



WIRC BULLETIN

58TH ANNUAL REPORT & ACCOUNTS 2016-2017



The Institute of Cost Accountants of India
(Statutory body under an Act of Parliament)

58TH NATIONAL COST CONVENTION 2017

Theme :

**India – “The Global Economic Hub” – The Ease of Doing Business
on Friday, 14th July & Saturday, 15th July 2017**

Venue :

**RAVINDRA NATYA MANDIR
Prabhadevi (Dadar-West), Mumbai 400 025.**

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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.

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Celebration of 58th Foundation Day WIRC



CMA V.V. Deodhar, Past President lighting the lamp. Also seen CMA Kailash Gandhi & CMA N.S. Acharya, Past Chairman WIRC



View of Audience

THANE SMFC



CMA Debasish Mitra addressing members. CMA S.Z. Bisen, Sr. member look on



View of Audience

BORIVLI SMFC



CMA Kailash Gandhi, Vice Chairman WIRC welcoming the members. Also seen CMA Pramod Kumar, Faculty and CMA P.V. Wandrekar, Past Chairman WIRC



View of Audience

Farewell to Mr. K.P. Unnikrishnan, Jt. Director, WIRC from WIRC Staff on 31-5-2017





From the Desk of Chairman

Dear Members and Students,

Socio-economic and political environment all over the world is fast changing. This has impact on India Incorporation and ultimately to us also. Similarly, there are a lot of developments on the Economic front in India. GST is considered to be one of the major events after the independence. Now, the date of implementation is also certain to 1st July, 2017. We, Cost accountants, are getting ready for the big opportunity. WIRC has arranged series of programs during the month and will continue to arrange even in June 2017.

Rising level of NPA and bad assets in banking industry is matter of great concern for the banking industry. RBI has started taking proactive actions on the same. I am sure more and more industries will be coming within the purview of The Insolvency and Bankruptcy Code. There, again Cost Accountants will be able to play a vital role.

The last date for the empanelment for the financial audit in co-operative societies in Maharashtra state was extended upto 29th May 2017. Hope our PCA of Maharashtra must have taken part in the process.

During the month, WIRC conducted following CEP programmes.

Seminar on GST Implementation, CEP on Impact of GST - Lubricant and Chemical Industry, Workshop on Comprehensive Management Analysis of GST. CEP on Impact of GST on Cement Industry, CEP on SAP FICO Module Overview.

WIRC believes in honouring to the institute and government initiatives.

WIRC Celebrated 58th Foundation Day of the Institute on Sunday, 28th May 2017 at WIRC, Borivli & Thane SMFC followed by CEP.

We are pleased to inform you that this year 5th June, 2017, is the 44th World Environment Day. The theme of the World Environment Day 2017 is "Connecting People to Nature." We are celebrating World Environment Week (05th -11th June 2017)

Admissions to Foundation, Intermediate and Final Courses of our Institute have started. Results of 12th standard have been declared and results of college exams are due in this month. I request all our members to bring atleast one student in foundation/ Intermediate course.

We should have target to increase our membership by 10% in one year across WIRC. I appeal to our members to help achieve this target by bringing in new members.

Annual General Meeting of WIRC is to be held on 27th June, 2017. Notice alongwith Annual report and Annual Accounts of WIRC for Financial year 2016-17 are attached in this news Bulletin. We have tried to improve the performance and will continue further improvement in coming years with all your support.

58th National Cost Convention 2017 is planned on 14th & 15th July 2017 at Ravindra Natya Mandir, Prabhadevi, Mumbai. I invite you all to participate in 58th NCCMA and make it a grand success. I request you all to block your dates for the event in WIRC.

Global Summit at Kolkata is also being organized on 29th& 30th June, 2017. So, I appeal all of you to make it convenient to participate in large numbers.

Human resources are capital of our Institute. Mr. K. P. Unnikrishnan- Joint Director - WIRC retired on 31ST May 2017 after rendering 38 years of service at WIRC. Almost all the members must have come in contact with him and he has always extended guidance to students and members and full co-operation. I on my behalf, and on behalf of my Council colleagues and WIRC, record appreciation for the services rendered by him. I am also happy to inform you all that our Institute has decided to avail his services on contractual basis after his retirement.

I, on my behalf and on behalf of WIRC Council Members wish All the Best to our students for the exams starting from 11th June 2017.

With warm regards,

CMA Pradip H. Desai

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

WESTERN INDIA REGIONAL COUNCIL

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

NOTICE

ANNUAL GENERAL MEETING

In terms of Regulation 136 of the Cost and Works Accountants Regulation 1959, Notice is hereby given that the **Fifty-Eighth Annual General Meeting** of the Members of the Western India Regional Constituency of the Institute of Cost Accountants of India will be held on **Tuesday, 27th June 2017 at 5.30 p.m. at WIRC Hall, at Western India Regional Council of The Institute of Cost Accountants of India, Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai 400 001**, to transact the following business:

AGENDA

1. To receive the Western India Regional Council's Fifty-Eighth Annual Report.
2. To consider and adopt the Accounts of the Western India Regional Council for the year ended 31st March 2017, together with the Auditor's Report thereon.
3. To appoint Auditors for the year 2017-2018 and fix their remuneration.
4. To transact any other business as may be brought before the meeting with the permission of the Chair.

By order of the Regional Council

CMA Pradip H. Desai

Chairman

Place : Mumbai
Date : 3rd June 2017

Note : Those members, who require any clarification in respect of any matter connected with the Annual Report and / or Accounts, are requested to send their queries so as to reach this office at least 5 days before the date of the meeting.

NOTICE OF PROPOSALS (Regulation 139)

Every member of the Institute on the Regional Register shall be entitled to table any proposal(s) or resolution(s) for the consideration of the General Meeting of the Members, provided that such proposal(s) and resolution(s) are received by the Chairman of the Regional Council at least 10 days before the date of the meeting. Any such proposal(s) received after the prescribed time will be treated as proposal(s) for the next meeting of the Members unless admitted by the Chairman of the earlier meeting.

58TH ANNUAL REPORT & ACCOUNTS 2016-2017

WESTERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

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

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CMA PRADIP H. DESAI
Chairman

CMA KAILASH R. GANDHI
Vice-Chairman

CMA LAXMAN D. PAWAR
Hon. Secretary

CMA SHRIRAM N. MAHANKALIWAR
Treasurer

Members:

CMA DEBASISH MITRA
CMA HARSHAD S. DESHPANDE
CMA NEERAJ D. JOSHI

Central Council Members:

CMA P. V. BHATTAD
CMA AMIT A. APTE
CMA ASHOK B. NAWAL

Bankers :

BANK OF BARODA - Fort, Mumbai
CANARA BANK - Fort, Mumbai

Auditors:

K. R. KHARE & CO.
Chartered Accountants

Internal Auditor:

CMA SANGHVI RANDEKIA & ASSOCIATES
Cost Accountants

Dear Members,

On behalf of the Members of the Western India Regional Council of the Institute of Cost Accountants of India, I have pleasure in presenting the 58th Annual Report and Audited Accounts for the year 2016-2017.

1.0 Regional Council and Sub Committees

Office Bearers:

In the 284th WIRC Council Meeting held following Office Bearers were elected for the year 2015-2016:

CMA Pradip H. Desai	- <i>Chairman</i>
CMA Kailash R. Gandhi	- <i>Vice-Chairman</i>
CMA Laxman D. Pawar	- <i>Hon. Secretary</i>
CMA Shriram N. Mahankaliwar	- <i>Treasurer</i>

Sub Committees formed are as per annexure 1. The Council and Committees met from time to time during the year under report.

2.0 Accounts

Annual Results:

No.	Particulars	FY 2016-17	FY 2015-16
1.	Income	22,452,167	20,551,116
2.	Expenses	22,366,797	22,661,788
3.	Net Income:	85,370	(21,10,672)
	Add: Prior period adjustments of Rs.1087416/- as per direction from HQ.	10,87,416	Nil
	Total Income	11,72,786	(21,10,672)

Accounts for the year 2016-2017, show a net surplus of Rs.11,72,786/- (against previous years loss of Rs. 21,10,672/-). The loss has been curtailed on account of increase in number of admissions and also reduction in expenses. The Council during the year introduced short term FD account to earn maximum interest and also took temporary advance from HQ to meet the cash crunch and avoid premature encashment of FDRs.

The Institute Fund of Rs. 10,87,416/- has been transferred to Income and Expenditure Account as prior year adjustment as the said amount was already spent on the purchase of books and furniture and the value of books and furniture has already been depreciated over the period of time. The said amount has been treated as prior period adjustment in the current year's Income and Expenditure Account and same has been transferred to WIRC Corpus (General) Fund.

As per the Circular received from HQ No.DOS/8/11-02/2014-15 dated 24th November 2014 there is a change in sharing of Postal Training Fees with HQ., effective from 01-04-2015, resulting in reduction of Postal Coaching income by Rs.16.44 lakhs approximately during the year 2016-17.

3.0 PROFESSIONAL DEVELOPMENT ACTIVITIES :

3.1.0 New Recognition:

3.1.1. Recognition of CMAs as Financial Auditor of Co-operative Societies in State of Maharashtra:

WIRC is pleased inform you that our Profession has

been recognized to conduct financial Audit of Co-op. Societies in the state of Maharashtra as per Maharashtra Co-operative Societies (Third Amendment) Act, 2016 & for getting this recognition CMA Pradip Desai, Chairman, CMA Kailash Gandhi, Vice Chairman, CMA Laxman Pawar, Secretary and CMA Shriram Mahankaliwar, Treasurer and other RCM CMA Debashish Mitra, CMA Harshad Deshpande, & CMA P. V. Bhattad, IPP & CCM & CMA Ashok B. Nawal, CCM, made representations to Maharashtra Govt Authorities. After rigorous follow-up and various discussion with different Govt. Authorities, Government of Maharashtra has amended Maharashtra Co-operative Society's Act and has included CMA's to carry out financial audit. WIRC also ack. the contribution made by CMA B.M. Sharma, Past President of ICAI. This has opened up new avenue for CMAs to conduct Financial Audit of cooperative societies in Maharashtra

In connection with Professional Development Activities' WIRC team visited various Government authorities during the year: -

- a. WIRC Chairman CMA Pradip H Desai along with CMA P.V. Bhattad, Immediate Past President, Vice-Chairman, CMA Kailash Gandhi, CMA Laxman Pawar Secretary and PD Committee Chairman, CMA Shriram Mahankaliwar & CMA Harshad Deshpande visited CMA Vivek Bhimanwar PA to Chief Minister of Maharashtra at Mantralaya. Further, on assuming charge WIRC Chairman CMA Pradip H Desai, CMA Kailash Gandhi & CMA Shriram Mahankaliwar visited Mr. D K Jain, Additional Chief Secretary, Finance Department Govt of Maharashtra, Mr. AK Chaturvedi, Regional Director, Office of the Regional Director, MCA, Western Region and Mr. S P Kumar, Register of Companies Maharashtra.
- b. WIRC Vice- Chairman, CMA Kailash Gandhi, had meeting with Dr Kshatrapti Shivaji, Chairman & Managing Director of SIDBI in the month of September 2016.
- c. WIRC Vice- Chairman, CMA Kailash Gandhi, and Past Chairman, WIRC CMA Debasish Mitra visited MCA Office to meet Hon'ble Shri Arjun Ram Meghwal, Minister of State Ministry of Corporate affairs Govt. of India on 3rd March 2017.
- d. CMA Laxman D Pawar, Hon. Secretary WIRC, CMA Shriram Mahankaliwar, PD Committee Chairman, WIRC and CMA Harshad Deshpande RCM had various meetings with Sugar Commissioner in Pune and Mantralaya Mumbai in connection with Co-operative Sector Cost Audit - Sugar Industry
- e. CMA Laxman D Pawar, Hon. Secretary WIRC, and CMA Harshad Deshpande RCM had various meetings with Shri Chandrakant Dalvi, Honorable Cooperation Commissioner at Pune & Mantralaya Mumbai in connection with Financial Audit of Co-operative Societies in Maharashtra.
- f. CMA Harshad Deshpande RCM, had meeting with Mr. Gautam Chatterjee OSD to CM in connection with RERA on 14th February 2017

3.1.2 Seminar on "Insolvency and Bankruptcy Code, 2016

WIRC organised a Seminar on "Insolvency and

Bankruptcy Code, 2016" on Friday 23rd December 2016 at WIRC office, Mumbai. Dr. M. S. Sahoo, Chairperson, Insolvency and Bankruptcy Board of India was Chief Guest and CMA Sanjay Gupta, Vice President, ICAI was Guest of Honour.

Dr. M. S. Sahoo while addressing on the occasion mentioned that implementation of Insolvency & Bankruptcy Code, 2016 will ensure a timely solution to the insolvency resolution of companies. This has a good mechanism to unlock the value of distressed assets.

CMA Sanjay Gupta, Vice President, ICAI, highlighted that Insolvency and Bankruptcy Code 2016 creates a new professional opportunities for our members to become Insolvency Professionals under the Code. He urge members to become Insolvency Professionals and take challenge by developing their core competency in the areas of financial restructuring and revival of the companies and developing Resolution Plans and in Liquidations of the companies.

CMA J K Budhiraja, CEO, Insolvency Professional Agency of ICAI, Mr. Nikhil Shah, Managing Director, Alvarez & Marsal India Private Limited and Mr. K C Jani Managing Partner Areion Corporate Advisors (I) Pvt. Ltd. Ex-ED-IDBI Bank were the faculty for the seminar.

3.1.3 Regional Cost Convention 2017:

Regional Cost Convention 2017 of the Western India Regional Council conducted at Ahmedabad on 25th & 26th February 2017 jointly with Ahmedabad Chapter of Cost Accountants. Theme of RCC 2017 was "Paradigm Shift in Doing Business". Convention was inaugurated by Chief Guest Hon. Dr. Kiritbhai Solanki, Member of Parliament - Ahmedabad on 25th February 2017.

Well-known key speakers throughout 5 Technical Sessions gave extensive & exhaustive presentation with their professional touch & input. In the 1st Technical Session under the Chairmanship of CMA Amit Apte, CMA Hiranand Savlani & CMA R.K. Deodhar presented Industry points of view on GST- The Road Ahead and emphasized GST as radical change, a game changer with its anti-profiteering step.

In 2nd Technical Session, "Doing Business Digitally", under the Chairmanship of CMA Harshad Deshpande, our worthy speakers Shri R K Saraf gave detail account of initiatives taken by Govt. of India towards digital India project with its benefits & challenges.

In 3rd Session on 'Tax Techniques for Business Value Creations' under the Chairmanship of CMA Debasish Mitra, our expert speaker CMA Ashok B. Nawal emphasized that Business value comes from vision, change Management, enhancement of stakeholders' value & use IPR etc. The event was followed by Members meet and cultural Programme and dinner.

On 2nd day in the 4th Technical Session on 'Bankruptcy & Insolvency Code & NCLT & Role of Cost Accountants / Professionals' under the Chairmanship of CMA Manubhai Desai, CMA J K Budhiraja, Sr. Director, Technical ICAI.

5th Technical session on "Govt. Initiatives for Business & Doing business through innovations and Advanced Technologies" under the Chairmanship of CMA Neeraj Joshi, Shri Sunil Shah, MD, Motivation Engineers & Infrastructure Pvt. Ltd.

Colorful Souvenir was released at the hands of Shri Ajay Das Mehrotra, IRS, Principal Commissioner of IT & Govt. Nominee in the Institute in the valedictory session.

3.1.4. Two Days Workshop on Co-operative Societies Audit at Pune

Government of Maharashtra has amended Maharashtra Co-operative Society's Act and has included CMA's to carry out financial audit. In order to cater to this opportunity and in order to initiate the process of capacity building of the members for such audit, WIRC arranged two day's workshop on Audit of Co-operative Societies in Maharashtra.

Dr. Anand Jogdand, Additional Commissioner, Co-operative Societies inaugurated the program on 15th April 2017 and welcomed Cost Accountants to the Audit fraternity of Co-operative societies. Mr. Jadhwar, Additional Registrar of Co-operative Societies, gave the opening lecture and explained to the members how Co-operative Movement is firmly rooted in the soil of Maharashtra and is now developed.

Mr. Gokhul Rathi, Dr. Anand Jogdand, Mr. Sanjay Wable, Mr. Prakash Kondapalle were the faculty members for the programme. 102 members attended the programme.

3.1.5 WIRC CMA Practitioner Conclave 2017:

CMA Practitioner Conclave 2017 was unique program for the practicing members to explore new avenues of practice and to network.

In First technical session Mr. Sunil Kini, Eminent Corporate Trainer share the important ideas on how Practicing CMA's can build their Corporate Image. The session helps the members in understanding the requirement of Image building and how to do it successfully while operating their consulting business.

The topics and the speakers are as follows.

- Cost Audit by CMA Ashiwin Solanki
- Forensic audit by CMA Nayana Savala
- Management Audit by CMA Saswata Banerjee
- Capital Market by CMA UmeshKarne
- Supply Chain Management by CMA Vinay Muley
- Indirect Taxation by CMA Aditya Umarji

4.0 WIRC Bulletin - Mouthpiece of WIRC, through which we keep abreast all the members about the happenings in the Profession on regular basis. WIRC is happy to inform you the following improvements made during the year to uplift the quality of WIRC Bulletin. We are happy to inform you that :

- WIRC Bulletin has obtained the ISSN No. 2456-4982 during the year.
- "Special E Bulletin" on GST brought out during Diwali and collected additional revenue on Advt.
- E-Bulletin is sent to members and students regularly.
- The WIR Council is thankful to the Contributors of WIRC Bulletin. CMAs Ashok B. Nawal, Harshad S. Deshpande, Laxman D. Pawar, Vineet Chopra, Ajay Kumar Singh, Rajesh Kapadia, Anil Kshatriya, Ashish Deshmukh, Biswabandhu Mohapatra, R. R. Ahirwar, Vinay Miman, Prasad Joshi, Vinod Shete, Sumeet Bahadur, Prashant Lele, Manohar V. Dansingani, Pradnya Dhamdhare, R. Veeraraghavan, N. P. Viswanathan, Nitin Alshi,

Rajendra Rathi, Nikhil B Mehta, Dr. V. V. L. N. Sastry, (Dr.) Ashutosh J. Bhambhani, Krishnakant Jaju, Rahul Anand, (Dr.) S. K. Gupta, Utpal K. Saha, Mr. Indraneel Sen Gupta, Mr. Dilip Patil, Mr. Rahul Magan, Ms. Sahifa Moosa Muradbi Mazgaonkar, Dr. Amardeep D. Jadhav who have contributed by giving valuable articles on matters of professional interest for the benefit of the members at large. It is also like to mention here during the year April, 2016 to March, 2017, we have published 86 articles in the WIRC Bulletin.

5.0 SEMINARS & PROGRAMMES:

Continuing Education Programmes (CEPs) for Members:

WIRC organized CEPs for the benefit of the Members in general and Practicing Members in particular. The CEP Committee conducted various programs in WIRC office, Borivali SFC and Thane SFC

The Professional Development Committee (PDC) & CEP Committee of WIRC conducted various seminar, programs and workshops to upskill the members in Practice as well as members in Industry, at large. To improve the visibility of the Institute and build good relationship with various government bodies, PDC-WIRC conducted various seminar on Goods and Service tax (GST) and also Two days' Workshop on Co-operative Societies Audit. It has collaborated with MCA to conduct Investors' Awareness Programs (IAPs) in various part of Maharashtra.

The details of each and every programme have been intimated to members through email and SMS and attempt was also made to invite faculties from various industries, who are experts in the field of the respective topics. Presentation given by them in the programme were uploaded on the site for the benefit of the members, particularly to those members, who could not attend the programmes and also for future reference. Large number of members benefited from the CEP and various Seminars conducted by WIRC during the year at WIRC, SMF Centres at Thane and Borivali.

5.1. Special Programs

5.1.1 WIRC INITIATES FOR GST LAW:

The Goods & Services Tax (GST), is the much awaited revolutionary tax reform in India since independence. GST Law would upon implementation would make One Nation, One Tax. To enrich our Professionals through 'Capacity Building' exercise. WIRC organized number of Seminars to train members to cope up with the requirements of law.

5.2 TRAIN THE TRAINERS PROGRAM -22nd & 23rd August 2016 at Hotel VITS, Mumbai

WIRC along with the Taxation Committee of the Institute organized Two days Programme on "Model GST Law in India - Train the Trainers" on 22nd & 23rd August 2016 at Hotel VITS, International Airport Zone, Andheri (E), Mumbai.

Topics Covered by:-

CMA V.S. Datey: Goods & Services Tax (GST) - Introduction and Salient Features, Registration; Levy of and Exemptions from Tax.

CMA A. B. Nawal: Meaning & Scope of Supply, Time, Place and Valuation of Supply

CMA B.M. Sharma: Returns, Payments, Refunds, Input Tax Credit, Transfer of Input Tax Credit

CMA L D Pawar: Accounts and Records, Audit, Assessment, Demands and Recovery, Offences and Penalties, Inspection, Search, Seizure and Arrest

CMA Amit Starker & CMA Shailendra Saxena : Appeals and Revisions, Advance Rulings, Settlement of Cases, Liability in Special Cases, Impact Analysis on Manufacturing, Trading, Telecommunications & Broadcasting, Banking & Finance, E-Commerce, Real Estate, Infrastructure & Construction, Others & Consumers, Role of Cost Accountants, Miscellaneous Provisions, Transitional Provisions

Valedictory session was chaired by Mr. B.V. Borhade, Jt. Commissioner, Sales Tax. In his address he congratulated the Institute for having Two days training programme for Train the Trainers and also informed the audience about the latest development taken on GST Law.

5.3 TRAIN THE TRAINERS PROGRAM - 1st & 2nd October 2016 at Hotel Kalasagar, Pune

The Taxation Committee of the Institute jointly with WIRC & Pimpri-Chinchwad-Akurdi Chapter organized two days Programme on "Model GST Law in India - Train the Trainers" on 1st & 2nd October 2016 at Hotel Kalasagar, Pune. Shri. Rajesh Pandey, Commissioner of Central Excise, Pune inaugurated the programme.

Faculty Members for the programme CMAs V S Datey, Ashok Nawal, B M Sharma, Rahul Renavikar, L D Pawar, & Dr. Waman Parkhi.

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

Further to inform you that WIRC has conducted lot of Workshops & Interactive sessions for GST & the details of the same are incorporated in the list of P.D. Activities.

6.0 SOCIO-ECONOMIC INITIATIVES

• Independence Day Celebration

Flag hoisting ceremony was held on 15th August 2016 at our Thane SMF centre for the first time. CMA Pradip H Desai, Chairman WIRC hoisted the flag. CMA Kailash Gandhi- Vice Chairman WIRC and CMA Debasish Mitra- Chairman-Student and Members Committee, WIRC were also present.

• Swachh Bharat Mission - Jagrukta Week Celebration:

WIRC of ICAI undertook a drive on creating awareness of the public about the cleanliness in the public places in addition to Office/Residence.

WIRC Staff & Students conducted a Campaign with a mission of cleaning the nearby public garden "Horniman Circle Garden"

• International Women's Day Celebrations

WIRC celebrated Women's Day at WIRC Office, Mumbai on 10th March 2017. CMA R. Jayashri, Asstt. Vice President (F & A), Reliance Industries Ltd, inaugurated the Programme and other prominent Lady CMAs present were CMA Padma Ganesh and CMA Nayna Savala, Practising Cost Accountant and CMA Mousami

Sen, Advocate.

All the lady CMAs and lady Staff members of WIRC were felicitated on the occasion.

• Investors' Awareness Programme:

Ministry of Corporate Affairs entrusted the Institute to organize "Investors' Awareness Programmes (IAPs)" from 2012 onwards as a continuous activities of the Institute to make the General Public aware about how to save funds from their day to day earnings. Regional Director of Western Region of MCA, GOI., Mumbai entrusted WIRC-ICAI to conduct maximum possible IAPs in the State of Maharashtra.

During the year 2016-17, WIRC has conducted 38 IAPs at various Districts in Maharashtra. More than 3114 general public and College Students and employees of various Public Limited Companies benefitted out of the Programme.

WIRC is thankful to the Aurangabad Chapter, Colleges, Management Institutions and Public Limited Companies for providing space for organizing the IAPs with the help of expert faculties in the field CMAs M.S. Chandani, & S.R. Pimple and Investment Consultants like Mr. Sudhakar B. Kulkarni, Dr. Dilip B. Bhanagade. We are very much thankful to the faculties as well as the facility providers extending whole hearted co-operation for organizing the IAPs and the participants were benefited a lot.

7.0 OTHER EVENTS:-

• Chapters' Meet along with Regional Cost Convention:

Regional Council Chapters' Meet was organized at Ahmedabad on 26th February 2017 at Chapter office arranged by HQ under the Chairmanship of CMA Niranjana Mishra, Regional Council & Chapter Coordination Committee. Central Council Members CMA P.V. Bhattad, Immediate Past President, CMA Ashok B Nawal and CMA Amit A Apte and CMA Pradip H. Desai, Chairman WIRC, CMA Kailash Gandhi, Vice Chairman WIRC, CMA Laxman D Pawar, Hon. Secretary, CMA Shriram Mahankaliwar, Treasurer and CMA Debasish Mitra, Chairman Student, Member and Chapter Co-ordination Committee attended the meeting. Representatives from many Chapters of WIRC attended the meeting. CMA Arnab Chakraborty, (Sr. Director, Studies, Admin & HR) coordinated meeting & proposed Vote of thanks.

• Foundation Day Celebration:

WIRC, SMFC Centre and Chapters Celebrated 58th Foundation Day as per the direction received from HQ. by arranging noble endeavors like blood donation camp and plantation of trees

At WIRC: CMA Kailash Gandhi, Vice Chairman, WIRC welcomed all the members and Students. CMA V.V. Deodhar, Past President of the Institute inaugurated the function by lighting the lamp. On the occasion CMA N.S. Acharya, Past Chairman WIRC was also felicitated. On the occasion. Workshop on COMPREHENSIVE MANAGEMENT ANALYSIS OF GST was organised. CMA Padma Ganesh, Practising Cost Accountant was the faculty. More than 70 members were present.

At Borivali SMFC: CMA Kailash Gandhi, Vice Chairman, WIRC welcomed all the members and Students. CMA

P.V. Wandrekar, Past Chairman WIRC was felicitated on the occasion. CEP on SAP FICO Module Overview was also organised on the occasion. CMA Pramod Kumar, SAP Solution Architect, IBM was the faculty. More than 40 members were present.

At Thane SMFC:CMA Debasish Mitra, Chairman Students, Members and Chapter Co-ordination Committee welcomed the members and students. CEP on Impact of GST on Cement Industry was organised on the occasion. CMA Pratyush Chattopadhyay, Head Indirect Tax, ACC & Ambuja Cement was the faculty. More than 40 members were present for the programme.

8.0 WIRC Expanding Horizons - New Chapters

Inauguration of Solapur Chapter :

The Solapur Chapter was inaugurated at a grand and well attended function held on 16th October 2016 at Dr. Phadkule Sabhagruha, Solapur. CMA P.H.Desai, Chairman WIRC, was the Chief Guest and Prof. Dr. N.N.Maldar, Vice Chancellor - Solapur University presided over the function.

Prof. Dr. N.N.Maldar spoke on the topic of "Skill set required for students to succeed under the Make in India program" He emphasised that a good research program is required for the Make in India program to succeed. He also mentioned that students should take up scientific research as a career.

Inauguration of Bharuch Ankleshwar Chapter (New Chapter)

The inaugural function of Bharuch Ankleshwar CMA Chapter was held on 25th April, 2017.

Chief Guest, Shri Manas Kumar Thakur President along with other dignitaries on the dais performed lamp lighting ceremony.

Chief Guest and Guest of honor appreciated the efforts of Bharuch Ankleshwar CMA team in coordinating grand inaugural function and GST Seminar. There were more than 250 participants on GST seminar from various industry.

RECONGNITION AND AWARDS

• Best Chapter Award 2016:

Regional Council & Chapters Co-ordination Committee of the Institute, in its "National - Regional Council & Chapters Meet" held at Chandigarh, on 22nd April, 2017, on the basis of Evaluation Report submitted by the Sub-Committee, following Chapters under Western Region was declared for 'Best Chapter Award 2016', as given below:

Category A : Pune

Category B : Surat-South Gujarat

Category C: Navi Mumbai, and

Category D: Pimpri-Chinchwad-Akurdi

Best Chapters Award - 2016 for "Increase in Members' Strength" (PAN INDIA) - All over India

Category B: Surat-South Gujarat

Category C: Navi Mumbai

Best Chapters Award - 2016 for Conducting Maximum Number of Professional Development

Programs (PAN INDIA) - All over India

Category B: Surat-South Gujarat

Category C: Navi Mumbai

Category D: Pimpri-Chinchwad-Akurdi

Surat South Gujarat celebrated Silver Jubilee of the Chapter on 23rd March 2017.

9.0 Available Net Work of WIRC / SMFC AND LEARNING CENTRES:

WIRC is having 6 Learning Centres as below:

1. Sydenham College of Commerce & Economics, Churchgate,
2. N.M. College of Commerce & Economics, Vile Parle (West),
3. St. Francis Institute of Management, Borivali, SMF Centre,
4. Ramniranjan Jhunjhunwala College, Ghatkopar,
5. Mulund College of Commerce, Mulund, and
6. SMF Centre at Thane.

10.0 WIRC Coaching & Students Activities.

Admissions:- Oral Coaching:

Term	Foundation	Intermediate	Final	Total
July-December, 2016	303	358	14	675
January to June, 2017	90	238	52	380
Total:	393	596	66	1055

Oral Coaching admission details only for new students (previous year 859):

Postal Coaching:

Under the decentralization activities, the Postal Coaching Scheme students registered through WIRC throughout the Region is given below (previous year 1854):

Term	Foundation	Intermediate	Final	Total
July-December 2016	285	317	83	685
January-June 2017	161	345	153	659
Total	446	662	236	1344

• Students Representative:

In order to have a better and more frequent interaction between the students, faculty & WIRC Staff, WIRC Co-opted two students' representatives on the Co-ordination Committee of WIRC - one from Oral Coaching and the other from Postal Coaching. WIRC used to receive suggestions and complaints from the students through e-mails and it was attend by the Coaching Department.

• Visit to Learning Centres:

WIRC Council Members and WIRC employees regularly visited the Learning Centres during the Coaching Session to obtain the day to day report from the students and corrective action has been taken from time to time.

CMAs Abhishek Kumar Singh, Akshay Shah, Ashwin Solanki, Kedar Ghosh, Subodha Mavlankar, Deepak Ukidave, Anand D Avahad, Shailaja Balamurali and Atul Dharap have inaugurated the new batches of July-December, 2016 and January-June, 2017 - Coaching Classes at various Learning Centres.

• Library:

Library Facilities are provided at all the Learning Centres and also at Thane & Borivali SMF Centres. The

Council has taken steps to update the records and improve the contents. Books worth Rs. 23,856/- are added in the Library during the year.

STUDENTS TRAINING/COUNSELLING AND CARRER EXIBITIONS

• **Students Soft Skill Training Programme:**

As per the guidelines provided by the Institute, WIRC organized 3 days Training on "Communication and Soft Skills" for Intermediate Course, 7 days "Industry oriented Training Programme for Final Course students. The programmes were conducted at WIRC Office, Thane SMFC & N.M. College, Vile Parle. Good number of students attend the Training Programme and made eligible to appear for ICAI examinations.

• **Computer Training:**

Computer training is provided to the students at the following four locations:

1. WIRC Office Premises,
2. SMF Centre, Thane
3. St. Francis Institute of Management Studies, Borivali, and
4. A M Shah Institute of Management Studies, Ghatkopar

WIRC also arranged Saturday & Sunday Batches for the Working Students.

• **Career Exhibition & Career Guidance Lecture:**

WIRC has participated in following Career Counselling Lecture:

- Maharashtra College, Mumbai - 23rd July 2016 by CMA M.S. Chandani
- Sydenham College, Mumbai - 15th October 2016 CMA M.S. Chandani
- Kendriya Vidyalaya Mankhurd - 9th November 2016 - CMA V V L N Sastry
- Kendriya Vidyalaya Kolshet, Thane - 12th November 2016 - CMA Shailaja Balamurali
- Kendriya Vidyalaya, Panvel, Navi Mumbai - 16th November 2016 - CMA Vivek Bhalerao
- Kendriya Vidyalaya Colaba, Mumbai- 19th November 2016 - CMA M.S. Chandani
- Kendriya Vidyalaya, Kanjurmang - 24th November 2016 - CMA Shailaja Balamurali
- SIES College, Sion, Mumbai - 26th November 2016 - CMA Shailaja Balamurali
- L.S. Raheja College, Santacruz, Mumbai - 29th November 2016.- CMA M.S. Chandani
- Mehta College, Airoli, Navi Mumbai - 13th December 2016 - CMA Shailaja Balamurali
- K.B. College, Thane - 15th December 2016 - CMA Hira Vyas
- Shroff College, Kandivli - 18th January 2017 - CMA M.S. Chandani
- Dnyansadhana College, Thane - 19th January 2017 - CMA Shailaja Balamurali
- Hinduja College, Charni Road, Mumbai -9th February 2017 - CMA M.S. Chandani

WIRC has participated in following Career Fairs.

- Shroff College of Commerce, Bhulabai Desai Road , Kandivli on 5th January 2017
- St. Francis Institute of Management , Borivli, Mumbai on 3 & 4 February 2017

Good numbers of students visited the Institute's stall and the leaflets of CMA Course have been distributed amongst the students.

• **Students Felicitation Programmes:**

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

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

Prizes were given to all successful students of Mumbai on this occasion by the hands of above dignitaries. WIRC also felicitated all the Rank holders from the Western Region and Students who have completed 12 Days Pre Placement Orientation Programme on this occasion.

April 2017 - WIRC organized Felicitation Function for the students who completed Foundation, Intermediate and Final in December 2016 Examination, on Saturday 8th April 2017 at Sydenham College Auditorium, Mumbai.

Mr. Ramaswamy Global Head TCS was the Chief Guest of the programme & CMA Manish Gangwal, CFO, Gulf Oil Ltd. was Guest of Honour. More than 200 students and some of the parents attended the function. Mementos were distributed to all successful students by President, Council Members and Guests. WIRC also felicitated all the Rank holders from the Western Region on this occasion.

• **Examinations:**

The ICAI Examinations are conducted at 4 (four) Centers at Mumbai, viz.,

1. Smt. M.M.K. College, Bandra
2. A M Shah Institute of Management Studies, Ghatkopar,
3. Dnyanasadhana College, Thane, and
4. L.N. College, Borivali(East)

Examinations were conducted smoothly at these Centers. WIRC and HQ Officials visited Examination Centres during the Examinations.

• **Campus & Placement:**

Companies requirements on placed on WIRC Notice Board e.g. Ministry of Corporate Affairs, Bengal Chemicals & Pharmaceuticals Ltd, GATI, Maharashtra State Power Generation Co Ltd, National Small Industries Corporation Ltd, Indian Oil Corporation Ltd, Konkan Railway Corporation Ltd, Toalni Shipping Company Ltd, Dembla Valves Ltd, Colgate Palmolive Ltd. Mazgaon Dock etc.,

Many students were placed as trainees in the above organisations, in addition to many Practicing Cost Accountant Firms.

- **12 days Pre-Placement Orientation Program: October, 2016 Campus Placements:**

Institute has proposed "12 Days Pre-Placement Orientation Program" for the June 2016 final qualified opting for Campus Placement. Accordingly WIRC had organised the programmes from 12th September to 24th September 2016 at WIRC Office & Thane SMFC. Total 110 students participated in the programme. Inaugural session was conducted on 12th September 2016 at Thane SMFC,

- **Campus Interview: October 2016**

The Institute of Cost Accountants of India conducted Campus Placement for the June 2016 Final passed students on 21st & 22nd October 2016 at Aruna Manharlal Shah Institute of Management, Mumbai. Total 8 Companies participated in Campus and selected 28 students out of 125.

- Godrej and Boyce Mfg. Co. Ltd
- Hindustan Petroleum Corporation Ltd
- ITC Ltd
- Larsen & Toubro Ltd
- Reliance Industries Ltd
- Tata Motors Ltd
- Ujjivan Financial Service Ltd
- Vedanta Ltd
- Wipro Ltd

- **12 days Pre-Placement Orientation Program: April, 2017 Campus Placement**

WIRC conducted "12 Days Pre-Placement Orientation Program" for the December 2016 Final Qualified CMAs opting for Campus Placement from 15th March onwards at WIRC Office. Total 60 students participated in the programme from all over region.

- **Campus Interview: April 2017**

The Institute of Cost Accountants of India conducted Campus Placement for the December 2016 Final passed Students on 21st & 22nd April 2017 at Aruna Manharlal Shah Institute of Management, Mumbai. The following 11 companies participated in Campus and selected 21 students.

- Crane Process Flow Tec. (I) Ltd.
- Deloitte
- H.R. Johnson Ltd (Prism Cement Ltd.)
- Hindustan Unilever Ltd.
- RSM Astute Consulting Group
- ITC Ltd.(Foods Division)
- ITC Ltd. (Tobacco Division)
- ONGC
- Vedanta
- Viraj Profiles Ltd.
- WIPRO

11 E Services and other Facilities : for better Administration

- **Website:**

WIRC Website - all the events of WIRC were updated regularly. Many members and students benefited from the timely update of the events on the site.

- **Bulk SMS and E-Mails:**

WIRC continued the practice of sending SMS and E-Mails to the members regarding the CEPs and

Seminars and intimation of other important events of WIRC, during the year.

- **Acceptance of Payment by Swipe Card at WIRC Office:**

WIRC has continued Facility of Credit/DebitCard POS Terminal. Members and Students are making use of Credit / Debit Card facility available at WIRC office to make the payment of Membership fees, Seminar & CEP Fees, Sale of Publications, etc.

- **Communication Systems:**

WIRC dedicated Mobile numbers for Members and Students assistance. The queries are being resolved over voice call and also on instant messaging.

Mobile Help Line Numbers - For PD Activities & Members - 8828177346

For Students Enquiry - 8828177347//8828177348

WIRC Board Lines: 2287 2010/ 2284 1138 / 2204 3406/ 2204 3416. Email: wirc@icmai.inSMF Centres, Thane: 022-2545 0763 and Borivali: 022-2894 8302.

The queries received by E-mail from the members and students were promptly replied in time.

Obituary:

The Members of the Institute, viz., CMA D.V. Chivilkar (M/9999) passed away on 06/08/2016, at Mumbai ,CMA Ashiwini Gupta (M/38873), , passed away on 16/11/2016, CMA Sudhir Kodkani, (M/1093) Practising Cost Accountant from Mumbai passed on 11th November 2016, CMA S. R. Kale, Past Chairman of WIRC (1986-87) has passed away on 30th March 2017, CMA (Dr.) Nachiket M. Vechalekar, Past Chairman of WIRC (2006-07) has passed away on 13th April 2017, CMA Anant A. Katyare, Chairman of ICAI, Kolhapur- Sangli Chapter (2014-17) has passed away on 23rd April, 2017.

They had been associated in the activities of the Institute for a long time for the development of the Profession. May their departed souls rest in eternal peace.

The list of deceased members is as per the information available at WIRC. Any omission is unintentional.

Staff:

The Council places on record its appreciation for the services rendered by the Staff. Mr. K.P. Unnikrishnan, presently holding the post of Joint Director - Administration is retiring from the services of the Institute on 31st of May, 2017, after completing 38 years of service.

Acknowledgement

The Council gratefully acknowledges co-operation received from various Government Departments, particularly Ministry of Corporate Affairs, Central Council, Chapters, Coaching Faculty, Students, Members, College Principals, CEP/Seminar Faculties, CEP Coordinators, other Professional Bodies, MCA Officials, Bankers, Corporate Organizations, Internal & External Auditors, Rohit Chambers Premises Co-op. Society and all other service providers.

For and on behalf of the
**Western India Regional Council of
The Institute of Cost Accountants of India**

Place : Mumbai

Dated : 03-06-2017

Note : This report includes events to-date.

CMA Pradip H. Desai

Chairman

ANNEXURE 1**Committees of the Council for 2016-2017****Constituted at the 284th WIR Council Meeting held on 24-07-16****1.2 COMMITTEES:****1. Executive Committee:**

CMA Pradip H. Desai	- Chairman
CMA Kailash R. Gandhi	- Member
CMA Laxman D. Pawar	- Member
CMA Shriram N. Mahankaliwar	- Member
CMA Debasish Mitra	- Member
CMA Harshad S. Deshpande	- Member
CMA P.V. Bhattad	- Member
CMA Ashok B. Nawal	- Member

2. Finance Committee:

CMA Pradip H. Desai	- Chairman
CMA Kailash R. Gandhi	- Member
CMA Laxman D. Pawar	- Member
CMA Ashok B. Nawal	- Member

3. Students, Members & Chapter Co-ordination:

CMA Debasish Mitra	- Chairman
CMA Kailash R. Gandhi	- Member
CMA Laxman D. Pawar	- Member
CMA Shriram N. Mahankaliwar	- Member
CMA Harshad S. Deshpande	- Member
CMA Amit A. Apte	- Member
Mr. Kiran Dilip Ahire	- Student Rep. (Postal)
Ms. Payal Ramchandra Samwani	- Student Rep. Oral)

4. Professional Development Committee:

CMA Shriram N. Mahankaliwar	- Chairman
CMA Harshad S. Deshpande	- Member
CMA Laxman D. Pawar	- Member
CMA Neeraj D. Joshi	- Member
CMA P.V. Bhattad	- Member
CMA Ashok B. Nawal	- Member
CMA Rajendra P. Gore	- Co-opted Member

5. CEP Committee

CMA Kailash Gandhi	- Chairman
CMA Debasish Mitra	- Convener
CMA V.B. Prabhudesai	- Co-opted Member

A. EDITORIAL BOARD:

CMA Harshad S. Deshpande	- Chairman
CMA Laxman D. Pawar	- Member
CMA N. P. Vishwanathan	- Member
CMA Shrenik S. Shah	- Member
CMA (Dr.) Shailendra Saxena	- Member
CMA Soumen Dutta	- Member

B. Task Force - Members in Industry (under PDP Committee):

1 CMA Atul Damodar Dharap	- Raymonds Ltd.
2 CMA B. N. Agarwal	- Bhilai Steel Plant
3 CMA Rahul Renavikar	- Ernst & Young LLP
4 CMA Suresh Vishnu Sasane	- MSPGC Ltd.
5 CMA Abhishek Kumar Singh	- SPMCIL
6 CMA Vivek G. Bhalerao	- Tata Consultancy Services Ltd.
7 CMA Amit Kumar Sarker	- Deloitte Haskins & Sells
8 CMA M. B. Kaka	- Gujarat State Electricity Company Ltd.
9 CMA Pradeep A. Deshpande	- Foundation Brake Mfg. Pvt. Ltd.
10 CMA Rajendra Kumar Rathi	- Reliance Industries Ltd.
11 CMA Sumit Bahadur	- Electronic & Power Control Co.

6. Task Force - State Government Representation:

CMA Laxman D. Pawar	- Chairman
CMA Arindam Goswami	- Chhattisgarh
CMA Dipen Mehra	Chhattisgarh
CMA Yogesh Chourasia	- Madhya Pradesh
CMA Ashwin Dalwadi	- Gujarat
CMA Arun Kumar	- Maharashtra
CMA Ram Mohan Menon	- Goa
CMA B. F. Modi	- Gujarat
CMA Vineet Chopra	- Madhya Pradesh

(Chairman, WIRC of ICAI will be permanent invitee of all the Committees, except Executive & Finance Committee)

ANNEXURE 2

CEPs and Seminars conducted by WIRC during the year:

S.No.	Date	Topic & Venue	Faculty	No of Participants
1	17/6/2016	IFRS - Role of CMAs, WIRC	CMA R.N. Bhawe	39
2	19/6/2016	Practical Meditation for Cost Accountants Brahmakumari, Mulund	Dr. Prem Masand, M.D, Spiritualist, Oncologist & Ex Medical, Superintendent, Trauma & Eye Hospital, Mt. Abu	45
3	29/6/2016	Advance Excel, WIRC	Mr. Shaikh Imran	6
4	30/6/2016	Advance Excel, Thane SMFC	Mr. Shaikh Imran	11
5	9/7/2016	Bankruptcy and Insolvency Code, WIRC	CMA A.Sekar	14
6	15/7/2016	Role of CMAs in Present Scenario - with respect to Project Finance & Restructuring of Loans. WIRC	Mr. K.C. Jani, Managing Partner, Areion Corporate Advisors (I) Pvt. Ltd. (Ex-ED - IDBI Bank)	31
7	23/7/2016	Decoding the Model GST Law - Key features of the draft Model GST Law Thane SMFC	CMA Ashok B Nawal	45
8	23/7/2016	Amendment in the Companies (Cost Records & Audit) Rules, 2016 Thane SMFC	CMA Harshad Deshpande	34
9	19/8/2016	Programme on Goods and Services Tax (GST), Jointly with ICSI Pune Chapter Ramee Grand Hotel, Pune	CMAs B.M. Sharma, A.B. Nawal, CS Vikas Khare	40
10	26/8/2016	Cost Management through Lean, WIRC	CMA Rajendra Aphale	9
11	27/8/2016	CMAs Role in Corporate Credit Rating Thane SMFC	Mr. Nitin Jha & Mr. Ravikiran Apte, CARE Rating	11
12	1st & 2nd Oct. 2016	Model GST Law in India Joint Programme, Pune	CMAs. B.M. Sharma, A.B. Nawal, Rahul Renavikar, Dr. Waman Parkhi	90
13	7/10/2016	Impact of Brexit on World Economy, WIRC	CMA (Dr.) V.V. L.N. Sastry	10
15	16/10/2016	Preliminary Financial Modelling through Excel - A Case Study, Thane SMFC	CMA Prashant Lele, Chief Manager, Financial Planning & MIS, Reliance Retail Ltd.	12
16	6/11/2016	Costing Frameworks in Hospital Industry Thane SMFC	CMAs Mahesh Chetwani & Kishore Bhatia	18
16	11/11/2016	Data Analytics and Role of CMAs in Financial Services, WIRC	CMA Umesh Karne (Director at ARMAAN Business Avenues LLP, Mumbai)	31
17	18/11/2016	Impact of Demonetization, WIRC	CMA Abhishek Kumar Singh India Government Mint, Mumbai	28
18	26/11/2016	Cybercrime Rok, Borivli SMFC	Mr. Shailesh Jaria, Cybercrime Rok Team	20
19	27/11/2016	Ind AS Convergence and Common Transition issues, Thane SMFC	Mr. Sachin Khopre	25
20	02/12/2016	Importance of Data Mining for Making Business Strategy & Opportunity for CMA, WIRC	CMA Sudip Bhattacharya	25
21	03/12/2016	Fundamental duties within Indian Constitution and Spiritual perspective to constitutional Duties, Brahmakumari's Centre -Thane	Dr. Rashmi Oza, Speaker BK Meera	17
22	10/12/2016	GST Revised Model Law and Implementation, WIRC	CMA Harshad Deshpande and CMA Laxman Pawar,	50,

23	23/12/2016	Insolvency and Bankruptcy Code, 2016 WIRC	Dr. M. S. Sahoo CMA J K Budhiraja, CEO, Insolvency Professional Agency of ICAI, Mr. Nikhil Shah, M.D. Alvarez & Marsal India Pvt. Ltd, Mr. K C Jani Managing Partner Areion Corporate Advisors (I) Pvt. Ltd. Ex-ED-IDBI Bank	61
24	07/01/2017	Introduction of Chankya Business Sutra in your Business, Borivli SMFC	Mr. Mahendra Garodiya Founder, SME Vidyapith	25
25	07/01/2017	Activity Based Costing - Implementation issues and way forward, WIRC	CMA Soumendra Nath Mukherjee	38
26	22/01/2017	Importance of Data Mining for Making Business Strategy & Opportunity for CMA Thane SMFC	CMA Sudip Bhattacharya	25
27	03/02/2017	Decoding Union Budget 2017, WIRC	CMA S.S. Gupta, and CMA (Dr.) Vishnu Kanhere	48
28	04/02/2017	Decoding Union Budget 2017 Shroffs College, Kandivli.	CMA S.S. Gupta, and CMA (Dr.) Vishnu Kanhere	31
29	04/02/2017	Decoding Union Budget 2017, Thane SMFC	CMA Amit Sarker and Mr. Nilesh Bhagat, Deloitte	45
30	25/26/2/2017	RCC - Paradigm Shift in Doing Business Ahmedabad	Please refer Sl. No. 3.1.3	247
31	17/02/2017	SME Listing & Fraud Reporting, WIRC	CMA Amar Kakaria & Mr. Vishal Vakil	38
32	04/03/2017	Insolvency & Bankruptcy Code (IBC) Thane SMFC	CMA Harshad Deshpande	45
33	10/03/2017	CMA Practitioner Conclave 2017, WIRC	Mr. Suunil Kini, CMAs Ashiwin Solanki, Saswata Banerjee, Umesh Karne, Vinay Muley, Naina Savala, Aditya Umarji	87
34	25/03/2017	Insolvency & Bankruptcy Code (IBC) Borivli SMFC	CMA Rajkumar Adukia	37
35	29/03/2017	Advance Excel, WIRC	Mr. Imran Shaikh	21
36	31/03/2017	Activity Based Costing, Thane SMFC	CMA Devrajan Swaminathan	26
37	15-16/3/2017	Two Days Work shop on Co-operative Societies Audit, YASHADA,Pune	Please refer Sl. No. 3.1.4	102
38	23/4/2017	GST - Opportunities for Driving Opera- tional Excellence through IT, Thane SMFC	CMA S G Narasimhan & Mr. Charudatta Pande	42
39	30/4/2017	Impact of GST on Pharmaceutical sector & Role of CMAs, Thane SMFC	CMA Sukrut Mehta	44
40	5/5/2017	Seminar on GST Implementation WIRC	CMA B.M. Sharma & CMA Ashok B. Nawal	55
41	21/5/2017	Impact of GST - Lubricant and Chemical Industry, Thane SMFC	Mr. S R Kabir, Indirect Tax Practitioner with Excel Inds. and Castrol	20
42	27/5/2017	Workshop on Comprehensive Management Analysis of GST, WIRC	CMA Padma Ganesh	74
43	28/5/2017	SAP FICO Module Overview Borivli SMFC	CMA Pramod Kumar SAP Solution Architect, IBM	40
44	28/5/2017	Impact of GST on Cement Industry Thane SMFC	CMA Pratyush Chattopadhyay, Head Indirect Tax ACC & Ambuja Cement	36
45	03/06/2017	Workshop on Comprehensive Management Analysis of GST - Session II, WIRC	Ms. Varsha Kolhatkar, Assistant Commissioner, Kanjur Marg Division, Central Excise, Mumbai III Commissionerate	60

K.R.KHARE & CO.
CHARTERED ACCOUNTANTS

Office No. 317, Sanghrajka House, 431, Dr. D B Marg, Opera House, Mumbai 400 004
Tel: - 2386 0984, 2387 2351. Email: kishorkhare@gmail.com

K. R. KHARE
B.Com.(Hons), F.C.A., LL.B. (Gen.)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WESTERN INDIA REGIONAL COUNCIL OF
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Report on the Financial Statements

We have audited the accompanying financial statements of Western India Regional Council Of The Institute Of Cost Accountants Of India (hereinafter referred to as 'the Council') which comprise the Balance Sheet as at 31st March, 2017, the Income and Expenditure Account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Council's Finance Committee is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Council in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Council and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control

relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Council has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Council's Finance Committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Council as at 31st March, 2017, and its surplus for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. We report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Council so far as it appears from our examination of those books.
 - (c) The Balance Sheet and the Income and Expenditure Account dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards issued by the Institute of Chartered Accountants of India.

For K R Khare & Co.
Chartered Accountants
Firm Registration No.105104W
(Sd/-)

(K R Khare)
Proprietor
Membership No. 032993

Place: Mumbai
Date: 3rd June 2017

**WESTERN INDIA REGIONAL COUNCIL OF
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

BALANCE SHEET AS AT 31ST MARCH 2017

PARTICULARS	Schedule No.	31.03.2017 (₹)	31.03.2016 (₹)
LIABILITIES :			
General Fund	A	75,324,364	74,151,578
Institute Fund	B	0	1,087,416
Students' Endowment Fund	C	329,556	313,640
Current Liabilities	D	15,624,095	13,812,413
TOTAL :		91,278,015	89,365,047
ASSETS :			
Fixed Assets	E	5,138,650	5,761,943
Current Assets	F	81,192,528	78,422,377
Loans & Advances	G	3,957,915	4,262,317
Stock of Publications		988,922	918,410
TOTAL :		91,278,015	89,365,047

Significant Accounting Policies and
Notes on Accounts

M

As per our report of even date
annexed hereto.

For **WESTERN INDIA REGIONAL COUNCIL OF
The Institute of Cost Accountants of India**

For **K. R. Khare & Co.**
Chartered Accountants

(K. R. Khare)
Proprietor
(M. No. 032993)
FIRM NO 105104W

CMA Pradip H. Desai
Chairman
CMA Laxman D. Pawar
Hon. Secretary

CMA Kailash Gandhi
Vice-Chairman
CMA Shriram N. Mahankaliwar
Treasurer

Place : Mumbai,
Date : 3rd June 2017.

WESTERN INDIA REGIONAL COUNCIL OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	Schedule	31.3.2017 (₹) 2016 - 17	31.3.2016 (₹) 2015 - 16
INCOME			
Learning & Training Fee	H	14,412,250	10,778,700
Seminar, Programmes & PD Activities		1,408,704	2,254,677
Grant from H.Q.		679,743	625,066
Other Income	I	5,951,470	6,892,673
TOTAL		22,452,167	20,551,116
EXPENDITURE			
Employee Expenses	J	9,748,441	8,985,402
Learning & Training Expenses	K	6,779,006	6,254,999
Seminar Progr. & PD Activities		1,589,905	2,960,834
Printing & Stationery		187,780	196,389
Postage		81,940	115,803
Telephone & SMS Charges		216,065	215,018
Electricity Charges		297,660	311,280
Repairs & Maintenance		166,822	139,110
WIRC Bulletin		877,704	731,105
Travelling & Conveyence		1,146,688	985,984
Depreciation		762,181	969,844
Miscellaneous Expenses	L	512,605	796,020
Total		22,366,797	22,661,788
Excess of Income Over Expenditure		85,370	-2,110,672
Add: Institute Funds - Transfer - Prior Period Adjustments:		1,087,416	0
TOTAL		1,172,786	-2,110,672

Significant Accounting Policies and Notes on Accounts **M**

As per our report of even date
annexed hereto.

For **WESTERN INDIA REGIONAL COUNCIL OF
The Institute of Cost Accountants of India**

For **K. R. Khare & Co.**
Chartered Accountants

(K. R. Khare)
Proprietor
(M. No. 032993)
FIRM NO 105104W

CMA Pradip H. Desai
Chairman
CMA Laxman D. Pawar
Hon. Secretary

CMA Kailash Gandhi
Vice-Chairman
CMA Shriram N. Mahankaliwar
Treasurer

Place : Mumbai,
Date : 3rd June 2017.

BALANCE SHEET SCHEDULES YEAR 2016-2017**SCHEDULE-A : GENERAL FUNDS**

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Balance as per last Balance Sheet	74,151,578	76,262,250
Add : Surplus/ (Deficit) - Surplus for the year incl. prior period adjustments	1,172,786	(2,110,672)
TOTAL:	75,324,364	74,151,578

SCHEDULE-B : INSTITUTE FUNDS (GRANTS)

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Balance as per last Balance Sheet	1,087,416	1,087,416
Less: Transfer to Profit and Loss Account	(1,087,416)	
TOTAL :	-	1,087,416

SCHEDULE-C : STUDENTS' ENDOWMENT FUND

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Balance as per last Balance Sheet	313,640	299,024
Add: Interest received on investments	22,924	23,877
Less: Prizes distributed to students	(7,008)	(9,261)
TOTAL :	329,556	313,640

SCHEDULE-D : CURRENT LIABILITIES

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Library Deposits	83,000	77,000
Advance fees	17,500	15,000
Due to Head Quarters (Payable)	2,822,551	93,561
Due to Chapters (Payable)	43,375	8,696
Provision for expenses	3,290,407	4,282,400
Payable to Staff	14,638	14,638
Duties & taxes	43,176	11,670
Claims Suspense 2013-14	2,077,565	2,077,565
Claims Suspense 2014-15	81,176	81,176
Claims Suspense -FDAPL	6,730,000	6,730,000
Provision for Recoverables	420,707	420,707
TOTAL :	15,624,095	13,812,413

SCHEDULE - E: FIXED ASSETS

PARTICULARS	Office Equipment & Electrical ₹	Bldg/Furniture & Fixtures ₹	Library Books ₹	Computer Office ₹	Computer Software ₹	Computer-Training Lab ₹	Total ₹
Total Cost upto 31.03.2016	1,632,236	6,245,160	1,294,240	1,645,612	150,580	1,553,475	12,521,303
Add: upto 30/09/2016	91,283		644	23,750			115,677
Less then Rs. 5000/-							-
Add: after 01-10-2016			23,212				23,212
Add: during the year	91,283	-	23,856	23,750	-	-	138,889
Less :- Sale During the Year	-	-	-	-		-	-
Total Cost upto 31.03.2017	1,723,519	6,245,160	1,318,096	1,669,362	150,580	1,553,475	12,660,192
Depreciation upto 31.03.2016	896,870	1,413,424	1,294,240	1,496,393	109,818	1,548,615	6,759,360
Depreciation upto 30/09/2016	123,997	483,174	644	103,782	24,457	2,916	738,970
Depreciation after 01/10/2016			23,212				23,212
Depreciation during the year 31/3/2017	123,997	483,174	23,856	103,782	24,457	2,916	762,182
Cummulative Depreciation upto 31.3.2017	1,020,867	1,896,598	1,318,096	1,600,175	134,275	1,551,531	7,521,542
NET BLOCK AS ON 31.03.2017	702,652	4,348,562	-	69,187	16,305	1,944	5,138,650
NET BLOCK AS ON 31.03.2016	735,366	4,831,736	-	149,219	40,762	4,860	5,761,943

SCHEDULE - F: CURRENT ASSETS

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Amount due from Mr. Ramesh Joshi (Not confirmed by the party)	14,638	14,638
Prepaid Expenses	585,591	324,517
Postal stamps in hand	4,072	5,245
Scheduled Bank Balances (SB & Current A/c)	174,146	13,273
FDR's with Banks	71,525,340	69,175,963
Claims Receivable	2,158,741	2,158,741
Claims Receivable from FDAPL	6,730,000	6,730,000
Cash in hand	-	-
TOTAL :	81,192,528	78,422,377

SCHEDULE - G : CURRENT ASSETS

PARTICULARS	31.3.2017 (₹)	31.3.2016 (₹)
Accounts Receivable		
" Chapters	42,385	68,857
" TDS Recovery from H.Q.	1,426,815	1,620,197
" Others	61,274	120,844
Electricity Deposit	40,520	40,520
Telephone Deposit	3,600	3,600
Housing Repair loan to Staff	-	25,337
Advance to others (Deposit)	468,279	467,920
Deferred Expnses - Office Renovation	1,569,507	1,569,507
Loan to Chapters	345,535	345,535
TOTAL :	3,957,915	4,262,317

SCHEDULE - H: LEARNING & TRAINING FEES :

PARTICULARS	2016-17 (₹)	2015-16 (₹)
Learning & Training Fees-Oral	11,879,200	9,106,700
Learning & Training Fees-Postal [Ref Note No Sch M-A2 (c)]	2,533,050	1,672,000
TOTAL	14,412,250	10,778,700

SCHEDULE - I : OTHER INCOME:

PARTICULARS	2016-17 (₹)	2015-16 (₹)
Interest	5,736,947	6,126,640
Library Deposits written back	0	581,405
Commission on sale of Publications	72,370	81,407
Miscellaneous Income	142,153	103,221
TOTAL	5,951,470	6,892,673

SCHEDULE - J : EMPLOYEE EXPENSES:

PARTICULARS	2016-17 (₹)	2015-16 (₹)
Salaries & Allowances	8,186,281	7,676,963
Gratuity Provision	240,355	218,981
Contractual persons payment	128,069	199,286
Contribution to PF	751,250	690,374
Medical benefit/LTA/Perquisites	442,486	199,798
TOTAL	9,748,441	8,985,402

SCHEDULE -K : LEARNING & TRAINING EXPENSES

PARTICULARS	2016-17 (₹)	2015-16 (₹)
Learning Centre Expenses	3,090,689	2,660,449
Remuneration to Tutors	2,542,197	2,362,212
Computer Training Expenses	1,146,120	1,232,338
TOTAL	6,779,006	6,254,999

SCHEDULE - L : MISCELLANEOUS EXPENSES

PARTICULARS	2016-17 (₹)	2015-16 (₹)
General Expenses	340,402	457,948
Office -Computers & Website. Maintenance	72,995	50,020
News Papers & Periodicals	1,693	1,468
Bank Charges	12,509	5,753
Insurance Charges	16,006	15,501
Audit Fees	69,000	68,700
Internal Audit Fees	0	0
Legal expenses	0	196,630
TOTAL	512,605	796,020

SCHEDULE – M**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF
THE BALANCE SHEET AND INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31-03-2017****A) SIGNIFICANT ACCOUNTING POLICIES:****1. Basis for preparation of Financial Statements:**

The Financial statements are prepared under the historical cost convention, the applicable Accounting Standards, the relevant provisions of the Cost & Works Accountants Act, 1959, as amended by the Cost and Works Accountants (Amendment) Act, 2006 and are on accrual basis unless otherwise stated.

2. Revenue Recognition:

a) **Grant from H.Q:** Grant from H.Q. accounted on approval basis.

b) **Interest on Investments:** Interest on Investments accounted on accrual basis.

c) **Learning Training Fees:** Learning and training fees accounted on receipt basis.

(Note: As per the Circular received from HQ No.DOS/8/11-02/2014-15 dated 24th November 2014 on account of change in accounting policy an amount of approx. Rs.16,44,000/- is not received from HQ, of Postal Training Fees during the year 2016-17.)

d) **Computer Training fees:** Computer training fees accounted on receipt basis.

e) **Seminar Programme Research Project:** Seminar Programme and Research Project receipts are accounted proportionately according to the period (Seminar), and completion of work (Research Project).

f) **Other Incomes:** All other incomes are accounted on accrual basis.

3. Expenditure:-

The Expenditure is recognized on accrual basis except for expenditure for reimbursement, which is accounted on cash basis.

4. Fixed Assets:-

Fixed Assets are stated as cost of acquisition and construction less accumulated depreciation.

5. Depreciation:-

Depreciation is provided under written down value method at the following ratio as per the significant accounting policies of the Institute.

1) Computer, Printer etc	60%
2) Computers	60%
3) Office Equipment	15%
4) Furniture & Fixtures	10%

a) Depreciation on Fixed assets is provided on written down value method for the full year, if it is purchased on or before 30th September, and for half year if it is purchased after 30th September, at the rates specified under the Income tax Rule, 1962.

b) Library books are depreciated at 100% in the year of purchase.

c) Computer software is amortized over a period of three years.

d) Individual low cost assets acquired for Rs.5000/- or less are fully depreciated in the year of purchase.

e) In the case of disposal or scrapping of assets, no depreciation is charged in the year of such disposal or scrapping.

6. Investments:- Investments are stated and valued at cost.**7. Receivables:-** Receivables are taken at book value / net realizable value whichever is lower by providing for bad or doubtful debts, if any.**8. Loans, Advances and Deposits:-** Loans, Advances and Deposits are taken at book value / net realizable value whichever is lower by providing for bad or doubtful accounts, if any.**9. Inventories:-** Stock of Publications and other items are valued at cost except those which are outdated & obsolete and not worth for sale or free distribution which are written off.**10. Prior Period Income / Expenditure:-** Prior Period items which arise in the current period as a result subsequent developments are separately disclosed in the Income & Expenditure Account.**11. Figures of the previous years are rearranged / regrouped wherever necessary.****12. The ICAI is registered under section 12A of the IT Act, 1961 and is entitled to exemptions under section 10(23A) read with section 11 of the IT Act, 1961. In view of this no provision for taxation has been made in the accounts. No provision for deferred Tax Liability (Asset) is considered for the year.**

13. As at 31st March, 2017 there is no amount including interest payable to Micro, Small and Medium Enterprises as defined under "The Micro, Small and Medium Enterprises Development Act, 2006", based on the information available with the WIRC.

B NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2017:

- Letters have been issued by WIRC for confirmation of Accounts in respect Accounts receivables, loans & advances and current liabilities to the respective agencies including HQ and Chapters and Balances are subject to confirmation.
- The Net Amount Payable to H.Q. is Rs.28,22,551/- (last year Rs.93,561/-) as at 31st March, 2017 is subject to reconciliation with H.Q. Necessary provision has been made in respect of the same in the accounts for the current year. Necessary statements are sent to HQ for confirmation.

3 Income

- The Institute Fund of Rs. 10,87,416/- has been transferred to Income and Expenditure Account as prior year adjustment as the said amount was already spent on the purchase of books and furniture and the value of books and furniture has already been depreciated over the period of time. The said amount has been treated as prior period adjustment in the current year's Income and Expenditure Account and same has been transferred to WIRC Corpus (General) Fund.

As per our report of even date annexed hereto.

For **WESTERN INDIA REGIONAL COUNCIL OF
The Institute of Cost Accountants of India**

For **K. R. Khare & Co.**
Chartered Accountants

(**K. R. Khare**)
Proprietor
(M. No. 032993)
FIRM NO 105104W

CMA Pradip H. Desai
Chairman

CMA Laxman D. Pawar
Hon. Secretary

CMA Kailash Gandhi
Vice-Chairman


CMA Shriram N. Mahankaliwar
Treasurer

Place : Mumbai,
Date : 3rd June 2017.

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MEMBERS ELECTED TO THE WESTERN INDIA REGIONAL COUNCIL OF THE ICAI FOR THE TERM 2015-2019

S.No.	NAME	OFFICE ADDRESS & PHONE NO/S.	RESIDENCE ADDRESS & PHONE NO/S.
1.	CMA PRADIP H. DESAI CHAIRMAN	P H Desai & Co., Cost Accountants, 121, Devpath Complex, B/h. Lal Bungalow, Off: C.G. Road, AHMEDABAD - 380 006. 079 - 2644 6780 • Mob.: 98256 15468 phdesai1956@gmail.com	15, Bansari Apartment, Opp. Dhananjay Towers, 100 Ft. Road, Satellite, AHMEDABAD - 380 015. 079-2676 0829
2.	CMA KAILASH R. GANDHI VICE-CHAIRMAN	Practising Cost Accountant, 7, New Riddhi Siddhi Towers, Opp. ICICI Bank, 60 Ft. Road, Bhayander (West), THANE - 401 101. 022-2804 7779 • Mob.: 90045 27779 kailashrgandhi@gmail.com	C-115, Venkateshwara Housing Society, Station Road, Bhayander (West), THANE - 401 101.
3.	CMA LAXMAN D. PAWAR HON. SECRETARY	Pawar & Associates, 16, 1st Floor, Bhakti Complex, B/h. Dr. Ambedkar Statue, Mumbai-Pune Road, Pimpri, PUNE - 411 018. 020-6030 8283 • Mob.: 99215 16368 cmapawar1@gmail.com	Flat No. 307, E Building, Kohinoor Vayona CHS., Opp. PCMA Building, Pimpri, PUNE - 411 018. Mob.: 94223 27957
4.	CMA SHRIRAM N. MAHANKALIWAR TREASURER	Shriram & Co., Cost Accountants, A/15, NIT Complex, Opp. Sudama Theatre, WHC Road, Gokulpeth, NAGPUR - 440 010. Mob :98235 77032 shriram_co@rediffmail.com	Plot No.28, Usman Layout, Near 3rd Bus Stop, Gopal Nagar, NAGPUR - 440 022.
5.	CMA DEBASISH MITRA RCM	Sr. Deputy GM - Debt, DB Power Limited, 3rd Floor, Naman Corporate Link, BKC, Bandra (East), MUMBAI - 400 051. Mob:98207 40098 debasishmitra8002@gmail.com	B/502, Mayuresh Srishty Park, Off. Lake Road, Bhandup (West), MUMBAI - 400 078. 022-2594 1920
6.	CMA HARSHAD S. DESHPANDE RCM	Harshad S Deshpande & Associates, Shop No.2, Sumedha Apts., Plot No.5, Sutar Path, Shivtirtha Nagar, Paud Road, Kothrud, PUNE - 411 029. Mob.: 98904 20201 harshad_de@hotmail.com	Flat No.403, Kumar Millennium, Shivtirtha Nagar Kaman, Paud Road, Opp. Krishna Hospital, PUNE - 411 038.
7.	CMA NEERAJ D. JOSHI RCM	'CMA Pride', 1st Floor, Plot No.6, S.No.16/6, Erandawana Housing Society, Erandwana, PUNE - 411 004. 020-2545 3595 • Mob.: 98225 96057 neeraj@lewareinfosol.com	Vishnupad, Plot No.33, S.No.44, Nav Sahyadri Hsg. Society, Karve Nagar, PUNE - 411 052. 020-2544 0668 Mob.: 98225 96057

**MEMBERS ELECTED TO THE NINETEENTH COUNCIL OF THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
FROM WESTERN REGION FOR THE TERM 2015-2019**

8.	CMA P. V. BHATTAD CCM	General Manager Finance, Western Coalfields Ltd., "Anand", 22, Cosmos Town, NIT Layout, NAGPUR - 440 022. Mob.: 94221 04218 pvbhattad1957@gmail.com	'Anand', 22, Cosmos Town, N.I.T. Layout, NAGPUR - 440 022. Mob.: 94221 04218 Tel.: 0712-2225653
9.	CMA ASHOK B. NAWAL CCM	Bizsolindia Services P. Ltd., S.No.74-75,14-17, Suyash Commercial Mall, Near Pancard Club, Baner, PUNE - 411 045. 020-40702031 (D)40702000/01 Mob.: 98901 65001 nawal@bizsolindia.com	701, Supriya Classic, Survey No.112/1/3 Baner Road, Baner, PUNE - 411 045. 020-2729 2036
10.	CMA AMIT A. APTE CCM.,	Amit Apte, Cost Accountants, 11/7, Lakshminarayan Nagar, Survey No.11 & 12, Erandawane, PUNE - 411 004. Mob.: 93265 71549 amit@leware.co.in	402, Athena, S.No. 16/2 CTS 1412, Erandawane, Behind Dr. S. P. Mukherjee Park, PUNE - 411 004. Mob.: 93265 60667



Its not the End. Its a new Beginning

With heavy heart backed with wonderful memories to cherish, I wish to announce my formal retirement from the Institute of Cost Accountants of India, as Joint Director, effective as of 31st May 2017.

38 years have flown by so quickly that it seems just like yesterday when I started my career with the Institute. I have spent more than half of my life with this Institute and have always felt it as my second home. The journey from an Assistant to the post of Joint Director now was not easy but filled with challenges and opportunities that kept me going. It is said that there are no shortcuts in life. Yes, I truly believe in it and feel that with hard work and dedication one can achieve what they want.

Over the years the Institute has given me opportunity to work under different Chairmen, who with their varied expertise brought in different culture and work environment to our organization. With these changes I saw new prospects to learn from their experience and adapt to the changing environment and culture thus making me prepared for any impromptu situations. I had been given charge of different roles during my tenure with the Institute and each role had been as enriching and challenging as the previous one. Today when I look back to my journey with the Institute, I feel a sense of accomplishment and content of having come so far and this would have been impossible without the continuous support of my Colleagues and Council Members.

I'm privileged to be part of a team which has achieved success that we can all be proud of. I'm proud to say that many of our students who have completed their CMA course in earlier years are currently working at high positions in varied industries, and still keep in touch with me.

I'm thankful to the present & past Council of WIRC and Staff Members who have been omnipresent and of immense support to me over the years and also many challenging situations. I would also like to thank the Institute members and students who with their continued efforts have kept the CMA flag flying high. It will be incomplete if I don't mention about the support and guidance given by Secretary of the Institute, Directors and Staff of the Headquarters (Kolkata & New Delhi) and MC Members & Staff of the WIRC Chapters and Faculty Members.

I'm grateful to the present Council for giving me an opportunity to serve with WIRC for Eleven more months as a consultant. I promise to deliver my best in my new role and try to meet your expectations. Lastly I would like to acknowledge with gratitude, the support and love of my family and thank them for being my pillars of strength.

"All good things must come to an end eventually, but the next experience awaits"

Yours Sincerely,

K. P. Unnikrishnan
Joint Director, WIRC of ICAI



Role of Cost Accountants in GST Era (Cost Records Under Companies (Cost Records And Audit) Rules, 2014 & GST Records Under "Accounts And Records")

CMA Ashok B. Nawal

Contact: +91 9890165001 • Email: nawal@bizsolindia.com

Central Government appreciated the role of Cost Accountant in the era of Economic reform to GST. In accordance with GST Act, role of cost accountant has been given in various Sections of rules:

ROLE OF COST ACCOUNTANT:

GST has been touted as the 'single most important tax reform after 1947' by the Hon'ble Finance Minister, Mr. Arun Jaitley. The entire framework of indirect taxation will change ranging from the nature of levy, rate of taxes and administration of the taxes. Introduction of GST should rationalize the tax content

in product price, enhance the ability of business entities to compete globally, and possibly trickle down to benefit the ultimate consumer. GST will have a crippling effect on the prices of all the goods and services in India. Amid this huge impact, lies an enormous opportunity for the Cost accountant. Here's an opportunity for the tax professionals to foresee an opportunity, get acclimatized and be well equipped at the right time.

The role of a cost accounting post GST has been underlined by various provisions made in CGST/SGST law as well as various rules. Summary of such provisions has been reproduced below.

Section/Rule	Function	Provision	Comment
Section 35 (5) of CGST/SGST	Audit	(5) Every registered person whose turnover during a financial year exceeds the prescribed limit shall get his accounts audited by a chartered accountant or a cost accountant and shall submit a copy of the audited annual accounts, the reconciliation statement under sub-section (2) of section 44 and such other documents in such form and manner as may be prescribed.	Section 35 provides for audit of accounts & records maintained by registered person whose turnover during a financial year exceeds aggregate turnover of rs. 1 Cr. to be conducted by Cost Accountant /Chartered Accountant. It has widened the scope of Cost accountant as against the existing tax regime. Audit report along with reconciliation statement to be certified in Form GSTR 9B by Cost Accountant. In current tax regime Cost Accountant can conduct audit under VAT only.
Section 66 (1) of CGST/SGST	Special Audit	(1) If at any stage of scrutiny, inquiry, investigation or any other proceedings before him, any officer not below the rank of Assistant Commissioner, having regard to the nature and complexity of the case and the interest of revenue, is of the opinion that the value has not been correctly declared or the credit availed is not within the normal limits, he may, with the prior approval of the Commissioner, direct such registered person by a communication in writing to get his records including books of account examined and audited by a Chartered Accountant or a cost accountant as may be nominated by the Commissioner.	With the approval of Commissioner an Assistant Commissioner can appoint cost account to conduct special audit for department. The similar provision is available in Central Excise & Finance Act 1994.
Section 71 (2) of CGST/SGST	Access to business premises	(2) Every person in charge of place referred to in sub-section (1) shall, on demand, make available to the officer authorised under sub-section (1) or the audit party deputed by the proper officer or a cost accountant or chartered accountant nominated under section 66- (i) such records as prepared or maintained by the registered person and declared to the proper officer in such manner as may be prescribed; (ii) trial balance or its equivalent; (iii) statements of annual financial accounts, duly audited, wherever required; (iv) cost audit report, if any, under section 148 of the Companies Act, 2013; (v) the income-tax audit report, if any, under section 44AB of the Income-tax Act, 1961; and (vi) any other relevant record, for the scrutiny by the officer or audit party or the chartered accountant or cost accountant within a period not exceeding fifteen working days from the day when such demand is made, or such further period as may be allowed by the said officer or the audit party or the chartered accountant or cost accountant.	While function as special auditor a cost accountant has power to access the business premises of registered person

Section/ Rule	Function	Provision	Comment
Section 116 of CGST/SGST	Representation	(1) Any person who is entitled or required to appear before an officer appointed under this Act, or the Appellate Authority or the Appellate Tribunal in connection with any proceedings under this Act, may, otherwise than when required under this Act to appear personally for examination on oath or affirmation, subject to the other provisions of this section, appear by an authorised representative (c) any chartered accountant, a cost accountant or a company secretary, who holds a certificate of practice and who has not been debarred from practice	Appearance before the Departmental officers, drafting (Replies, Appeals, Petitions) or appearance before higher forums, there is tremendous scope for tax professionals in the litigation space
Rule 4 & 5 of Valuation Rules	Certification	4. Value of supply of goods or services or both based on cost. Where the value of a supply of goods or services or both is not determinable by any of the preceding rules, the value shall be one hundred and ten percent of the cost of production or manufacture or cost of acquisition of such goods or cost of provision of such services.	Whenever goods or services or both are supplied to distinct person and related person, valuation of such goods / services / both will be 110% of cost of production or services or 110% of cost of acquisition. It provides the opportunity of providing certificates of valuation as per Rule 4 of valuation.
Rule 2(m) of Refund Rules	Certification	a Certificate in Annex 2 of FORM GST RFD-01 issued by a chartered accountant or a cost accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees:	Now along with Chartered Accountant / Cost Accountant are also eligible to issue certificate w.r.t. refund in FORM GST RFD-01.
Rule 24 of Return Rules	Goods & Service Tax Practitioner	(1) An application in FORM GST PCT-1 may be made to the officer authorised in this behalf for enrolment as goods and services tax practitioner by any person who: (iv) any degree examination of an Indian University or of any Foreign University recognized by any Indian University as equivalent of the degree examination and has also passed any of the following examinations, namely:- (a) final examination of the Institute of Chartered Accountants of India; or (b) final examination of the Institute of Cost Accountants of India; or (c) final examination of the Institute of Company Secretaries of India.	A goods and services tax practitioner can undertake any or all of the following activities on behalf of a registered person, if so authorised by the registered person to: (a) furnish details of outward and inward supplies; (b) furnish monthly, quarterly, annual or final return; (c) make deposit for credit into the electronic cash ledger; (d) file a claim for refund; and (e) file an application for amendment or cancellation of registration.

Along with the roles underlined in statute a cost accountant also undertakes various roles which are elaborated below.

Advisory Services

Assessing impact on business with the introduction of GST, crafting business plans in the changed environment, Contract review for Cost Reduction /Price Revisions, transaction Structuring by mapping existing business model. Providing Opinion and other advisory services w.r.t. application of various provisions of law like Input tax Credit, Valuation, assessment of taxability, determining place of supply, maintenance of records, consultancy w.r.t. inter-state supply etc. With a new law, comes a new set of tax / procedural issues and hence the professionals also need to evolve and devise new tax planning strategies. As an advisory carve out strategies to avoid the bottlenecks. Any planning which mitigates tax cost would be most appreciated by clients.

Transitional Partner

There would be numerous transitional issues going into the new law such as treatment of existing stock and credit issues. Services will also be required in preparing Standard Operating Process ('SOP') for businesses under the new regime. Review of existing cenvat credit and set -off balances to be carried forward, analysis of inventory lying at different locations on the implementation day, Cenvat Refund /VAT Refund /Rebates

/Drawbacks already filed or to be filed, projects in hand /WIP - normal business model and works contract model, audit under Old Regime & New Regime, de -registration, registration & Compliances under existing Laws, Pending adjudications & litigations.

Audit & Assurance

Various audit functions can be undertaken post GST like review of record & procedural aspects, suggesting changes in registrations, verification of returns, reconciliation between submissions to various authorities, analysis of benefits & incentives, statutory compliances & audit, Internal Audit & System improvement.

Accounting and IT infrastructure

Today's businesses involve rampant use of software (ERP, SAP, Tally) both by the industry and service providing tax professionals. With the advent of GST, drastic revamping of existing IT infrastructure would be required. Further, the entire current accounting codes / treatment may undergo a change under the new legislation. With the knowledge of GST, cost accountant would be best suited to aid technicians in designing the software modules.

Compliance Partner

Providing support in obtaining registration, making

amendment in registration, providing support in maintenance of accounts & records, assisting in payment of tax, providing support in filing of returns.

Training

Introduction of GST will lead to rise in training requirements- (a) for the industry (b) for tax professionals. A three-fold training structure can be adopted i.e. training to (1) top management of firms / business owners, (2) process owners and (3) taxation / accounting team. Training would be required in first educating the business owners and higher management on the likely impact of GST on their business and thereafter updating the company personnel with nuances of GST along with regular update sessions.

The new law- new GST era opens numerous opportunities to cost accountant in the field of indirect taxation. To seize the opportunity, one needs to be well prepared and ready.

INTRODUCTION: COST RECORDS VIS-À-VIS GST RECORDS

In the era of GST, there will be change in tax structure as well

as there will be significant impact on the application of Cost accounting Standard and Cost Audit rules. It will also have major impact on the way accounts & records are being maintained by the company. The Draft GST accounts and records Rules are similar with the provisions made in CRA-1 of Companies (Cost Records and Audit) Rules, 2014 and Cost accounting Standard. It will make the job of Cost auditor more relevant and useful.

Objective

Widening the scope of cost audit and make it applicable to all companies having turnover more than Rs.20lacs

Discussion points:

1. Draft accounts and records GST Rules prescribes the set of accounts and records to prepared and maintained by registered person. The Companies (Cost Records and Audit) Rules, 2014 as amended prescribe similar cost records to be maintained. Below is table points out the similarity in the provisions.
- 2.

Sr. No.	Draft GST Accounts and Records Rules		Companies (Cost Records and Audit) Rules, 2014	
	Rule No.	Provision	Rule No.Para	Provision
1	2	The account or records specified in sub-rule (1) shall be maintained separately for each activity including manufacturing, trading and provision of services, etc.	RA-1	CRA-1 specifies cost records to be maintained for each product/ service separately.
2	3	Every registered person, other than a person paying tax under section 10, shall maintain accounts of stock in respect of each commodity received and supplied by him, and such account shall contain particulars of the opening balance, receipt, supply, goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples and balance of stock including raw materials, finished goods, scrap and wastage thereof.	Para 1 to CRA-1	Proper records shall be maintained showing separately all receipts, issues and balances both in quantities and cost of each item of raw material required for the production of goods or rendering of services under reference. Similar records are required to be maintained for finished goods and work -in progress goods.
3	13	Every registered person manufacturing goods shall maintain monthly production accounts, showing the quantitative details of raw materials or services used in the manufacture and quantitative details of the goods so manufactured including the waste and by products thereof.	Para 26 of CRA-1	Quantitative records of all finished goods (packed or unpacked) or services rendered showing production, issues for sales and balances of different type of the goods or services under reference, shall be maintained. The quantitative details of production of goods or services rendered shall be maintained separately for self-produced, third party on job work, loan license basis etc.
4	14	Every registered person supplying services shall maintain the accounts showing the quantitative details of goods used in the provision of each service, details of input services utilised and the services supplied.	Para 26 of CRA-1	Quantitative records of all finished goods (packed or unpacked) or services rendered showing production, issues for sales and balances of different type of the goods or services under reference, shall be maintained. The quantitative details of production of goods or services rendered shall be maintained separately for self-produced, third party on job work, loan license basis etc.

3. The records for each activity of production and provision of service needs to be maintained separately along with records of tax collected and paid, input tax, input tax credit claimed, together with a register of tax invoice, credit note, debit note, delivery challan issued or received during any tax period. Companies (Cost Records and Audit) Rules, 2014 also specify the maintenance of such records for each product / service separately. Further Companies (Cost Records and Audit) Rules, 2014 also cost statements for each product is to be maintained by the company along with the reconciliation of indirect taxes showing details of total clearances of goods or services, assessable value, duties or taxes paid, input tax credit utilized, duties or taxes recovered and interest or penalty paid.
4. Section 2(61) of CGST Act defines "Input Service Distributor" as follows:

"Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document for the purposes of distributing the credit of central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office Section 20 of CGST Act provides the "Manner of distribution of credit by Input Service Distributor", which is reproduced below:

Quote

20. (1) The Input Service Distributor shall distribute the credit of central tax as central tax or integrated tax and integrated tax as integrated tax or central tax, by way of issue of

adocument containing the amount of input tax credit being distributed in such manner as maybe prescribed.

(2) The Input Service Distributor may distribute the credit subject to the following conditions, namely:--

(a) the credit can be distributed to the recipients of credit against a document containing such details as may be prescribed;

(b) the amount of the credit distributed shall not exceed the amount of credit available for distribution;

(c) the credit of tax paid on input services attributable to a recipient of credit shall be distributed only to that recipient;

(d) the credit of tax paid on input services attributable to more than one recipient of credit shall be distributed amongst such recipients to whom the input service is attributable and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all such recipients to whom such input service is attributable and which are operational in the current year, during the said relevant period;

(e) the credit of tax paid on input services attributable to all recipients of credit shall be distributed amongst such recipients and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all recipients and which are operational in the current year, during the said relevant period.

Explanation.--For the purposes of this section,--

(a) the "relevant period" shall be-

(i) if the recipients of credit have turnover in their States or Union territories in the financial year preceding the year during which credit is to be distributed, the said financial year; or

(ii) if some or all recipients of the credit do not have any turnover in their States or Union territories in the financial year preceding the year during which the credit is to be distributed, the last quarter for which details of such turnover of all the recipients are available, previous to the month during which credit is to be distributed;

(b) the expression "recipient of credit" means the supplier of goods or services or both having the same Permanent Account Number as that of the Input Service Distributor;

(c) the term 'turnover', in relation to any registered person engaged in the supply of taxable goods as well as goods not taxable under this Act, means the value of turnover, reduced by the amount of any duty or tax levied under entry 84 of List I of the Seventh Schedule to the Constitution and entry 51 and 54 of List II of the said Schedule.

CAS-3 Para 4.3, 4.4 & 4.5 deals with allocation and apportionment of overreads to various cost Centres, which are reproduced below:

4.3 Allocation of overheads - Allocation of overheads is assigning a whole item of cost directly to a cost center :

An item of expense which can be directly related to a cost centre is to be allocated to the cost centre. For example, depreciation of a particular machine should be allocated to a particular cost centre if the machine is directly attached to the cost centre.

4.4 Apportionment of overhead - Apportionment of overhead is distribution of overheads to more than one cost centre on some equitable basis.

When the indirect costs are common to different cost

centres, these are to be apportioned to the cost centres on an equitable basis. For example, the expenditure on general repair and maintenance pertaining to a department can be allocated to that department but has to be apportioned to various machines (Cost Centres) in the department. If the department is involved in the production of a single product, the whole repair & maintenance of the department may be allocated to the product.

4.5 Primary and Secondary Distribution of Overheads :

In case of multi-product environment, there are common service cost centres which are providing services to the various production cost centres and other service cost centres. The costs of services are required to be apportioned to the relevant cost centres. First step to be followed is to apportion the overheads to different cost centres and then second step is to apportion the costs of service cost centres to production cost centres on an equitable basis. The first step is termed as primary distribution and the second step is termed as secondary distribution of overheads.

It can be observed the similarity in the principals of distribution of ISD with Cost Accounting Standard 3.

Conclusion: In GST era following records are mandatory to be maintained according to these draft rules.

1. Records of the goods or services imported or exported or of supplies attracting payment of tax on reverse charge along with relevant documents
2. The records of stock in respect of each commodity received and supplied by him, and such account shall contain particulars of the opening balance, receipt, supply, goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples and balance of stock including raw materials, finished goods, scrap and wastage thereof.
3. A separate account of advances received, paid and adjustments made thereto.
4. Records of tax collected and paid, input tax, input tax credit claimed, together with a register of tax invoice, credit note, debit note, delivery challan issued or received during any tax period.
5. Records of monthly production accounts, showing the quantitative details of raw materials or services used in the manufacture and quantitative details of the goods so manufactured including the waste and by products thereof.
6. Records of the quantitative details of goods used in the provision of each service, details of input services utilised and the services supplied.
7. Every registered person executing works contract shall keep separate accounts for each works contract.

Such details also required to be maintained for cost audit purpose as per Every registered person executing works contract shall keep separate accounts for each works contract. Since all the records are already maintained, the company needs to only maintain separate cost sheets on the basis of these records.

It shows the Cost Accountants are the better person to vouch and verify the accuracy and correctness of records including various tax records.

Each Unit having turnover of Rs. 20 Lacs will be required to maintain the accounts and records, which is parallel with Cost Accounting Records and therefore there is no extra work any company will have to do but they will have better control on cost which will help for cost reduction.



Technology and lack of vision leads to NPA in Baking Industry

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Management failures have been always a unique case study for the management itself to identify the loopholes and the mistakes committed through wrong decisions. We are running and raising our voice for Vijaya Mallya and his NPA matter but do you know that corporate management science have failed more bitterly in professional way where business and NPA have been sold at the cost of Tax payer's money. At the same time digital disruptions have become a quite well known phenomenon and at the same time the quality of business operation have changed dramatically. Companies and its management are always on verge of collapse. Technology is replacing many large organizations to lose business. Well Indian IT industry has been one of the biggest examples of having such an affect of disruption where large players lost business to the small ones as they reduced cost and improved margins of their clients which finally lead to lose of business for the big cats of the industry. On the other hand another aspect is getting into short term industry growth projects a company many have any existence buy under the Dream of Diversifications enters into the business and end up with sell off at the cost of Tax payers money.

There are many companies in India where one will find that key management took the decision of focusing on non core business just to get short term revenue jumps and at the same time reflected down turn in the core business. Managements rather focusing on reviving the core business went for non core business and after taking huge leverage position ended up with huge loses and high NPA levels. In order to get relief from the piled up debt levels they sold their stake and again focused on the core business.

Biggest ever Sale of Indian Corporate Assets in Indian History

- Jindal Steels is selling 49% of its Rail business, 5% of its Energy exchange and its 3,500 MW Power plant
- Essar is selling a huge stake in its Steel business and 49% of its Oil to a Russian Oil business
- GVK sold 33% of its Bangalore Airport stake as well as its controlling stake in Bombay Airport and its complete Road assets
- DLF is selling its Saket Mall and 40% of all its Rental Assets and Land Assets
- GMR Highway Projects, South African Coal Mine, Istanbul Airport, 70% in a Singapore Power Project, 2 Coal Mines in Indonesia
- JP Group sold all its Cement Assets to Ultra Tech Cements
- Yamuna Expressway stake, Power to JSW Energy
- Tata is selling its Corus Steel in UK.. Dhamra Port, Communications Arm Neotel in South Africa
- Land in Bombay Lanco Assets in Power Generation on sale in Andhra and Udupi
- Videocon selling Telcom Spectrum in 6 circles. Oil assets in Mozambique
- Renuka Sugars is selling its Brazil Power, Sugar and Bio-fuel business
- Sahara groups 86 Real Estate Assets are on sale.. 42% stake in Formula 1, Mumbai's Sahara Hotel, Grosvenor House Hotel London, New York Plaza Hotel, The Dream New York Hotel and 4 Airplanes
- Reliance Infrastructure is selling 49% in Electricity Generation, Transmission in Mumbai
- Cement business to Birla Corp.. Also it's entire Portfolio of Road Projects,

100% of it have been disposed off

The above transactions reveal that how management of these organizations went toward the non core business and how they ended up. Rather focusing on core business, experimental business lead to growth of NPA and poor management image reflecting poor share prices and weak support from investors and markets. They have wasted the wealth tax payers and no one will blame them for their wrong decision. This is the one of the live example of how corporate have exploited the resources and what price they paid for shifting their focus to non core business models rather strengthening the core business.

This is a well known fact as on today that technology is changing the business model and monopoly. The most important part is that due to technological shifts and late arrivals of companies to catch up with them leads to over leveraged positions which lead to an immense pressure on the cash flows. Organizations fails to catch up with technology and takes all other traditional sources to leverage the business and market holding which leads to excessive borrowings.

These borrowings are disguised under the name of business growth and expansion but they hardly generate ROI/ROA and they end up with a mess on negative net worth. This is the very place where NPA seeds gets planted and grows over the years. The point is NPA growth will happen if one is lending to an organization which under the drowning industry. Bankers needs to be educated enough to understand which industry they are lending and macro factors behind the growth of the industry and how the company is well aligned with the same.

Technological shifts are changing the landscape of the companies hence their cash flows too. This disruption in cash flow is an indication for that industry or the company which a banker needs to know. This is the key area where NPA will come up and hence the whole economy goes for a toss. Today's managers are focused towards short term goals and profit targets and no one knows about the ROI the company has achieved. When the managers of an organization becomes aware of the underline numbers business takes a new shape and growth path. Mere only creating targets and business objectives will not be suffice as business models are getting changed and technological acquisition of business is changing the revenue models. Flush of capital into traditional practices like hiring more high paid executives will not drive business growth. NPA is not always due to deliberate political driven segment but often happens due to late shifting of business models from traditional profitability to new future profitable avenues.

I have found and I have worked with those people who focused only on short term and thought that if my branch target is achieved I have made a significant contribution. This is where the management falters to identify that where the next level of growth of Industry will be coming up. They fail to miss the technological growth drivers and go a long way on the traditional path and loose the competitive advantage to some peers group and in order to revive the fallen business share invest huge capital which also goes for a tailspin.

Its being proved that expanding into another venture needs realistic approach and not based on short term triggers. All the above business failures point that either technological disruption or non focus on core business lead to the collapse of the best organization in India.



GST: Hovering Around

Draft Accounts and Records Rules

CMA Jigar Ranawat & Mr. Darshan Kumar Ranavat



GST is knocking our doors and I must say its' knocking the door very hard. Its' a kind of snowball effect. Now, it is upto us to define a way to greet this new guest. We can be well prepared and treat this new guest in a better way or we can wait till this guest turns into a beast and enters our house by thrashing the door. The Finance Ministry has been adamant to give July 1, 2017 as the ultimate deadline. As professionals, we all understand that any change in the economy alongwith the multiple problems brings a bag full of opportunities for businessmen and professionals both. Any change in the legal structure of the economy forces the professionals to go through a process of un-learning the current practices and re-learning the new processes. Its right time to jump on the bandwagon for us and determine a role that we can play in contributing to the success story of GST.

The draft rules for accounting records are out in public domain. Let us try to understand these rules and the pertinent implications on the business thereof.

Important points

1. Accounts and records in general include details of the following:

• production or manufacture of goods	• input tax credit availed;	• delivery challans,	• refund vouchers
• inward and outward supplies	• output tax payable and paid	• credit notes, debit notes,	• e-way bills
• stock of goods	• invoices/bills of supply,	• receipt and payment vouchers	• advances received, paid & adjustments made thereto
2. Following additional details are required to be maintained by every registered person under GST -
 - a) names and complete addresses of suppliers from whom he has received the goods or services and of the persons to whom he has supplied the goods or services;
 - b) the complete addresses of the premises where the goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein.
3. Every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a registered person or not, is required to maintain records of the consigner, consignee and other relevant details of the goods.
4. Every registered person whose turnover during a financial year exceeds the prescribed limit shall get his accounts audited by a chartered accountant or a cost accountant.
5. The books of accounts to be are retained until the expiry of seventy-two months from the due date of furnishing of annual return for the year.
6. The account or records shall be maintained separately for each activity including manufacturing, trading and provision of services.
7. The records may be maintained in electronic form and the record so maintained shall be authenticated by means of a digital signature.
8. The records shall be kept at every related place of business mentioned in the certificate of registration.
9. A carrier or a clearing and forwarding agent having custody of goods on behalf of any registered person for delivery or dispatch thereof to a recipient shall maintain true and correct records in respect of such goods handled by him on behalf of the such registered person
10. Further, agents and works contractors are also required to maintain quantitative details of the goods handled by them.

Implications

- (i) The draft rule requires each registered person to maintain details pertaining to the vendors and suppliers. Now, this has a huge implication

for organizations dealing with retail customers, particularly, kirana stores, retail chains, restaurants, airlines, cinema theatres, even railways for that matter. Just imagine you go to the cinema theatre to watch 'Bahubali -2' and the theatre wants you to mention your name and address before booking the tickets or say an 'udipi' restaurant where you had a filter coffee requires you to give your complete address. All the 'Big Bazars' and 'D-marts' of the world will now have to maintain the name and complete address of each of the customers. Ofcourse, this task is not impossible per se but its' a mammoth change in the level of flexibility which the businesses have.

- (ii) The draft rule requires the books of account to be maintained at each branch and place of business. Now, many service industries like banks, airlines, broking houses, insurance companies, etc. are having hundreds of branches across the nation. So, this implies that a company is required to maintain the accounts and other records including invoice copies, delivery challans, details of advances at each of these premises. Here again, the rules give the flexibility of keeping the records in electronic form by authenticating these records by digital signature.

However, many companies use multiple software applications for varied functions of the organization. For example, many companies use a customer relationship management software or a point of sale application or an altogether different software for the front-end activities. These front end softwares are integrated with a back-end software (ERP) where the accounts of the company reside. This backend software is generally maintained at the head office or a zonal office and not in each of the branches of the company. GST will require each branch to keep the records which are being maintained all the back-end software. Further, some of the companies maintain disaster recovery site in a particular state or some companies just have a marketing team in a particular state with no major infrastructure facilities. There may be many such examples for each type of business organization. As per the GST Law, registration may be required for all such premises. Once the premise is required to be registered under GST, the accounts and records have to be kept at each of such premises.

(iii) One more important aspect to be considered is that the rules require the records to be maintained separately for each activity including manufacturing, trading and provision of services. This comes as a surprise when it is widely presumed that the concepts of trading, service and manufacturing are no longer relevant. Under GST law, the entire levy is based on a single word - 'supply'. Supply itself is defined to include all forms of supply of goods and services. When there is a wide definition of supply and the entire charge of tax is based on supply then why does one need to identify and break down the supply into multiple baskets. The intention of the government is not clear here. Further, if such records are maintained separately then at the time of department audits and assessment there may be questions with regards to cross utilisation of input tax credits of one activity into another. The law does not provide for any restriction for utilisation of input tax credits across the activities because the law does not bifurcate the supply into multiple activities. But, once accounts and records are kept separate, the filed formations of the department will raise queries and probably such issues will lead into unnecessary litigations.

The government is definitely moving at an unprecedented speed and is expecting the business organizations also to take the plunge. Business organizations are used to disruptive changes, but this new GST law is not amere tax change but a revolutionary change in the economy. With less than two months two spare, even burning the midnight oil may not assure a wobble-free transition to GST. ■



IFRS - Ind AS & Management Representations

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The below article is written based on authors experiences in his industry career of 30 years right to Chief finance director in USA and London in fortune 500 companies. Author apologizes in advance for any feelings which may get hurt. Author refers here to the global situation and this does not pertain to necessarily India alone, though examples mentioned or hinted at may be more of Indian context.

It is very interesting to write an article on this. In previous GAAP Indian accounting standards very interesting things used to happen.

Broadly you can classify them in two parts.

Companies who wanted jack up their share prices or get funding from bank or PE/VCs by showing rosy picture and hence wanted to show better performance.

and

Companies who wanted to pay less taxes and hence wanted to show lower profits.

Professionally it was called as PROFIT PLANNING and TAX PLANNING respectively.

Common methods used to be over/under valuing inventory, capitalizing or de-capitalizing outflow by using subjectivity of nature of spending.

Even there used be to be blatant notes to accounts like depreciation has not been provided for current year.

Therefore, wherever there were tricky areas, there will invariably a substance based fact which is questioned by strictly professional auditor and largely in company's interest CFO and his team used to debate it based on paper-work.

Many times the junior staff will raise lot of issues and then in partner's discussion meeting solutions were arrived at.

Finally, all this used to end with an effective tool called "management representations"

The certification of financial accounts will happen finally with TWO CLAUSES

PREFIX BEING

"BASED ON THE INFORMATION & EXPLANATION GIVEN TO US"

AND

SUFFIX BEING

"SUBJECT TO NOTES GIVEN BELOW"

Both the above notes will emerge from the fact that

"BASED ON THE INFORMATION & EXPLANATION GIVEN TO US" - was not expecting auditor or certifying authority to proactively ask for information, and even if he come across any information which can be conveniently given blind eye to AND this fact was providing a GREAT SAFEGUARD

Similarly, "SUBJECT TO NOTES GIVEN BELOW"

These notes will be drafted nicely and conveniently in a sugar-coated way, so as to appear to be reasonable.

Management representations in many cases used be statements supporting estimates valuation of costs, expenses, income, asset, liabilities, contingent liabilities. In many cases, facts could have been easily ascertained, but are put under carpet, due to practical needs of situations mentioned above.

If need be, those were supported by valuations and opinions, from independent valuers, lawyers or other subject matter experts. The experts opinion will include huge number of disclaimers.

This needed a strong revolutionary injection of substance-based new reporting standards.

In light of this author believes that

Certifying authorities like auditors as well as CFOs will be gainers towards professionalism.

1. Call spade a spade
2. Prior period errors will reopen past accounts so current team need not be sacred of past sins.
3. Refuse to accept cooked paper work and still neither lose job nor lose audit
4. This will be lead to independent and professional behavior from certified professionals and will reduce under -cutting of fees.
5. A regular hand-made tool called

MANAGEMENT REPRESENTATIONS WILL DIE

Experts opinions, with huge disclaimers, will lose its meaning.

Those who know IFRS & Ind AS know this real scene while rest of world better know that AN ACCOUNTING REVOLUTION will get rid of window-dressing, adjustments (profit-planning / tax- planning)

And hopefully REAL ESTATE WILL BECOME UNREAL ESTATE, as ARTIFICALLY JACKED PRICES WILL CRASH.



Cost Reduction in Sugar Mill : A Case Study

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Abstract

"Cost reduction in sugar industry is need of time in uncertainty of situation. This Paper is focusing on formula method of analyzing final manufacturing report in terms of rupees by making comparative study of manufacturing performance and its financial implications on cost. Cost cutting is no longer the solution to sustainable profitability, the key to success is finding creative ways to prevent cost"

Keywords: Cost Reduction, Cost comparison, Sugar, Sugar recovery, Downtime

Introduction

There are only two ways to maximize profit of any organization: either to increase sale of price of product, to reduce cost of product by taking appropriate action. Both cases may result into generation of profit. As we see today, most of the undertakings are facing tough competitive market situation where increase in sale price may result in reduced sale value. Increasing sale price is possible only in case of those products where the company is a monopoly producer or acute shortage of goods ultimately increases market price as per demand supply theory and such a situation cannot long period for any company and its products. Therefore, cost reduction is only one scientific way to deal with this situation; provided it is real and permanent. Cost reduction should not be the result of any temporary decrement in cost of raw material, change in government policies etc. and most importantly, reduction of cost should not be at the cost of quality of the product. Cost reduction deals with internal economic discipline of the undertaking. Now we elaborate in detail.

What is Cost Reduction?

Cost reduction is defined as the achievement of real and permanent reduction in the unit cost of goods manufactured or services rendered without impairing their suitability for the use intended or diminution in the quality of product

Cost Reduction in Sugar Industry

As sugar industry is a seasonal industry, the best way of effective cost reduction is to set the standards / norms and improve the actual with reference to the norm, analyze the variance and adopt corrective measure to negative variances. Also to achieve the goal of cost reduction, sugar mills have to reduce the cost per unit, measures to be taken for increase their productivity & operational efficiency, and quality of sugar.

Comparison of Physical Parameters for Cost Reduction:

It is not easy to accept an advice given by anyone to enhance the physical process performance; instead, we ourselves have to analyze the final manufacturing report of our own mill. By analyzing final manufacturing report we ourselves can calculate actual cost incurred based on performance of a mill. If we have not analyzed the final manufacturing report then we will not be able to understand our performance and its financial implications. For analyzing the final performance to your own mill, the specimen is given as under.

1. Crushing and Downtime

Particulars	This Season 2016-2017	Last Season 2015-2016	Difference
Gross Season Days	154	169	(15.00)
Total hours of actual crushing	3433.25	3870.33	(437.08)
Cane Crushed (M. T.)	647418.18	734976.48	(87558.30)
Sugar Production (Qtls.)	842300	976100	(133800)
Recovery%	13.01	13.28	(0.27)
Crushing Rate / 24 hrs. (M.T.)	4204.014	4348.973	(144.96)

Interpretation

The table shows the reasons of less crushing in season 2016-17 as compared to sugar year 2015-16.

Reasons of less crushing in season 2016-17 are:

Sr.No.	Particulars	Crushing MT
1	Season short by 15 days due shortage of sugar cane (15 days (x) 4348.973)	65234.500
2	Average daily crushing less due to less avg. crushing rate (154 days (x) 144.96)	22323.800
Total Less Crushing		87558.300

Computation Loss due to Less Crushing:

Total Loss due Less Crushing= Total Less Crushing (x) Last year's contribution

87558.300 Mt crushing (x) Last year's *contribution (last year's contribution of this mill is Rs.336.14PMT) = Loss of Rs. 294.31 Lakhs

*Contribution means Income per ton in rupee (-) Variable cost per ton in rupee

Loss Due to Downtime:

The continuous crushing of cane throughout crushing period is one of the important factors for any sugar factory to achieve optimum technical performance. In sugar factory, stoppages mainly occur due to 1) Cane Shortage.

2) Mechanical and electrical failure. 3) Process 4) General cleaning. 5) Miscellaneous 6) Cane shortage due to rain etc. With proper planning and timely action and adopting preventive maintenance, level of stoppages can be kept at minimum. The preventive maintenance of machinery and equipment during off-season can reduce the mechanical and electrical stoppages. An efficient cane harvesting and its transportation with minimum time for crushing can minimize down time due to cane shortage. The following table shows their time lost % to available hours.

Particulars	This Season 2016-2017	Last Season 2015-2016	Difference Hours
Total Downtime due to: (Hours)			
a) Cane shortage	26.83	42.33	15.50
b) Mechanical & Electrical	107.67	55.83	(51.84)
c) Process	0	0	0.00
e) Cleaning	86	40.5	(45.50)
d) Miscellaneous	18.58	29	10.42
e) Cane Shortage Due to Rain	4.67	0	(4.67)
Total Downtime	243.75	167.66	76.09

Interpretation

The table shows the hours lost due to downtime in 2016-17 are more than 76.09 hours as compared to sugar year 2015-16. Hence computation of loss due to increase in downtime will calculate as under:

Sr.No.	Particulars	Crushing MT
1	Average daily less crushing due to downtime (76.09hrs/24 (x) 4348.973 Mt/day)	13788.056

Loss due to downtime = Average daily less crushing due to downtime (x) last year's contribution

13788.056 (x) 336.14= Rs. 46.34 Lakhs.

How to reduce cost in down time

- 1) Repair Cost should be compiled, allocated accurately to different machines to explore possibilities of cost reduction in repair of different machines, which are repair prone.
- 2) Maintenance should be done perfect during off-season.
- 3) Record of the actual time taken for repair vise-a-vise standard time fixed is examined for reversal action of delays.
- 4) Buy spare parts of machines from the original manufacturer to ensure originality and also to have economy, results zero wear & tear automatically breakdown of machinery stops.
- 5) Possibilities can be explored allotting annual maintenance contracts for non- critical machines.
- 6) Maintenance staff should be trained periodically to upgrade their knowledge skills so that maintenance cost is reduced and also downtime.
- 7) Preventive measures should be laid down providing maintenance of different machineries with different

- preferences to cut down downtime.
- 8) Particular machinery should be replaced without repairing saved huge cost of down time
- 9) While annual overhauling of machineries, compare the shut down costs with the crushing costs by using techniques of CPM/PERT comparison of crushing cost with reduction of loss should be done.
- 10) To avoid down time in procuring spares of certain machinery due to frequent wear & tear. After targeted crushing spares should be kept or standby arrangement should done.
- 11) The concept of centralized store for certain spares e.g. bearing low motors in specific zone by sugar mills should be implemented with joint mutual consent; automatically division of expenditure cuts the cost control by reducing down time.
- 12) Engineers may identify the downtime on hours, shift basis and the problems in maintenance must be attended immediately.
- 13) Results reduction of downtime, higher cost reduction and more savings

2. Sugar recovery % Cane

Sugar recovery is the most vital economic indicator of any sugar factory. The sugar recovery mainly depends on the quality of cane which also includes types of cane varieties, their maturity at the time of harvest and total sugar losses during processing. The following table provides sugar recovery % cane of a sugar mill.

Particulars	This Season	Last Season	Difference
Sugar Recovery%	13.14	13.41	(0.27)

Interpretation

During 2016-17 Seasons, the average sugar recovery was 13.14 % which decreased by 0.27 units as compared to the previous season's recovery of 13.41 %. The computation of loss due to less sugar recovery can be calculated as under:

1	Loss due to low sugar recovery %	Sugar Recovery in 2016-17 (%) (A)	Sugar Recovery in 2015-16 (%) (B)	Recovery Loss in (%) C= (B)- (A)
		13.14	13.41	0.27
2	Less Sugar Production due to low sugar recovery	Cane Crushing in Yr. 16-17 (in MT) (A)	Recovery Loss in % (B)	Sugar Production in Qtls (C) C=(A)*(B)/10
		647418.180	-0.27	17480
3	Loss due to decrease in sugar recovery in Rs.	Less Sugar Production (Qtls) (A)	Avg. Sugar price per Qtl in 2016-17 (Rs.) (B)	Amount In Lakhs C=(A)*(B)
		17480	3219	562.68

How to Achieve Highest Sugar Recovery

- 1) After starting of season maturity wise H & T programme should be implemented. Which includes cane sample survey in detail, from the area of operation as well as out-station invariably should be undertaken from August to October to assess the

percentage of sucrose contained in cane and its trend? This survey is to be completed on the data available at the records of Agri. Dept of factory, such as details of plantation and harvesting records of cane should tally with field survey done by field staff. This primary survey is not considered to be final, but it is useful to design final programme of actual harvesting purely on maturity basis. Scientific cane development programme should be implemented with percentage wise plantation to have matured cane for whole season automatically raises targeted sugar recovery.

- 2) From November onwards, maturity of cane get high recovery, day by day and because of this, crushing operations of factory commence in the month of November the beginning, the harvesting of cane for crush is to be planned / implemented on maturity from maximum to minimum on the base of recovery fixed as per plantation and rising trend of maturity sucrose content in cane.
- 3) To create awareness amongst harvesting transport labours, the joint meeting is to be organised at factory site in which prone and cons of harvesting of cane from bottom portion of cane are to be explained. The sucrose percentage in cane is high in its bottom portion. To get maximum sugar, the harvesting from bottom portion of cane is must. To supply fresh clean and scientifically cut cane by H & T labours. Some incentive in form of money will automatically results in harvesting of cane from its bottom.
- 4) Specific efforts are to be made to keep time lag between cane harvested and its crush as minimum as possible and cane should be crushed within 8 to 12 hours from its harvesting. In the event of late crush of cane from the time of its harvesting in the fields, proportionate loss in weight of cane as well as sugar recovery would be inevitable.

Statement showing Recovery and Weight loss of sugarcane

Time lag between harvesting and crushing	Weight loss per ton of cane in kg	Sugar loss per ton of cane in kg	Recovery loss per ton of cane in units
8 Hr.	14.00	1.95	0.145
16 Hr.	17.50	2.90	0.290
24 Hr.	29.00	3.99	0.399
32 Hr.	39.80	5.66	0.566
40 Hr.	57.50	7.73	0.773
48 Hr.	64.70	8.65	0.865
56 Hr.	73.80	11.45	1.145
64 Hr.	77.00	13.52	1.352
72 Hr.	83.00	15.16	1.516

- 5) Due precaution is to be taken to minimise stock of harvested cane in cane yard. In particular, the stock of harvested cane for crush is to be minimised to zero level at 12.00 noon. Taking into consideration, the requirement of cane for each hour, harvesting and transport programme of bullock carts and vehicles is to be arranged in a manner, and strictly followed.

- 6) To avoid the loss of cane juice through bagasse, good cane preparation at maximum is influential factor for which the unit of fibrizer is to be installed. Also the mill setting with correct alignment should be adjusted in such a manner to extract maximum juice more and to maintain rate of crush with efficiency. The result of it is maximum utilisation of installed capacity of the plant & machinery and possibility to crush more quantity of cane within minimum duration of season. To bring down sugar loss through molasses to minimum as possible, three and half to four Masecuite boiling is to be done. Technically advanced machinery with adequate capacity is to be installed to achieve remarkable results. Ultimately, it will help proportionately to reduce sugar loss through molasses.
- 7) For better sugar recovery extraction imbibition water% fibre to be maintained not less than 225 to 250. Adequate capacity of evaporator & boiler capacity to be consider. It may be limitation to attend imbibition water% fibre at 250%.
- 8) To control sugar loss through filter cake, overhauling and maintenance of Oliver filter during off-season is to be carried out with due care and even during season concentrated attention is too needed in its operation with a view to minimise loss of sugar through filter cake.
- 9) To control unknown sugar losses at various points in the factory, weightment of cane, juice and sugar etc. are to be correctly recorded. Overflow of juice and masecuite, leakages through pump glands and spillages are to be invariably avoided. To achieve this though it is negligible, overhauling and maintenance of each station of machinery is to be undertaken and completed with an idea to run trouble free.
- 10) Cane growers in the area of operation are to be motivated and encouraged to plant the variety of Co-86032, Co-671 and Co-740 cane which contains and preserves high percentage of sucrose constant continuously for longer period.
- 11) Form special Squad of Management to cross check of harvesting programme and control the harvesting programme. This plays an important role to achieve the highest recovery % cane. The detailed work procedure of squad is to be as summarised below.
- 12) From the starting of crushing season, the check samples of cane are to be drawn from cane yard from various vehicles & bullock carts in every shift and are to be checked for recovery % cane. If it is found below the stipulated in level, then special cane samples are to be drawn from this field. If it is again found less than the cane harvesting programme base, then the cane harvesting is to be stopped for a period of one or two week for maturity of cane. After maturity, the cane samples are to be drawn from same field, if found as per programme range then cane harvesting is restarted, otherwise same procedure is followed for further week & same procedure is

continued. Separate staffs are to be arranged to control the harvesting programme. Percentage of sucrose in cane is found higher at bottom side special efforts have been made to increase sugar recovery % cane by adopting the technique of harvesting from bottom side.

3. Cost Reduction through Use of Store

We can derive standard use of process chemical, oil grease, lime etc. to avoid unnecessary expenditure? It is good to compare the data published in RT (8) C of own sugar factory and then compare the same with last season's data such as use of Lime, Sulphur, Phosphoric acid, Washing soda, Caustic soda, antiscalant, flocculants, Biocides, viscosity reducer, oil and grease etc. After comparing the use of store we ourselves may set standard of store consumption. Cost reduction program should be run by purchasing economical and more useful material. Economic Order Quantity (EOQ) technique should be used. Inventory should be kept low. Proper check on inward material, control over warehouse and proper issuance of material, and effective material yield should be done

Store Used as per RT (8) C

Particulars	2016-17	2015-16	Variance
Fire Wood % cane	0.002	0.024	(0.022)
Bagasse % cane (Trial)	0.440	0.114	0.326
Lime % cane			
a) Process	0.123	0.117	0.006
b) (Spray & E. T. P.)	0.052	0.050	0.002
Sulphur % cane	0.047	0.045	0.002
Lubrication Oils Litres / 100 Qtls. cane	0.182	0.357	(0.175)
Grease Kgs. / 100 Qtls. cane	0.061	0.002	0.059
Phosphoric Acid Kgs./100 Qtls. cane	0.102	0.109	(0.007)
Hydrogen peroxide (H ₂ O ₂) Kgs./100 Qtls. cane	0.074	0.047	0.027
Bacteriocides Kgs./100 Qtls. cane	0.108	0.089	0.019
Filter Aids Kgs./100 Qtls. cane	0.018	0.010	0.008
Scalex I. A. P Kgs./100 Qtls. cane	0.154	0.136	0.018
Penetrol B Kgs./100 Qtls. cane	0.401	0.217	0.184
Antiscalant-kgs/100 Qtls Cane	0.139	0.115	0.024

Interpretation

Above figures indicates that, rise in store is due to less crushing.

4. Total Losses

The loss in production should be kept as low as possible. The permitted norm for the total loss of sugar is 1.80%.

Particulars	2016-17	Standard	Variance
Sugar in Bagasse	0.663	0.600	0.063
Sugar in Filter cake	0.082	0.050	0.032
Sugar in Final Molasses	1.126	1.100	0.026
Sugar Undetermined	0.031	0.050	(0.019)
Total Losses	1.902	1.800	0.102

Interpretation

The table shows that total loss of sugar in bagasse, filter cake, molasses and undermined item is more than the standard by 0.102%. Suppose sugar factory succeed in maintaining loss as per standard norms, the sugar production will be more by 6604 Qtls. worth Rs. 212.58 Lakhs (6604 Qtls (x) 3219 Per Qtls)

5. Crushing In Peak Recovery Period

In Maharashtra, recovery is peak, during the crushing period of December, January, February, and March. Crushing beyond May leads to poor recovery. This is applicable to all mills in Maharashtra since the climate conditions, matured cane are available only in this period and beyond April, May climate also not favourable and over matured cane arrives the factory which results in poor sugar recovery. Similarly, during November, there is monsoon, which affects the commencing of crushing and this period also not favourable to get maximum recovery. So the mills must crush maximum quantity of cane between December to March and must close the crushing by April. Beyond April means by crushing mills will incur heavy loss and if there is no crushing means we can say mills may earn profit. The difference between the peak period recovery and average recovery is a best indicator of performance. If the difference is 0.5% means, there is optimum level of crushing and recovery also going in steady trend. The schedule for crushing should be fixed in such a way that at least 80% of the cane is crushed during the effective duration i.e. Peak Period of Recovery (Dec-Mar). Rate of crushing should be ensured at least at the installed capacity. In the season 2016-17 factory has crushed 647418.180 Mt of sugarcane and his peak recovery period (Dec-Mar17) crushing is 515774.390 Mt and production is 687296 Qtls. with average recovery of 13.32%. If the factory crushes entire 647418.180 Mt sugarcane in the month of Dec-Mar17 i.e. peak recovery period the production sugar is more by 20,061 Qtls. If we convert this gain into rupee, it will come to Rs.645.76 Lakhs (20061(x) 3219 Per Qtls) and per ton gain is Rs. 99.75 PMT.

Conclusion:

Analysis of final manufacturing report helps to gauge the performance and condition of a sugar factory in financial terms. A thorough analysis of final manufacturing report a sugar factory can examine its efficiency to put its assets and men have to work for its profitability.

Acknowledgement:

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Role of CMAs in Value Management

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The perspective

Recent years have seen a plethora of new management approaches for improving organizational performance: total quality management, flat organizations, empowerment, continuous improvement, reengineering, kaizen, team building, and so on. Many have succeeded-but quite a few have failed. Often the cause of failure was performance targets that were unclear or not properly aligned with the ultimate goal of creating value. Value-based management (VBM) tackles this problem head on. It provides a precise and unambiguous metric-value-upon which an entire organization can be built.

The thinking behind VBM is simple. Value is created only when companies invest capital at returns that exceed the cost of that capital. VBM extends these concepts by focusing on how companies use them to make both major strategic and everyday operating decisions. Properly executed, it is an approach to management that aligns a company's overall aspirations, analytical techniques, and management processes to focus management decision making on the key drivers of value.

When VBM is working well, an organization's management processes provide decision makers at all levels with the right information and incentives to make value-creating decisions. Take the manager of a business unit. VBM would provide him or her with the information to quantify and compare the value of alternative strategies and the incentive to choose the value-maximizing strategy. Such an incentive is created by specific financial targets set by senior management, by evaluation and compensation systems that reinforce value creation, and-most importantly-by the strategy review process between manager and superiors. In addition, the manager's own evaluation would be based on long- and short-term targets that measure progress toward the overall value creation objective.

Value management requires a value creation mindset whereby senior managers are fully aware that their ultimate financial objective is maximizing value; that they have clear rules for deciding when other objectives (such as employment or environmental goals) outweigh this imperative; and that they have a solid analytical understanding of which performance variables drive the value of the company. They must know, for instance, whether more value is created by increasing revenue growth or by improving margins, and they must ensure that their strategy focuses resources and attention on the right option.

Adopting a value-based mindset and finding the value drivers gets you only halfway home. Managers must also

establish processes that bring this mindset to life in the daily activities of the company. Line managers must embrace value-based thinking as an improved way of making decisions. And for VBM to stick, it must eventually involve every decision maker in the company.

There are four essential management processes that collectively govern the adoption of VBM.

- A company or business unit develops a strategy to maximize value.
- It translates this strategy into short- and long-term performance targets defined in terms of the key value drivers.
- It develops action plans and budgets to define the steps that will be taken over the next year or so to achieve these targets.
- It puts performance measurement and incentive systems in place to monitor performance against targets and to encourage employees to meet their goals.

These four processes are linked across the company at the corporate, business-unit, and functional levels. Clearly, strategies and performance targets must be consistent right through the organization if it is to achieve its value creation goals.

VBM may force a company to modify its traditional approach to these systems. In particular, it shifts performance measurement from being accounting driven to being management driven. All the same, developing a performance measurement system is relatively straightforward for a company that understands its key value drivers and has set its short- and long-term targets.

Key principles of Value Management

1. Tailor performance measurement to the business unit. Each business unit should have its own performance measures-measures it can influence. Many multi business companies try to use generic measures. They end up with purely financial measures that may not tell senior management what is really going on or allow for valid comparisons across business units. One unit might be capital intensive and have high margins, while another consumes little capital but has low margins. Comparing the two on the basis of margins alone does not tell the full story.
2. Link performance measurement to a unit's short- and long-term targets. This may seem obvious, but performance measurement systems are often based almost exclusively on accounting results.
3. Combine financial and operating performance in the

measurement. Too often, financial performance is reported separately from operating performance, whereas an integrated report would better serve managers' needs.

4. Identify performance measures that serve as early warning indicators. Financial indicators can only measure what has already happened, when it may be too late to take corrective action. Early warning indicators might be simple items such as market share or sales trends, or more sophisticated pointers such as the results of focus group interviews.

CMA's and Value Management

Cost and Management Accountants possess expertise in the areas of Cost management and can ably support creation and preservation of value of the organization through the following aspects:

- Provide timely and relevant information backed with appropriate analysis for improvement of the productivity of all the resources, resulting in optimum utilisation of resources and minimization of wastages.
- Provide information for strategic planning and decision making thus enabling management to take appropriate decisions for sustained growth.
- Provide segment and product wise business profitability so as to enable management to decide for discontinuance of a product line / pull out from a market segment
- Help companies in proper costing enabling them to provide goods and services at a price that is affordable by marginal consumers in the rural, semi-urban areas and the common man.
- Protect the interests of the investors through focus on waste minimization, and optimum utilization of scarce resources.
- Assisting organizations in better corporate governance and value creation by focusing on efficient

use of resources and thus enable Indian enterprises to effectively compete in the dynamic market environment.

- Provide Product/activity wise cost details that are highly useful to the Independent Directors to effectively and efficiently discharge their duties.
- Continuously monitor and evaluate corporate performance and its economic / operational efficiency.
- Provides information for validation of financial statements and prevent inventory manipulation.
- Ensure maintenance of proper cost records for fulfilling the objectives laid down under National Voluntary Guidelines (NVG) for economic, environmental and social responsibilities of business as the information provided by the cost records is compatible with the information requirements under NVG.
- Provide reliable Cost Accounting data and Cost Assurance essential for early identification of industrial sickness.
- Set benchmarks for various activities and processes of the organization both in cost and physical terms
- Carry out variance analysis for monitoring operational costs and revenues for ensuring that the organization realizes its plans
- Provide specific critical information to the management for strategic decision making

CMA's provide strategic information and analytical support to the management of an organization for creation, preservation and enhancement of the stakeholders' value. The deep understanding of the activities, sub-activities and the processes and systems of the company and the ability to monitor and assess the performance of each unit, product, business line through appropriate analysis has catapulted the CMA's from value adding to value management advisor. ■

WIRC FOUNDATION DAY CELEBRATION

WIRC, SMFC Centre and Chapters celebrated 58th Foundation Day as per the direction received from H.Q. by arranging noble endeavors like blood donation camp and plantation of trees.

WIRC: CMA Kailash Gandhi, Vice Chairman, WIRC welcomed all the members and Students. CMA V. V. Deodhar, Past President of the Institute inaugurated the function by lighting the lamp. On the occasion CMA N.S. Acharya, Past Chairman WIRC was also felicitated. Workshop on Comprehensive Management Analysis of GST was organised. CMA Padma Ganesh, Practising Cost Accountant was the faculty. More than 70 members were present.

Borivali SMFC: CMA Kailash Gandhi, Vice Chairman, WIRC welcomed all the members and Students. CMA P.V. Wandrekar, Past Chairman WIRC was felicitated on the occasion. CEP on SAP FICO Module Overview was also organised on the occasion. CMA Pramod Kumar, SAP Solution Architect, IBM was the faculty. More than 40 members were present.

Thane SMFC: CMA Debasish Mitra, Chairman Students, Members and Chapter Co-ordination Committee welcomed the members and students. CEP on Impact of GST on Cement Industry was organised on the occasion. CMA Pratyush Chattopadhyay, Head Indirect Tax, ACC & Ambuja Cement was the faculty. More than 40 members were present for the programme.



Application of Cost Accounting Principles to Allocate, Apportion & Absorb the Employee Cost

CMA Rajesh Kapadia

Employee Costs are essentially incurred for the following activities :

- (1) To run Manufacturing Plants
- (2) To run Utilities to Support Manufacturing Plants
- (3) To run Maintenance Activities to maintain Manufacturing Plants & Utilities in Good Conditions
- (4) To run Other Supporting & Essential Activities Like to Manage Finance, Administration, Marketing of the Products & Services etc

After the ascertainment of Cost Centrewise Expenses on Employee Costs for Company/ Plant 1 as a whole as exhibited in the ANNEXURE I, the following Cost Accounting Principles should be followed to allocate, apportion & absorb the Expenses on Employee Costs.

- (1) Expenses on Employee Costs for Production Cost Centres
It will be directly allocated to Production Cost Centres. In Product Cost Sheet it will appear as Direct Employee Costs.

- (2) Expenses on Employee Costs for Filtered Water Plant It will be allocated to Filtered Water Plant. In Filtered Water Cost Sheet, it will appear as Employee Costs.

Filtered Water Cost will be further allocated to Demineralised Water Plant, Cooling Water Plant & Other Domestic Use.

In Product Cost Sheet, Cost allocated to Demineralised Water Plant, Cooling Water Plant & Other Domestic Uses will appear as Cost of Demineralised Water Plant, Cooling Water Plant & Other Overheads respectively.

- (3) Expenses on Employee Costs for Demineralised Water Plant. It will be allocated to Demineralised Water Plant
In Demineralised Water Plant Cost Sheet, it will appear as Employee Costs.

Cost of Demineralised Water Plant will be further allocated / apportioned to Boiler & Production Cost Centres

In Product Cost Sheet, it will appear as Steam Cost & Cost of Demineralised Water Plant respectively

- (4) Expenses on Employee Costs for Cooling Water Plant
It will be allocated to Cooling Water Plant

In Cooling Water Cost Sheet, it will appear as Employee Costs. In Product Cost Sheet, it will appear as Cost of Cooling Water Plant

- (5) Expenses on Employee Costs for Boiler
It will be allocated to Boiler. In Cost Sheet of Steam, it will appear as Employee Costs.

In Product Cost Sheet, it will appear as Cost of Steam

- (6) Expenses on Employee Costs for Air Compressor

It will be allocated to Air Compressor

In Cost Sheet of Air Compressor, it will appear as Employee Costs.

In Product Cost Sheet, it will appear as Cost of Air Compressor.

- (7) Expenses on Employee Costs for Chilled Water Plant

It will be allocated to Chilled Water Plant. In Cost Sheet of Chilled Water, it will appear as Employee Costs. In Product Cost Sheet, it will appear as Cost of Chilled Water Plant

- (8) Expenses on Employee Costs for Effluent Treatment Plant
It will be allocated to Effluent Treatment Plant

In Cost Sheet of Effluent Treatment Plant, it will appear as Employee Costs.

Cost of Effluent Treatment Plant will be further allocated / apportioned to Filtered Water Plant, Demineralised Water Plant, Cooling Water Plant & Production Cost Centres

In Product Cost Sheet, Cost allocated to Demineralised Water Plant, Cooling Water Plant & Production Cost Centres will appear as Cost of Demineralised Water Plant, Cooling Water Plant & Cost of Effluent Treatment Plant respectively.

- (9) Expenses on Employee Cost for Maintenance Activities
In Utilities & Product Cost Sheets, it will appear as Maintenance Cost

- (10) Expense on Employee Cost for Other Cost Centres In Product Cost Sheet, it will appear as Overhead Cost

- (11) Expenses on Employee Cost for Marketing Cost Centres
In Product Cost Sheet, it will appear as Selling Cost

When the above mentioned Cost Accounting Principles are followed ,it will result in Correct Cost Centrewise Allocation & Apportionment & finally its absorption in Final Product with exactness, accuracy & reliability.

ANNEXURE I

Cost Centrewise Expenses on Employee Costs for Company / for Plant 1

YEAR	2016-17 (Rs Lacs)	%
COST CENTRES		
Manufacturing Cost Centres		
Manufacturing Plant-1		
Manufacturing Plant-2		
Manufacturing Plant-3		
Utilities Cost Centres		
Power Plant		
Boiler		
DM Water Plant		
Filtration Plant		
Cooling Water Plant		
Chilled Water Plant		
Air Compressor		
Nitrogen		
Maintenance Cost Centres		
Other Cost Centres		
Marketing Cost Centres		
TOTAL		



TDS under GST regime

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We know about TDS under Income Tax 1961 and the relevant penalties thereon. However, in Central Excise Act 1944, Finance Act 1994 there are no concept of TDS. Sales Tax law (Value Added Tax) of the State Governments has the provision of TDS in respect of works contract only. Here, the contractor is required to deduct WC-TDS at the time of making payment to the contractor and issue necessary certificates thereon. The rates of TDS are different from state to state, in some of the states it is 8%.

Three GST Bills have passed and became the law of the land. Section 51 of CGST Act makes provision with respect to deduction of tax at source by certain persons. Here, we are summarizing the relevant provisions of TDS in the form of FAQ and also highlighted the mechanism to minimize the risk of non-compliance there on in the business.

1. Who are liable to deduct TDS?

The following persons are required to deduct TDS

- A department or establishment of State Government or Central Government
- Local Authority
- Governmental Agencies
- Such persons or category of persons as may be notified by the Government on recommendation of council.

Government may on the recommendation of council notify other categories of persons for the purpose of expanding the coverage of TDS. Hope, the companies incorporated under Companies act 2013 may come under this proviso.

2. Whether TDS is applicable only on goods or services also?

TDS is applicable on taxable supply of goods or services or both.

3. Rate of TDS?

Tax will be deducted at the rate of 1% from payment made or credited to the supplier.

4. When to Deduct TDS?

As per section 51(1), TDS will be deducted @1% from the payment made or credited to the supplier. Here the word is used "from payment made or credited", not whichever is earlier as given in Income Tax Act. However, as per FAQ released by CBEC, TDS will be deducted at the time of making payment to the supplier.

Q23..... While making any payments under such contracts, the concerned Government/authority shall deduct 1% of the total payment made and remit it into the appropriate GST account.

5. Is there any basic exemption for non deduction of TDS?

TDS will not be applicable where the total value of supply under a contract does not exceed Rs. 250,000/-. The value is excluding CGST, SGST, UGST, IGST and Cess Indicated in invoice.

6. Time Limit for deposition of TDS?

The deductor shall deposit TDS within 10 days after the end of the month in which deduction is made.

7. Time Limit for furnishing of Return?

As per the provision of section 39(3) Return of TDS will be filed within 10 days after the end of the month in which deduction is made. As per

draft rule 7 (1), Return of is to be filed in FORM GSTR 7 through common portal either directly or from a facilitation centre notified by the commissioner.

8. Requirement of registration of the deductor?

As per the provision of section 24(vi), persons who are required to deduct TDS under section 51 shall take registration whether such persons are separately registered under the GST Act or not.

9. Is there any interest for delay deposition of TDS amount?

Interest shall be payable as per provision of section 50 and such rate shall not exceed at the rate of 18%.

10. Time limit for furnishing certificate of TDS?

Within 5 Days from the date of deposition of TDS before the Government exchequer.

11. Penalty for delay issuance of TDS Certificate?

Rs. 100/- per day till the failure is rectified but subject to maximum late fee of Rs. 5,000/-

12. What is the quantum of penalty for failure of deduction of TDS or short deduction of TDS or failure to pay TDS to the Government?

There shall be levied a penalty of Rs. 10,000/- or an amount equivalent to tax not deducted or tax shortly deducted or collected/ shortly collected but not deposit to the Government, whichever is higher.

13. Whether the provision of section 73 or 74 is applicable for recovery of tax?

Yes, provision of section 73 or 74 is applicable and the same procedure (e.g. issuance of show cause notice, serving a statement of calculation of tax, interest and penalty etc) will be followed for recovery of TDS.

Control of TDS Compliance:

- Deductor has to ensure that the TDS has been deducted @1% on every receipt of taxable supply of goods or services or both.
- State wise TDS GL Code or One GL code with sub code for every state has to be created in their ERP environment. A summary of such GL Code is given below:

S.No.	GL NAME	State	GL Code
1	GST TDS PAYABLE - WEST BENGAL	WEST BENGAL	130111
2	GST TDS PAYABLE - BIHAR	BIHAR	130112
3	GST TDS PAYABLE - MAHARASHTRA	MAHARASHTRA	130113
4	GST TDS PAYABLE - KARNATAKA	KARNATAKA	130114

OR,

Sl.No.	GL NAME	State	GL Code CODE	STATE SUB
1	GST TDS PAYABLE	WEST BENGAL	130111	19
		BIHAR		10
		MAHARASHTRA		27
		KARNATAKA		29

- On and before 10th of every month the deductor shall reconcile its taxable receipts and the amount of TDS payable as shown in GL.
- Deductor shall at the end of every quarter make internal audit of compliance including payment thereon. ■



Power Trading

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Background: Trading activity in electricity is recognized as a distinct activity under Electricity Act 2003. The concept of power trading though well established now has been ever evolving and taking forms and shapes from time to time. Trading of power was earlier started with conventional bilateral trading and banking arrangements but it has now evolved with new methods and practices. In the Indian scenario, 90% of base load power requirement is satisfied through Long term Power Purchase Agreements while balancing short term requirement is mitigated through exchange of power between surplus entities and deficit entities via bilateral arrangements, banking, Traders, UI/DSM occurrence and even through Power Exchanges.

Gujarat State Utility, Gujarat Urja Vikas Nigam Ltd. (GUVNL) (erstwhile GEB) started power trading long back before enactment of Electricity Act 2003 when trading was a fledgling concept. GUVNL has traded power utilizing the different formats from time to time like exchange of power in Unscheduled Interchange mechanism (UI) and banking arrangements, sale / purchase of power through traders and bilateral arrangements with other states and even through Power Exchanges.

Evolution of Power Trading: Bulk electric power supply in India is mainly tied in long-term contracts. The bulk suppliers are mostly the Central or State Owned Generating Stations, IPPs, etc. Previously the bulk buyers were generally the SEBs, which post-unbundling are the Distribution Companies (DISCOMs). The power allocations from various generating stations are being assigned to DISCOMs and the Appropriate Commission regulates the price of bulk supply of a Generating Station to DISCOMs. Thus, most of the existing bulk supply is locked up in Long Term Contracts having station-wise tariff, usually in two - parts viz. fixed charge (capacity charge) and variable charge (energy charge).

The SEBs / DISCOMs who have the obligation to provide electricity to their consumers mainly rely on supplies from these long-term contracts. However, it is neither feasible nor economical to meet short term, seasonal or peaking demand through long-term contracts which makes Power Trading essential to cater the short term demand at an optimum cost. Similarly, power trading is essential for DISCOMs for selling short-term surpluses in order to optimize the cost of procurement. The CPPS participate in trading in order to optimize their operating cost and in the process, supply electricity to the grid.

Market Development: Conventionally, trading among SEBs / DISCOMs was on Bilateral basis where the price was settled on mutual negotiations. In the legal framework before enactment of the new Electricity Act, the development of power market was highly constrained as the industry structure was horizontally and vertically integrated. With the enactment of Electricity Act, 2003 that came into force from 10th June, 2003, the earlier Indian Electricity Act,

1910; Electricity (Supply) Act, 1948; and Electricity Regulatory Commissions Act, 1998 got repealed. After the enactment of Electricity Act in 2003, the concept of Power Trading was actually introduced. Since generation and consumption of power is not evenly distributed in India, the concept of Power trading enables surplus generation of power from one Region to flow to another Region which is deficit in power or flow of power within the same Region.

The Electricity Act 2003 brought qualitative transformation of the electricity sector through a new paradigm by consolidating the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, constitution of Central Electricity Authority, Regulatory Commissions and establishment of Appellate Tribunal and for matters connected therewith or incidental thereto.

Trading Licensees: Traditionally, a trading licensee has been viewed as seller of electricity who fulfills the needs of the distribution companies (DISCOMs) by arranging electricity supply at the DISCOMs' desired delivery point. Trading licensee can provide customized contracts according to the requirements of the buyers / sellers. Pertinently, a trading licensee acts as risk absorber between Generators and DISCOMs ensuring that Generators are paid on time by bringing in their finances in case there is a delay in payment by a buyer. It absorbs both liquidity risks as well as credit risk of the DISCOM and insulates the Generator from the financial condition of a DISCOM.

Trading in electricity has been a licensed activity since the year 2003. Central Electricity Regulatory Commission (CERC) constituted by the Electricity Act 2003 ensures that "electricity" is given the widest scope and is interpreted to extend to all ancillary or subsidiary matters which can fairly and reasonably be comprehended in it. Regulatory Commissions as expert bodies have been created under the Act and empowered to govern all matters related to Power Sector.

Electricity Traders have played critical role in transferring electricity from surplus regions to deficit regions in the country through "Intra-State trading" i.e. purchase of electricity for re-sale within the territory of the same State and "Inter-State trading" i.e. purchase of electricity from one State for re-sale in another State, including electricity imported from any other country for re-sale within India or exported to any other country subject to compliance with applicable laws and clearance by appropriate authorities. There are 43 Trading Licensees that are actively undertaking trading activity and the top 5 trading licensees viz. PTC India Ltd., Mittal Processors (P) Ltd., Manikaran

Power Ltd., Tata Power Trading Company (P) Ltd., and JSW Power Trading Company Ltd are having the market share of approximately 78 - 80% in the total volume traded in short term transactions of electricity. The "short-term transactions of electricity" refers to the contracts of less than one year period, for electricity transacted (inter-State and intra-State) through inter-State Trading Licensees and directly by the Distribution Licensees, Power Exchanges (Indian Energy Exchange Ltd (IEX) and Power Exchange India Ltd (PXIL)), and Deviation Settlement Mechanism (DSM) earlier known as Unscheduled Interchange (UI) Settlement.

Post unbundling; GUVNL has been entrusted with one of the vital functions of power supply management in addition to supervision and co-ordination of the activities of the subsidiary companies. As part of the power supply management, GUVNL has been trading power as a deemed Licensee.

Power Exchanges: Power Exchanges have commenced operations since 2008 with a broad view to develop a market where power sector participants can efficiently buy and sell power that is not tied up in long term PPAs and for catering short term balancing needs which arise from time to time in the power sector. Power Exchanges are simply financial entities, allowing buyers and sellers to trade transparently at a common price. Power Exchanges have been playing twin role of helping in price discovery of electricity in the spot market mainly, Day Ahead market and price dissemination electronically in the country. Power Exchanges have created a comprehensive market structure and enabling the transaction, execution and contracting all types of possible products in the electricity markets. Power Exchanges are discovering the market prices which are market driven and determined through push and pull of demand and supply rather than conventional mechanism of arriving at the prices on cost plus basis. This type of institution has opened up a new vista and today there is a propensity of 10% trade in Power Market, apart from the existing 90% under Long Term PPA. The creation of a common platform for trading has helped in streamlining the trading process, standardization of electricity as a tradable product, provide a payment security mechanism through a Clearing House and increase business confidence in the power sector.

Power Exchanges have ushered into short term power market with new dynamism offering regaling features like anonymous bidding, electronic platform, and transparency, minimum bid size of 1 MW etc, standardized power trading contracts, with fair, efficient and robust price discovery mechanism through electronic algorithms.

Central Regulator - CERC has permitted trading of Electricity through Power Exchange with effect from June 2008. Presently, there are two Power Exchanges (PXs) currently functional in India (1) Indian Energy Exchange (2) Power Exchange India Ltd which facilitate an automated on-line platform for physical day-ahead contracts. IEX India Ltd is a company promoted by Multi Commodity Exchange of India Ltd (MCX) while PXIL is a company promoted by National Stock Exchange of India Ltd (NSE India Ltd) and National Commodity and Derivatives Exchange Ltd (NCDEX). While IEX is benefited with the first mover advantage and is having a strong hold in the Short Term Power Market, PXIL is competing with IEX and making

efforts to become financially sustainable to consolidate its operations and earn profits. However, the market participants including GUVNL are participating on both Platforms so as to promote competition and prevent monopolistic situation of single Exchange.

In the PXs the entities like Inter-State Generating Stations (ISGSs), Distribution Licensees, Independent Power Producers (IPPs), Captive Power Producers (CPPs), Open Access Customers, Electricity traders, State Generating Stations, can participate by becoming a Member. The Selling entities are Merchant Power Plants, Captive Generators, Independent Power Producers and Distribution Companies having surplus power whereas buying entities are Open Access Consumers (mainly Industrial Consumers) and State / Private distribution companies. GUVNL has experienced conduciveness of Day Ahead Market in particular in taking position of buy / sale for next day. Platform of Power exchange has tamed domineering buyers / sellers exploiting market hitherto under bilateral arrangements by providing day-to-day discovered reference prices for taking informed price decisions.

Bidding in the Power Exchanges (PXs) are anonymous and closed bid auction unlike the case of BSE and NSE wherein the bidder can view the quantum as well as the price for consummating transaction. The Power Exchange Bidding Mechanism is double sided closed bid auction on a Day Ahead basis. The Market Clearing Price (MCP) and Market Clearing Volume (MCV) are discovered by Power Exchanges separately for each 15-minute time block in a day which is dependent upon the number of participants (Bids) along with the volume bided by them. At the end of bidding session for day ahead power, MCPs and MCVs are determined by running Iteration Algorithm which shall apply to the all market participants across the board. The delivery / drawl of power is at the Regional Periphery. The Market Clearing Price of the PXs is purely dependent on the eccentricities of participation from both buyers and Sellers side. In India, Power Exchange is shallow and ill-liquid, due to want of healthy participation from both sides. It is pertinent to mention that PXs in India have observed that sometimes there are participations of only sellers with very less buyers and on the other times there are participations from only buyers with very few sellers. Resultantly, the quantum clearances and price discovery are hugely affected and erratic. Buyers are not getting their targeted required quantum clearance as bided by them (for e.g. Buy bid of 100 MW Round the clock (RTC) gets cleared like 70 MW for block period 00-08 hrs, then 08-12 hrs Nil, then 62 MW for 12-15 hrs, 15-18 hrs again Nil, 18-23 hrs again Nil and then for 23-24 hrs 100 MW). Further, MCPs are reflection of magnitude of participation from buyers and seller side. On a particular day, if sellers are in majority, MCPs are tilted on lower side while when buyers are in majority, MCPs are shooting up. At present, there is no healthy match of push and pull from demand and supply as ideally desirable for a mature market.

It is relevant to point out that PXs have even discovered Market Clearing Prices (MCPs) as low as 17 paise / unit and as high as Rs. 14 / unit. During the year 2009, Hon'ble CERC has temporarily imposed price cap of Rs. 8 / unit on power trading to cool off the hyper pricing. At present there is no such price cap. Presently, the price of power on Power

Exchanges is depressing since the capacity addition is continuously outstripping the demand.

The Country as a whole is facing peaking power shortage in addition to overall energy shortage. The Power Market in India is not a matured market. Matured Markets are generally power surplus markets where capacities are set aside for Power Exchanges and buyers source certain percentage of their demand from the Exchanges. Unlike Indian Market, the Overseas Matured Markets do not suffer from Systematic Issues faced by Indian Power Market. In fact Exchanges despite being 7 years old are still peripheral players and are functioning as more of a balancing market rather than growing into a market serving base load capacities. Further the problems like erratic participation, unidirectional bids, low liquidity and the characteristics of shallow, seasonal and cyclical market has significantly affected the growth of PXs. In addition to the above, there are issues of transmission corridor congestion, non-availability of distribution network downstream, etc plaguing the growth of Short Term Markets. The demand and availability of power of any entity (Consumer / Generator) is dynamic which undergoes changes on day to day basis on account of various reasons like rains, holidays, temperature variation, festivals and non availability of generating stations due to forced and planned outages etc. Thus, Generators / DISCOMs are selling their left out surplus power in bits and pieces on day to day basis during lean load period during night hours, holidays, less agricultural demand period, rainy season etc. While buyers like Industrial Consumers and Power deficit State Utilities prefer to go for committed power. Bulk Consumers (1MW and above) are Industrial Consumers and mainly into Manufacturing Business. They need quality uninterrupted power supply for continuously running their Industries. Generally Bulk Consumers are avoiding buying power through PXs due to the problems like non-clearance of full quantum requirement due to less sell-bid, transmission corridor congestion etc. In order to avoid the above uncertainties, Bulk Consumers (1MW and above) are hesitantly participating in the PXs and preferring to source committed power. Whereas, power deficit Distribution Companies are also sourcing the committed power from power surplus utilities through Bilateral Arrangements in order to plan their smooth grid operations and to avoid load shedding. Power Surplus distribution companies or Generators are selling their left out surplus power by pushing the same in PXs while power deficit DISCOMs are grappling with cash crunch and utilizing rampant load shedding instead of buying power to mitigate their demand.

At present, short term power market comprises of bilateral transactions undertaken through traders / direct bilateral arrangements between State Utilities, Unscheduled interchange Mechanism, Power Exchanges.

Buying and Selling of power under bilateral contracts are done at buyer's and seller's periphery respectively and buyer has to bear Open Access Charges, Scheduling Charges and other incidental charges from the seller's periphery onwards. The traders are also charging the trading margin from buyer. However, buying and selling of power through PXs is done at Regional Boundary and therefore seller has to bear transmission charges and losses up to their regional boundary and buyer has to bear the transmission charges

and losses from there-onwards to carry the power to their end.

Power Exchanges offer several products for trading electricity viz. Day Ahead, Contingency, Week Ahead, Intra Day, etc. Intraday Markets and Contingency Markets are operated in parallel to Day Ahead Market on Day to day basis. Power Exchanges also provide platform to trade on intra-day basis, but presently the volumes traded are negligible. Week Ahead Market opens on Wednesday and Thursday. The transactions consummated on these days shall be executed for 1 week starting from the next Monday. Apart from the Short Term Products, PXs are mulling to introduce Month Ahead, Quarter Ahead and Longer Tenure Products to cater specific needs.

Bidding time - Day Ahead Market in PXs:	
10AM-12PM	- Bidding period
11.00 AM	- NLDC to inform PX interfaces on which unconstrained flows are to be advised by PX
1.00 PM	- PXs to furnish unconstrained flow information to NLDC
2.00 PM	- NLDC to inform PXs about congestion, if any
3.00 PM	- PXs to submit application for scheduling to NLDC
4.00 PM	- NLDC to send details of collective transactions to RLDCs
5.00 PM	- RLDCs to confirm acceptance to NLDC
5.30 PM	- NLDC to convey acceptance for Scheduling PX

Types of Transactions:

1. **Bilateral transactions:** Bilateral transactions are the transactions for exchange of energy (MWh) between a specified buyer and a specified seller, directly or through a trading licensee or discovered at Power Exchange through anonymous bidding, from a specified point of injection to a specified point of drawl for a fixed or varying quantum of power (MW) for any time period during a month. In bilateral transactions a PPA is signed between the buyer and seller, which are generally facilitated by a trader for a little margin.
2. **Collective transactions:** Collective transactions are a set of transactions discovered in power exchange through anonymous, simultaneous competitive bidding by buyers and sellers. In case of collective transactions the electricity is traded through exchanges, by exchange members for a very small margin fixed by commission. Currently India has two exchanges PXIL and IEX.

A variety of products are available in the Bilateral Market namely advance, first-come-first-serve, day ahead and contingency (intra-day). Power Exchange is a neutral platform facilitating a transparent price discovery. The Collective Transactions through the Power Exchange always present a balanced portfolio to the System Operator(s). Hence, the Collective Transactions are given a priority and are processed before allowing day-ahead and contingency category Bilateral Transactions. In case due to congestion in real time, need arises for curtailment of Open Access

Transactions, Bilateral Transactions are curtailed first before Collective Transactions.

The total available margins for short term open access transactions are assessed by the respective Regional Load Despatch Centers (RLDCs) / National Load Despatch Center (NLDC) in advance through simulation studies and made available to the public through the respective websites. The balance margin available after permitting advance and first-come-first-serve bilateral transactions is used for processing the Collective Transactions through Power Exchange. It is pertinent to mention here that the available margins are not allocated in advance to the Power Exchanges. The Power Exchanges work out a provisional solution after closure of the bidding window and submit to the NLDC for validation. NLDC validates the provisional trades against the available margins and in case of congestion; the limits are indicated to the Power Exchanges. The Power Exchanges then re-work out the final solution honoring the limits given by NLDC. This methodology is akin to the flow based method. The window for day ahead and contingency transactions reopens after the collective transactions have been scheduled, to utilize the balance available margins, if any.

India has two 'Electrical Regions' namely NEW Grid (North, East, North-East and West i.e., NEW Grid) and South Grid. The balancing market guiding vector is frequency dependent and thus there are two real time balancing market prices. Multiple Power Exchanges are implemented and each gives a price signal. Thus, in an unconstrained scenario, there are four price signals - two on a day-ahead basis and two in the real time. In case of congestion, there is market splitting in each of the Exchanges and this makes the scenario further complex. Introduction of the third Power Exchange would increase the number of price signals. Convergence of the multiple price signals for further development of the market (derivatives) is a challenge.

Trading Margin: The CERC has taken cognizance of the fact that the traders are providing different types of products by entering into contracts on long-term, medium-term and short-term basis and the risk profile of each of these contracts is different. Accordingly, CERC vide Central Electricity Regulatory Commission (Fixation of Trading Margin) Regulations, 2010 has prescribed the margin cap for short term buy - short term sell contracts for the inter-State trading in electricity undertaken by a licensee, taking into consideration the traders' requirements of meeting expenses incurred to mitigate risks, expenses incurred towards Operations and Maintenance and return on net worth. As per Hon'ble CERC Trading Margin Regulation, the traders shall charge maximum margin of 4 paisa / unit (for power price below Rs. 3/- unit) and 7 paisa / unit (for power price above Rs. 3/- unit). As per Hon'ble CERC Power Market Regulations 2010, Power Exchanges are charging transaction charges which is at present 2 Paisa / unit from every participant for every unit transacted.

Trading of Renewable Energy Certificates: The National Action Plan on Climate Change (NAPCC) released by the Central Government in 2008 released eight Missions, one of which was the National Mission for Enhanced Energy Efficiency (NMEEE) that laid emphasis on promoting innovative policies and regulatory regimes for creating and sustaining markets for energy efficiency to be achieved in a time bound schedule. The Electricity Act 2003 and the

policies under the NAPCC provide for a roadmap for increasing the share of renewable in the total generation capacity in the country, there are constraints in terms of availability of RE sources evenly across different parts of the country.

Hon'ble CERC and State Regulators have prescribed various regulations for promotion of Green and Clean Energy to address the concern of climatic changes and depleting fossil fuel reserves. Moreover, the Central Govt. / Ministry of New and Renewable Energy has set the ambitious target to increase share of renewable energy in energy mix to 100 GW for Solar and 60 GW for Wind by the year 2022. The Regulators have prescribed minimum stipulation (RPPO) on DISCOMs for the purchase of RE as a percentage of their total consumption. Hon'ble CERC has visualized that some states / areas are well endowed in RE Potential while others are not. Hon'ble CERC through its Regulation has brought out Renewable Energy Certificate (REC) Mechanism to circumvent the above issue.

Renewable Energy Certificate (REC) mechanism is a market based instrument to promote renewable energy and facilitate compliance for renewable purchase obligations (RPO) under inter-state transaction of RE generation. REC mechanism is aimed at addressing the mismatch between availability of RE resources in state and the requirement of the obligated entities to meet the renewable purchase obligation (RPO).

One REC is equivalent to 1 MWh electricity injected into the grid from renewable energy sources. The REC is exchanged only in the Power Exchanges approved by CERC within the band of a floor price and forbearance (ceiling) price as notified by CERC from time to time. The first REC trading session was held on power exchanges in March, 2011.

Under the REC mechanism, cost of electricity generation from renewable energy sources is classified as cost of electricity generation equivalent to conventional energy sources and the cost for environmental attributes. These environmental attributes can be exchanged in the form of Renewable Energy Certificates (REC). Thus, RE generators will have two options i) either to sell the renewable energy at preferential tariff or ii) to sell electricity generation and environmental attributes associated with RE generations separately.

RE Generators not having power purchase agreement with DISCOMs can sell the electricity component to local DISCOM and get the Average Pooled Power Purchase Cost (APPC) from them and can redeem environmental component (REC) by selling it on PXs. The DISCOMs who are having lower RE Potential can mitigate their RPPO requirements by buying the REC from PXs. Hon'ble CERC has fixed floor price and forbearance prices of REC under Non-Solar and Solar Categories. The price fixed for control period 01.04.2012 to 31.03.2017 is as under -

	Non-solar REC (Rs/Mwh)	Solar REC (Rs/Mwh)
Forbearance Price	3300	13400
Floor price	1500	9300

Recent Developments:

- **e-bidding Portal** - Ministry of Power, Govt. of India vide notification dated 30.03.2016 has revised Guidelines for Short Term Procurement of Power by

Distribution Licensees through tariff based bidding process. The Government has replaced the conventional tendering process for power purchase by state power distributors with an e-bidding platform in an attempt to make the bidding more efficient and transparent by bringing power procurement contract details to the public domain.

MoP has introduced web based portal for e-tendering cum Reverse Auction as per revised guidelines called 'Discovery of Efficient Electricity Price (DEEP)' e-bidding portal. The first e-bidding process was held in April 2016.

The idea is to tie-up power through competitive price discovery in more transparent manner and to bring down the cost of short term power and pass on the benefit to Consumers. The web portal is a common e-bidding platform with e-Reverse Auction facility. The advantages include dissemination of information on nationwide power procurement to a wider network including the stakeholders in power sector; Uniformity in the process of power procurement and enabling Distribution Licensees to procure power in a short time. Bidders have the option to bid multiple bids from separate logins either from same or different sources. Bidders also can quote their best prices and need not match or bid lower price against the prevailing lowest Bidder. The portal builds confidence through transparency and efficiency in the procurement of power.

Power procurement through DEEP e-bidding portal has entailed more uniformity and transparency in power procurement and promoted competition in the Power Sector.

- **"Vidyut PRAVAH"** Web / Mobile Application for Electricity, Price Availability and Highlights - Recently, MoP has launched an application "Vidyut PRAVAH" which provides highlights of the power availability in the country on real time basis. The Web / Mobile App provides a wealth of information pertaining to the current demand met, shortages if any, surplus power available and the prices in the Power Exchange. The real time data and comparison with previous day / year data is also available.

This endeavour is towards the direction that the DISCOMs take advantage of current price scenario in the market and try to reduce its power purchase cost.

Way forward:

- **Extended Market Session** - In order to provide the entities with measures to respond optimally and in pursuance of development of market, the Central Regulator had explored additional contracts to be operated as Extended Market Session after the gate closure of the regular Day Ahead Market.
 - (i) 24x7 intraday/contingency contracts - Operating day ahead contingency contracts in remaining hours after gate closure of day ahead market on power exchanges and operating intraday contracts on 24x7 basis;
 - (ii) Evening market - Operating Day ahead auction based on collective transaction in the evening on power exchanges; and operating intraday contracts on 24x7 basis.

However, the evening market / 24x7 Intraday Contingency Market based on collective transactions was kept in abeyance till upgradation of software, infrastructure and deployment of human resources for necessary coordination with Banks for clearing and settlement of transactions and

Hon'ble CERC vide Order dated 08.04.2015 directed both the Exchanges to commence operating Extended Market Sessions. Following the CERC's directives, the two power exchanges i.e. IEX and PXIL started their operations on extended market session with effect from 20.07.2015.

Of late, on 13.05.2016 a review has been made by Hon'ble CERC on the functioning of round the clock intraday / contingency market. Based on their analysis for operation of Extended Market by PXs during the period from July 2015 to Jan 2016, Hon'ble CERC has stated that the introduction of extended market session may not impact System Operator POSOCO because it has to function 24x7 even otherwise. It has been analyzed by Hon'ble CERC that more volume was transacted at lower price during extended hours when compared with normal hours which is certainly beneficial to the market participants. Besides, it has been analyzed that there is no increase in the volume of electricity transacted through intraday and day ahead contingency contracts, and hence it may not be beneficial to the power exchanges.

The Extended Market Session / Evening market / 24x7 Intraday Contingency Market is yet to be exploited in a major way by the Market Players.

- **Cross border trading** - Indian Energy Exchange Ltd (IEX) has filed a Petition before the Central Electricity Regulator CERC for grant of consent for enabling cross border transaction at IEX platform for further development of the electricity market. Certain significant developments towards enabling cross border electricity trade through Exchanges have already been taken place namely (i) Government of Bangladesh is in advance stage of finalizing entity for procurement of additional power of 30-50 MW through Power Exchange. (ii) In State of Bhutan, merchant power sale from Dagachu power station is expected through IEX platform. (iii) Government of Nepal is engaged in cross border transmission interconnection and grid connectivity envisages cross border electricity trading through Power Exchanges.

The Central Regulator is now awaiting a policy direction from the Union Power Ministry on the proposal of IEX being allowed to transact cross-border power trading.

- **Trading of Energy Saving Certificates (ESCs)** - CERC has recently come up with a regulation on "Terms and Conditions for dealing in Energy Saving Certificates" to facilitate the trading mechanism of transferable and saleable ESCs on Power Exchanges.

The Energy Saving Certificates (ESCs) issued by MoP, GoI in electronic form with each ESCert being equivalent to one metric ton of oil equivalent of energy (MTOe) consumed, to the designated consumers notified by Central Govt under the Energy Conservation Act and for which a target is notified under the Statutory Orders issued by GoI from time to time shall now be able to transacted on Power Exchange Platform by the ESCert Holder. The Power Exchanges shall permit the ESCert Holder to either place buy or sell bids subject to confirmation of availability of ESCerts by Registry during Exchange Session and the market price of ESCerts shall be as discovered through the process of bidding at the respective Power Exchange.

The detailed procedure for trading of ES Certs is awaited. ■

CHAPTER NEWS

AHMEDABAD

Chapter celebrated 58th Foundation day of the Institute of Cost Accountants of India on 28th May 2017.

CMA V H Savaliya, Chairman welcomed members. CMA A G Dalwadi, Chairman of PD committee introduced the Chief Guest CMA D S Mahajani. CMA P H Desai, Chairman of WIRC felicitates the Chief Guest with bouquet and memento.

Speaker CMA D S Mahajani- GM, Taxation & CS of TSIPS-Vadodara highlighted and discussed GSTR - Returns under GST Act - Anti profiteering provision under Act.

More than 70 members attended the program. CMA Malhar Dalwadi proposed vote of thanks to speakers and participant members on behalf of Ahmedabad chapter.

CEP GST Workshop

Chapter organized 3rd batch of 10 days evening workshop on GST Act and rules for members. The program aims of profound understanding of GST Act and rules which are in offing and get participants ready to deal with game changer law. CMA AG Dalwadi, CMA Ashish Bhavsar, CMA VH Savaliya and CMA Alok Sharma are the moderators of the program. 13 members are participating in each batch.

GST Outreach Program

GST outreach program organized by VAT, Excise and commercial deptt in 69 Nos. taluka / district locations of Ahmedabad, Kheda, Anand, Gandhinagar, Mehsana, Sabarkanta, Rajkot, Junagadh and Vadodara districts of Gujarat State during 21/04/2017 to 14/05/2017. CMA members actively interact with business men and various association's members and gave information regarding filing, various forms and returns under GST Act.

BHARUCH-ANKLESHWAR

Foundation Day Celebration and Career Counselling

58th Foundation Day Celebration & Career counselling function of Chapter was held on 28th May 2017 at 10 a.m. at Chapter office at Sarvoday High School, GIDC, Ankleshwar with the prayer & cake cutting.

CMA S. N. Mundra explained in detail about the Institute and course. Programme was attended by more the 50 participants.

BHOPAL

Seminar on GST was organised by Chapter at Hotel Rajhans Regent, Bhopal on 06.05.2017. The Seminar was inaugurated by Shri R S Maheshwari, IRS, the Additional Commissioner of Central Excise, Bhopal who was also the key speaker. As GST is all set to come with effect from 01.07.2017 and the Government agencies are geared up for the same, it is obviously an expectation from the Institute of Cost Accountants to play a pivotal role in the implementation process. Time and again the Cost Accountants have proved their role in the nation building process. Shri Maheshwari had similar expectations from the Cost Accountants and in order to push the Cost Accountants to the battle grounds of GST, he made a thorough presentation on the GST and explain all the provisions of the GST covering Transition Provisions, Registration provisions, Valuation Rules, Input Tax Credit, Returns, Assessment, Appeals etc. There was a Question and Answer session at the end and the speaker patiently explained all the issues raised by the members from the audience.

In the beginning, CMA Laxmikant Vijayvargiya, the Chairman of Bhopal Chapter delivered the welcome address and highlighted the role of the Cost Accountants in the smooth implementation of GST across the country from the deadline, i.e. 1st July 2017. He urged all the members to rise upto the occasion and give their best in educating the stakeholders about GST. CMA Yogesh Chourasia, the Secretary of the Chapter delivered the vote of thanks. The seminar was attended by the members in practice as well as the members from industry.

NAVI MUMBAI

Chapter organized a CEP on "Impact of GST on Chemical Companies" on 28th May, 2017 at Karmaveer Bhaurao Patil College Vashi. The speakers for this event was CMA B. N. Sapkal, Chief Manager - Finance & Accounts, Lubrizol India Pvt Ltd (Ex. Chairman of Navi Mumbai Chapter) and CMA Sushant Ghadge, Deputy Manager - Finance & Accounts, Lubrizol India Pvt. Ltd.

The Speakers explained how the GST will be a beginning of a new regime as "One Nation One Tax" and game-changing reform in the Indian economy by developing a common Indian market and reducing the cascading effect of tax on the cost of goods and services. They also explained how it would impact the tax structure, tax incidence, tax computation, tax payment, compliance, credit utilization and reporting leading to a complete overhaul of the current indirect tax system.

PIMPRI-CHINCHWAD-AKURDI

Seminar on 'Overview of GST'

Chapter had organized seminar on 'Overview of GST' on Friday, May 5, 2017 at CMA Bhawan, Pimpri, Pune.

CMA L. D. Pawar in his speech he started from concept of GST., Entertainment Tax, etc.), CGST, SGST & IGST will be charged on same price. He focused on benefit of GST, Existing and Proposed Tax Structure of GST, Tax Levy under GST, Valuation in GST. He explained in brief about SGST, CGST & IGST He also explained on Bill to - Ship to process and given suitable example on it.

CMA Mahendra Bhombe has continued the session and focused on registration process of GST. He also focused on framework of GST in India, GST Credit and Landed cost (inside & outside) to PCMC of local and Inter-state purchase.

Interactive session with CMA Students

Chapter has organized interactive session with CMA Students on Thursday, May 24, 2017 at 4:00pm to 5:30pm at CMA Bhawan, Pimpri, Pune.

CMA Dakshina Murthy, Fellow member of the Institute from Hyderabad Chapter and Senior Manager, Royal Dutch Shell Group, MI, Planning and Analysis, Chennai in his interactive session with the CMA students has given very important trick for cracking the examination and said your scheduled time is very important so all of you have to follow your schedule carefully. He has given some fruitful examples of corporate worlds from which students are so excited and liked to ask questions to speaker CMA Murthy.

58th Foundation Day of Institute

Chapter has celebrated 58th Foundation Day of The Institute of Cost Accountants of India on 28th May 2017 at CMA Bhawan. Many members of Chapter have shared their thoughts on this auspicious day. On the occasion Seminar on Discussion on GST on 28th May 2017 was also organized by Chapter. CMA Pradeep Deshpande, Member of the PCA Chapter has welcomed to all members and introduced the speaker CMAL D Pawar, RCM & Hon. Secretary, The ICAI - WIRC.

CMA L D Pawar in his speech said there is a very good opportunities for CMAs in GST area. So everyone should be ready to take knowledge about new systems under GST. He focused on how to generate E-Waybill and discussed the issues related under GST

Question-Answer session was conducted during the lecture. Many members have cleared their doubts regarding new systems under GST. Session was well interactive. The seminar was attended by members in practice, members from industries, professionals in large numbers.

PUNE

CEP-26.5.2017

CEP on the subject "Opportunity to CMA's in Management Consultancy" organized by Chapter on 26th May 2017 at Dr.Cyrus Poonawala Hall of Brihan Maharashtra College of Commerce, Pune. Faculty for the programme was CMA Dr. Girish Jakhotiya. CMA Amit Shahane, Secretary ICAI-Pune Chapter introduced the faculty. CCM CMA Amit Apte and Mr.Sanjay Gosavi, Registrar, BMCC were also present on the dais. CMA Dr. Girish Jakhotiya explained various areas where Cost Accountants can play a vital role with examples of various cases. Large number of members attended the programme. CMA Meena Vaidya Treasurer ICAI-Pune Chapter delivered vote of thanks.

Celebration of Formation Day of the Institute - 28.5.2017

Formation Day of the Institute was celebrated on Sunday, 28th May 2017 at MP Pandit Hall at Chapter's premises. Managing Committee members of Chapter, members, students and staff members of Chapter were present on this occasion. CMA Chaitanya Mohrir, Vice Chairman of Chapter welcomed all members and students. CMA Anant Dhavale Chairman ICAI-Pune Chapter spoke about the Importance of Tree Plantation for human life and environment. He also spoke about the Blood Donation. CMA Amit Shahane interacted with students and shared important information about our Institute's history and students found this information useful.

CMA S M Sane Past Chairman ICAI-Pune Chapter spoke about the Chapter and its activities in previous two decades. He also requested students to update their communication skills. CMA Meena Vaidya also interacted with students on this occasion.

After the program an Open Forum was arranged for students and students gave suggestion for their betterment. Managing Committee members assured them all co-operation. On behalf of Chapter Managing Committee Chairman CMA Anant Dhavale wished all students success in their future endeavours.

SURAT SOUTH-GUJARAT

Visit of President on 14-05-2017

CMA Manas Kumar Thakur, President ICAI visited The Institute of Cost Accountants of India Surat-South Gujarat

Chapter on 14/05/2017 at Chapter's Auditorium on the eve of conclusion of the Silver Jubilee Function of the Chapter. CMA Manubhai Desai, Chairman hearty welcomed and felicitated the President with shawl and memento CMA Manas Kumar Thakur gave blessings to our students and guided members to make Institutes stronger. CMA Manas Kumar Thakur also awarded meritorious students for final exams. On the occasion Interaction meeting with the members and students was also arranged.

Press Meet on 14-05-2017

On the occasion of CMA Manas Kumar Thakur, President of ICAI visit at Surat-South Gujarat Chapter, a press meets was organized at Chapter's conference room. About 12 media persons attended the Press Meet. CMA Manubhai Desai, Chairman of the Chapter introduced CMA Manas Kumar Thakur, President ICAI to media persons. President had answered all queries and questions of the media about CMA future aspects, upcoming Goods and Service Tax and many other professional areas. Local newspapers gave wide coverage of this Press Meet with photographs in their local dailies. CMA J. T. Parmar, Secretary of the Chapter offered hearty vote of thanks

Seminar on "GST"

A seminar on "GST" was also arranged on 14/05/2017 at Chapter's Auditorium. The faculties were CMA Mukund Chauhan and Shri Rohan Rane, Local Indirect Practitioner.

CMA Mukund Chauhan explained on the subject on Input Tax Credit. He explains in a very lucid manner while Shri Rohan Rane gave the information about overview and returns of GST. At the end of the seminar there was lively question answer session.

CEP on GST at Surat SG Chapter on 27-05-2017

A CEP on Goods and Service Tax was organized Chapter on 27th May, 2017 at Chapter's Hall for members and also for final year students.

The learned faculty on indirect taxes, and Past Chairman of the Chapter, CMA Shailendra Saxena who shared his in-depth knowledge about GST. He explained in very lucid and interesting manner the key aspects of GST and how it is different from present indirect taxes system in the country. He also explained the comparison of GST with other countries and how the CMA will help the industries & traders through compliance of GST. CMA Saxena and participants present decided to have intensive workshop on practical aspects of GST during June-2017.

At the end, vote of thanks was proposed by CMA Biswadev Chanda, Past Chairman and Managing Committee Member of the Chapter. The program was attended by 45 delegates and students.

Foundation Day Celebration

Institute's Foundation Day was celebrated on 28-05-2017 at Chapter's Office with students and members. CMA Manubhai Desai, Chairman of the Chapter, welcomed the students and the members and gave the outline of the achievements of the earlier days of the Chapter and the meritorious and dedicated work by the founder members of the profession.

Group Discussion on latest developments, particularly of rates of Goods and Services by the students of the Chapter was arranged.



CMA Anant Dhavale Chairman, Pune Chapter interacting with Students & Members on occasion of Formation Day 2017.



CMA Amit Apte, CCM felicitating CMA Dr. Girish Jakhotiya during CEP organized by Pune Chapter on 26th May 2017. Also seen Mr.Sanjay Gosavi, Registrar, BMCC



CMA P H Desai, Chairman WIRC lighting the lamp on during the Celebration of 58th Foundation day of Institute organised by Ahmedabad Chapter



CMA B.N. Sapkal honoured by CMA K. R. Jethani during CEP on GST organised by Navi Mumbai Chapter on 28th May 2017



Shri R S Maheshwari, IRS, the Additional Commissioner of Central Excise, Bhopal being felicitated by CMA Laxmikant Vijayvargiya, the Chairman of Bhopal Chapter during Seminar on GST organised by Bhopal Chapter on 6th May 2017



CMA Anil Varma, CMA Arunkumar, CMA Kashivishwanathan, CMA G. Subramanyam, Mr. R.S. Maheshwari, IRS, CMA P.V.Bhattad, IPP & CCM, Mrs. Maya Maheshwari, IRS, Commissioner of Income Tax, Bhopal and CMA Shriram Mahankaliwar, Treasurer, WIRC during GST Conclave and 58th Foundation Day celebrations organised by Nagpur Chapter on 28th May 2017



Felicitating of the CMA Manas Kumar Thakur, President ICAI by Office bearers of the Surat-South Gujarat Chapter on 14th May 2017



Press Meet with CMA Manas Kumar Thakur, President ICAI organised by Surat-South Gujarat Chapter on 14th May 2017.



Shri Gajanan Khanande, Deputy Commissioner, Sales Tax, Mazgaon, inaugurating the Seminar on GST Implementation organised by WIRC on 5th May 2017 at WIRC. Also seen CMA Pradip H Desai, Chairman, WIRC, CMA Manas Kumar Thakur, President ICAI, CMA A.B. Nawal, Chairman, Taxation Committee, ICAI and CMA B.M. Sharma, Chairman, GST Advisory Board, ICAI



CMA Pradip H Desai, Chairman WIRC alongwith other Council Members felicitated Mr. Ajai Das Mehrotra, IRS, Government Nominee, on 3rd June 2017, on account of his promotion as Chief Commissioner of Income Tax. Also seen CMA Neeraj Joshi, RCM, CMA Kailash Gandhi, Vice Chairman WIRC, CMA P.V. Bhattad, IPP & CCM, CMA Shriram Mahankaliwar, Treasurer WIRC and CMA Debasish Mitra, RCM



CMA L D Pawar, RCM & Hon. Secretary WIRC conducting session on 'Overview of GST' organised by Pimpri-Chinchwad-Akurdi Chapter on 5th May 2017.



CMA Ashish Deshmukh, felicitating CMA Dakshina Murthy during Interactive session with Students organised by Pimpri-Chinchwad-Akurdi Chapter on 24th May 2017



CMA Pradeep Deshpande interacting with members during the Celebration of 58th Foundation Day of Institute organised by Pimpri-Chinchwad-Akurdi Chapter on 28th May 2017



Ms. Varsha Kolhatkar, Assistant Commissioner, Kanjur Marg Division, Central Excise, Mumbai III Commissionerate being felicitated by CMA Nayana Savala during Workshop on GST organised by WIRC on 3rd June 2017.

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