Exchange or in Indian Rupees. "Third Party Exports" are exports made by exporter or manufacturer on behalf of another exporter and export documents i.e. Shipping Bills shall indicate the name of both Manufacturing Exporter / Merchant Exporter.

The basic principle lying behind GST is to do away with the exemptions so that the Tax Base shall be widened thus resulting in Reduction in GST Rates.

Exports in GST Regime

Exports are Zero Rated in the present Excise, Service Tax, VAT Acts and shall continue to be zero rated in the GST Act.

"Zero Rated" supply under GST is defined as "supply of goods and / or services on which no tax is payable but credit of the input tax related to that supply is admissible. Exports shall be treated as Zero rated Supply.

"Refund" is defined under Model GST Law as refund of tax on goods / services exported out of India or on inputs or input services used in the goods / or services which are exported out of India, or refund of tax on supply of goods regarded as "deemed Exports" or refund of unutilized input tax credit.

Time Limit for GST Refund

Section 38(1) of Model GST Law 2016 provides that the exporter claiming refund has to file application for claiming refund with TWO YEARS from the "Relevant Date" (defined at the end of article)

Refund under GST

In the present Central Excise Act, exporter of goods

procure Duty Free material against CT-1, CT-3, Concessional Duty Certificates and export the goods without payment of duty under Bond. In GST Regime, all forms i.e. CT-1, CT-3 shall be done away with and the goods have to be purchased on payment of GST which is available for refund.

No refund shall be admissible if the amount is less than Rs. 1000/-

Mentioned below are the options available under GST with the exporter for availing Refund in respect of Export of Goods:

- Refund of GST paid on Input & Input Services is available under GST OR alternatively Rebate of GST is available on finished goods. (This provision is similar to the existing provision under Present Central Excise, Service Tax & VAT Act.

At present State VAT is not eligible as refund by way of "REBATE" as applicable to Central Excise. VAT paid on inputs used in the manufacture of Export goods is available as refund subject to submission of evidence of exports of goods. VAT claim is disbursed on the basis of proportionate input tax credit used in the exported goods or if exporter maintains SION (Standard Input Norms) then on the basis of same.

In the GST Regime, Exports are treated as Inter-State Supply and accordingly IGST can be levied and claimed as rebate by the Exporter. SGST is available for utilization against IGST and accordingly the exporter can claim rebate of State Taxes also against Exports. Refund of IGST is to be granted by Centre as the said act falls under purview of Central Govt.

Important is to wait and watch what GST Council recommends in respect of Exports whether (a) to have Zero Tax rate or (b) to continue with present set of Export under Bond" / and on payment of duty for claim under rebate.

Section 38 of Model GST law provides for Refund of unutilized accumulated on account of Exports, except on goods which are subject to Export Duty. Rule 38(4)(a) provides for refund of 80% to taxable person within the time specified and terms and conditions to be defined in GST Rules to be framed and balance 20% to be released after due verification of all the export documents. In any case the refund has to be processed within a maximum period of 90 days.

Refund on Export of Goods / Services is available to the Exporter in respect of Tax paid on Inputs, services used in the supply of goods for Export. (Section 38(6)(a) of Model GST Law)

Deemed Exports - Refund of GST

In the present environment, the supplies to EOU / Projects under International Competitive Bidding / Mega Power Plants / World Bank funded Projects are exempted against Concessional Duty Certificates, which does not exist in the GST- Model Draft Law.

GST is to be paid on supplies to above stated sectors and option is available with both i.e. supplier of goods / receiver of goods to claim back refund from Centre / State Govt. as the case may be. Refund can be claimed by supplier if furnishes evidence to GST officer that the IGST has not been collected from the recipient.

Supplies to EOU / sectors defined above on payment of duties in GST regime would impact financial outflow as the supplier may have to shell out amount of IGST in cash (where CENVAT is not available) and refund of same will be granted afterwards by the Central / State Govt. as the case may be.

Alignment with DGFT / Custom System

- IEC Code is to be filled in by exporter at the time of making application for issuance of GSTIN and is accordingly validated with the IEC system of DGFT.
- Exports shall be verified from the shipping details as available at ICEGATE (Online Import / Export system managed by Customs)
- Documents required as an evidence of Export includes: Shipping Bill / Bill of Lading / Airway Bill / Commercial Invoice / Packing List / Transporters GR in case of Movement by Road / Bank Realization Certificate.
- Invoice wise sales data is to be uploaded online at the time of submission of Return for Outward supplies; GSTIN may establish linkage between ICEGATE, DGFT and GST returns to ensure sanction of valid export claims.
- E-BRC module for payment realization in case of export of material as exists in the DGFT system can be verified online by GST officer for processing of claim. The same would reduce the transaction cost of Exporters and adds to Ease of Doing Business.

"Relevant Date" is defined under Model GST Law as:

- a) in the case of goods exported out of India where a refund of tax paid is available in respect of the goods themselves or, as the case may be, the inputs or input services used in such goods, -
 - (i) if the goods are exported by sea or air, the date on which the ship or the aircraft in which such goods are loaded, leaves India, or

- (ii) if the goods are exported by land, the date on which such goods pass the frontier, or
 - (iii) if the goods are exported by post, the date of dispatch of goods by Post Office concerned to a place outside India;
- b) in the case of supply of goods regarded as deemed exports where a refund of tax paid is available in respect of the goods, the date on which the return relating to such deemed exports is filed;
 - c) in the case of goods returned for being remade, refined, reconditioned, or subjected to any other similar process in any place of business, the date of entry into the place of business for the purposes aforesaid;
 - d) in the case of services exported out of India where a refund of tax paid is available in respect of services themselves or, as the case may be, the inputs or input services used in such services, the date of -
 - (i) receipt of payment in convertible foreign exchange, where the supply of service had been completed prior to the receipt of such payment; or
 - (ii) issue of invoice, where payment for the service had been received in advance prior to the date of issue of the invoice;
 - e) in case where the tax becomes refundable as a consequence of judgment, decree, order or direction of Appellate Authority, Appellate Tribunal or any Court, the date of communication of such judgment, decree, order or direction;
 - f) in the case of refund of unutilized input tax credit under sub-section (2), the end of the financial year in which such claim for refund arises; and
 - g) in the case where tax is paid provisionally under this Act or the rules made thereunder, the date of adjustment of tax after the final assessment thereof.

The basic principle lying behind GST is to do away with the exemptions so that the Tax Base shall be widened thus resulting in Reduction in GST Rates.

Section 38 of Model GST law provides for Refund of unutilized accumulated on account of Exports, except on goods which are subject to Export Duty. Rule 38(4)(a) provides for refund of 80% to taxable person within the time specified and terms and conditions to be defined in GST Rules to be framed and balance 20% to be released after due verification of all the export documents. In any case the refund has to be processed within a maximum period of 90 days.

Refund on Export of Goods / Services is available to the Exporter in respect of Tax paid on Inputs, services used in the supply of goods for Export. (Section 38(6)(a) of Model GST Law).



Legal Maxim (Continued...)

CMA N. P. Viswanathan

Contact: 919890161954 • E.mail: vishuma1954@gmail.com

- **actus dei nemini facit injuriam** : The act of God prejudices no one. The law does not hold a man to a legal duty where he is prevented from performing it by an act of God. Act of God means an accident or event which happens independently of human intervention and due to natural causes, such as storm, earthquake, etc., which no human foresight can provide against, and of which human prudence is not bound to recognise the possibility.
- **actus legis nemini est damnosus** : An act in law shall prejudice no man
- **actus legis nemini facit injuriam** : The act of law injures no one
- **actus non facit reum, nisi mens sit rea** : The act itself does not constitute guilt unless done with the guilty intent (see mens rea)
- **actus rea** : Such result of human conduct as the law seeks to prevent
- **ad alium diem** : At another day
- **ad audiendum** : To hear
- **ad certum diem** : At certain day
- **ad diem** : To the day appointed
- **ad ea quae frequentius accidunt jura adaptantur** : The laws are adapted to those cases which more frequently occur
- **ad eundem** : To the same class
- **ad hoc** : (For this purpose) For a particular end or case at hand
- **ad hominem** : To the man; personal
- **ad idem** : Of the same mind; agreed.
- **ad infinitum** : Without limit
- **ad interim** : In the meanwhile, temporarily
- **ad lib/libitum** : At pleasure, to any extent
- **ad quaestionem facti non respondent iudices, ad quaestionem juris non respondent juratores** : The judge does not decide questions of fact and the jury do not decide questions of law
- **ad quaestionem legis respondent iudices** : Question of law the judges answer
- **ad quod damnum** : To what damage
- **ad referendum** : For further consideration
- **ad rem** : To the point
- **ad sectam** : At the suit of
- **ad summam** : In conclusion
- **ad usum** : According to custom
- **ad valorem** : According to value; calculated according to value.
- **ad vitam aut culpam** : An office held during the life of the officer or until he misconducts himself in such manner as to justify his removal.
- **adscriptus glebae** : Attached to the soil
- **adversus extraneos vitiosa possessio prodesse solet** : An imperfect possession is accustomed to prevail as against outsiders claiming adversely
- **aedificatum solo, solo cedit** : What is built on the land is to be regarded as having become part of the land.
- **aequitas** : Equity
- **aequitas factum habet quod fieri oportuit** : Equity regards as done that which ought to have been done
- **aequitas sequitur legem** : Equity follows the law
- **aequum et bonum est lex legum** : Which is equal and good is the law of laws. While dealing with law enacted by Parliament, the presumption always is aequum et bonum est lex legum
- **aequus** : Equal
- **affidavit** : Affidavit has been defined in sub-clause (3) of section 3 of the General Clauses Act, 1897 to include affirmation and declaration in the case of a person by law allowed to affirm or declare instead of swearing. The essential ingredients of an affidavit are that the statements or declarations are made by the deponent relevant to the subject or affirms the truth of the statements made in the presence of a person who in law is authorised either to administer oath or to accept the affirmation.
- **affirmanti non neganti incumbit probatio** : The burden of proof lies upon him who affirms, not upon him who denies.
- **aileni juris** : Not possessing full legal power
- **alias** : A false name, otherwise called
- **alias writ** : A second writ issued after a former one had proved ineffectual
- **alibi** : Elsewhere. The word is used for convenience when an accused takes recourse to a defence line that when the occurrence took place, he was so far away from the place of occurrence that it is extremely improbable that he would have participated in the crime.

(Courtesy : CBDT, D of R, M of F, GoI)

E - mail rd.west@mca.gov.in

Tele No. 22811493

Government of India
Ministry of Corporate Affairs
Office of the Regional Director, Western Region
Everest, 5th Floor, 100, Netaji Subash Marg, Mumbai 400 002.

NOTICE FOR INVITING APPLICATIONS FOR EMPANELLING EXPERTS AS MEDIATORS OR CONCILIATORS

The Ministry of Corporate Affairs (MCA) has empowered the Regional Director(s) to prepare and maintain/update the Mediation and Conciliation Panel of eligible experts in pursuance of Rule 3(1) of Section 442 of the Companies Act, 2013 who are willing to be appointed as mediator or conciliator in this Region.

2.0 The panel shall be placed on the website by MCA until any other website is notified as prescribed under Rule 3(1) of the Companies (Mediation and Conciliation) Rules, 2016 (M&C Rules) The copy of the Rules is available on the MCA website (www.mca.gov.in)

3.0 The mediator or conciliator included in the Panel with this Region may provide relevant services for parties in any other region as well, as may be allowed by the Central Government or Tribunal (Company Law Tribunal or Appellate Tribunal) under the M&C Rules.

4.0 The expert willing to be empanelled as Mediators or Conciliators who possess qualifications as under:-

- (a) Has been a Judge of the Supreme Court of India; or
- (b) has been a Judge of a High Court; or
- (c) has been a District or Session Judge; or
- (d) has been a Member or Registrar of a Tribunal constituted at the National level under any law for the time being in force; or
- (e) has been an officer in the Indian Corporate Law Service or Indian Legal Service with fifteen years' experience; or
- (f) is a qualified legal practitioner for not less than ten years; or
- (g) is or has been a professional for at least fifteen years of continuous practice as Chartered Accountant or **Cost Accountant** or Company Secretary; or
- (h) has been a Member or President of any State Consumer Forum; or
- (i) is an expert in mediation on conciliation who has successfully undergone training in mediation or conciliation.

5.0 Applications are invited from eligible Applicants for the Selection of experts for empanelling as mediators or conciliators to the Regional Director, Western Region, Mumbai. The Applicant must be a citizen of India. All Applications filed online as well as in the physical form within the specified time are accepted. The application form shall be in Form No. MDC- 1 (annexed to the Companies (Mediation and Conciliation) Rules, 2016 (format enclosed), Annexure -1.

6.0 The application shall be forwarded physically on the abovementioned address or through e- mail I.D. of Regional Director (rd.west@mca.gov.in).

7.0 The Applicants are advised to fill their correct and active e-mail addresses and mobile number in the online application as well as in the physical application. The last date for receiving application is 8th November 2016 before 5.00 p.m. The Directorate reserves the right to make the correspondence through e-mail only.



(A. K. CHATURVEDI)
REGIONAL DIRECTOR
WESTERN REGION, MUMBAI

Report on "12 days Pre-Placement Orientation Program"

Institute has proposed "12 Days Pre-Placement Orientation Program" for the June 2016 FINAL QUALIFIED opting for Campus Placement. Accordingly WIRC had organised the programmes from 12th September to 24th September 2016 at WIRC Office & Thane SMFC. Total 110 students participated in the programme.

Inaugural session was conducted on 12th September 2016 at Thane SMFC, CMA Debasish Mitra, Chairman Students, Members and Chapter Co-ordination Committee, WIRC welcomed the fresh CMAs. CMA L Prakash, Vice President-Strategy, Reliance Industries Ltd, was the Chief Guest on the occasion. We have also invited the candidates who were placed through our earlier Campus for sharing their experience with the fresher's. Accordingly CMA Naval Bozorgi, selected in Accenture in 2010 Campus Placement and CMA Malvika B, Selected in Tata Motors in 2015 Campus Placement, shared their experience of Institute Campus placements.

CMA Deepak Ukidave, CMA Chandrashekhar Joshi, CMA

Sukhram Bisen CMA Atul Dharap, CMA Kedar Ghosh, CMA (Dr.) V.V.L.N. Sastry, CMA Aditya Umarji, CMA Sukrut Mehta, CMA Abhishek Singh, Ms. Riti Chopra, Ms. Mamta Deval. Mr. Shaikh Imran, Mr. Zoheb Bagkari, Mr. Dhiren Shah conducted the sessions. PPT presentations was reviewed by Panel Members consisting CMAs Poonam Shah and Deepak Ukidave at WIRC & CMAs Pinaki Chakraborty, Devarajan Swaminathan & Deepak Ukidave at Thane SMFC. Students were divided into various groups consisting average 8 students each group and each group has given half an hour time for presentation on different topics. The presentation given by students were excellent and the prizes were given to the group for the best presentation at WIRC & Thane Centre each at Felicitation function held at Sydenham College on 24th September 2016.

WIRC had received excellent feedback from the students of conducting such a structured programme which will benefit them a lot for appearing in Campus Placements.

Report on "Model GST law in India - Train the trainers Program" held at Pimpri, 1st & 2nd October 2016

The Goods & Services Tax (GST), is the much awaited revolutionary tax reform in India since independence. GST Law would upon implementation would make "One Nation, One Tax". To enrich our Professionals through 'Capacity Building' exercise. The Taxation Committee of the Institute jointly with WIRC & Pimpri-Chinchwad-Akurdi Chapter organized two days Programme on "Model GST Law in India - Train the Trainers" on 1st & 2nd October 2016 at Hotel Kalasagar, Old Pune-Mumbai Road, Kasarwadi, Pune.

CMA Ashish Deshmukh, Chairman of Pimpri-Chinchwad-Akurdi Chapter, welcome the participants and dignitaries and gave brief introduction of all dignitaries on the dais. All dignitaries were lighting the lamp on the inaugural function. CMA Ashok Nawal, Chairman-Taxation Committee of ICAI felicitated our Chief Guest Mr. Rajesh Pandey Commissioner of Central Excise, CMA Sailaxmi Mudaliar felicitated CMA B M Sharma-Past President of ICAI, CMA R B Laddha felicitated CMA Ashok Nawal, Chairman, Taxation Committee of ICAI, CMA V. S. Datey-Renowned Author was felicitated by the chief guest by offering a memento, CMA Prakash Sharma felicitated CMA L D Pawar, RCM & Hon. Secretary of WIRC, CMA Rajendra Gore felicitated CMA Ashish Deshmukh and CMA Shirish Kulkarni felicitated CMA Harshad Deshpande

Shri Rajesh Pandey, Commissioner of Central Excise, Pune in his inaugural address analysed the major issues faced by the business community including octal. He stressed upon the major role is to be played by the professional for smooth implementation of GST. CMA V.S. Datey, in his key note address he gave brief on Goods & Services Tax (GST) - Introduction and Salient Features, Registration; Levy of and Exemptions from, Tax. All participants were so impressed on his speech.

CMA Ashok Nawal, Chairman Taxation Committee stated that In this age of transformation and going ahead, Institute desires to enrich the Professionals, who would in turn, would represent the Institute for knowledge dissemination across the country on GST Law and also participate in developing relations with the Revenue Officials across the country. The Trainers are

expected to lead the process of educating professionals down the line and stakeholders related for smooth roll-out of GST and its adoption by tax stakeholders.

CMA Ashish Deshmukh concluded the Inaugural Session by giving Vote of Thanks.

Topics Covered in Technical Session by -

CMA A.B. Nawal: Meaning & Scope of Supply, Time, Place and Valuation of Supply, Miscellaneous Provisions, & Transitional Provisions. CMA B.M. Sharma: Returns, Payments, Refunds, Input Tax Credit, Transfer of Input Tax Credit CMA L D Pawar: Draft GST Rules on Registration, Invoice and Payment

CMA Rahul Renavikar: Accounts and Records, Audit, Assessment, Demands and Recovery, Offences and Penalties, Inspection, Search, Seizure and Arrest, Appeals and Revisions, Advance Rulings, Settlement of Cases, Liability in Special Cases CMA Dr. Waman Parkhi: How to calculate Impact of GST?

Valedictory session was chaired by Mr. R. K. Paldiwal, Asst. Commissioner - Excise. In his address he congratulated the Institute for having two days training programme for Train the Trainers and also informed the audience about the latest development taken on GST Law.

Participation Certificates were distributed to all the participants at the Hands of Mr. R. K. Paldiwal, Jt. Commissioner - Excise, CMA A.B. Nawal, CMA L. D. Pawar, CMA Harshad Deshpande and CMA Ashish Deshmukh. The names of certificate holders were announced by CMA Mahindra Bhombe, Vice-Chairman of PCA Chapter through software of Digital Gorkha.

The entire programme was compeered by CMA Prashant Vaze and CMA Final year student Tripti Patwa.

More than 120 delegates from Government Industries, Educations, Business Industries etc from all over the region participated both the days training programme and we have received excellent feedback about the faculty, topics covered and conduct of the programme.

CHAPTER NEWS

AHMEDABAD

Felicitation function

Chapter has organized felicitation function for meritorious students of June'16 exam of Foundation, Intermediate and Final on 13/09/2016 at Chapter's premises. CMA P H Desai, Chairman of WIRC, CMA V H Savaliya, Chairman of Chapter, CMA Ashish Bhavsar, Vice Chairman of Chapter and CMA P D Modh, Chairman Oral Coaching Committee were the dignitaries of Dias. CMA V H Savaliya, Chairman of Chapter welcomes the students and gave the brief activities of Chapter. CMA P H Desai, Chairman of WIRC gave inspiration speech and brief about the opportunities in corporate world for CMAs. CMA Ashish Bhavsar, Vice Chairman of Chapter convey their heartiest congratulations to meritorious students. CMA P.D. Modh, Chairman of Oral Coaching Committee given tips to the students for getting success in examination. Also explain about the facilities are available at the chapter.

The meritorious students are felicitated by the dignitaries. CMA Malhar Dalwadi, Chairman of Students Skill Development Committee presented vote of thanks.

Pre-Campus Orientation Program

12 Days Pre-Campus Orientation program was organized by ICAI-Ahmedabad chapter during 13th Sept'2016 to 24th Sept'2016. Various faculties have presented their presentation on various topics towards the participant students. CMA Hiranand Savlani was the Chief Guest of the program and he was felicitated by CMA R.B. Kothari, Chairman of Training & Placement Committee. Programme was very interactive and well responded by the participant students.

Seminar on Gearing up GST Regime

Chapter had organized a full day seminar on "Gearing up GST Regime" on 21/09/2016 at Ahmedabad Management Association, ATIRA, Ahmedabad. About 215 participants were present in the seminar. Seminar was Inaugurated by Chief Guest Dr. P D Vaghela (IAS)- Additional Commissioner (Commercial Tax). CMA V H Savaliya, Chairman of Chapter gave welcome speech. CMA P H Desai, RCM, Chairman-WIRC felicitated Chief Guest by offering memento. Eminent speakers CMA V S Datey, Shri Nayan Sheth, Shri Sreeram Kaza and Shri Nitesh Jain have presented their presentation on the subject of seminar.

AURANGABAD

Felicitation Function

Chapter conducted a Felicitation Function for the successful students of Foundation, Intermediate and Final Course for the examination held in June-2016 at the hall of The Institution of Engineers (I) Ltd on 27th September 2016.

The function was conducted in the gracious presence of Prof. & Dr. N. V. Rao-Principal MP Law College, Prof. & Dr. J.S. Khairnar, Prof. & Dr. U.V. Pachal-Vice-Principal & Head of Commerce Dept., Deogiri College and Prof & Dr. Major SudhirJahagirdar.

The Programme started with the Ganesh Vandana by Ms. Bhakti Dandawate. CMA Pravin Mohani explained the theme of the programme. CMA Bisheshwar Sen-Chairman welcomed the guests and informed the audience about the activities carried out by the chapter. CMA AsishDevdhe coordinated the programme and introduced the guests. CMA Parag Rane -Vice-Chairman and Chairman Training & Education guided to students about how to prepare for professional examination and expectation from Industry.

Prof. & Dr. N. V. Rao, Prof.Dr. J. S. Khairnar, Prof. Dr. U.V. Panchal and Prof. Dr. Major Sudhir Jahagirdar guided the students appropriately.

Students and parents expressed their views about the course. Chapter Secretary CMA Girija Sankar Swaro proposed votes of thanks.

CMA M.R. Pandit, CMA A. R. Joshi, CMA S. R. Pimple, CMA S. P. Bhangale, CMA Pravin Mohani, CMA R. G. Modani, CMA Rajesh Deshmukh, CMA Kiran Kulkarni, CMA Sunilkumar Maniyar, Prof. Anil Kulkarni, Prof. Aishwarya Dandawate, Prof. Bhakti Dandawate, Prof. Vivek Deshpande, Mr. Anand Chirputkar and students along with their parents were present on this occasion.

BHOPAL

Student facilitation:

An event was organised by the Chapter for facilitation of successful students of all stages. The Management committee members and coaching administrator CMA Ritesh Sharma were present on the occasion. All the CMA qualified students were mentored for future career opportunities.

Swachh Bharat day:

The activities relating to Swachh Bharat mission "Jagrukta Week" was organized by the Bhopal chapter on 2nd October 2016. CMA Yogesh Chourasia, Secretary, CMA Ritesh Sharma, Coaching administrator, Mr RavindraVerma & Mr. Ajay Dhore (Office in charge) and Final students of the chapter took Swachh Bharat Pledge and under took cleaning activities at MP Nagar Zone I.

GOA

Chapter had organized seminar on "GST" on 14th September 2016 at Chapter's office premises. CMA Ram Mohan Menon welcomed the members and representative of different organisation. CMA Anand Chodankar, Chairman of the Chapter felicitated the Guest Speaker CMA Harshad Deshpande with bouquet. In the

technical session CMA Harshad Deshpande explained in details the provision regarding "GST". The whole program including question answer session was very interactive and found very useful to the participants. The programme was attended by more than 35 members in practice, in service and other professionals. CMA Praveen Kumar Singh Secretary of Goa Chapter proposed vote of thanks.

KALYAN AMBERNATH

Prize Distribution Function:

On 3rd September 2016, Chapter organized Prize Distribution Function at Swami Hansmuni Maharaj Degree College of Commerce, Ulhasnagar 4 for the Students Foundation Inter and Final passing June 2016 examination. CMA M. R. Dudani Chairman of Chapter welcomed the Chief Guest Dr. Manju Lawani Pathak, Principal Smt. C. H. M College of Arts Science & Commerce, Ulhasnagar. Shri Kamal Kishore Jani, Ex. Executive Director of I.D.B.I. as Guest Honour and CMA Kalilash Gandhi, Vice Chairman of WIRC as Special Invitee, CA Hari Dudani, Convener, Kalyan-Dombivili branch of I.C.A.I, and Mr. Manya Hari Dudani as Special Invitee.

Function started with lighting of lamp by Chief Guest, and Guest of honor and other dignitaries attending the function. CMA Neetu Kapoor introduced the Chief Guest and Guest of Honour and other dignitaries. CMA M.R. Dudani, gave details of unique prize awarding scheme of chapter followed since starting of oral coaching in 1979 and informed that results of chapter have improved due to efforts of faculty and executive support by staff of chapter

CMA Kaillash Gandhi, Vice Chairman WIRC informed students about new emerging areas of practice in taxation CMA S.G. Narasimhan, Vice- Chairman of Chapter informed fresh CMAs areas in which members can do full time practice.

More than 100 students passing June 2016 examination, out of which 15 students were of Final completed, 30

students were Inter complete, 17 students Foundation complete and balance were inter and final one stage pass. CMA Neetu Kapoor, Treasurer of Chapter co-ordinated the programme and proposed vote of thanks. Programme ended with national anthem.

Soft Skills & Communications Seminar

During the month of August and September 2016 Chapter organized Communication /Soft skills seminars for the benefit of Intermediate students. Eminent faculties were invited to inform student's value of communication skills for students perusing professional courses. Students were informed how to face interview while applying for the jobs.

Seven Days Industry Oriented Training

Chapter organized 7 days Industry Oriented Training commencing on 25th September 2016 for Final students appearing for December 2016 examination. Faculties, Professionals were invited to deliver lectures on topics of professional Interest, covering Cost & Management Accounting, Auditing, Taxation, and communications skills, Operation Management, Accounting Standards.

KOLHAPUR-SANGLI

On 27th September, 2016 CEP was conducted by Chapter on GST. CMA Harshad Deshpande Regional Council Member of WIRC was the faculty. CMA (Dr.) A. G. Anikhindi introduced CMA Deshpande. CMA Deshpande explained the background of GST, Main provisions thereof & Procedural aspects like Registration, forms etc. CMA B. N. Mule, Treasurer of the Chapter proposed vote of Thanks. CMA Harshad Deshpande answered the queries raised by the audience.

VAPI DAMAN SILVASSA

Chapter organised a full day seminar on 22/09/2016 at Hotel Kamat, Silvassa on "GST - Practical Applications". The speakers were CMA V S Datey, CMA B F Modi and CMA R M Kandoi. The seminar was attended by over 70 participants from industry.

We the members cordially invite you to the inauguration of

SOLAPUR CHAPTER

OF

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

at the hands of **CMA. P. H. Desai**, Chairman, WIRC of ICAI & Presided by Dr. N. N. Maldar, Vice Chancellor, Solapur University, Solapur

CMA P. V. Bhattad, IPP (CCM-ICAI), CMA Ashok B Nawal (CCM - ICAI) & CMA Amit A. Apte (CCM - ICAI), Regional Council Members and other dignitaries will grace the occasion.

Date & Time: Sunday 16th October 2016 at 6 p.m.

Venue: Dr. Nirmalkumar Phadkule Hall, Near Siddeshwar Temple, Solapur

CMA Raghunath V. Kshirsagar

Secretary

Mobile No. 9423067970

CMA Nagraj K. Alwal,

Chairman

Mobile No. 9422457794

Managing Committee of ICAI - Solapur Chapter

Swachh Bharat Mission - Jagrukta Week celebrated by WIRC & its Chapters



WIRC



WIRC



WIRC



WIRC



WIRC



Borivali SMFC



Borivali SMFC



Aurangabad



Bhopal



Navi Mumbai



Pune



Nashik-Ojhar

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body Under an Act of Parliament)
12, SUDDER STREET, KOLKATA -700 016

Ref. No.: G/128/10/2016

October 4, 2016

NOTIFICATION

Sub: Extension of Examination for two more terms under syllabus 2012

No. CMA(1)/2016: It may be noted that examinations under the new syllabus 2016 will commence from June 2017. For the convenience of the students in regard to smooth switch over to the new syllabus, the Council of The Institute of Cost Accountants of India at its 302nd Meeting held on 19.09.2016 has decided to extend the applicability of Syllabus 2012 for another two terms. Hence the Examination under the syllabus 2012 will be conducted for further two terms i.e. June 2017 & December 2017 term of examinations.

(Kaushik Banerjee) Secretary

Activities of Pimpri Chinchwad Akurdi Chapter



Participation in Lokmat Education Fair - "Aspire 2016"



CMA L. D. Pawar, Hon. Secretary WIRC delivering lecture on Draft Model GST Law



CMA Sanjay Jhakotiya, Managing Committee Member felicitating Speaker CMA Pradeep Deshpande during Seminar on Discussion on GST



CMA Sandhya Nair, Director being felicitated by CMA L. D. Pawar during Felicitation Programme held on 3rd September 2016.



CMA B. M. Sharma felicitating 19th rank holder Mr. Saddam Hussain during Felicitation Programme held on 3rd September 2016.



Passed student in Final being felicitated by CMA L. D. Pawar during Felicitation Programme held on 3rd September 2016.



Chief Guest Dr. P. D. Vaghela, (IAS) Addl. Commissioner (Commercial Tax) inaugurating the Seminar on GST organized by Ahmedabad Chapter on 21st Sept. 2016.



CMAs P.D. Modh, Pradip H. Desai, V.H. Savaliya & Ashish Bhavsar during Inaugural session of Pre Placement Orientation Prog. organised at Ahmedabad Chapter



CMA Harshad Deshpande, RCM-WIRC, addressing during CEP on GST organised by Kolhapur-Sangli Chapter on 27th September 2016.



CMA Jayashri Rajesh honoured by CMA Vivek Bhalerao, Chairman Professional Development, during CEP organized by Navi Mumbai Chapter



CMA B.F. Modi addressing during Seminar on GST organised by Vapi-Daman-Silvassa Chapter on 22nd Sept. 2016



CMA Kailash Gandhi inaugurating the Felicitation Function organised by Kalyan Ambernath Chapter on 3rd September 2016.



CMA Harshad Deshpande addressing members during CEP organized by Goa Chapter on 14th September 2016.



CMA Manas Kumar Thakur, President ICAI addressing the audience during Workshop on GST organised by Nagpur Chapter



CMAs Anil Verma, Shriram Mahankaliwar, P.V. Bhattad, Manas Kumar Thakur, President ICAI, N.P. Viswanathan and Arun Kumar during Workshop on GST organised by Nagpur Chapter

Hearty Congratulations!!!



Indian Ex-Servicemen League Pune District Awarded Its Highest Award "Samaj Bhushan" To CMA Laxman Pawar, Hon. Secretary WIRC for his Contribution to Society



Honbl'e Minister Shri Rajiv Pratap Rudy awarding the Certificate of Brand Ambassador to CMA Sumeet Bahadur (M/26347), Director of Electronic & Power Control Company, Bhilai as their Brand Ambassador for Apprenticeship Training for promoting the Skill Development Programmes of the Ministry at New Delhi



Dr. Natika Poddar, Sr. Faculty for Oral Coaching WIRC at St. Francis Institute of Mgt. at Borivli SMFC receiving "Teaching Excellence" Faculty Award at Indo-American Summit 2016 organized by Indus foundation-Associate professor-Finance at St. Francis Institute of Mgt.



WIRC

*wishes all its Members & Students
Happy Diwali &
a Prosperous New Year*



To



If undelivered please return to:

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
WESTERN INDIA REGIONAL COUNCIL,
Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.