WIRC BULLETIN

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Dates : **25th April 2019 to 27th April 2019**

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For details & Registration Contact:

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WESTERN INDIA REGIONAL COUNCIL

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.
Tel.: 2204 3406 / 2204 3416 / 2284 1138 • Fax : 2287 0763 E-mail : wirc@icmai.in • **Website : www.icmai-wirc.in**

CMA Dhiraj Sachdev being felicitated by CMA Vinay Mulay during CEP on Fundamentals approach of Equity Investing organised by WIRC on 8th February 2019 at WIRC office.

Shri Arvind Kumar Sinha felicitating CMA Prashant Lele during Workshop on Less known features of Excel organised by WIRC on 23rd February 2019 at WIRC Office.

CMA Debasish Mitra felicitating CMA Mrityunjay Rai during CEP on Scope of CMAs in Forensic Audit held at Borivli SMFC on 23rd February 2019.

CMA Rashmi Joshi felicitating CMA Akshay Shah during CEP on Business Communication Skills for CMAs organised by WIRC on 1st March 2019 at WIRC Office.

From the Desk of Chairman

There are far, far better things ahead than any we leave behind. – **C. S. Lewis**

As we are on the verge of the closure of this financial year, we recall how the year went and where we had made mistakes and where new opportunities beckon so that we can approach all matters with better management and tackle various obstacles and challenges which we meet and fight them with the panacea in order to fructify our goals and objectives enabling us to grow and prosper.

Performance Card

No.	I Promised	I Achieved
1.	Formation of New Chapters	We have actively pursued and enabled the formation of Solapur Chapter and Bharuch-Ankleshwar Chapter respectively.
2.	**Increase the scope of CMAs in Regional Level**	
i)	Certification of assignments in Municipal Corporation	CMAs are allowed to certify in various matters of Municipal Corporation.
ii)	Certification of Audit of Trusts	CMAs would be allowed to audit in Trusts and the matter is now in the final stage.
iii)	Co-operative Societies Audit	In Maharashtra Co-operatives Act, the CMAs are allowed to conduct Financial Audit and presently 1,100 CMAs are empanelled in Maharashtra State. We have taken ardent efforts for inclusion of CMAs in other states under the purview of WIRC viz. Gujarat, Chattisgarh, Madhya Pradesh & Goa respectively
iv)	Certification in Banks and Insurance Sector	Many banks have made eligible CMAs to conduct Stock and Concurrent Audit. We started first with Bank of Maharashtra
v)	Certification of Statutory VAT Audit and GST Audit	CMAs are allowed to conduct statutory VAT audit and GST Audits for all states.
3.	Enhancement of Capacity Building Activities	WIRC has conducted umpteen programmes during my tenure as Chairman, WIRC in Mumbai alongwith conduct of multiple workshops and organized National Seminar in topics covering divergent topics which has enabled the growth of professional development of the members.
4.	Improvement in the financial position of WIRC	In my tenure we have increased the total amount of Fixed Deposits with cost reduction efforts alongwith increase of revenue by conducting courses in RVO, GST and IPA respectively.
5.	Increase in student strength of WIRC	WIRC has increased the student strength with vigorous efforts like Career Counselling and improvement in Campus Placement activities. We had the highest package across the country in September 2018 alongwith increase of numbers of placement over last term.
6.	Successful National Seminar	It was a big success and I had organized the National Seminar at Mumbai which was self-sustaining and was very well appreciated from all stakeholders.
7.	Continuous Workshops and CEP	The workshops in variant topics are continuously being conducted along with CEPs providing professional development to the members in all fields.
8.	Student's Facilities	We have provided pre-campus orientation programmes, campus placement, felicitation and robust oral coaching to the students which enabled them to get the best placement and make a mark in their careers.
9.	Brand Visibility	We had association with ASSOCHAM for joint programmes, member of IMC Chambers of Commerce and Industry.
10.	CMA's in Industry	Highest Placement recorded with a highest salary of approx. Rs. 18 Lakhs p.a. and average salary around Rs. 6-7 Lakhs p.a.

WIRC conducted 2 Workshops and 5 CEPs in the month of February 2019 in myriad areas including topics covering Forensic Audit, Advance Excel, Internal Audit, Equity Investing, GST in Specific Industry, Cost Accounting and Risk Based Process Audits. We are organizing Workshops in FEMA and GST in the month of March 2019 and CEPs in diversified topics for the professional development of the members.

WIRC organized the 8th batch of RVO course on Securities or Financial Assets from 18th to 24th February 2019.

We congratulate the CMA students who had passed the Foundation, Intermediate and Final examination of the Institute. From WIRC this term we had 1,228 Foundation, 671 Intermediate and 319 Final passout students respectively. We hope all students will be placed and have a bright future and be successful in their vocation.

The Pre-campus Placement programme at WIRC would be starting from 11th March 2019 at Thane SMFC Office of WIRC. Further, Campus Placement programme is scheduled from 25th-27th April 2019 at AM Shah College at Ghatkopar. We request the members to participate in the Campus Placement Programme to hand-hold the new passout students for their pursuit of a bright future. WIRC would be conducting the felicitation of the new passout students for the Foundation, Intermediate and Final Examination and thereby we would be conducting a Felicitation Ceremony on 18th March 2019 at Sydenham College of Commerce and Arts, Churchgate, Mumbai from 2 p.m. to 6 p.m. We are having the Mayor of Mumbai Municipal Corporation as the Chief Guest.

I am very happy to state that we had a fruitful meeting with the authorities of Government of Maharashtra for inclusion of CMAs in Trust Audit and we are hoping notification would be published very soon for the benefit of the members.

I was also the Speaker for the Reserve Bank of India training progamme held at Pune and had a fruitful discussion with the participants. I was also a faculty for the 1st Batch of RVO on Securities or Financial Assets at Pimpri Chapter on 24th February 2019.

I request the CMA lady members to attend the ceremony of International Women's Day on 8th March 2019 at WIRC Office. This time we have made an arrangement of the Women's Summit for our lady members so that the event can be very successful one. Further, we are having the meeting for Task Force-Women Empowerment on 8th March 2019 to commemorate the International Women's Day.

We wish all a very happy Holi and Shivratri.

Jai Hind.

Regards and thanks

CMA Laxman Pawar
Chairman, WIRC

Workshop on Insolvency, Valuation, GST and International Finance

Venue : WIRC Premises, Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai - 400 001

Date : **Saturday, 16th March 2019**

Time : 10.00 a.m. to 5.30 p.m.

Fees : **Rs. 250/-** inclusive of GST

Session I - 10 a.m. to 1-30 p.m.	Foreign Exchange Fluctuation by CMA Debasish Mitra, General Manager (Finance and Accounts), Konkan Railways Corporation Ltd.
Session II - 2 p.m. to 5-30 p.m.	Insolvency, Valuation, GST by CMA Laxman D. Pawar, Practising Cost Accountant

(4 CEP Credit hours will be provided to CMAs)

For Seat Confirmation call - 9372045191 or email - wirc.admin@icmai.in

Valuation Standards

CMA Harshad S. Deshpande, Treasurer, WIRC

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Background

The Ministry of Corporate Affairs (MCA) has notified the provisions governing valuation by registered valuers [section 247 of the Companies Act, 2013 (the Act)] and the Companies (Registered Valuers and Valuation) Rules, 2017 (the Rules), both to come into effect from 18 October, 2017. These rules are game changer in the domain of Valuation. Earlier various class of professionals were given authority to certify valuation in the absence of dedicated framework under any regulatory authority. Now with this rules and IBBI being appointed as responsible authority to administer and perform functions under the said rules, the valuation domain is being well regulated.

Presently more than 900 valuers are registered under IBBI and they are only authority to carry out valuations under different legal framework. Nevertheless the other laws are soon expected to be amendedto include the Registered Valuers to carry out Valuations.

Valuation is inexact science requiring both objectivity and subjectively. Hence professional judgment of valuer is critical in valuations. One of the key reasons of regulating this domain was to bring consistency and uniformity. Different valuers have been taking different assumptions may lead to drastic differences in value conclusion. In many cases, the valuation also lacks uniformity and generally accepted global valuation practices. To bring uniformity, the valuation rules prescribed Valuation Standards.

As per definition "Valuation standards" means the standards on valuation referred to in rule 18 of the Companies (Registered Valuers and Valuation) Rules, 2017

Rule 18 prescribes Valuation Standards.? The Central Government shall notify and may modify (from time to time) the valuation standards on the recommendations of the Committee set up under rule 19.

Rule 19 Committee to advise on valuation matters?

(1) The Central Government may constitute a Committee to be known as "Committee to advise on valuation matters" to make recommendations on formulation and laying down of valuation standards and policies for compliance by companies and registered valuers.

The Centre Government has set up a 12-member "Committee to advise on valuation matters" headed by R Narayanaswamy, Professor-Finance & Accounting, Indian Institute of Management, in May 2018.

This committee is being set up to make recommendations on formulation and laying down of valuation standards and policies for compliance by companies and registered valuers. The committee is expected to come up with the report and Valuation Standards soon.

Needs of Valuation Standard

- Establish global framework
- Set asset specific guidelines
- Reflect global nature of business
- Assured guarantee of quality

The Valuation standards are set with objective to Standardize the various principles, practices followed by Registered Valuers or Valuation Professionals in valuation of assets & liabilities.

Applicability / utility of Valuation Standards

Disclosures in Valuation report

Rule 8. (3) States the valuer shall, in his report, state the following:-

(h) procedures adopted in carrying out the valuation and valuation standards followed;

Rule 8prescribed that the registered valuer shall, while conducting a valuation, comply with the valuation standards as notified or modified under rule 18:

Hence it is mandatory for registered valuer to comply with the valuation standards as notified under rule 18. However the Valuation Standards are not yet notified under Rule 18.

Till Valuation Standards as per rule 18 are being notified a valuer shall make valuations as per-

(a) internationally accepted valuation standards;

(b) valuation standards adopted by any registered valuers organisation.

Hence presently the Internationally Accepted Valuation Standards need to be followed.

International Valuation Standards (IVS) :

The International Valuation Standards Council (IVSC) is a not-for-profit organisation that acts as the global standard setter for the valuation profession

- IVS - A benchmark for global valuation practice
- IVS 2017 comprises five General Standards and six Asset Standards.
- The General Standards set requirements for the conduct of all valuation assignments including establishing the terms of a valuation engagement, bases of value, valuation approaches and methods, and reporting.
- The Asset Standards include requirements related to specific types of assets, including background information on the characteristics of each asset type that influence value and additional asset-specific requirements regarding common valuation approaches and methods used. The assets standards cover:
  - I. Businesses and Business Interests
  - II. Intangible Assets
  - III. Plant and Equipment
  - IV. Real Property Interests
  - V. Investment Property under Construction
  - VI. Financial Instruments

Overview of ICAI Valuation Standards:

Valuation Standards Board of ICAI has issued 'ICAI Valuation Standards (IVS-101, 102, 103, 201, 202, 301, 302, 303)', which are applicable from 1 July 2018.

VS 101- Definitions - To prescribe specific definitions and principles applicable to ICAI Valuation Standard. Also this is Valuation Standard guides to other Valuation Standards.

VS 102-Valuation Bases - It defines important Valuation Bases & Prescribes the measurement assumptions. Also explains the premises of values. A valuer is responsible for selecting the appropriate valuation base considering the terms of engagement and the intended purpose of the valuation.

VS 103 - Valuation Approach and Methods- it defines approaches and methods for asset valuation and provides guidelines.There are three types of Valuation Methods such as Market method, Income method and cost method.

VS 201- Scope of Work, Analyses & Evaluation- It identifies scope & terms of documents of valuation and engagement, responsibilities of valuer and client. The terms of the valuation Assignment shall be documented in writing in an Engagement Letter.

VS 202 - Valuation Report & Documentation- The valuation report should be minimum in content, forms basis for the preparation of Valuation Report & basis for maintaining sufficient & appropriate documentation.

VS 301 - Business valuation- It provides guidance for business valuers. The objective of this standard is to create uniform concepts, principles, practices and procedures of valuers for performing valuation services.

VS 302- Intangible Assets- The objective of this standard is to prescribe specific guideline& principles applicable to valuation of intangible assets that are not dealt specifically in another standard. Intangible assets are categorized as under:

1. Marketing based
2. Customer based
3. Technology based
4. Contract based
5. Artistic based

VS 303 - Financial Instrument- It establishes principles, suggests methodology and consideration to be followed by valuer in performing valuation of financial instrument. It also supplements other valuation standards. If any change in valuation technique may be necessitated are:

- change in terms or regulations governing the instrument;
- new markets development;
- new information becomes available;
- information previously used is no longer available;
- valuation techniques improvement; or
- market conditions change

To conclude :

Soon the 12-member "Committee to advise on valuation matters" headed by R Narayanaswamy, is expected to submit the report based on which Indian Valuation Standards under rule 18 will be notified.

Convergence of International Valuation Standards (IVS) to India Valuation Standard has to consider following points :

- Best valuation practices followed globally as well as in India
- Uniqueness of Indian conditions
- Current practices followed in India
- Various purposes for which valuations might be required over and above the requirements of Companies Act, IBC or Other legal framework

Once notified the Standards will be applicable to all Registered Valuers and he/she has to mention the compliance to the Valuation Standards in his report. Hence it is imperative for stake holders to know the Valuations Standards, because the business decision will be taken based on the Valuations.

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Reverse Charge Mechanism under GST

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Reverse Charge Mechanism means that GST shall be paid and deposited with the Government by recipient of Goods / Services and not by Supplier of Goods / Services.

As per normal mechanism of levy of GST, the Receiver of Goods / Services pays GST to the Supplier and such supplier then deposits GST with the Government. However as per provisions of Reverse Charge Mechanism, GST is to be paid and deposited by recipient with Government on behalf of supplier of service.

NORMAL GST PAYMENT PROCESS

GST PAYMENT IN CASE OF REVERSE CHARGE

Reverse Charge on Goods under Section 9 (3)

Sr.No.	Description of Goods	Supplier of Goods	Recipient of Supply
1	Cashew Nuts, not shelled or peeled	Agriculturist	Any Registered Person
2	Bidi Wrapper Leaves (Tendu)	Agriculturist	Any Registered Person
3	Tobacco Leaves	Agriculturist	Any Registered Person
4	Silk Yarn	Any person who manufactures Silk Yarn from Silk Cocoons for Supply of Silk Yarn	Any Registered Person
5	Supply of Lottery	State Govt, Local Authority	Lottery Distributer or Selling Agent

Reverse Charge on Services under Section 9 (3)

Sr.	**Description of Services**	**Supplier of Services**	**Recipient of Services**
1	Services provided or agreed to be provided by a goods transport agency (GTA) in respect of transportation of goods by road	Goods Transport Agency (GTA)	a) Any person registered under CGST/SGST/ UTGST/ IGST Act; b) Any body corporate stablished, by or under any law; or c) Any partnership firm whether registered or not under any law including association of persons. d) Casual taxable person e) Co-operative Society under any Law f) Any factory registered under or governed by the Factories Act,1948

2	Services provided or agreed to be provided by an individual advocate or firm of advocates by way of legal services, directly or indirectly	An individual Advocate or Firm of Advocates	Any Business Entity located in Taxable Territory
3	Services provided or agreed to be provided by an arbitral tribunal	An Arbitrate Tribunal	Any Business Entity located in Taxable Territory.
4	Sponsorship Services	Any Person	Any Body Corporate or Partnership Firm located in Taxable Territory
5	Services supplied by the Central Government, State Government, Union territory or local authority to a business entity excluding, - (1) renting of immovable property,and (2) services specified below- (i)services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Central Government, State Government or Union territory or local authority;	Central Government, State Government, Union territory or local authority	Any business entity located in the taxable territory.
5A	Services supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a person registered under the Central Goods and Services Tax Act, 2017 (12 of 2017). ** Added with effect from 25.01.2018	Central Government, State Government, Union territory or local authority	Any Person registered under Central Goods and Service Tax Act 2017.
6	Services supplied by a director of a company or a body corporate to the said company or the body corporate.	A director of a company or a body corporate	A company or a body corporate located in the taxable territory
7	Services provided or agreed to be provided by an insurance agent to any person carrying on insurance business	An insurance agent	Any person carrying on insurance business.
8	Services provided or agreed to be provided by a recovery agent to a banking company or a financial institution or a non-banking financial company	A Recovery Agent	A banking company or a financial institution or a nonbanking financial company.
9	Supply of services by an author, music composer, photographer, artist or the like by way of transfer or permitting the use or enjoyment of a copyright covered under section 13(1)(a) of the Copyright Act, 1957 relating to original literary, dramatic, musical or artistic works to a publisher, music company, producer or the like	Author or music composer, photograph her, artist, or the like	Publisher, music company, producer or the like, located in the taxable territory
10	Supply of services by the members of Overseeing Committee to Reserve Bank of India	Members of Overseeing Committee constituted by the Reserve Bank of India	Reserve Bank of India
11	Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate partnership or limited	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or ltd.	A banking company or a non-banking financial company, located in the taxable

	liability partnership firm to bank or non-banking financial company (NBFCs) Effective from 27.7.2018)	liability partnership firm.	territory
12	Services provided by business facilitator (BF) to a banking company	Business facilitator(BF)	A banking company, located in the taxable territory.
13	Services provided by an agent of Business correspondent (BC) to business correspondent (BC).	An agent of business correspondent (BC).	A business correspondent, located in the taxable territory.
14	Security Services (services provided by way of supply of security personnel) provided to a registered person:	Any person other than a body corporate.	A registered person, Located in the "taxable territory."

Time of Supply of Goods / Services under Reverse Charge Mechanism

Time of Supply of Goods under RCM	Time of Supply of Services under RCM
Earliest of the following	Earliest of the following
a) Date of Receipt of Goods	a) Date of Payment
b) Date of Payment	b) Date immediately after 60days from date of issue of invoice by supplier.
c) Date immediately after 30 days from date of issue of Invoice by supplier	

Input Tax Credit in Reverse Charge Mechanism

- The Recipient is eligible avail Input Tax credit on the Tax amount that is paid under reverse charge on goods and services.
- The only condition is that the goods and services are used or will be used for business or furtherance of business.
- Unfortunately, ITC cannot be used to pay output tax, which means that payment mode is only through cash under reverse charge.

Other Miscellaneous Points

- Taxable person paying tax under reverse charge is required to issue self-invoice.
- Advance payments are subject to Reverse charge mechanism.
- Unlike Service Tax, there is no concept of partial reverse charge. The recipient has to pay 100% tax on the supply.
- For a Composite Dealer, if he falls under Reverse Charge Mechanism then the dealer is ineligible to claim any credit of tax paid.

Conclusion

Reverse charge mechanism is not a new concept. We were already dealing with this in the service tax. But imposing a 100% reverse charge is definitely a big change. There are both pros and cons of this reverse charge mechanism but then no accurate conclusion can be drawn currently as to how the society will be impacted by its imposition. On one hand it will definitely be burdensome for the small supply receivers, but on the other hand, it will increase tax compliance for the country as a whole and would increase transparency.

Penal Interest for delayed filing of the GSTR 3B Return

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Backdrop:

Section 50 of the CGST Act, 2017 stipulates provisions as to penal interest payable for delayed payment of tax. Delayed payment of tax could occur as a result of :

a. Delayed filing of GSTR 3B Return; or

b. Excess availment of input tax credit or undue reduction of output tax liability.

Penal interest resulting on account of delayed filing of the GSTR 3B Return is the topic of this article. S.50(1) deals with charge of penal interest payable in the case of delayed filing of GSTR 3B Return.

Every registered person is required to file the Return in Form GSTR 3B for each month by the 20th of the month following. The net tax liability, after reducing from the output tax liability for the month, the credit available in the Electronic Credit Ledger gets reflected in the GSTR 3B Return. The GSTR 3B Return can be filed only after paying the net tax liability through the Electronic Cash Ledger. Thus, the due date for payment of GST tax liability is the due date for filing the GSTR 3B Return, namely the 20th of the following month. Penal interest @ 18% is payable by the registered person in the case of delayed filing of the GSTR 3B Return, on the net tax liability payable for the month.

Contention of the tax payers:

At any given point of time, the registered person would have balance in his electronic credit ledger or electronic cash ledger (balance unused and lying in the electronic cash ledger is not automatically refundable, unless refund of such balance in the cash ledger is claimed in the GSTR 3B Return). Thus such unused balances in the electronic credit ledger and electronic cash ledger represent funds already deposited with the treasury. It should be reasonable to presume that the penal interest which comes in picture in case of delayed filing of the GSTR 3B Return will be chargeable on the 'net tax liability' to be discharged before filing the GSTR 3B Return (after offsetting the balance in the electronic credit ledger and electronic cash ledger).

Here it needs to be noted that the mechanism for calculating penal interest based on this view of the tax-payers would be complicated. It is presumed by the proponents of this view that the registered person would correctly calculate penal interest offsetting the balance in the electronic credit and cash ledgers. However, as of date there is no mechanism provided in the IT system of the Department to compute penal interest as per this model of computation.

View taken by the authorities:

S. 50(1) of the CGST Act, 2017 provides for penal interest in the case of delayed payment of tax. This sub-section reads as under :

"50. (1) Every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council".

The authorities, as has been done by the Hyderabad Commissionarate, would take the view that payment of tax actually happens when the GSTR 3B Return is compiled, tax liability is computed therein and funds are appropriated in full towards discharge of the tax liability. Thus, the process of 'payment of tax' is complete only after appropriating funds from out of balance lying in the electronic credit ledger and the electronic cash ledger. As long as the funds lying in the electronic credit ledger and electronic cash ledger are not appropriated for discharging the tax liability, 'payment of tax' cannot be said to have happened. Thus, the entire net tax liability (output tax minus input tax credit availed) will be liable to payment of penal interest. To quote the relevant portion of the said Standing Order :

"Since ITC/Credit in balance in the 'Electronic Credit Ledger' cannot be treated as the Tax paid, unless it is debited in the said credit ledger while filing the return for off-setting the amount in the 'Liability Ledger', the interest liability under Sec. 50 is mandatorily attracted on the entire Tax remained unpaid beyond the due ate prescribed. The ITC in balance as on the due date for filing the return has no relevance with regard to the interest liability u/Sec.50.It is immaterial whether the self-assessed tax is paid through the Credit/ITC or the Cash. Once the payment is beyond the prescribed date, interest liability is attracted on the entire Tax amount".

The Controversy:

Thus, this has always been a contentious issue.

The issue has now formally come to fore as a result of the recent Standing Order No. 01/2019 dated February 4, 2019 passed the Hyderabad GST Commissionarate.

It is quite likely the other Commissionarates in the country will follow suit by issuing similar standing order.

For convenience of readers, the text of this Standing Order is reproduced after the contents of this article. While there has been differing interpretations given by tax professionals, this Standing Order has finally led way to resolution of this contentious subject.

Interestingly at the 31st GST Council meeting held on Descember 22, 2018, the Council has proposed amendments in the GST law to provide for offsetting the balance in the electronic credit ledger before computing interest u.s. 50(1). The amendment suggested by the Council read as under :

"Amendment to S. 50 of the CGST Act to provide that interest should be charged only on the net tax liability for the taxpayer, after taking into account the admissible input tax credit, i.e. interest would be leviable only on the amount payable through the electronic cash ledger."

However, this recommendation by the council can into force only after suitable Notification is issued by the CBIC in this regard.

OFFICE OF THE PRINCIPAL COMMISSIONER OF CENTRAL TAX HYDERABAD GST COMMISSIONERATE
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C.No: IV/16/32/2019 - CT (Tech.) Dt: 04.02.2019

STANDING ORDER No: 01/2019

Sub: GST- Interest liability U/ Sec. 50 of CGSTA/SGSTA on account of the delayed filing of GSTR-3B returns - Interest liable to be paid both on the cash and the ITC component of the tax paid after the due date prescribed - Recovery of such interest as clearly recoverable arrears- Reg.

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It is needless to mention that the Interest is an inevitable liability on the self-assessed tax in every case of delayed filing of GST-return, except NIL return [delayed filing of returns obviously involve delayed payment of Tax], besides the late fee. The said interest liability is not reflected in the Electronic Liability Ledger (ELL) of GSTN, unlike the late fee which is reflected automatically in ELL. Therefore, the said interest liable to be paid in terms of the Sec. 50, on account of the delayed filing of the return, has to be necessarily worked out and paid by indicating the same in the Col. 9 of the Table: 6.1 of the GSTR-3B; or Col. 3 of the Table 13 of the GSTR-4, as the case may be.

2. In this regard the following irregularities have been reported:
   - (i) The said interest liability is not being discharged by some Taxpayers (TPs);
   - (ii) Some TPs are discharging such interest liability, either at the instance of the officers of the department or on their own as convenient to them, while filing subsequent return; and
   - (iii) Some TPs are paying such interzest only on the cash component of the Tax paid / being paid belatedly, but not on the ITC component of the Tax paid/being paid, for the delayed returns.
3. The above irregularities are against the provisions of the GST law and need to be addressed on priority. In fact, the delay in payment of interest is a clear case of financial accommodation; and is absolutely against the interest of the Revenue. Hence, prompt action for recovery of interest, as per the law, is warranted.
4. The Sec. 50 envisages that such interest is liable to be paid by the Taxpayer on his own. Thus, the interest liability is an inevitable statutory liability in all such cases where the return was filed after the prescribed due date [delayed filing of returns obviously involve delayed payment of Tax]. Moreover, such interest liability on account of the delayed payment of Tax is not generated by the IT system

   GSTN) and hence is not reflected in ELL. Therefore, it is important to check the fact whether such TPs had paid the interest in terms of the Sec. 50 or not; and whether such interest was correctly paid on the entire self-assessed Tax amount or they paid the interest only on the cash component of such tax paid.
5. Further, with regard to the contention of some TPs that they are liable to pay such interest only on the Cash component of the self-assessed Tax paid/being paid, but not on the ITC available in their Electronic Credit Ledger, it may be noted that the interest in terms of the Sec. 50is liable to be paid, on the tax or any part thereof, which remained unpaid to the Government within the period prescribed. The said provision is reproduced here under, for ready reference:

   Sec. 50. Interest on delayed payment of tax: Every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council.
6. Since ITC/Credit in balance in the 'Electronic Credit Ledger' cannot be treated as the Tax paid, unless it is debited in the said credit ledger while filing the return for off-setting the amount in the 'Liability Ledger', the interest liability under Sec. 50 is mandatorily attracted on the entire Tax remained unpaid beyond the due ate prescribed. The ITC in balance as on the due date for filing the return has no relevance with regard to the interest liability u/Sec.50.It is immaterial whether the self-assessed tax is paid through the Credit/ITC or the Cash. Once the payment is beyond the prescribed date, interest liability is attracted on the entire Tax amount.
7. It is pertinent to mention that the amount of the interest payable in terms of the Sec. 50, would automatically become a recoverable arrears, which needs to be recovered in terms of the Sec. 79 of CGSTA/SGSTA.
8. In view of the foregoing facts and the legal position, the following instructions are issued for strict compliance (except in cases where there is a pending W.P on the issue discussed at para 5 &6 above):
   - (1) Conduct due verification of all the cases of belated filing of returns [which obviously involve payment of self-assessed Tax after the prescribed due date] and ensure that the interest liability is paid not only on the cash component, but also on the credit component of the Tax paid;
   - (2) In case the interest in terms of the Sec. 50 was not discharged by any Taxpayer, the concerned officer(s) should initiate prompt action for recovery of the same in terms of the Sec.79.
   - (3) A Register shall be maintained, in the Ranges/Divisions, in order to keep track of the cases which shall be updated on regular basis with proper abstract; and the unpaid interest amount shall be pursued for recovery by treating the same as clearly recoverable arrears.
9. Acknowledge the receipt.

Sd/-
(M. SRINIVAS)
04.02.2019 PRINCIPAL COMMISSIONER

Annual Return under GST - Basic awareness/readiness tips - GSTR9 & 9C

CMA Rajendra Rathi

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Annual return under GST need to understand table wise line item and respective instructions given at end of the format against each table line items to ensure correct compliance.

Further annual return can be summarized in following major section

1. Outward supply made during the financial year.
2. ITC availed during the year with brake up as input, capital goods, and input services
3. Details of Tax paid during the financial year
4. Transaction for previous FY declared in Return of April to Sept of Current FY or up to date of filing annual return of previous FY
5. Other information such as HSN wise summary of outward supply & inward supply having value more than 10%

Annual return contains 12 tables containing 100 rows and 5 column which means total 500 boxes need to be entered after compilation.

Out of that at 5 rows will be auto populated means balance 95 rows need to be filled up manually by taking data from GSTR1 or GSTR 3 B etc.

Assesse having turnover above 2 CRS need to get their return audited from Chartered accountant or cost accountant and file the annual return in GSTR 9 form along with GSTR 9 C (reconciliation format having auditor certification)

If we see the language of auditor certification in part B of GSTR 9C it is like

Auditor have examined the

(a) Balance sheet as on----

(b) Profit & loss account/income and expenditure account for the period------

(c) The cash flow statement for the period ------

2. REGISTERED PERSON- has maintained following accounts/records/documents as required by GST Act.

It means auditor has examined all the records and returns as per GST act and rules.

Moreover audit definition is audit of accounts records as per GST act and any other law for time being in force which means auditor has more responsibility to audit not only compliance under GST but other act also like mining act etc.

Now if we see GSTR 9 C it can be summarized in following ways.

1. Reconciliation of turnovers
2. Reconciliation of ITC and reason of difference
3. Reconciliation of tax and reason of difference
4. Auditor recommendations

Now reconciliation is required because some items like

(a) Interest, sale of land etc not attract GST but will form part of turnover /P&L as per books of accounts.

GST important provisions can be understood in following way also.

Place of Supply (To decide taxability) provisions are like heart of GST.

Input tax credit (ITC) provisions are like two eyes of GST need 200% checking before availment.

Annual Return is like Brain of GST as it need utmost care and reconciliation of return data with books of accounts data.

If above three are ensured timely and properly business can have satisfactory level of compliance maintenance under GST.

Conclusion.

As per 31 st GST council meeting, important decision relating to annual returns are.

(a) Due date for annual return in FORM GSTR-9 ,9A and reconciliation statement in FORM GSTR9C for FY 2017-18 extended till 30.06.2019.

(b) ITC in relation to invoices issued by supplier during FTY 2017-18 may be availed till due date for furnishing FORM GSTR3B for the month of March 2019.

All trade &business may keep data in format ready before 31.03.2019 so any ITC is not lapsed and get the data audited well in advance from auditor to avoid any last minute rush or audit qualification if any.

It is to be noted that due date for credit note / debit note raising for last FY 2017-18 is not extended.

Before filing correct data each line item of table need to understand by reading instruction given against same at the end of GSTR9 which can be understood in group discussion during knowledge sharing or study circle meetings. Master data sheet can be created by trade & business considering all scenarios and requirement under GST Annual return so required data can be compiled by making pivot table etc.

Further table 10 of GSTR 9C need reconciliation of ITC Declared in Annual return (GSTR9) with ITC availed on expenses as per audited annual financial statement or books of accounts.

Above is very comprehensive exercise and need mapping of expenses with annual return. Trade & Business can have self-explanatory grouping of expenses to avoid major mismatches. ■

Blockchain & AI are shaping Finance and Logistic World

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Artificial Intelligence (AI) is a constellation of technologies that extend human capabilities by sensing, comprehending, acting and learning-allowing people to do much more.AI will be most successful if enterprises create responsible AI strategies and systems that are aligned to five guiding principles: human-centric by design and embedding accountability, fairness, honesty and transparency.

As economies seek to achieve higher rates of growth and productivity, many business leaders are turning to artificial intelligence (AI) for solutions. The first wave of AI is already bringing intelligence to business processes and improving efficiencies. But the second wave will be more profound and promises some of the greatest advances in innovation since the industrial revolution. It will not only create new economic opportunities, but help solve some of humanity's major challenges, from the sustainable use of the environment to a transformation in health and wellbeing.

Blockchain, on the other hand,is essentially a new filing system for digital information, which stores data in an encrypted, distributed ledger format. Because data is encrypted and distributed across many different computers, it enables the creation of tamper-proof, highly robust databases which can be read and updated only by those with permission.

Features of Blockchain includes:

- Data is assembled into so-called blocks, chained together using complicated algorithms.
- Each block is built off the last one, in chronological order, so that information once posted to blockchain cannot be removed or manipulated. Therefore, in theory at least, an immutable and permanent record is created that cannot be manipulated by fraud.
- Blockchain is a decentralized resource, forming a worldwide web of computers talking to each other to create a giant online ledger that can only be accessed by those invited to join the chain.
- Because blockchain is not under the control of one party and information cannot be erased, it is transparent and therefore, in theory, more trustworthy.

Excellent Power of combining AI and Blockchain

Innovative companies are rushing to create real-world business applications that combine artificial intelligence (AI) and blockchain technology.

The benefits are - First, AI and encryption work very well together.Data residing in the blockchain is highly secure. Additionally, blockchain technology is trustless. That is, Blockchain can provide authenticity without the intervention of any trusted intermediaries. Data in the blockchain remains encrypted. In this regard, AI can enhance security.

An emerging field of AI is concerned with building algorithms which are capable of working with (processing or operating with) data while it is still in an encrypted state. As any part of a data process which involves exposing unencrypted data represents a security risk, reducing these incidents could help to make things much safer.

Second, Blockchain can help us track, understand and explain decisions made by AI. Decisions made by AIs can sometimes be incomprehensible to humans. This is because AI systems can assess many variables independently of each other and "learning" which ones are important to the accomplish the objectives of the overall task they are programmed to achieve.

Third,AI can manage blockchains more efficiently than humans. Therefore, to operate with blockchain data, which is encrypted, computers require large amounts of processing power.AI is an attempt to move away from this brute force approach, and manage tasks in a more intelligent, thoughtful man

AI and its impact on the finance industry

1. **The reduced cost of AI in finance**
   AI in finance has automated processes and drastically reduced the cost of serving customers and made financing extremely convenient to avail.
2. **Newer management styles**
   AI in finance is opening new avenues for banking and insurance leaders to seek advice. No more are financial experts limited to human opinions in order to make forecasts or recommendations in the field of finance. With AI in finance, these leaders can now ask machines questions that are pertinent to their business and these machines can, in turn, analyze data and help them take data-driven management decisions.
3. **Pre-empted fraud scenarios**
   With AI, it is possible to simulate umpteen situations where a fraud or cybercrime may occur. AI in finance, therefore, follows a proactive approach to making the financial services' environment safe and breach-proof. Unlike before, designers of a financial service system do not need to wait for an incidence of fraud to be detected and then secure a system.
4. **Voice Assisted Banking**
   This technology empowers customers to use banking services with voice commands rather than a touch screen. The natural language technology can process queries to answer questions, find information, and connect users with various banking services. Barclays Bank is currently developing a technology that will enable users to carry out money transfers by talking to a robot computer system. The AI system will be like Apple's iPhone personal assistant, Siri.
5. **The future**
   AI in finance is all about continuous learning and re-learning of patterns, data, and developments in the financial world. AI gives the flexibility to build upon the current system or line of financial products and services. This means there is no need to start from scratch but can easily keep improvising the offerings over time. Once introduced, AI will keep the financial services updated and ready to face the market. AI in finance is, therefore, invaluably contributing to the financial industry.

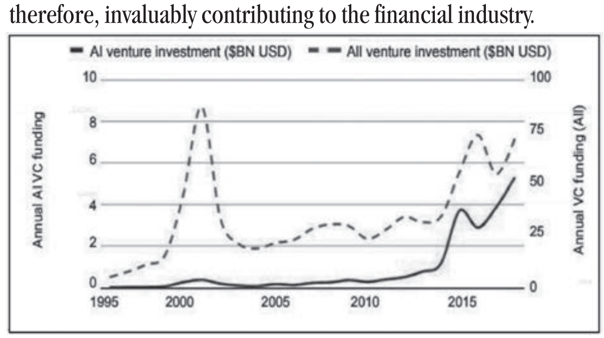

Figure 1 - AI Venture Investment

Blockchain and the World of Finance.

New levels of data transparency, faster access to information and features like "smart contracts" will bring significant changes to financial operations. Among other things, the recent report from KPMG analysts identified the following benefits:

- **Boost efficiency:** A single ledger that's continuously synchronized throughout a network eliminates the need for reconciliations and 40 percent increase in efficiency due to straight-through, "single version of the truth" processing.
- **Minimum loss and fraud:** Rigid records visible to all participants can help reduce the risk of fraud and show compliance through an audit trail.
- **Improved customer experience :** With blockchain to share information with clients and vendors may allow companies to 25 percent improvement in customer experience due to faster processing and use of digital channels.
- **Higher availability of capital:** Blockchain technology will reduce capital consumption due to quicker settlement of trades, straight-through processing and freed-up capital flows.
- Australian Securities Exchange (ASX) plans to be the first to use Blockchain technology to make market settlements. It has announced that a new DLT system will replace its existing clearing and settlement processes in 2020. It expects the new system will reduce costs, and will allow buyers and sellers to pre-match transactions before committing to settlement.

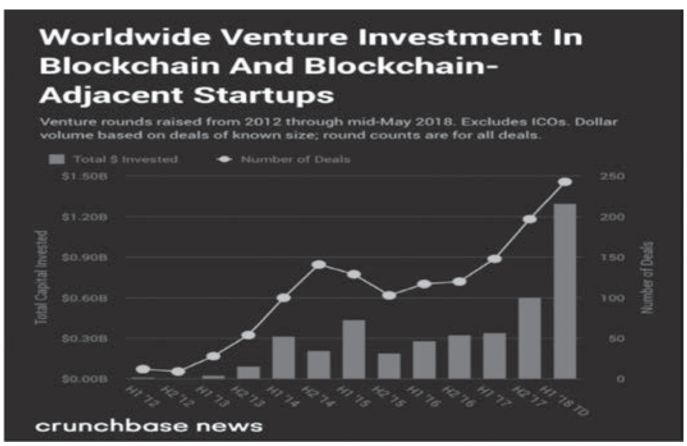

Figure 2 - Venture Investment in Blockchain

AI in Logistic

Why Logistics? Why Now?

There are many reasons to believe that now is the best time for the logistics industry to embrace AI. Never has this maturing technology been so accessible and affordable. This has already made narrow forms of AI ubiquitous in the consumer realm; the enterprise and industrial sectors are soon to follow. In logistics, the network-based nature of the industry provides a natural framework for implementing and scaling AI, amplifying the human components of highly organized global supply chains. Furthermore, companies deciding not to adopt AI run the risk of obsolescence in the long term, as competitors seize and effectively use AI in their business today.

Seeing, Speaking & Thinking Logistics Assets

AI also stands to greatly benefit the physical demands of working in modern logistics. The use of AI-enabled robotics, computer vision systems, conversational interfaces, and autonomous vehicles is the physical embodiment of AI in logistics operations, welcoming in a new class of tools to augment the capabilities of today's workforce.

Intelligent Robotic Sorting

The effective high-speed sorting of letters, parcels, and even palletized shipments - one of the most critical activities of modern parcel and express operators. Every day millions of shipments are sorted with a sophisticated array of conveyors, scanning infrastructure, manual handling equipment, and personnel. The logistics industry can draw on AI-driven robotics innovations from the recycling industry. Autonomous guided vehicles (AGVs) are already starting to play a bigger role in logistics operations. Within any given logistics operation, it is typical to see multiple people operating material handling equipment such as forklifts, pallet jacks, wheeled totes, and even tugging cars to move goods between locations or vessels. To reduce this, companies today are beginning to use non-industrial, collaborative robotics, including AGVs. AI is a key part of this story.

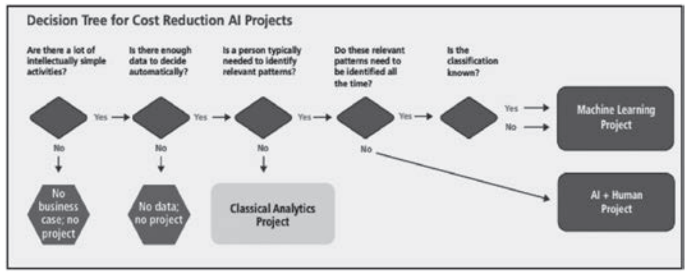

Figure 3 - Decision Tree for Cost Reduction AI Project (Logistic)

Blockchain In Logistics

Unlocking Value in Logistics process efficiency. This technology can also enable data transparency and access among relevant supply chain stakeholders, creating a single source of truth. In addition, the trust that is required between stakeholders to share information is enhanced by the intrinsic security mechanisms of blockchain technology. Furthermore, blockchain can achieve cost savings by powering leaner, more automated, and error-free processes. As well as adding visibility and predictability to logistics operations, it can accelerate the physical flow of goods. Provenance tracking of goods can enable responsible and sustainable supply chains at scale and help to tackle product counterfeiting. Additionally, blockchain-based solutions offer potential for new logistics services and more innovative business models.

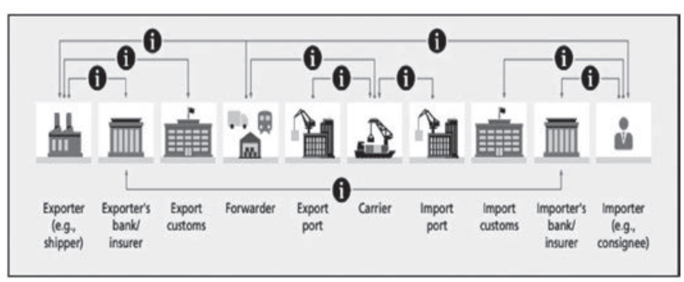

Figure 4 - Unlocking Value in Logistics (Blockchain)

Faster and Leaner Logistics in Global Trade

Logistics is often considered the lifeblood of the modern world, with an estimated 90% of world trade carried out by the international shipping industry every year. But the logistics behind global trade is highly complex as it involves many parties often with conflicting interests and priorities as well as the use of different systems to track shipments.

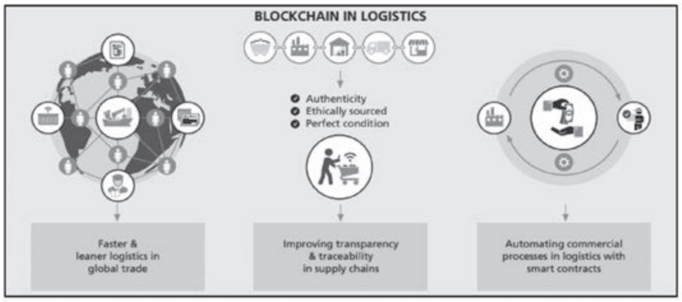

Figure 5 - Blockchain in Logistic

Therefore, achieving new efficiencies in trade logistics is likely to have significant impact on the global economy. According to one estimate from the World Economic Forum, reducing supply chain barriers to trade could increase global gross domestic product (GDP) by nearly 5% and global trade by 15%. Blockchain technology can help alleviate many of the frictions in global trade logistics including procurement, transportation management, track and trace, customs collaboration, and trade finance.

OUTLOOK

Blockchain technology is emerging from its first deployments in cryptocurrency and is now likely to have significant impact across almost all industries. Like a pebble dropped into a lake, the ripples from this technology are beginning to expand outwards in all directions including the logistics industry and Finance area, where blockchain promises to make business processes more efficient and facilitate innovative new services and business models. Similarly, in its own way,AI is performing and paving way for next generation of innovation in the Finance and Logistic world.

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WIRC ACTIVITIES

Workshops

- Workshop on "Cost & Management Accounting System - Practical Training" was organised by WIRC on 16th February 2019 at Thane SMFC. CMA V. R. Kedia, PCA & ex-Chairman WIRC and CMA Kashyap Diwan, Cost Consultant were the speakers.
- Workshop on "Less known features of Advanced Excel" was organized by WIRC on 23rd February 2019 at WIRC Office. CMA Prashant Lele, Chief Manager-Business Operations, Reliance Retail Ltd. was the speaker.

CEPs

- CEP on "Fundamentals approach of Equity investing" was organised by WIRC on 8th February 2019 at WIRC Office. CMA Dhiraj Sachdev, Managing Partner & CIO, Roha Asset Management LLP, was the speaker.
- CEP on "Internal Audit in New Era" was organised by WIRC on 22nd February 2019 at WIRC Office. CMA Nilesh Likhite, Head, Internal Audit, ACC Ltd. was the speaker.
- CEP on "Scope of CMAs in Forensic Audit" was organised by WIRC on 23rd February 2019 at Borivali SMFC. CMA Mrityunjay Rai, Forensic Auditor was the speaker.
- CEP on "Cost Accounting System in Speciality Chemical-Additives Manufacturing Company with special reference to GST Audit Compliance" was organised by WIRC on 24th February 2019 at Thane SMFC. CMA B. N. Sapkal, Ex- Chief Manager, F & A, Lubrizol India Pvt. Ltd. was the speaker.
- CEP on "Business Communication Skills for CMAs" was organised on 1st March 2019 at WIRC Office. CMA Akshay Shah, Entrepreneur was the speaker.
- CEP on "Share Buyback and M&A - Bane or Boon" was organised by WIRC on 2nd March 2019 at Shri Bhagubhai Mafatlal Polytechnic, Vile Parle, Mumbai. CMA Dr. Subir Kumar Banerjee, Practising Company Secretary was the speaker.
- CEP on "Risk Management in Engineering, Procurement and Construction Industry" was organised by WIRC on 3rd March 2019 at Thane SMFC. CMA Partha S. Guin, Practising Cost Accountant was the speaker.

The rising cost of Child Education

Indraneel Sen Gupta
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The government wants to have two Kids but I am happy with one only. Having two Kids is just like tow EMI of high-value amounts and that too will keep increasing and not a floating rate. Growing up one child is a costly affair. Economist around the world might have been busy with the market and economic research but the cost of growing up a kid is more of economic importance. The child is a commodity.

Different countries have different cost of growing up kids. Education has become a business. One child is enough for parents and they don't dream of having the 2nd one. China is a country where its parents pray to have only one child. In fact, the demand and industry size of contraceptives has grown by leaps and bounds.

The rising cost of education, quality of nutritious food, health check and medical treatment cost and having a good career has become a costly affair. This is an organized market where the child is the product and rest all are the by-products.

The climate of China forces to have higher medical cost and checkups followed with imported food items since the water of China is also polluted with toxics.

Coming to the population front China's population growth slowed in 2018 with 15.23 million live births, a decline of 2 million from the year before, according to the National Bureau of Statistics. According to a 2017 study it has been found that more than 50% of families have no intention of having a second child. Further, 240 million Chinese families are over the age of 60 in 2017. This rate is just going to grow.

Until the 1990s, most people in China used public education, which was free or had a minimal cost. Medical cost is a nightmare in China. It has one of the world's highest corruptions in the medical segment where doctors are bribed for taking care of kids.

According to world health organizations,on 60+ aged populations in china will soar to 90% to 240 million by 2020. Parents in china have to face significant problems of raising kids and government support is not enough to feed the little ones.

India is no less far from the rising cost of education. Schools don't teach as much as they have to go to a coaching class where they pay hefty money to get educated. In a research study by the National Sample Survey Office (NSSO) reported that between 2008 and 2014, the average annual private expenditure for general education (primary level to post graduation and above) has shot up by a staggering 175% to Rs6,788 per student. During the same period, the annual cost of professional and technical education has increased by 96% to Rs62,841 per student.

Private coaching education industry is one of the most lucrative and never plummeting business models. Private coaching accounted for 15% of the average total expenditure on general education. As many as 35% of students across the country have to undergo for coaching classes in the junior levels and this number increases to 60% during the higher standards.

The point is an education for a child is now a commodity and it is high demand and will continue till the end of the civilization. Schools and teachers and coaching centers are all interlinked in this game. Many politicians have also deployed a significant amount of investments in developing the network and making significant revenue from these sources.

In another survey, its has been found that Indian parents say they contribute ? 3,61,975, on an average, towards higher education. The entire spend is about Rs. 7,77,654 for the university programme, including bills and lifestyle costs. From tuition fees and accommodation to laptops and textbooks, parents' spending on their children's university education includes various costs. Of the total funding, 75% goes towards tuition fees.

Parents or the child takes education loan which is another by product of education cost.Well, education is a big cost and having two kids is just like having TWO EMI running simultaneously with a long term commitment.

■

OBITUARY

CMA Kiran J. Mehta, Past Chairman, WIRC of ICAI (1990-91) passed away on 16th February 2019.

We pray to Lord Almighty for the departed soul to rest in eternal peace.

Sensing early signals of variance between Standard cost and Actual cost of a project

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The objective and target of achieving 7.4% economic growth rate and then improving the same progressively mandates that new projects need to be planned and implemented in all sectors to boost production, improve infrastructure and reduce reliance on imports in specific areas. However the experience of engaging with the projects by the banks over the last few years has not really been satisfactory as many projects were stalled, whereas other projects were impacted by time and cost overruns consequently impairing their ability to service the loans taken resulting in NPAs thus reducing the bank's ability to lend to other projects and affecting the overall growth of Indian economy. This was mainly due to the actual project cost far exceeding the Standard Project cost due to multitude of causes. There is an imperative need to prescribe a structure of developing Standard / base line cost of a project, its continuous monitoring including variance analysis, and effective implementation. This will throw up early warning signals enabling the banks to initiate timely recourse in the best interests of all stakeholders.

Variance between Standard cost and actual cost of a project arises due to

1. Inappropriate approach in working out project cost
2. Inadequate consideration of the available standard project cost data
3. Ineffective project risk assessment and inadequate factoring of risks in project cost
4. Change in scope of the project midway
5. Delay in release of loan installments
6. Change in systemic factors such as inflation, government policies, and general economic conditions / environment in which the project was planned and implemented
7. Inefficient handling of the project

In this paper an attempt has been made to develop a framework for 'early warning system' for projects so as to be able to potentially prevent loans turning into stressed assets for the banks. A discussion on understanding of project life cycle, approaches for estimation of project costs, reasons for time and cost overrun, Checklist for appraisal of a project, and an approach to cost appraisal and monitoring follows.

Key determinants of initial project costs

No two infrastructure projects will cost the same amount of money no matter how similar they are. The key determinants of Project cost are: Project Specification, Location, Form of Procurement/Contract, Site Characteristics, New Build or Improvements, Timescale and Inflation.

There are two types of costs in a project, Direct costs: They are the costs that directly linked to item of work, include different resources: materials - labor - machinery and equipment - and the Subcontracting costs. Indirect costs: Are costs for resources that support more than one project but aren't readily identifiable with or chargeable to any of the projects individually. It includes: a) Indirect costs pertaining to work site such as; employee benefits, office space rent, general supplies, and the costs of furniture, and fixtures. b) Indirect costs pertaining to the company's management such as; salaries of your contracts department finance department, and top management as well as fees for general accounting and legal services,

The three major components of a Project Cost are:

- The base cost estimate
- Contingency allowance
- Management reserve

1. The Base Cost - best estimates of project costs at a specified date, assuming: Quantities of works, goods and services and relevant prices are accurately known, quantities and prices will not change during implementation, The project will be implemented exactly as planned. The base cost inter-alia include known costs such as: Civil, electrical, mechanical works,start up costs, building, facilities, land acquisition and resettlement, environmental mitigation, construction engineering, operation and maintenance costs, administration, consulting services, temporary facilities and transitional works, consumables, travel expenses, interest during construction, E-governance and project management.

Estimation of project cost

Estimating project cost is a critical aspect of project planning. To prepare an accurate, thorough project plan, you'll need to estimate many things: how long it will take to do the work, how much the work will cost, how much money the project will save or make, the magnitude of the risk and uncertainty involved, and other aspects of the project. It becomes the baseline for subsequent cost control.

Cost estimationis the process of developing an approximation of the monetary resources needed to complete project activities. This process involves estimating the costs of all of the resources that will be charged to the project.

Potential Estimating Problems

The most important problems and challenges faced in the estimating process:

a) Misinterpretation of scope-poorly defined requirements.
b) Inaccurate Work Breakdown Structure of the project
c) Failure to account for risks
d) Poorly defined or overly optimistic schedule.
e) Failure to recognize shortage of resources
f) Failure to project for cost escalation and inflation
g) Inaccurate pricing rates for overhead, general and administrative, and indirect costs
h) Inexperienced project managers
i) Failure to use the correct estimating techniques

Estimating Methods

There are several methods to compute the cost of work (estimate), depending on several factors including: the quality and quantity of data available, the required accuracy, the time required to complete, and others. Following project cost estimation methods are commonly used:

1) **Parametric:** Parametric modeling uses mathematical parameters to predict project costs. An example is building construction that is often estimated using a certain rupee amount per square meter of floor space,

Clearly such estimates need to be qualified to enable external factors to be separately assessed and built into the estimates. This estimate relies on historical data-based on past jobs or experience.

2) **Analogous:** The analogous estimating technique determines estimates for the current project based on the actual costs of previous projects that are similar in size and scope to the project in hand

3) **Bottom-up :** A bottom-up approach estimates the cost of the individual work packages from the bottom row of activities of the work breakdown structure, then totals the amounts up each row until reaching an estimate for the total project.

4) **Expert judgment:** Expert judgment is an estimating technique that relies on the experience of others to provide cost estimates. It involves consulting with experts who, based on their history of working on similar projects, know and understand the project and its application,

5) **Probabilistic:** The deterministic cost estimating methods generally does not allow any flexibility in the estimating process, therefore, often the quantities and rates (and the cost) are presented as a single value. However each cost element (quantity and/or rates) in the project schedule is subject to some level of variation over the project duration. This can be addressed by considering a range for cost elements rather than a single value in the estimate. The probabilistic estimating methods generate estimates taking into account that quantities measured (or allowed for) can change, rates assumed can vary and risks with a probable outcome can materialize. Probabilistic estimating methods involve running a large number of iterations of different combinations of cost contributions from each element to build up a probability distribution of overall project cost.

6) Unit rate estimating: Unit rate estimating calculates the cost of each item of the project by multiplying the quantity of work by historical unit rates. The unit rates are normally determined from a careful analysis of unit costs from recently completed projects of same type, with appropriate corrections. It is important to remember that the historical rates may include indirect costs such as contractor's management, risk, overheads and margins, which must be adjusted before applying to cost estimates.

It involves the following two aspects:

Understand historical data: Cost information and statistical databases of previous projects (Historical data) is analyzed to determine:

- Prevailing market conditions at the time when the data was collected
- Peculiarities of the project from which the data was collected
- Legal environment prevailing at the time the data was collected
- An approximate allowance for contractors on and off site overheads and profit (if available)
- The project delivery method.

Adjust historical data: Historical data must be adjusted for the following factors before using the same for developing baseline / standard cost of the proposed project

- Inflation or historical escalation rates
- Site conditions
- Site location
- Project variation
- Effects of government legislation
- Changes in policies and specifications at the time of project delivery.
- Contractor's on-site/off-site overheads and profit margins
- Method of project delivery- BOT, PPP

2. **Contingency :** Contingency is a financial reserve included in the project's estimate to offset uncertain or unpredictable factors relating to the delivery of project objectives. In terms of managing risk on a project, it can take many forms - it may be a time allowance in the program of works for delay or a cost allowance in the project cost estimate to account for the residual risk. Contingency amounts are not meant to cover all eventualities. It is important, therefore, to understand the limitations imposed. Contingencies are only related to circumstances within the approved scope of the project. In the event that there are any changes to project scope during the process, the project intent will need to be re-justified.

- **Project cost Escalation:** Escalation is a provision in actual or estimated costs for an increase in the costs of equipment, material, and labor from a set point in time and is due to a continuing price change over time until the completion of the project. Escalation does not cover hyper-escalation, that is escalation which is over and above what is expected as per available / published indices, Hyper-escalation should be covered by contingency and allocated based on the perceived risk.
- **Managing Escalation:** As can be seen, cost escalation in projects is a cumulative effect of a number of different factors. While each of them may contribute only a small amount to the overall cost of a project, when combined they are a significant driving force behind the rising costs of building a new building. Because there are so many factors contributing to escalation, managing escalation requires a variety of strategies. The first step is to recognize that escalation is a real threat to construction programs and projects, and to acknowledge it existence. There is still a high degree of wishful thinking in project budgeting, hoping that is not going to remain high.
- **How do we set Contingency?:** Contingency is only meant to cover the project development as it has been described in the scope and basis of design, which at the current state of project definition cannot be accurately quantified, but which history and experience show will be necessary to achieve the given project scope. Contingency Allowance - is money set aside for responding to identified risks in addition to the base cost estimate. o Physical contingencies - to cover physical uncertainties beyond the base case to complete the project. Often calculated and expressed as percentages of base costs. o Price contingencies - to cover inflation and price uncertainties. Some typical levels of Physical Contingencies: o 5% - standard equipment designs/definable civil work. o 10% - general civil works with routine and predictable uncertainties e.g, roads, buildings, pipelines, transmission lines o 15% - plant and civil works in difficult terrain.

3. **Management reserve:** covers things that could not have been foreseen, such as changes to the scope of the work or unidentified risks. The more the uncertainty, the more management reserve is required.Highly innovative work will need a larger management reserve than routine work.

An Approach to Project Cost Appraisal

The following appraisal check (Project interrogation) is a useful framework for effective appraisal of a project. The purpose of this section is to provide a set of questions to the project appraiser and issues to consider when appraising project applications which have the potential of throwing up early warning signals.

Risk Issue 1: Project Specification & Feasibility

The key issues concerning the project's specification and feasibility relate to the need for the project which should be clear, consistent and achievable. Simple questions should be asked such as:

- Where is the project being undertaken?
- What exactly does the project comprise?
- Why is the project being undertaken ?
- What previous phases have already been undertaken
- Is this project directly dependent upon any other project?
- Who is undertaking the project and over what time period?

Risk Issue 2: Outline Design

At the outline design stage, the key issues are whether the size of the project matches the identified needs, or whether it is over-designed. If cost estimates are based on outline designs only, then the potential for costs to change is greater than if they had been finalized. it would also be appropriate for a Risk Assessment Study to have been undertaken by this stage. This would show that the project sponsor was aware that specific risks existed which could affect project costs

Risk Issue 3: Consents and Land Acquisition

The appraiser should be aware of what stage the project sponsor has reached with regard to consents and land acquisition. A project can experience considerable delays which may affect costs if the appropriate planning, environmental and other consent procedures have not been adhered to. As regards land acquisition it is important that the appraiser is aware of whether all claims have been settled or if there are any appeals over compensation. If appeals have not been settled then there is a high probability that any original land acquisition costs will be an underestimate.

Risk Issue 4: Detailed Design

At the detailed design stage the form of contract and the respective roles of project sponsor and contractor in bearing risk for the ultimate project cost, are matters that appraiser should inquire about. Appraiser should check whether ground investigations have been undertaken. If these have not been done, then the risk of cost over-run increases and the contingency should reflect this.

Risk Issue 5: Project Construction

During the construction phase, there needs to be a project management structure in place which allows frequent reporting of progress to be made between the contractor and the project sponsor. Most of the time and cost over-run factors that can occur, do so during the construction phase. The appraiser must therefore establish that the main risks taken into account in the contingency calculation are being managed on site

Cost Risk Allocation-The dominant escalator in the current market is poor cost risk allocation. This can be handled by.o Pre-purchase materials, to limit the impact of future price fluctuations. o Providing dedicated float for schedule slippage by understanding that, due to the current market and transient material shortages, some scheduling delays may be inevitable. o Reducing the bid award period to accommodate shorter price locks. o Delay the bidding of non-essential packages, so that when those items are bid, prices can be closer to actual costs at the time they are neededo Negotiate subcontracts along with the contractors.

Effective Project management and control

Rational contingency planning can never be a substitute for good project management. The essential elements of good project management are:

- **Time control:** managing the design and construction processes so that the project is completed on or before the agreed completion date.
- **Quality control:** ensuring that the quality and performance of the completed project meets the project sponsor's original objectives.
- **Change control:** ensuring that any changes that are necessary are achieved within the approved budget, that they represent good value for money and that authorization to proceed has been obtained from the project sponsor.
- **Cost control:** Project cost control is concerned with ensuring that projects stay within their budgets, while getting the work done on time and as per given quality specifications. Cost control has been a vital function of management, but only too frequently is the term confused with more cost reporting. The cost report is usually part of every manager's monthly report to his superiors, but an account of the past month's expenditure is only stating historical facts. What the manager needs is a regular and up-to-date monitoring system which enables him to identify the expenditure with specific operations or stages, determine whether the expenditure was cost-effective, plot or calculate the trend, and then take immediate action if the trend is unacceptable.

During the execution of a project, procedures for project control and record keeping become indispensable tools to managers and other participants in the construction process. These tools serve the dual purpose of recording the financial transactions that occur as well as giving managers an indication of the progress and problems associated with a project. The problems of project control are aptly summed up in an old definition of a project as "any collection of vaguely related activities that are ninety percent complete, over budget and late." The task of project control systems is to give a fair indication of the existence and the extent of such problems.

For cost control on a project, the construction plan and the associated cash flow estimates can provide the baseline reference for subsequent project monitoring and control. For schedules, progress on individual activities and the achievement of milestone completions can be compared with the project schedule to monitor the progress of activities. Contract and job specifications provide the criteria by which to assess and assure the required quality of construction. The final or detailed cost estimate provides a baseline for the assessment of financial performance during the project. To the extent that costs are within the detailed cost estimate, then the project is thought to be under financial control. Overruns in particular cost categories signal the possibility of problems and give an indication of exactly what problems are being encountered. Expense oriented construction planning and control focuses upon the categories included in the final cost estimation.

For control and monitoring purposes, the original detailed cost estimate is typically converted to a project budget, and the project budget is used subsequently as a guide for management. Specific items in the detailed cost estimate become job cost elements. Expenses incurred during the course of a project are recorded in specific job cost accounts to be compared with the original cost estimates in each category. Thus, individual job cost accounts generally represent the basic unit for cost control. Alternatively, job cost accounts may be disaggregated or divided into work elements which are related both to particular scheduled activities and to particular cost accounts.

In addition to cost amounts, information on material quantities and labor inputs within each job account is also typically retained in the project budget. With this information, actual materials usage and labor employed can be compared to the expected requirements. As a result, cost overruns or savings on particular items can be identified as due to changes in unit prices, labor productivity or in the amount of material consumed.

Forecasting for Activity Cost Control

For the purpose of project management and control, it is not sufficient to consider only the past record of costs and revenues incurred in a project. Good managers should focus upon future revenues, future costs. In forecasting of future costs, costs are reported in five categories, representing the sum of all the various cost accounts associated with each category:

- **Budgeted Cost:** The budgeted cost is derived from the detailed cost estimate prepared at the start of the project
- **Estimated total cost:** The estimated or forecast total cost in each category is the current best estimate of costs based on progress and any changes since the budget was formed. Estimated total costs are the sum of cost to date, commitments and exposure.
- **Cost Committed and Cost Exposure:** Estimated cost to completion in each category in divided into firm commitments and estimated additional cost or exposure. Commitments may represent material orders or subcontracts for which firm dollar amounts have been committed.
- **Cost to Date:** The actual cost incurred to date is recorded in column 6 and can be derived from the financial record keeping accounts.
- **Over or Under cost :** Indicates the amount over or under the budget for each category. This column is an indicator of the extent of variance from the project budget; items with unusually large overruns would represent a particular managerial concern.
- **Cost Overrun :** It is defined as excess of actual cost over budget. Cost overrun is also sometimes called "cost escalation," "cost increase," or "budget overrun". Cost overrun is defined as the change in contract amount divided by the original contract award amount This calculation can be converted to a percentage for ease of comparison.
- **Actual cost of work performed (ACWP):** is the actual cost expended to perform the work accomplished in a given period of time.
- **Budgeted cost of work performed (BCWP)** is the budgeted cost of the work completed in a given period of time.
- **Budgeted cost of work scheduled (BCWS)** is the budgeted cost of the work scheduled to be accomplished in a given period of time (if a baseline schedule were followed).

A next step would be to look in greater detail at the various components of these categories and carry out variance analysis periodically to identify potential or incipient warning signals. Overruns in cost might be due to lower than expected productivity, higher than expected wage rates, higher than expected material costs, or other factors. Even further, low productivity might be caused by inadequate training, lack of required resources such as equipment or tools, or inordinate amounts of re-work to correct quality problems.

Conclusion

Wide variance between standard and actual cost of installation of the projectis a commonly observed phenomenon in projects. The major influencing factor are poor site management and supervision, problems with sub-contractors, inadequate planning and scheduling of project, problem associated with material management and lack of coordination among stakeholders. Other factors such as bad weather, scope of work, equipment cost and usage, cash flow management and decision making policy also affect the project schedule and cost up to a certain extent. These factors may vary for different projects, places and country. Project management techniques such as, fishbone diagram, effective material management, resource smoothing and leveling ,monitoring and scheduling, proper coordination between the parties can be effectively leveraged for attempting to keep the project on track.

The understanding and use of the project appraisal, monitoring and implementation framework and approach as explained in this paper would enable identification of stress, deficiencies, inherent and built up of vulnerabilities in the project which can act as an early warning signal for all stakeholders and provide an opportunity for a considered response to avoid the project getting stalled or become a non performing asset for the financiers. ■

Hearty Congratulations !!!

BEST CHAPTER AWARDS 2018

The Regional Council & Chapters Co-ordination Committee of the Institute, in its "National - Regional Council & Chapters Meet" held at Mysore, 16th & 17th February 2019, on the basis of Evaluation Report submitted by the Sub-Committee, following Chapters under Western Region was declared for **'Best Chapter Award 2018'**, as given below:

Category A : Pune
Category B : South-Surat Gujarat
Category C : Aurangabad
Category D : Raipur

Best Chapters Award - 2018 for "Increase in Members' Strength" (PAN INDIA) - All over India

Category C : Navi Mumbai
Category D : Raipur

Best Chapters Award - 2018 for Conducting Maximum Number of Professional Development Programs (PAN INDIA) - All over India

Category B : Baroda
Category C : Pimpri-Chinchwad-Akurdi

CHAPTER NEWS

AHMEDABAD

Practitioners' Convention

Chapter has organized Practitioners Convention on 02-02-2019 at AMA-Vastrapur. CMA Ashish Bhavsar, Chairman of Chapter welcomed Chief Guest & members and gave details of activities of Chapter. CMA P H Desai, Vice Chairman of WIRC inaugurated convention. CMA A G Dalwadi, Chairman of PD Committee gave Key Note Address. Mr. Manthan S Khokhani submitted presentation on Income Tax, Mr. Rajnikant Patel submitted presentation on Internal Audit and & CMA U C Nahar submitted their presentation on Insurance surveyor. Vote of Thanks proposed by CMA Malhar Dalwadi, Treasurer of Chapter.

Press Meet

Chapter organized Press Meet on 23-02-2019 in connection with result of Dec'18 exam of Foundation, Intermediate and Final. Reporters from leading Electronic media and print media attended press meet. They have taken interview of Chairman CMA Ashish Bhavsar & Rank Holder students of Final & Intermediate.

Felicitation Function

Chapter organized felicitation function on 27-2-2019 at Haribhai Auditorium for all the students, who have passed Foundation, Intermediate and Final Examination of December 18.

Chapter Foundation Day

Chapter celebrate its 54th Foundation Day on 28th February 2019. CMA Ashish Bhavsar, Chairman of Chapter cut the cake and starts the celebration program. Members express their journey with Chapter and profession during the celebration. All wishes for another successful year to the Chapter.

Condolence meeting

A Condolence meeting organized on 18th February 2019 by 7.00 p.m. at Chapter office of Late CMA Kirankumar Jayantilal Mehta, former Chairman of WIRC and ICAI-Ahmedabad Chapter who passed away on Saturday, 16th February 2019. Member offers tributes and remembers his contribution for development of chapter, profession and society. They also pray for his soul in eternal peace.

AURANGABAD

Chapter had signed a MoU with the DCCL College, Latur in last year. Latur is situated around 300 km away from Aurangabad. Chapter has taken two Career Guidance Programmes in last session in this college and 57 students registered for the Foundation Course. Total 44 students appeared in Dec 2018 exam and 28 students passed. Special orientation & induction lectures were held for guiding these students at Latur and also at Aurangabad by Chapter Faculty Members.

It's really a great achievemnt for such a small place like Latur where the students cominmg from rural bacground who have studied in vernacular medium have passed Foundation exmination in such large numbers. In order to appreciate the efforts of successful students of DCCL a small function was held on 23rd February 2018 at Latur in the presence of Chairman T& E Committee CMA Parag Rane, Principal Dr. Shreeram Solanke, IQAC Co-ordiantor Dr Brijmohan Dayma, Co-ordinator Dr Mrs Sarika Dayma and other professors, students of the college and the parents of successful students.

NAVI MUMBAI

Chapter organized a Two day Seminar on 9th Feb. 2019 & 10th Feb. 2019 at Navi Mumbai Sports Association. Shri Chandrakant Salunkhe, President SME Chamber of India was the Chief Guest on the occasion. CMA Amit Apte, President ICAI was the Guest of Honour and graced the event and interacted with the members of trade and industry. CMA KVVS Murthy introduced the dignitaries on the dais and in his welcome address mentioned the thrilling & interesting topics which would be covered over the next two days in the Seminar. The programme commenced with the lighting of the lamp by the dignitaries.

Shri Chandrakant Salunkhe in his address stressed on the concept "Empowering SME Sector" as they play a crucial role in Nation building. The speaker urged young CMA's to foray into avenues like Valuation of SME Units and briefing the SME entrepreneurs to boost manufacturing in SME Units. He offered his good wishes to ICAI for the two day Annual Seminar.

CMA Amit Apte, President ICAI in his address coined the fact that there are new opportunities for CMA's and one has to work hard and capitalise on these avenues and play the pivotal role in the Vibrant India 2022 campaign. He highlighted the importance of cost records compliance by the industry.

CMA L. Prakash, Chairman of the Chapter in his address stated the fact that there are new opportunities for CMA's in GST Audit, Internal Audit, Insolvency and Bankruptcy and Valuation. He highlighted the importance of serving the society and appealed to CMA's to reach out for new avenues and tap global opportunities for CMAs.

On this occasion, a souvenir was released by the dignitaries on behalf of the Navi Mumbai Chapter and provided to all the participants, guest and.

The technical session commenced with CMA Amit Sarker -Sr Director Deloitte Haskins stressing on the criteria for GST Audit. The speaker delved into the realms of filing and revision of Annual returns, Additional Liability arising on filing GST 9, Non-GST supply, Annual Audit, Special Audit etc.

The second technical session commenced with Shri Sunil Senapati - Director Trade Finance of Bolero Singapore, detailing the concept of Digital Innovation -Use of Blockchain Technology in connection with Trade Digitization.

The third session commenced with CMA Rajendra Aphale, Practising Cost Accountant articulating on how to achieve leadership through excellence.

On the second day of the seminar 10th February 2019, the speakers were Shri Sanjay D'Souza-Business Head Emerging Enterprises Group of HDFC Bank, CMA Sudip Bhattacharya-Management Consultant and advisor to Duff&Phelps.

The third session was by CMA (Dr.) Rajkumar Adukia on Digital Innovation in Finance and Accounting function and roadmap for next decade.

The sessions covered the subjects of SME Financing and Ind AS 116.

The Seminar for two days was excellent and very well appreciated by the dignitaries, professionals, senior members and the participants.

NASIK-OJHAR

Career Counselling Programs

The Chapter has organised Career Counselling Programs in various schools.

a) On 16th January 2019 at BYTCO College, Nasik Road, Nashik. 62 students were attended this program.

b) On 17th January 2019 Participated in "Career 360- A University Orientation Program" conducted by Ashoka Group of Schools Nashik at Ashoka Universal School, Nashik. More than 200 students were attended the program.

c) On 18th January 2019 Participated in Career Exhibition conducted by Wisdom High International School and Junior College, Nashik on Students and parents were visited the stall.

Live Telecast of Union Budget 2019

Chapter organised live telecast of Union Budget 2019 on 1st February 2019 during 10.30 to 02.00 pm. Many CMA members and students attended the program.

CEP Seminar on "Emerging New opportunities for CMA

Chapter conducted a seminar on "Emerging New opportunities for CMA" on 8th February 2019 at CMA Hall, Prasanna Arcade, Nashik. The eminent faculty CMA Dr.RajkumarAudukia guided opportunities for practising Cost Accountants and for Professionals.

CMA Prashant Yeole welcomed the speaker and vote of thanks was proposed by CMA Dipak Joshi. Many CMA Members and students attended the seminar.

SOLAPUR

CEP - Union Budget 2019 (INTERIM).

The Chapter had conducted a CEP on Union Budget 2019 on 15th February 2019 in the Chapter premises. CMA (Prof.) Sunil Ingale was the key speaker. The function began with lighting of the lamp.He explained the overall structure of the budget and the various direct tax provisions. The speech was followed by an interesting question and answer session.

CMA R.V. Kshirsagar, Secretary gave welcome address, CMA Murali Iyengar, Treasurer, introduced the Guest. CMA N. K. Alwal, Chairman felicitated the guest and expressed his views. The function concluded with a vote of thanks proposed by CMA N. D. Dontul, Co-ordinator of the Chapter.

SURAT-SOUTH GUJARAT

Condolence Meeting on 16.2.2019 at Chapters Office

Chapter held a Condolence Meeting for the Martyrs got Martyrdom in Phulwama Attack at Jammu & Kashmir. Chapter's Committee Members, members and students gathered at Chapter's office on 16-02-2019 at 5:00 pm for prayers and Condolence meeting for our Brave Jawans.

Continuous Education Programme on 04-02-2019

Chapter arranged a CEP on the subject of "Emerging new opportunities & how to be super successful CMA" on 04-02-2019 at Chapter Office. CMA Nanty Shah, Treasurer of the Chapter welcomed the speaker CMA Dr. RajkumarAdukia, and all the participants. CMA Amish Parmar, Secretary of the Chapter welcomed the speaker with plants as a Chapter's tradition. CMA Dr. Adukia explained the topic in a very lucid manner. There was question answer session also. CMA Deepali Lakdawala, Jt. Secretary of the Chapter proposed vote of thanks. Around 15 members and final students were present.

Continuous Education Programme on 23-02-2019

Chapter arranged a CEP on the subject of "E-waybill - Current Scenario" on 23-02-2019 at Chapter Office. CMA Nanty Shah, Treasurer of the Chapter welcomes the speaker CMA Pranab Kumar Chatterjee, Practicing Cost Accountant and all the participants. CMA Vipin Patel welcomed the speaker with plants as a Chapter's tradition. CMA Pranab Kumar Chatterjee explained the topic in a very lucid manner. There was question answer session also.

Mrs. Hemali Boghawala, Corporator Surat Municipal Corporation, General Secretary BJP, Chapter was the Guest of Honor. She was also the Gujarat Rajya Mahila Morcha, Chairperson SMC public transport committee and Director Gujarat Rajya Mahila Suraksha Samiti. She interacted with Members and students on various current affairs.

CMA Bhanwarlal Gurjar, Member of the Chapter proposed the formal vote of thanks. Around 50 members and final students were present. ■

BEST CHAPTER AWARDS

Category A - Pune

Category B - Surat-South Gujarat

Category C - Aurangabad

Category D - Raipur

Category C : Navi Mumbai - Increase in Members Strength

Category D : Raipur - Increase in Members Strength

Category B : Baroda conducting maximum number of PD Programs

Category C : Pimpri-Chinchwad-Akurdi conducting maximum number of PD Programs

CMA K.M. Mehta, Vice Chairman Ahmedabad Chapter inaugurating the Felicitation Function organised by Ahmedabad Chapter on 27th February 2019. Also seen CMA P.D. Modh and CMA Ashish Bhavsar

CMA M. K. Narayanswamy felicitating CMA Harshad Deshpande during two days Seminar organised by Navi Mumbai Chapter

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Students of Indore-Dewas Chapter participated in Indore Marathon held on 3rd February 2019

Release of Souvenir during two days Seminar organised by Navi Mumbai Chapter.

CMA Anil Varma, CMA V.V.S. Murty, (Faculty) and CMA K.M. Rao during Workshop on BASEL III Capital Adequacy Ratio Norms and Present Banking Scenario"organised by Nagpur Chapter on 16th February 2019.

CMA Nagraj K Alwal , Chairman Solapur Chapter Felicitating CMA Laxman D. Pawar , Chairman of WIRC during Prize distribution function organised by Solapur Chapter on 2ndFeb 2019.

Felicitation of CMA Foundation Course (Dec. 2018) first batch successful students by CMA Parag Rane (Aurangabad Chapter), Principal Dr. Shriram Solanke, IQAC Co-ordinator Dr. Brijmohan Dayma, Course Co-ordinator, Dr. Sarika Dayma, HOD Commerce, Dr. Rajaram Pawar, Teachers & Students.

CMA Nagraj Alwal felicitating CMA Sunil Ingale during CEP on Union Budget 2019 organised by Solapur Chapter on 15th February 2019. Also Seen : CMA Murali Iyengar and CMA R. V. Kshirsagar

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