



WIRC BULLETIN

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*Western India Regional Council
wishes all its Members and Students*



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

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WIRC participated in Career Fair organized by Nagindas Khandwala College of Commerce, Malad, Mumbai



CMA Ujjwala Bagade felicitating CMA Rajkumar Adukia during CEP organized by WIRC on 17th November 2017 at WIRC Office.



CMA Chiranjib Das delivering presentation on GST during CEP organised by WIRC at Thane SMFC on 19th November 2017



CMA Neeraj Joshi, RCM-WIRC interacting with members during CEP organised by Surat-South Gujarat Chapter on 23rd November 2017.



CMA Murali S. Iyengar, welcoming members during CEP organised by Solapur Chapter on 18th November 2017. Also seen (L to R) CMA Shriniwas Diddi, CMA Nagraj K. Alwal, CMA Shrikant Italpalli and CMA Raghavendra Chilweri.



CMA Prashant Vaze felicitating CMA Varsha Limaye, during the CEP organized by Pune Central CEP Study Circle on 25th November 2017. Also seen CMA Sameer Gupte, Convenor.



CMA Vivek Chavan, Chairman Nagpur Chapter lighting the lamp during CEP on Internal Financial Control organized by Nagpur Chapter on 2nd Dec. 2017. Also seen CMAS Nitin Alshi, Speaker, Shriram Mahankaliwar, Hon. Secretary WIRC and Rajat Naidu



From the Desk of Chairman

Dear Members and Students,

It's indeed hard to believe that 2017 is drawing to a close. The last month of every year invariably makes us introspect in different ways, in line with our individual plans and priorities. For students, it means preparation time for the December examination. For members, it means end of Audit work and beginning of the pivotal planning exercise for the coming year. For most of the others, it means the crucial time to make a string of New Year resolutions.

First and foremost, I wish good luck to all students appearing for the December examination. I also have a heartfelt message for them: I won't tell you that the going won't be tough, instead I want you to know it would be well worth it...So do give it your best shot! !

I now summarize key November developments:

- Sovereign Rating Upgrade: India's improving growth outlook and structural reforms agenda got a boost with the Moody's upgrade of India's local and foreign currency rating to Baa2, a notch above the prior Baa3. Moody's cited landmark reforms like GST, key govt. measures to address banking NPLs, Aadhaar-enabled direct benefit transfer as the motivating factors;
- The Q2 GDP print came in at 6.3% reversing the decelerating trend. The recovery was led by manufacturing which saw a smart rebound to 7%. In terms of expenditure, both private and govt. consumption growth remained weak but investments i.e: Gross Fixed Capital Formation (GFCF) growth improved to 4.7%. Net exports were up marginally as well;
- India's rank improved by 30 places in World Bank's Ease of Doing Business Survey, supporting the view that economy transitions are underway;
- The Central Cabinet approved an ordinance approving an amendment to the Insolvency and Bankruptcy Code to prevent wilful defaulters from bidding for stressed assets.

News flash- Relaxation of additional fees and extension of last date of filing of Form CRA 4 under the Companies Act, 2013. The Ministry of Corporate Affairs has extended the last date for filing of Form CRA4, for the financial years starting on or after 1st April 2016, without additional fees till 31st December 2017.

ICAI event snapshot

- **CEP on Goods and Services Tax** on 11th November 2017 at Borivli SMFC by Mr. Pratik Shah, Practicing Experience on Direct & Indirect Taxation.
- **CEP on "Practical Aspects of Valuation"** on 17th November 2017 by CMA Dr. Rajkumar S. Adukia. CMA Kailash Gandhi, Chairman-WIRC was present on the occasion.
- **CEP on "Recent Amendments in GST Law - Impact & Implication"** at Thane SMFC on 19th November 2017. CMA Chiranjib Das - GST Practitioner was the faculty members. CMA Debasish Mitra, Chairman-CPD Committee was present on the occasion.
- **Career Fair** - N K College of Commerce, Malad (W) - 29th November 2017

Before I sign off, I take this opportunity to underline the expanding purview and potential of our professional service spectrum. Going forward, CMAs would be increasingly playing the role of strategy consultants and value creators for all stakeholders of economy and business in this knowledge-based and technology-driven era. We already have the professional competence to deliver what it takes, it's only a matter of self-belief and unflinching resolve to raise the bar and scale new heights. Let's dive deeper and soar higher across all our endeavours - whether seminars & conventions, capacity building programs, focus group discussions, academia-industry interaction, government representation and even student specific initiatives like coaching programs, counselling sessions, placement events and career fairs...

WIRC has a precedence to hold Regional Cost Convention every year. This year it is proposed to hold it in National Economic Capital of India, Mumbai, on 10th & 11th February 2018 at Y. B. Chavan Auditorium, Nariman Point, Mumbai. It will be called National Seminar with a theme "CMAs Partner in - Vision 2022 - for Vibrant India". I appeal to all of our esteemed members to participate in large numbers and spread the message about the Seminar so that we can have participation from Corporates, Members in practice and others in order to make it a grand success. I wish with all such co-operation and support, we can make the event an unique footprint in the history of our profession.

Looking forward to a highly fulfilling and fruitful 2018!

Jai Hind!!!

CMA Kailash Gandhi



GST Update for EOU / STP / EHTP / BTP Units

CMA Ashok B. Nawal

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When GST was implemented w.e.f. 1st July 2017, EOU, STP, EHTP, BTP Units, were at par with normal Domestic Unit as far as GST is concerned. However, Notification Number. 59/2017 Cus. dtd 13th June 2017 was amended for exempting Basic Customs Duty (BCD) on imports by EOU and amending notification No. 52/2003 Cus. dtd. 31.03.2003 as amended and Basic Custom Duty saved on imports of raw material was required to pay on DTA

Sale. Thereafter, EOU, STP, EHTP, BTP Units were adversely affected and they were facing lot of liquidity crunch due to high requirement of working capital. The difficulties faced by EOU, STP, EHTP, BTP Units were considered by GST Council in their meeting dtd. 6th October 2017 and subsequently number of notifications and circulars are issued so as to remove the difficulties faced by such units.

Sr. No.	Particulars	Update	Notification No. / Circular/Order No.	Author's Comments
1	EOU - Import Procurement	EOUs will be entitled to import the goods without payment of IGST upto 31.03.2018	Notification 78/2017-Cus dated 13.10.2017	No blockage of working capital to the extent of IGST on import
2	Supplies to EOU	Supply of goods by a registered person to Export Oriented Unit is notified as Deemed Export	Notification No. 48/2017-Central Tax dated 18.10.2017	Supplier can claim the refund of GST rather than recipient to avail the ITC and apply for the refund. Thereby, there will be a reduction in working capital. Purchase order needs to be revised to that extent.
3	Deemed Export Benefit	Refund of GST paid on supplies to EOU can be claimed by Supplier or by EOU unit	Rule 89 (1) of CGST Rules dated 30.10.2017	
4	No IGST on Advance Authori-zation / EPCG	Import against EPCG / Advance authorisation will exempted from payment of IGST till 31.03.2018	Notification 79/2017-Cus dated 13.10.2017	Supplier can avail advance Authorisation benefit (Saving of Import duty on imported inputs) since supplies to EOU can be considered for fulfilment of export obligation. Material prices can be negotiated with the supplier to EOU accordingly.
5	EOU - Local Procurement	<p>Procedure for procurement of goods by EOU from domestic supplies has been defined.</p> <ol style="list-style-type: none"> 1. EOU to give prior intimation in a prescribed proforma in "Form-A" <ol style="list-style-type: none"> a. To registered Supplier, b. Jurisdictional GST officer in charge of such registered supplier and c. Own Jurisdictional GST officer 2. Supplier to supply the goods on Tax Invoice 3. EOU to endorse the tax invoice and send a copy of the endorsed tax invoice to: <ol style="list-style-type: none"> a. To registered Supplier, b. Jurisdictional GST officer in charge of such registered supplier and 	CGST Circular No 14 dated 06.11.2017	<ol style="list-style-type: none"> 1. Discussion to be initiated with Suppliers for effective compliance and to decide who will claim the refund and PO terms to be defined accordingly 2. System to be set to generate Form A and Form B for local procurement 3. Process to be set for intimation and compliance

Sr. No.	Particulars	Update	Notification No./ Circular/Order No.	Author's Comments
		<p>c. Own Jurisdictional GST officer</p> <p>4. endorsed tax invoice will be considered as proof of deemed export supplies by the registered person to EOU</p> <p>5. EOU to maintain records of such deemed export supplies in digital form, based upon data elements contained in "Form-B.</p> <p>6. EOU to enter data accurately and immediately upon the goods being received in, utilized by or removed from the said unit</p> <p>7. Digital copy of Form - B containing transactions for the month, shall be provided to the jurisdictional GST officer, each month (by the 10th of month) in a CD or Pen drive</p>		
6	GST Registration	Service providers providing interstate supplies of services and having aggregate turnover upto Rs. 20 lacs or Rs. 10 lacs in case of special category states are exempted from obtaining GST registration	Notification 10/2017 dated 13.10.2017 - IGST	
7	GST on advance received for goods	Supplier of goods is not liable to pay tax on receipt of advance in case his aggregate turnover is below Rs. 1.50 Crore in preceding year or likely to be below said limit for newly registered person	Notification No. 40/2017 - Central Tax dated 13.10.2017	Registered Supplier of services is liable to pay tax even on advances received irrespective of amount of turnover but it is very difficult to ascertain the turnover of supplier who are exempted from payment of GST on advances having turnover less than Rs. 1.5 Cr in preceding year
8	Exemption for Purchases from un-registered dealer	Registered person need not to pay CGST and SGST on any supplies of goods or services received from unregistered person. This exemption effective from 13 October 2017 upto 31 March 2018	Notification 38/2017- Central Tax (Rate) dated 13.10.2017	No more compliance for GST on RCM purchases. There will be no outflow of cash on account of RCM and thereby, accumulation of credit will be lesser resulting into the less working capital requirement and application of refunds. Further, compliances on account of creating invoices on RCM is reduced.
9		Registered person need not to pay IGST on any interstate supplies of goods or services received from unregistered person. This exemption effective from 13 October 2017 upto 31 March 2018	Notification 32/2017 dated 13.10.2017 - IGST Rate	
10	Revised Date of GST Returns	<p>1. GSTR-2 of July 2017 = 30.11.2017</p> <p>2. GSTR-3 of July 2017 = 11.12.2017</p> <p>3. GST TRAN - 01 (Original and revised) = 30.11.2017</p>	<p>1. Notification No. 54/2017</p> <p>2. Notification No. 54/2017</p> <p>3. Order No. 07/2017 and Order no. 08/2017 - Central Tax</p>	Returns to be filed immediately without waiting till the last date

Sr. No.	Particulars	Update	Notification No./ Circular/Order No.	Author's Comments
		4. GST REG - 26 = 31.12.2017 5. GST ITC - 04 = 30.11.2017 6. GST CMP - 03 = 30.11.2017	4. Order No. 06/2017-Central Tax 5. Notification No. 53/2017 - Central Tax 6. Order No. 05/2017-Central Tax	
11	Refund of GST paid on Exports	Refund of GST paid on export has been started from 10.10.2017	–	Refund has been initiated on the basis of GST 3B as well GSTR1. This needs to be applied immediately.
12	DTA Sale	If Sale of finished goods / scrap/ by product / rejected goods is made in DTA in accordance with Para 6.8 of the Foreign Trade Policy then Basic Custom Duty forgone will have to be paid before clearance of the goods in DTA.	Notification No. 59/2017 Cusdtd. 30.06.2017	For making a DTA Sale under para 6.8 (a) to (m) of FTP then it is important to have standard input output norms fixed (SION) or Adhoc Norms to be fixed and based on such norms, Basic Customs Duty will have to be calculated on input contents on such goods and pay through GAR-7, Account Code 00370002 & Education Cess thereon 0037 00 66& Higher & Secondary Ed. Cess is 00370068to be deposited in the bank before effected in DTA Sale.

Notification No. 48/ 2017 & 49/2017 of Central Tax was issued for notifying the Deemed Exports and their entitlement of claiming refund of GST paid on inputs & capital goods. However, it is not applicable for input services.

Central Tax Officers have issued the Circular No. 14/ 2017 dtd. 6th November 2017 was issued so as to introduce the procedure of claiming refund. If refund of GST paid to be obtained by either supplier of EOU, STP, EHTP, BTP Units or such recipients will have to follow the described procedure of filing intimation in prescribed Form A to the Jurisdictional Central Tax Officers and also submit Form B on monthly basis. Further, tax invoice on which refund is required to be paid will have to be

endorsed by Central Tax Officers having Jurisdiction over such recipient EOU, STP, EHTP, BTP Units.

As a matter of fact, in the GST Era, it was envisaged that there is no interface of the GST Officers, but if refund has to be filed on such GST paid on inputs and capital goods then interface is unavoidable and it will add lot of hassles on account of bureaucracy and other facts, which need not to be written

It is advisable, to claim ITC on GST paid and export under the claim of refund on payment of output tax on exports. Medicine given by the govt. by way of setting such procedure is worse than the disease. Anyway, EOU, STP, EHTP, BTP Units will have to either arrange for higher working capital requirement or face the bureaucracy.

WIRC CEP REPORT

- WIRC organised CEP on Goods and Services Tax on 11th November 2017 at Borivli SMFC. Mr. Pratik Shah, Practising Experience on Direct & Indirect Taxation was the faculty.
- WIRC organised CEP on "Practical Aspects of Valuation" on 17th November 2017 at WIRC Office, Mumbai. CMA Dr. Rajkumar S. Adukia was the faculty. CMA Kailash Gandhi, Chairman WIRC was present on the occasion.
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Revenue is Means and not End

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The three major challenges that Activity based Management (ABM) concept helps to get insight into are

- Understanding profitability of products and customers
- Understanding the process costs and the drivers of those costs
- Understanding the resource utilization and planning resources for the future

Let us take the first challenge of understanding the Customer profitability. Whenever we use the word 'costing' it is always assumed that we are talking about 'product costing'. This assumption has always led us to take all the costs to the product (whichever methodology of costing you use). The obvious effect of this thinking is that we always calculate and talk about the profitability of products. And we almost ignore the fact that a product sold to different customers can bring different profits (even if the selling price is the same).

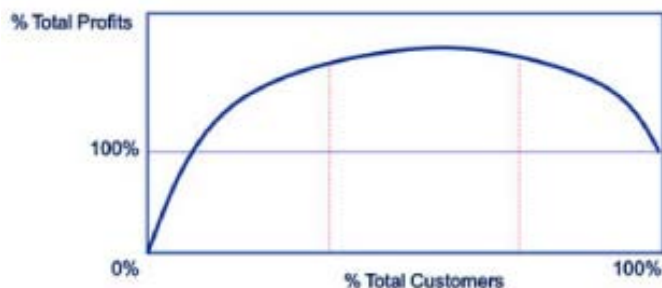
As a follower of ABM concept when we try to explain the prospects that the customer profitability is not the revenue less the 'total product cost', most of the time they fail to understand (at least initially). Customer profitability is 'revenue less cost to produce the product less cost to serve'.

As the product cost is assumed the same for all the customers, those customers who buy in more quantity and hence bring more revenue are supposed to be the more profitable customers. In this way revenue has become the most important 'Performance Indicator (PI)' for any sales person in most of the organizations. The performance incentive or commission is also based on the revenue not only for the sales employees but the partners for sales also.

On this background let us see the information that the ABM project can display with respect to customer profitability.

a)

Whale curve of cumulative profits



This is graph which plots the customers on the x-axis and the cumulative profitability on the y-axis. The typical scenario shows that, the top 12-15 % of the customers provide you the 100% of the profits you are getting today. Theoretically if you cater only these customers you will the same profit that you are getting today. The next observation is the first 35-40% of the customers take the profits to 350% of the profit. The middle 40% of the customers are almost 'no profit - no loss' and the last 20% of the customers who are practically loss making bring the 350% of the profits back to the 100% i.e. your current profits.

This graphical presentation helps the organization to understand their own profit potential and who are their top 20% of the customers as well as who

are bottom 20% of the customers.

b) 2x2 diagram for customer profitability

Once the organization has understood the 'who-is-where' from the whale



curve, it is natural for the organization is to think of taking actions. The graph shown above is one of the useful graphs for the same. In this graph, the information about the customers is plotted revenue v/s the profit. This type of analysis not only segregates the customers, but gives a possible action plan. To retain the customers in the 'high revenue-high profit' quadrant at any cost and moving in some other quadrant the customers from 'low revenue-low profit' area.

The typical reaction from the people is that if we cannot do anything about the last 20% of the customers or the customers in the 'low revenue-low profit' quadrant, what the use of the information is. You do not have to guess that these are people from the Finance function.

This information is not only for understanding who the worst are and the action is to be taken only for them. The other 80% of the customers in the first graph and the customers in the other 3 quadrants in the second graph are also important.

It is important to understand who your profitable or unprofitable customers are but also important to know why they are profitable or unprofitable. This helps the organization to focus on the type of customers to be acquired in future or retained. If you want to move the customers from unprofitable to profitable zone what is that you have to do. Even in case of the unprofitable customers it is not always taking them away. You can try to move them to move horizontally to 'high revenue' zone or vertically to 'high profitability' zone by taking various actions. If all the actions do not lead to the better performance it could be still good for your organizations to lose those customers as this will improve your profitability and possibly reduce the profitability of your competitors.

This view is not only taken by the Finance person, but by the Sales person as well and the main reason is that there is revenue coming from those customers. The Finance person can afford to say that if she cannot do anything with the unprofitable customers, there is no use of the information, but the CEO cannot say this. The purpose of a commercial enterprise is to earn a return on investment, not to generate sales. Any sales person that refuses to try to make his account a more profitable customer for the company should be made to walk the plank.



Effects of Recent Notification in GST

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On 15th November, 2017 the Central Government issued following 17 communications to give effect to certain decisions taken by the GST Council in its meeting held on 9th& 10th November.

Brief synopsis of these communications are as under

On 15th November, 2017 the Central Government issued following 17 communications to give effect to certain

decisions taken by the GST Council in its meeting held on 9th& 10th November.

Central Tax Notifications	-	Nos. 55 to 66 (12)
Integrated Tax Notification	-	No 12 (01)
GST circular	-	Nos. 16 & 17 (02)
Orders	-	Nos. 09 & 10 (02)

Following is a brief synopsis of these communications.

Sl. No.	Communi-cation type & Number	Purpose	Effect																		
1	Notification No. 55/2017 - Central	Amend-ment of CGST Rules, 2017	Supply of services having place of supply in Nepal or Bhutan payment for which is received in Indian Currency, though exempt from payment of IGST will not be counted as exempt supply for the purpose of computation of proportionate reversal of ITC attributable to exempt supplies. Issue of invoice where supplier of service is insurance or a banking company etc. (kind of clarificatory change) Allow manual filing and processing of various applications, intimations etc. Allow manual filing and processing of Advance Ruling applications Appointment of Appellate authority Office bearers of Anti profiteering authority																		
2	Notification No. 56/2017 - Central	Dates for FORM GSTR-3B	Last dates for filing of FORM GSTR-3B (summary return) prescribed for the months of January to March, 2018 <table border="1" style="margin-left: 20px;"> <tr> <td>1</td> <td>January, 2018</td> <td>20.02.2018</td> </tr> <tr> <td>2</td> <td>February, 2018</td> <td>20.03.2018</td> </tr> <tr> <td>3</td> <td>March, 2018</td> <td>20.04.2018</td> </tr> </table> <p>Earlier dates for the months of August to December, 2017 were prescribed vide Notification number 35/2017 - Central Tax dated on 15.09.2017</p> <p>GSTR-3B is to be filed by all taxpayers (other than composition levy taxpayers)</p> <p>Tax, interest etc. payable, if any, for respective months, also need to be paid by these dates.</p>	1	January, 2018	20.02.2018	2	February, 2018	20.03.2018	3	March, 2018	20.04.2018									
1	January, 2018	20.02.2018																			
2	February, 2018	20.03.2018																			
3	March, 2018	20.04.2018																			
3	Notification No. 57/2017 - Central	Dates for FORM GSTR-1	Provides for quarterly filing of FORM GSTR-1 (comprehensive details of outward supplies of goods or services) by the persons having aggregate turnover up to Rs. 1.5 crore p.a.. Also prescribes time period for the months of July, 2017 to March, 2018 for filing <table border="1" style="margin-left: 20px;"> <tr> <td>1</td> <td>July-September,2017</td> <td>31.12.2017</td> </tr> <tr> <td>2</td> <td>October-December, 2017</td> <td>15.02.2018</td> </tr> <tr> <td>3</td> <td>January-March, 2018</td> <td>30.04.2018</td> </tr> </table> <p>The notifications also says that dates for filing of FORM GSTR-2 and FORM GSTR-3 for the months of July, 2017 to March, 2018 shall be subsequently notified.</p> <p>The GST council has decided to suspend filing of these two forms for the time being, and the revised time limit is to be worked out by a Committee of Officers.</p>	1	July-September,2017	31.12.2017	2	October-December, 2017	15.02.2018	3	January-March, 2018	30.04.2018									
1	July-September,2017	31.12.2017																			
2	October-December, 2017	15.02.2018																			
3	January-March, 2018	30.04.2018																			
4	Notification No. 58/2017 - Central	Dates for FORM GSTR-1	Provides for dates for filing of FORM GSTR-1 (comprehensive details of outward supplies of goods or services) by the persons having aggregate turnover more than Rs. 1.5 crore p.a. <table border="1" style="margin-left: 20px;"> <tr> <td>1</td> <td>July-October,2017</td> <td>31.12.2017</td> </tr> <tr> <td>2</td> <td>November, 2017</td> <td>10.01.2018</td> </tr> <tr> <td>3</td> <td>December, 2017</td> <td>10.02.2018</td> </tr> <tr> <td>4</td> <td>January, 2018</td> <td>10.03.2018</td> </tr> <tr> <td>5</td> <td>February, 2018</td> <td>10.04.2018</td> </tr> <tr> <td>6</td> <td>March, 2018</td> <td>10.05.2018</td> </tr> </table>	1	July-October,2017	31.12.2017	2	November, 2017	10.01.2018	3	December, 2017	10.02.2018	4	January, 2018	10.03.2018	5	February, 2018	10.04.2018	6	March, 2018	10.05.2018
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6	March, 2018	10.05.2018																			

Sl. No.	Communi-cation type & Number	Purpose	Effect
			The notifications also says that dates for filing of FORM GSTR-2 and FORM GSTR-3 for the months of July, 2017 to March, 2018 shall be subsequently notified. The GST council has decided to suspend filing of these two forms for the time being, and the revised time limit is to be worked out by a Committee of Officers.
5	Notification No. 59/2017 - Central	Dates for FORM GSTR-4	Date for quarterly return for the quarter July to September, 2017 by persons opting for composition levy extended to 24.12.2017
6	Notification No. 60/2017 - Central	Dates for FORM GSTR-5	Date for return by non-resident taxable person for the months of July to October, 2017 extended to 11.12.2017
7	Notification No. 61/2017 - Central	Dates for FORM GSTR-5A	Date for furnishing details of online information and database access or retrieval services by a person located outside India made to non-taxable person in India for the months of July to October, 2017 extended to 15.12.2017
8	Notification No. 62/2017 - Central	Dates for FORM GSTR-6	Date for furnishing return by Input service distributor for the month of July 2017 extended to 31.12.2017. The notifications also says that dates for August to September, 2017 shall be subsequently notified.
9	Notification No. 63/2017 - Central	Dates for FORM GST ITC004	Date for furnishing details of goods/capital goods sent to job worker and received back for the months of July to September, 2017 extended to 31.12.2017.
10	Notification No. 64/2017 - Central	Waiver of late fees in respect of filing of returns	Limits late fees in respect of late filing of FORM GSTR-3B for the month of October, 2017 to Rs. 25 per day. Where no tax is payable, the late fees will be restricted to Rs. 10 per day. Earlier late fees in respect of late filing of FORM GSTR-3B for the month of July, 2017 was waived vide Notification number 28/2017 dated 01.09.2017 and for the months of August & September was waived vide Notification number 50/2017 dated 24.10.2017
11	Notification No. 65/2017 - Central	Exemption from registration to small taxpayers supplying services through e-commerce operators	Persons supplying services through e-commerce operator and having aggregate turnover up to 20 lakhs p.a. computed on all India basis (Rs. 10 lakhs for specified category States) are not required to seek registration. Earlier, every person supplying through e-commerce operator was compulsorily required to seek registration irrespective of turnover. This exemption is not available to aggregators [Notified u/s 9(5)] of -transport of passengers by a radio-taxi etc. -accommodations in hotels etc (where hotel is not liable for registration) - housekeeping services such as plumbing, carpenting (where service provider is not liable for registration) Refer Notification numbers 17/2017 dated 28.06.2017 and 23/2017 dated 22.08.2017
12	Notification No. 66/2017 - Central	Tax on advances for Goods	Abolishes requirement of payment of tax on receipt of advances for goods for all taxpayers. Earlier this was abolished for taxpayers having turnover less than Rs 1.5 crore vide Notification number 40/2017 dated 13.10.2017. Requirement of payment of tax on receipt of advances for services will continue.
13	Notification No. 12/2017 - Central	Determination of place of supply	Determination of place of supply of advertisement services provided to the Governments etc.
14	Notification No.16/16/2017 - GST	Clarifica-tion	In respect of -agricultural produce -availability of ITC in the hands of airlines -insurance services provided to Governments and provided by Governments
15	Circular No. 17/17/2017-GST	Manual filing and processing of refund claims	Lays down conditions and procedure for manual filing and processing of refund claims
16	Order No. 9/2017-GST	Date for FORM GST TRAN-1	Transitional ITC/Stock Statement date extended to 27.12.2017
17	Order No. 10/2017-GST	Date for FORM GST TRAN-1	Transitional ITC/Stock Statement revision date extended to 27.12.2017



Practical Approach of GSTR - II

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For filing GSTR 2, the given below question & answer will be useful. Similarly, for understanding GSTR-3B & GSTR-1. We have already published in our earlier Articles.

What is GSTR-2?

Every registered taxable person is required to give details of Inward Supply, i.e., purchases for a tax period in GSTR-2.

Why is GSTR-2 important?

GSTR-2 contains details of all the purchases transactions of a registered dealer for a month.

It will also include purchases on which reverse charge applies.

The GSTR-2 filed by a registered dealer is used by the government to check with the sellers' GSTR-1 for buyer-seller reconciliation.

What is buyer-seller reconciliation?

Buyer-seller reconciliation or invoice matching or is a process of matching taxable sales by the seller with the taxable purchases of the buyer.

It is vital because ITC on purchases will only be available if the details of purchases filed in GSTR-2 return of buyer matches with the details of sales filed in GSTR-1 of the

seller.

What happens if GSTR-2 is not filed?

If GSTR-2 return is not filed then the next return GSTR-3 cannot be filed. Hence, late filing of GST return will have a cascading effect leading to heavy fines and penalty.

What happens if GSTR-2 is filed late?

If you delay in filing, you will be liable to pay interest and a late fee.

Interest is 18% per annum. It has to be calculated by the tax payer on the amount of outstanding tax to be paid. Time period will be from the next day of filing to the date of payment.

Late fee is Rs. 100 per day per Act. So it is 100 under CGST & 100 under SGST. Total will be Rs. 200/day. Maximum is Rs. 5,000. There is no late fee on IGST.

How to revise GSTR 2?

GSTR 2 once filed cannot be revised. Any mistake made in the return can be revised in the next month's return. It means that if a mistake is made in September GSTR 2, rectification for the same can be made in October's GSTR 2.

Details to be provided in GSTR-2

The screenshot displays the GSTR-2 return filing interface. The main heading is "GSTR-2 - Invoice Details". Below this, there are several sections, each with a table of values:

- 3, 4A - Inward supplies received from Registered person including reverse charge supplies:**

TOTAL Taxable value	TOTAL TAX
00.00	00.00
TOTAL ITC Available	00.00
- 5 - Import of Inputs/Capital goods and Supplies received from SLZ:**

TOTAL Taxable value	TOTAL TAX
00.00	00.00
TOTAL ITC Available	00.00
- 4C - Import of service:**

TOTAL Taxable value	TOTAL TAX
00.00	00.00
TOTAL ITC Available	00.00
- 6C - Debit/Credit Notes for supplies from registered person:**

Differential value	Differential Tax
00.00	00.00
TOTAL ITC Available	00.00
- 4B - Inward supplies from an unregistered supplier:**

TOTAL Taxable value	TOTAL TAX
00.00	00.00
TOTAL ITC Available	00.00
- 6B - Debit Notes/Credit Notes for Unregistered Supplier:**

TOTAL Taxable value	TOTAL TAX
00.00	00.00
TOTAL ITC Available	00.00

At the bottom, there is a section for "GSTR-2 - Other Details".

There are 13 headings in GSTR-2 format prescribed by the government.

We have explained each heading along with the details required to be reported under GSTR-2.

3. Inward Supplies from Registered Taxable Person

Most of the purchases from a registered person will be

auto-populated in GSTR-2A filed by the seller. You have to import that invoices from GSTR-2A to GSTR-2.

It will have all details of type, rate and amount of GST, whether ITC is eligible, amount of ITC.

However, it will not contain purchases under reverse charge

Certain transactions may not be auto-populated because-

- Seller did not file GSTR-1
- Seller filed GSTR-1 but he missed the transaction

In either case, the buyer can manually add these transactions. The seller will get a notification to accept this addition/modification in his GSTR-1A return.

If the supply is received in more than one lot, the invoice must be reported in the return of the month in which the last lot is received and recorded in books of accounts.

How to Import Invoices from GSTR-2A to GSTR-2

When a seller files his GSTR-1, the information is captured in GSTR-2A. GSTR-2A is a purchase-related tax return that is automatically generated for each business by the GST portal.

It takes information from the seller's GSTR-1. You are required to verify (and amend) this return before filing in on GST Portal. Scroll down to the bottom of the GSTR-2 - Inward Supplies received by the Taxpayer page and click the GENERATE GSTR-2 SUMMARY button. This action will update the summary on the tiles and you will be able to view the number of auto-drafted invoices/ credit note / debit notes etc. on the tile.

It will have all details of type, rate and amount of GST, whether ITC is eligible, amount of ITC. You can edit, accept, delete or keep the invoices in pending state, which are added by the supplier.

Inward supplies on which tax is to be paid on reverse charge

Certain goods and services attract reverse charge, i.e., the buyer is liable to pay GST. A registered dealer purchasing more than Rs. 5,000 per day from an unregistered dealer is liable to pay reverse charge.

All purchases on which reverse charge applies, will be reported in this part.

4A. Under this head, all purchases on which reverse charge specifically apply by law must be mentioned. For example, purchasing cashew nuts from an agriculturist.

4B. This head will list the purchases from unregistered

dealer which exceed Rs. 5,000 per day from an unregistered dealer

4C. Under this head, reverse charge GST paid on import of service will be reported.

5. Inputs/Capital goods received from Overseas or from SEZ units on a Bill of Entry

Any kind of import of inputs (items used to manufacture finished goods) or capital goods received against a Bill of Entry must be reported under this head. Goods received from SEZ are also reported here.

- **5A. Imports:** Any kind of import of inputs (items used to manufacture finished goods) or capital goods received against a Bill of Entry will be reported here. Details of bills of entry, along with 6-digit port codes and 7-digit bill numbers must be mentioned.
- **5B. Received from SEZ:** Inputs or capital goods received from sellers in a SEZ will be reported here.

A taxpayer cannot revise any GST return once it is filed. Revision is possible only in the next month's return under this heading. The taxpayer can amend any detail of purchases of goods/services in earlier months. This information can be filled manually. Subsequently, the seller will also get a notification regarding this modification. The seller needs to accept this change in his GSTR-1A return.

4C. This head will contain all revisions of import goods/ services.

4B. This head will contain all Inward Supplies received from unregistered dealers.

6C. This head will contain all debit and credit notes issued to registered dealer.

6C. This head will contain all debit and credit notes issued to unregistered dealer.

The taxpayer must report all debit and credit notes issued with respect to purchases. Any debit/credit note issued under reverse charge mechanism will get auto-populated here from counter-party GSTR-1 and other applicable returns (e.g. GSTR-5 filed by NR).

GSTR-2 - Other Details

7 - Supplies from composition taxable person and other exempt/null rated/non GST supplies		10(I) - 10A - Advance amount paid for reverse charge supplies		10(I) - 10B - Adjustment of advance amount paid earlier for reverse charge supplies	
Composition value	Exempt value	Gross Advance Paid	Total Tax	Gross Advance Paid	Total Tax
₹0.00	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
Nil Rated value	Non GST value				
₹0.00	₹0.00				

13 - ISM summary of inward supplies		11 - Input Tax Credit Reversal/Reclaim		8 - ISD Credit received	
Total value	Total Taxable value	Total ITC Reversed		Tax Credit Received	Total ITC available
₹0.00	₹0.00	₹0.00		₹0.00	₹0.00
TOTAL tax amount					
₹0.00					

GENERATE GSTR-2 SUMMARY

7. Supplies received from composition taxable person and other exempt/Nil rated/Non-GST supplies received

This head will include purchases from composition dealer and other exempt/nil/non-GST supplies.

Non-GST supplies include items like petrol, diesel which are not covered under GST. Also, both inter-state and intra-state supplies need to be reported here.

10. Consolidated Statement of Advances paid/ Advance adjusted on account of receipt of supply

Any advance payment made during the month will appear here. If you paid advance tax on goods or services received during an earlier tax period, but only received the invoices this month, declare the details here.

Advance receipts issued under reverse charge are also covered here.

Normally the seller issues an advance receipt when he receives any advance payment. In case of purchases attracting reverse charge, the buyer must issue the advance receipt if he pays in advance.

Part I -

- This part will cover the advance amount paid for reverse charge supplies in the current month.
- It will also include the advances paid in earlier months against which invoices have been received in current month.
- The purchases will be broken up into inter-state and intra-state.

Part II will contain changes to above part I in relation to an earlier month.

TDS Credit Received - This section will only be applicable in case you engage in specified contracts with specified persons (usually government bodies). The receiver (government) will deduct a certain percentage of transaction value as Tax Deduction at Source. All information will get auto-populated here from GSTR-7 filed by the deductor.

TCS Credit Received - This heading is applicable for only online sellers registered with e-commerce operator. E-commerce operator is required to collect tax at source at the time of making payment to such sellers. This information will again be auto-populated from GSTR-8 of e-commerce operator.

11. Input Tax Credit Reversal / Reclaim

ITC can be availed only on goods and services for business purposes. If they are used for non-business (personal) purposes, or for making exempt supplies ITC cannot be claimed.

In this heading, the taxpayer must to fill in details of ITC that cannot be claimed during the month due to various ITC rules.

11A. This head will cover all input tax reversal for the current month. It will also include ITC reversal on account of exempt and personal supplies.

- Amount in terms of rule 37(2)** - ITC will be reversed for invoices which were not paid within 180 days of issue.
- Amount in terms of rule 39(1)(j)(ii)**- This is for ISDs. If a credit note was issued by the seller to the HO then the ITC subsequently reduced will be reversed.
- Amount in terms of rule 42(1)(m)** - This is for businesses which use inputs for both business and non-business (personal) purpose. ITC used in the portion of input goods/services used for personal purpose must be reversed proportionately.
- Amount in terms of rule 43(1)(h)** - This is similar to above except that it concerns capital goods.
- Amount in terms of rule 42 (2)(a)** - This is calculated after the annual return is furnished. If total ITC on inputs of exempted/non-business purpose is more than the ITC actually reversed during the year then the difference amount will be added to output liability. Interest will be applicable.
- Amount in terms of rule 42(2)(b)** - This is is the opposite of the above. If total ITC on inputs of exempted/non-business purpose is less than the ITC actually reversed during the year then the difference amount can be reclaimed as ITC.

13.HSN summary of inward supplies

This section requires a registered dealer to provide HSN wise summary of goods purchased. It will be entered by the taxpayer.

For More Details kindly find link-<https://www.gst.gov.in/help/helpmodules>

Notes- The article has been prepared considering all circulars /notices with respect to GST, and given views are owned & will not be responsible for any financial loss.

Truth resides in every human heart, and one has to search for it there and to be guided by truth as one sees it. But no one has a right to coerce others to act according to his own view of truth.

* * *

Freedom is not worth having if it does not connote freedom to err.

– Mahatma Gandhi



The changing face of financial services and the emerging fintech

CMA Dr. V. V. L. N. Sastry

Director, Firstcall India Investment Banking

Market places are networks or communities of individuals or organizations that are connected through transactions and transfers of value. Marketplaces are one of the spaces within the financial services industry that has undergone and is likely to continue to undergo many innovations and changes due to technical and financial innovation.

Understanding the history and current state of lending and funding in the marketplace provides the contextual information needed to understand how and why alternative methods of marketplace lending have developed.

Traditionally, marketplaces have mostly been one-sided. The traditional model of lending involves banks offering loans to individuals and organizations with capital acquired from others' deposits and investments. These loans are subject to underwriting and regulatory requirements such as being able to repay the loan and having a positive credit record, both of which are assessed in an application process facilitated by the traditional lender. Banks are responsible for the risk of offering individuals or organizations loans and, therefore, have stricter risk assessment policies and procedures than other alternative lenders.

These traditional methods of lending and funding pose several challenges to consumers who may be using these channels to raise funds. The rates banks offer to those who want to save money and those who want to borrow money differ significantly. There is a global trend where the average rate on savings is currently significantly low, even lower than inflation. Consumers also perceive the borrowing rate of traditional institutions to be high, and many consumers are therefore under the impression that they will end up paying more than they should. These challenges, combined with the increasing demands from consumers, are driving the creation of alternative funding and lending platforms.

New forms of marketplaces have been evolving, particularly platforms that facilitate crowdfunding and peer-to-peer lending. These alternative methods of marketplace lending have allowed for increased access to funding for new organizations and individuals with innovative ideas.

The internet, fintech, and the dawn of digital globalization have brought individuals and groups together through digital networks. These newly established networks and connections are being harnessed in the space of funding lead to diverse types of funding innovations, each of which uses the power of the crowd in a unique way.

Crowdfunding is a general term used to describe the process whereby financial capital is raised for innovative ideas and small organizations by crowdsourcing investors without the use of a traditional financial intermediary. The three types of crowdfunding include: rewards-based crowdfunding, equity-based crowdfunding, and peer-to-peer lending. One of the factors that sets crowdfunding apart is the model of financing used, which takes the motivations of funders into consideration.

Rewards-based crowdfunding or non-equity crowdfunding refers to the type of crowdfunding where organizations pre-sell a product or a service before it has launched. Investing does not result in equity for the investor, but instead they receive the product or service that the organization will offer.

These rewards-based crowdfunding campaigns often do not guarantee the success of the campaign. Therefore, investors are encouraged to see their investments as donations on which they may not receive returns. Rewards-based crowdfunding is not currently included in the scope of financial regulation and, for this reason, there is a lack of "security" on return on investment for crowd funders.

Equity-based crowdfunding functions similarly to rewards-based crowdfunding; however, in return for their investments, individuals receive equity in the new organization. Equity crowdfunding refers to the exchange of funding in return for equity in an organization.

Unlike rewards-based crowdfunding, equity-based crowdfunding, because of offering equity to investors, needs to guarantee some form of security and offer a return on investment. These return on investments can either be equity in the organization or a share in the revenue. Investing in equity-based crowdfunding campaigns also requires the investor to have the information needed to make a sound investment decision, like those made in the traditional investment sector.

Peer-to-peer lending, also referred to debt-based crowdfunding, involves utilizing platforms and technologies that make it possible for peers to lend capital to one another. Peer-to-peer lending, or debt-based crowdfunding, enables lending between individuals and groups.

Peer-to-peer platforms are not only being used by individual investors who wish to loan capital. The trend of an increasing number of institutional and professional investors entering the peer-to-peer lending market makes it more popular. These investors are using these platforms and networks to invest due to the ease of use and increased agency in investment choices.

These new platforms have allowed the creation of innovative marketplaces that connect those who need loans with those who want to offer capital. These networks benefit those who require loans as they are protected against the rigorous application process and discrimination that can potentially exist in the traditional lending space. Different lending platforms use different financial models, some of these may have minimal or no interest on loans, while others may use a model of forgivable loans that only need to be repaid if the project is successful. Although these models are advantageous for those who require loans, investors are not always protected by regulation.

Building technology and platforms that are based on cloud computing technologies allows users from anywhere in the world to access and use these platforms. Through keeping up with this demand from consumers, alternative lending service providers are likely to capture increased market share.

New methods in the space of funding and lending, particularly the use case of crowdfunding, has the potential to increase financial inclusion by providing access to capital to those who would otherwise not have. This increased ease of access may encourage innovation, as financial backing is no longer a barrier to entry. Despite the potential benefits of these new forms of funding and lending, challenges such as regulation, untested credit-scoring models, as well as limited access to technology will continue to be a challenge as this area grows.

These trends and future directions that allow for increased transparency and collective accountability of crowds has the potential to lead to social incentives and relationship building within the new digital networks.

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ACHIEVEMENTS



CMA (Dr.) Paresh Shah, (M/ 7386)

Co-chair the Technical Session on the theme of "Entrepreneurship, Industry Perspectives and Strategy" in International Conference On Management Cases" jointly arranged by George Masons University, Schar School of Policy and Government,

Virginia, USA and BIMTECH, India. The session has been chaired along with senior Prof. (Dr.) Päivi Eriksson, Professor of management in the Business School at the University of Eastern Finland Business : School: Aalto University and University of Tampere in Finland and also presented a case entitled "Financial Decision Making Strategy" in the theme of "Organization Decision Making" in International Conference on Management Cases".

* * * *

Chaired the Technical Session (sub-theme: Education, Health and Poverty Eradication) of NITI Aayog Sponsored National Conference on "Economic Transformation Agenda for Higher Sustainable Growth, Greater Empowerment and Better Quality of Life" (ETA-2017) at Aishwarya College of Education Sansthan, Udaipur Rajasthan.

Pune Central CEP Study Circle

Pune Central CEP Study Circle organized its 26th Program on 25th November 2017. The topic of the program was "How to prepare for examination of Insolvency and Bankruptcy Code 2016". CMA Sameer Gupte Convener offered welcome address to the members. CMA Varsha Limaye, speaker for the programme explained preparation required for the examination and shared her experience.

CMA Sameer Gupte Convener along with CMA Prashant Vaze of the Study Circle felicitated CMA Varsha Limaye and offered vote of thanks to the members for interactive discussions.



GST : Input Credit Tax (ITC)

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GST is one of the biggest Tax Reforms in India since its independence .One of the Key benefits from GST is removal a of the cascading tax effect.

Input Tax Credit is an integral part of the GST implementation and would say that Input Tax Credit (ITC) is the backbone of the GST.

According to Section 16 (1) of CGST Act, 2017 : Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

In other words ,Input Tax Credit under GST is a credit which is available to the supplier to set off the tax he has paid on the purchase of goods from output tax on the sale of such goods. Hence, the tax will levy on the value added which results in avoiding double taxation.

Input Tax in relation to a taxable person, means the tax charged on any supply of goods and/or services to him which are used in the course or furtherance of his business, but does not include the tax paid under the Composition.

Input tax includes the tax payable under the reverse charge .It includes taxes paid on input goods, input services and capital goods. Further, Credit of tax paid on capital goods is permitted to be availed in one instalment. If I-T depreciation claimed on tax portion then ITC not applicable.

Following conditions are to be satisfied by the registered taxable person for obtaining ITC:

- he is in possession of tax invoice or debit note or such other tax paying documents as may be prescribed;
- he has received the goods or services or both;
- the supplier has actually paid the tax charged in respect of the supply to the government; and
- he has furnished the return under section 39
- cannot take ITC in respect of any invoice or debit note for the supply of goods or services after the due date for furnishing the return under section 39 for the month of September following the end of the financial year
- the upper time limit for taking ITC is 20th October of the next FY or the date of filing of annual return whichever is earlier
- input tax credit shall not be allowed on the said tax component in respect of which depreciation has been claimed

According to Section 17(5) of CGST Act, 2017, there is a restriction on availing of input tax credit on following services supply and service :

- a) on motor vehicle and other conveyances;
- b) food and beverages,
- c) outdoor catering,
- d) beauty treatment,
- e) health services,

- f) cosmetic and plastic surgery except where such service or goods are used in the supply of the same category of goods or services, or composite or mixed supply;
- g) membership of club, health or fitness center,
- h) rent-a-cab,
- i) life insurance and health insurance except where obligatory under any law (to be notified by Govt) or such inward supply is used for the provision of outward supply in the same category;
- j) travel benefits extended to employees on vacation or LTC.,
- k) inputs use of which results in the formation of an immovable property (except plant and machinery),
- l) telecommunication towers,
- m) pipelines laid outside the factory premises, etc.;
- n) goods or service received for construction of immovable property other than plant and machinery i.e. foundation work etc. in respect of plant and machinery;
- o) goods or services on which tax is paid on composition scheme;
- p) goods or service received by the non-resident taxable person except on goods imported by him
- q) goods lost, stolen, destroyed or written off.
- r) goods given as gifts or free samples are also not allowed
- s) goods or services by a person for construction of immovable property, other than plant and machinery, is not allowed.
- t) motor vehicles can be availed only if the taxable person is in the business of transport of passengers or goods or is providing the services of imparting training on motor vehicles

How is Input Tax Credit Used?

Amount of credit available to the taxable person shall be credited to his 'electronic credit ledger' and is permitted to be utilized in the following order:

ITC has been received on account of CGST

1. It should first be used to pay CGST.
2. Then, any remaining amount should be used to pay IGST.
3. Note that you cannot use ITC of CGST to pay SGST.

ITC has been received on account of SGST

1. It should be used to pay SGST first.
2. Then, any remaining amount should be used to pay IGST.
3. Note that you cannot use ITC of SGST to pay CGST.

ITC has been received on account of IGST

1. It should be used to pay IGST first.
2. Then, any remaining amount should be used to pay CGST.
3. The last priority should be given to payment of SGST.

Conclusion : Success of any indirect taxation system is depends on minimum the cascading effect of taxes. Input Credit Tax is a vital area from GST perspective, which requires in-depth preparation. ■



Basics of Predatory Pricing

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Predatory pricing is the act of setting prices low in an attempt to eliminate the competition. It refers to the use of short-run price-cutting in an effort to exclude rivals on a basis other than efficiency in order to gain or protect market power. Predatory pricing, however, is a complex form of anticompetitive conduct. It requires the perpetrator to incur substantial losses or at least to forego present profits in the hope that those losses can be more than recouped in the future through the exercise of market power. Thus market conditions play a key role in determining whether price predation is a feasible tactic for a firm to employ. The predator must have a very substantial share of the market or at least the capacity to acquire such a share. In addition, entry conditions must be such that market power can be exercised for some period of time following a predatory episode in order to provide recoupment for the predator's "investment". To the extent that a predator mistakes market conditions his self-inflicted losses will not be regained and in this sense predation can be said to be self-detering

The traditional theory of predatory pricing is straightforward. The predator, already a dominant firm, sets its prices so low for a sufficient period of time that its competitors leave the market and others are deterred from entering. Assuming that the predator and its victims are equally efficient firms, this implies that the predator as well as its victims has incurred losses and that these losses are significant. For the predation to be rational, there must be some expectation that these present losses (or foregone profits), like any investment, will be made up by future gains. This in turn implies that the firm has some reasonable expectation of gaining exploitable market power following the predatory episode, and that profits of this later period will be sufficiently great to warrant incurring present losses or foregoing present profits. The theory also implies that some method exists for the predator to outlast its victim(s), whether through greater cash reserves, better financing or cross-subsidization from other markets or other products. In the short term, a price war can be beneficial for consumers because of the lower prices. In the long term, however, it is not beneficial as the company that wins a price war, effectively putting its competitor out of business, will have a monopoly where it can set whatever price it wants.

Tests to Determine Predatory Pricing

- **Areeda-Turner Test:** The Harvard law professors Areeda and Turner put forward the most influential test for analyzing allegations of predatory pricing which has widely been adopted by the US courts as a standard. "The test focuses on short-run costs and presumes prices to be predatory if they are below the short-run marginal costs of providing the product or service, unless it is higher than average total cost (ATC). Since marginal costs are difficult to determine, they are substituted with average variable cost (AVC) as a more practical proxy".
- **AVC & ATC Test :** Certain traditional tests such as the AVC (the non-fixed costs per unit of output) and ATC (the sum of all costs divided by output) have been criticized but are still in use because they are simple in application as compared to other costs tests. For example, AVC has been

advocated as a practical proxy for short run marginal cost, i.e. the change in cost incurred by producing one additional unit of output, which is argued to be the ideal cost measure but is unobtainable in practice. ATC, on the other hand, may be difficult to apply where there are important costs that are common across time periods and that can only be allocated arbitrarily. Several other jurisdictions consider and/or apply the average avoidable cost test, which focuses solely on the range of a firm's output that is alleged to be predatory in nature.

- **Structural Test :** This involves a two-tier approach where predatory pricing is alleged, the market structure is analyzed followed by an inquiry into the defendant's pricing conduct. In the first step, the market share of the alleged predator is analyzed to determine monopoly power, followed by an analysis of the entry barriers in the relevant market.
- **Recoupment Test :** This test assumes the occurrence of such pricing and test whether it is likely to succeed. Such a test aims to determine whether a company's predatory price action is likely to result in the elimination or deterrence of competition. And whether it can result in enough accumulation of supra-competitive profit for the recovery (recoupment) of losses sustained during the predatory attack. Predatory losses could be recovered by charging a price higher than the price that would have been charged in its absence.

Price wars are a fact of life-whether we're talking about the fast-paced world of "knowledge products," the marketing of Internet appliances, or the staid, traditional business of aluminum castings. If you are not in battle currently, you probably will be fairly soon, so it's never too early to prepare. Price wars are becoming more common because managers tend to view a price change as an easy, quick, and reversible action.

Defenses of Predatory Pricing

Legitimate business justifications (LBJ) are used as a defence against an alleged predatory pricing case. LBJ exists when behavior, which fails predatory pricing tests, is defended as justifiable because of special circumstances that render the conduct reasonable. A wide variety of circumstances constitute LBJ, which are discussed below.

- **Product introduction** Entry into a market or establishing a new brand does result in companies charging prices, which are at times below cost prices. Such pricing is rational when price does not remain below cost for long enough to harm competition, provided that promotional pricing does not occur regularly.
- **Loss leading** A company in order to allure its customers to buy additional products may price one or more of its product below cost. This is known as loss leader strategy. For example, a grocery store may offer orange juices at a lower price to lure the customers to enter the shop who are then likely to buy other higher margin items along with the orange juices.
- **Obsolete inventory** Sometimes pricing below cost is

necessary to clear out older products and make space for new products.

Legal remedies against Predatory pricing

Competition Law does not approve of such a pricing policy. Explanation (b) to Section 4 of the Competition Act defines "predatory price" as the sale of goods or provision of services, at a price which is below the cost, as may be determined by regulations, of production of the goods or provision of services, with a view to reducing competition or eliminating the competitors.

Dominant undertaking

The Competition Law provides that any conduct in a market by an undertaking, which amounts to the abuse of its dominant position, and which may affect trade in India is prohibited by the said Act and may be subjected to consequential penalties as prescribed by the Act.

Thus, there is a two-stage test:

- (1) whether an undertaking is dominant in a relevant market; and,
- (2) if so, whether it is abusing that dominant position. The prohibition is only on the abuse of the dominant position, not the position itself.

The Competition Commission set up under the Competition Act would find an undertaking's behavior an abuse after a detailed examination of the market concerned and the effects of the undertaking's conduct. An undertaking may be dominant if commands a substantial share of the market. The essence of dominance is the power to behave independently of competitive pressures.

Closer scrutiny of the judgements shows that India's competition law (Competition Act, 2002), which governs CCI's decisions, is itself deeply flawed. It's a typical case of the regulator being behind the curve. Because of loopholes in the law, many companies have been acquitted on technical grounds. In a glaring omission, the clause proscribing predatory pricing has been mentioned under Section 4, titled 'Abuse of dominant position'. This means that anyone indulging in it can only be found guilty when the player is already dominant in the concerned market. One of CCI's judgements is telling - "Since OP Group (Uber) doesn't seem to be dominant, there is no need to go into the examination of OP Group's conduct in such relevant market."

Note that the issue of predatory pricing has not even been touched upon because Uber isn't dominant yet. It seems the regulator is content to wait till these players occupy a dominant market share through cheating, after which it might be too late. Worse, CCI's decisions show that the sole determinant of dominance is market share. In most countries, as in India, outdated competition laws ignore critical factors such as the deep pockets that help companies acquire market dominance by undercutting bigger competitors through eye-popping losses. Both market share and deep pockets must be factored in while determining market dominance, so that beginners can have some leeway, but not to the extent of cheating.

Defying logic, CCI has held that app-based taxis and auto-rickshaws are different markets, which means the latter have no protection against predatory pricing. This omission can't even be blamed on the law, which duly states that products/services that are "perceived to be substitutable by consumer by reason of their basic characteristics, intended end-use, price etc." form part of the same market. The only thing that differentiates auto-rickshaws from taxis is their cheaper cost, although not when those are run by Ola and Uber. It's natural to choose air-conditioned cabs over autos, when the former's fares are cheaper. The autos, and related jobs, will come under

more fire as smartphones and cab companies proliferate. In the exceptional case where Ola is still being investigated, it was found to have a dominant market share in the concerned geography, Chennai. While CCI declined to rule against Ola, there was a strongly dissenting opinion given by one member. It said, "the behavior of the Opposite Party (Ola)... is a clear pointer to predatory intent since no other rational explanation can be attached to its behavior."

The Indian Telecom in the past 6 months has witnessed a turmoil, which was caused by a new entrant in the telecom market by the name of "Jio", a product of the conglomerate of Reliance Group of Industries. The services under the offer which was first launched as an "employee-only" offer (i.e. Unlimited Calling for life and Unlimited Data Benefit) were made open to the general public which this resulted in the torrent and surge of the masses to avail the proposed benefits. From what was already prognosticated not only did the move trigger profusion of clientele, but also instilled the rivals with a sense of fierce competition. This further resulted in multifold reduction in the prices of the services of all other leading service providers which then painted this insurgence of competition as an act of intentional sabotage. Though the allegations can't be discarded as foul cry, but the consumer centric market has welcomed the new entrant and the competition with open hands which further makes it difficult for others to form a basis of competition. Despite repeated denials by the Reliance Group of Industries about the "Predatory Pricing" & being a dominant player in the market, the conglomerate has surely affected the Indian telecom sector and the major players, left right and centre; it would be worth waiting to understand the course of events which follow.

Conclusion

Predatory pricing is a serious threat to competition and consumer welfare that requires serious scrutiny from competition agencies and courts across the globe. Caution needs to be exercised by competition agencies while analyzing predatory pricing cases, otherwise they may discourage welfare-enhancing competitive behavior. In the event of a competition authority is looking for evidence that an alleged predator intended to adopt a predatory pricing strategy, the following factors are to be considered to determine the intent:

o That the below price cuts are targeted at rivals: In this case, for example, if a firm operates in several geographic markets but implements price cuts in only one of the markets in which it faces competition, then that behavior is consistent with predatory intent. However, if it decreases its prices in all the geographic market, then it suggests a more harmless reason for lower prices, and since the firm's costs have declined it is legitimately adjusting its prices to maximize profits.

- That attempts are made to acquire the target company: If the alleged predator had tried to acquire its rivals firms in the past, or is trying to do so while the alleged predation is on, then this may be the indication of a predatory intent. Having failed to acquire its rival firm, perhaps by a merger, it might do so using a predatory pricing strategy.
- Those moves are directed towards predatory intent: The other strategic moves like timing, duration and extent of price cuts by the alleged predator would help to establish predatory intent.

Thus if a predatory intent is established, tests need to be undertaken to determine predatory pricing allegations. The most practical and workable test would be the two-tier test that includes screening the market structure which would show that predatory pricing is likely to occur, including aspects of dominance and barriers to entry. Only cases in which affirmative findings are made should pass on the second test, i.e. the courts would then need to decide on a cost based test. ■



Gist of recent GST Notification

CMA Minal Sonaje

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Topics Covered:

- Relevant Notifications / Circulars / Orders to Implement Decisions taken in 23rd GST Council Meeting 10th November, 2017
- Deemed Export
- Process for Manual filing of Refund

Sl. No.	CGST NOTIFICATION NO.	GIST OF NOTIFICATION
1	(All Notifications dated 15.11.2017) 55/2017	Seeks to amend CGST Rules, 2017 on following aspects: i) Value of supply of services having place of supply in Nepal or Bhutan made in Indian Rupees to be included in the value of exempt supply for calculating ITC reversal. ii) Insurer or a banking company or a financial institution may issue consolidated invoice as against earlier provision where it was mandatory to issue consolidated invoice. iii) Manual filing and processing of refund application enabled. Form RFD - 01 A prescribed for making application. Order to be passed in Form RFD - 01 B iv) Appointment of appellate authority.
2	56/2017	Notifies last date for filing of return in FORM GSTR-3B for months - Jan, Feb & Mar 2018. Payment of tax also to be done by such dates.
3	57/2017	Notifies due dates for furnishing quarterly GSTR - 1 for tax payers having aggregate turnover upto 1.5 crores in previous FY or current FY. Special procedure or extension of the time limit for furnishing GSTR -2 to be notified separately.
4	58/2017	Notifies due dates for furnishing monthly GSTR - 1 for tax payers having aggregate turnover more than 1.5 crores in previous FY or current FY. Special procedure or extension of the time limit for furnishing GSTR -2 to be notified separately.
5	59/2017	Notifies new time limit to furnish GSTR - 4 by a composition supplier for the quarter July to September, 2017 till 24th day of December, 2017.
6	60/2017	Notifies revised time limit for filing GSTR - 5 by a non-resident taxable person.
7	61/2017	Notifies revised time limit for filing GSTR - 5A by a person supplying online information and database access or retrieval services from a place outside India to a non-taxable online recipient.
8	62/2017	Notifies revised time limit for filing GSTR - 6 by ISD for July 2017 till 31st December, 2017.
9	63/2017	Notifies revised time limit for filing ITC - 04 in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another for the quarter July to September, 2017 till the 31st day of December, 2017.
10	64/2017	Notifies waiver of late fees for failure to furnish GSTR - 3B within due dates from October onwards in excess of INR 25/day. In case CGST payable is NIL, late fees shall be INR 10/day. Hence total late fees for October GSTR - 3B and afterwards shall be INR 50/day and in case of NIL liability it shall be INR 20/day
11	65/2017	Persons making supplies of services, other than through E-commerce operator who is required to collect tax at source, and having aggregate turnover not exceeding INR 20 lakhs is exempt from obtaining the registration. For special category States other than J & K, such limit shall be INR 10 lakhs. Hence even an inter-state supplier of services below the threshold is exempt from obtaining the registration.
12	66/2017	Registered person, other than composition supplier, is required to pay tax only at the time of issuing the invoice in respect of supply of goods. Tax not required to be paid on advance. Said benefit is available only in respect of supply of goods and not in respect of supply of services (e.g. works contract)

Sl. No.	CGST NOTIFICATION NO.	GIST OF NOTIFICATION
13	Order No. 9/2017-GST	Seeks to extend the time limit for filing original TRAN - 1 to 27th December 2017
14	Order No. 10/2017-GST	Seeks to extend the time limit for filing revised TRAN - 1 to 27th December 2017
15	Circular No. 16/16/2017-GST	Clarifications regarding applicability of GST and availability of ITC in respect of certain services

GST Rates Reduction... Relief to many sectors....


MINISTRY OF FINANCE


RATES CUT ON 211 ITEMS

GST made Good and Simple

23RD
 GST COUNCIL
 MEETING


28% to 18%

Wires, cables and other electrical fittings, wooden articles including fibre boards and plywood, furniture, mattresses, bedding, suitcases, detergents, skin washing cream or liquid, shampoo, razor blades, fans, pumps, compressors, musical instruments, chocolates




18% to 12%

Condensed Milk, Pasta, curry Paste, Printing Ink, Spectacle Frames, Bamboo furniture, Medicinal Grade Oxygen, Handbags




18% to 5%

Puffed Rice chikki, Chutney Powder, Fly ash, Flour of potatoes




12% to 5%

Desiccated Coconut, Idli-Dosa Batter, Narrow woven fabric including newar, Finished Leather, Worn clothes



5% to Nil

Frozen/dried Fish, Khandsari Sugar, Guar meal, Dried vegetables like sweet potato, Hop cone



Concept of Deemed Export in GST

What are deemed exports?

Deemed exports refer to supplies wherein the goods do not actually leave India but the supplies are designated as exports. What kinds of supplies are designated as deemed exports?

- Supply of goods by a registered person against Advance Authorisation;
- Supply of capital goods by a registered person against Export Promotion Capital Goods Authorisation;
- Supply of goods by a registered person to Export Oriented Unit;
- Supply of gold by a bank or Public? Sector Undertaking specified in the notification No. 50/2017? Customs, dated the 30th June 2017 (as amended) against Advance Authorisation

What are the benefits provided for such deemed exports?

- Refunds are allowed of the GST paid on deemed exports. Typically, such refund is to be filed in RFD01 by the recipient of the supply.
- However, supplier can also file the refund provided:
 1. recipient does not avail of input tax credit on such supplies; and

2. recipient furnishes an undertaking to the effect that the supplier may claim the refund.

What are the prescribed documents / evidences required for filing the refund claim by a supplier?

- For Supplies against Advance Authorisation and EPCG Scheme:

Acknowledgment from jurisdictional officer of Advance Authorisation holder or EPCG holder that deemed export supplies have been received.
- For Supplies against EOU Scheme: Duly endorsed tax invoice (under which supply was made) by EOU recipient that supplies have been received;
- For All deemed export supplies:
 1. Undertaking from recipient that no input tax credit on such supplies have been availed by it;
 2. Undertaking from recipient that it will not seek refund in respect of such supplies and the supplier may claim therefund.

Procedure for Supplies for EOU/ EHTP/ STP/ BTP

Circular No. 14/14 /2017 - GST dated 6th november,2017 was issued detailing the procedure for such supplies, same is as under:

- (i) The recipient EOU / EHTP / STP / BTP unit shall give prior intimation in a prescribed Proforma in "Form-A" (attached with this mail) bearing a running serial number containing the goods to be procured, as pre-approved by the Development Commissioner and the details of the supplier before such deemed export supplies are made. The said intimation shall be given to -
- (a) the registered supplier;
- (b) the jurisdictional GST officer in charge of such registered supplier; and
- (c) its jurisdictional GST officer.
- (ii) The registered supplier thereafter will supply goods under tax invoice to the recipient EOU / EHTP / STP / BTP unit.
- (iii) On receipt of such supplies, the EOU / EHTP / STP / BTP unit shall endorse the tax invoice and send a copy of the endorsed tax invoice to -
- (a) the registered supplier;
- (b) the jurisdictional GST officer in charge of such registered supplier; and
- (c) its jurisdictional GST officer.
- (iv) The endorsed tax invoice will be considered as proof of deemed export supplies by the registered person to EOU / EHTP / STP / BTP unit.
- (v) The recipient EOU / EHTP / STP / BTP unit shall maintain records of such deemed export supplies in digital form, based upon data elements contained in "Form-B" (attached with this mail).

The software for maintenance of digital records shall

incorporate the feature of audit trail. While the data elements contained in the Form-B are mandatory, the recipient units will be free to add or continue with any additional data fields, as per their commercial requirements.

All recipient units are required to enter data accurately and immediately upon the goods being received in, utilized by or removed from the said unit. The digital records should be kept updated, accurate, complete and available at the said unit at all times for verification by the proper officer, whenever required.

A digital copy of Form - B containing transactions for the month, shall be provided to the jurisdictional GST officer, each month (by the 10th of month) in a CD or Pen drive, as convenient to the said unit.

Manual Filing of Refund Claims

Circular No. 17/17/2017 - GST dated 15.11.2017 Government vide Notification No. 55/2017 - Central Tax dated 15th November 2017, has allowed manual filing as well as processing of refund claims.

Form GST - RFD - 01A has been prescribed for filing the refund claim. It must be noted that manual filing for all kinds of refund other than refund of IGST paid on export of goods is allowed. In case of refund of IGST paid on export of goods, shipping bill is considered as application and hence manual filing of claim is not required nor permitted.

Guidelines for manual processing of other refund claims viz. refund of deemed exports; refund on account of inverted rate structure etc. will be issued in future

Process of filing of refund claim in various situations:

Category of Refund	Process of filing Refund claim
Export of goods with payment of IGST	Details will be mentioned in Table 6A of GSTR-1. No separate manual submission required as shipping bill itself will be treated as application of refund
Export of services with payment of IGST	File FORM GST RFD - 01A manually with the jurisdictional GST officer along with documentary evidences
Supply of goods and /or services made to SEZ/SEZ developers with payment of IGST	File FORM GST RFD - 01A manually with the jurisdictional GST officer along with documentary evidences
Zero rated supplies of goods or services made without payment of GST (Refund of Accumulated ITC)	File FORM GST RFD - 01A on the common portal. After filing of the said Form; electronic credit ledger will be debited. The printout of the said Form with necessary evidences needs to be submitted manually with the jurisdictional GST officer.
Duty paid in case of supplies covered under deemed export	Refund procedure will be notified soon.
Refund of duties in case of inverted duty structure	Refund procedure will be notified soon.

Important aspects for refund claim:

1. Refund claim to be filed with the jurisdictional tax authority to which the taxpayer has been assigned as per the administrative order. If no order has been issued, the registered person is at liberty to apply for refund before the Central Tax Authority or State Tax Authority till the administrative mechanism for assigning of taxpayers to respective authority is implemented. However, in the latter case, an undertaking is required to be submitted stating that the claim for sanction of refund has been made to only one of the authorities.
2. Acknowledgement of filing the refund claim in FORM GST

RFD-02 shall be issued within 15 days from the date of filing of the application if all the documents are available.

3. The proper officer, after scrutiny of the claim and the evidence submitted in support thereof and on being prima facie satisfied that the amount claimed as refund is due shall make an order in FORM GST RFD-04, sanctioning the amount of refund due to the said applicant on a provisional basis within a period not exceeding seven days from the date of the acknowledgement.
4. After the sanction of provisional refund, the claim shall be processed and the final order issued within sixty days of the date of receipt of the complete application form. ■

CHAPTER NEWS

AHMEDABAD

Campus Placement

Chapter had organized Campus Placement on 10/11/2017 and 13/11/2017 at Chapter office. Prof. CMA S S Shah, Chairman-Training & Placement Committee welcomed representatives of organizations. Office Bearers of Ahmedabad Chapter felicitated them. Prof. CMA S S Shah, CMA Ashish Bhavsar-Chairman, CMA K M Mehta-Vice Chairman, CMA P. H. Desai-RCM WIRC, CMA Vinod Savalia-Immediate Past Chairman of Chapter and CMA Haren Bhatt-Secretary brief about the objective of Campus Placement Program.

Companies Participated

Astral Polytechnik Ltd.
Sahjanand Laser Technology Pvt. Ltd.
Diligent Tech India Pvt. Ltd.
Care Ratings Ltd.
Tata Motors Ltd.
K J Mehta - Practicing Cost Accountant

28 Students participated in Campus and out of them 10 students got selected. CMA Haren Bhatt, Secretary proposed vote of thanks.

CEP on Competition Law - Cartel Enforcement and Leniency

Chapter had organized CEP on 11/11/2017 at Ahmedabad Management Association, Vastrapur. CMA Ashish Bhavsar, Chairman of Chapter gave welcome speech. CMA P.H. Desai, RCM-WIRC felicitate faculty by offering bouquet and memento and gave brief about program theme. Shri Nandankumar, Jt. Director of Competition Commissioner of India, Delhi (Speaker) had enlighten every aspects of Competition Law. He also advised CMA to focus on this law for practice. The whole program including questions/answer session was very interactive and found useful to the participant. More than 28 members and students participated in the program. CMA Haren Bhatt, Secretary proposed vote of thanks.

NASIK-OJHAR

Career Counselling Programme

Chapter has organised Career Counselling Programme on 11th September, 2017 at Arts Commerce and Science College, Nandgaon Dist. Nasik. CMA Suraj Lahoti, Treasurer of Nasik Ojhar Chapter given the details of Institute as well as information about new syllabus to the students. He explained not only about the CMA Course but also the information about the moral aspects in order to pursue the desired professional course. The feedback of the students was very well. 68 students attended the program.

Investors Awareness Programme

Chapter organised Investor Awareness Programme on 25th November 2017 at IMA Hall, Shalimar, Nashik.

CMA Swapnil Kharade, who gave a good direction and explained how investment is to be done and also cleared all the doubts of the audience. After this lecture, attendees got conceptual clarity about the capital market & many of them showed interest in investment.

The program received good response and also we received many requests for more sessions on investment.

NAVI MUMBAI

CEP on GST Practical Aspects - Implementation & Amendments

Chapter conducted a CEP on "GST Practical Aspects - Implementation & Amendments" on November 19, 2017 at K. B. Patil College, Vashi. The speaker for this event was CMA R.K. Rathi, General Manager - Indirect Tax, Reliance Industries. CMA Vivek Bhalerao introduced the speaker to the audience and the programme commenced with the speaker emphasising on the various practical issues faced by the industries post implementation of GST & the impact of periodic amendments that have taken place since 1st July 2017.

The speaker decoded the provisions of Input Tax Credit (ITC) under GST Law and provided a deep insight on the eligibility of ITC for various assesses and also reviewed the methodology for availing ITC in special circumstances governed by Sections 18(1) to 18(5) and ITC in respect of inputs & capital goods sent for job work covered by Section 19(1) to 19(7). A large number of professionals participated in the programme. The interactive workshop came to an end with the speaker being felicitated by CMA Sushant Ghadge, Treasurer of the Chapter and the vote of thanks being proposed by CMA Ajay Mohan.

Investors' Awareness Programme

Chapter conducted "Investors' Awareness Programme" on November 26, 2017 at K.B. Patil College, Vashi. Dr D.B. Bhanagade, an eminent speaker and doyen in the Indian industry was the faculty. He reviewed Financial Literacy in India and the awareness of Financial Savings among Indians. The speaker examined the advantages of financial education and emphasised that investment in the appropriate asset is important for maximising wealth.

A large number of professionals & students participated in the programme. The interactive workshop came to an end with the speaker being felicitated by CMA Vaidyanathan Iyer, Secretary of the Chapter and the vote of thanks being proposed by CMA B N Sapkal.

Vigilance Awareness Week (VAW)

Chapter observed a "Vigilance Awareness Week (VAW)" in November 2017 at Karmaveer Bhaurao Patil College, Vashi, as part of the directions issued by the Central Vigilance Commission (CVC) through ICAI HQ. The theme of this year's VAW was "My Vision-Corruption Free India". The secretary of the chapter CMA Vaidyanathan Iyer facilitated the event along with Treasurer CMA Sushant Ghadge and MC members. The Integrity pledge was then undertaken by the members and students who attended this programme. The interactive Workshop came to an end with the vote of thanks proposed by CMA L Prakash, Chairman of the Chapter.

PIMPRI-CHINCHWAD-AKURDI

Investor Awareness Programme held on 11th Nov. 2017

Chapter on behalf of The ICAI - WIRC, had conducted Investor Awareness programme for the benefit of members, staff and general public on Saturday, November 11, 2017 at CMA Bhawan, Pimpri. CMA Pradeep Deshpande, Secretary, of the Chapter gave introduction of the guest speaker CMA Arvind Paranjape and welcomed all the participants to the seminar. CMA Mahendra Bhombe, Chairman, of Chapter and CMA L D Pawar, RCM & Vice-Chairman WIRC felicitated CMA Arvind

Paranjape by offering a memento. CMA Paranjape conducted lecture on "Prosperity through Mutual Funds". He focused on what is Mutual Fund and how people can start with financial planning. He explained to the audience the basics of investing and how being a regular investor is beneficial to the common man. The seminar was interactive and well received by the audience.

Seminar on 'GST - Recent Changes' held on 18th Nov. 2017.

CMA MahendraBhombe, Chairman of Chapter and CMA L D Pawar, RCM & Vice-Chairman, WIRC were the faculties of the seminar. CMA Mahendra Bhombe in his speech focused recent changes in GST in the 23rd Meeting of GST Council of Government of India. He covered the topic GST Returns, GST Returns Due Date, GST Late Fees, RCM under GST, Export Procedure and Scope of supply of Services etc. CMA L D Pawar guided the audience on recent changes in GST and has given some live examples on it.

Students Industrial Visit on 18th Nov. 2017

In view of the industry awareness and campus placement for Intermediate and Final students in industries, The ICAI-Pimpri-Chinchwad-Akurdi Chapter organised Industrial visit on Saturday, November 18, 2017 at PRISM Technology Pvt Ltd, TalegaonDabhade. The visit was coordinated by CMA Deepak Borse, member of PCA Chapter.

Motivational lecture for CMA Student on 27th Nov. 2017

Chapter conducted motivational lecture on "How to Crack the Exam in first Attempt" on Monday, November 27, 2017 at CMA Bhawan. The motivational lecture was delivered by CMA Mahendra Bhombe, Chairman, The ICAI - PCA Chapter and Dr. Neeta Parate, President of International Association Industry Institute Interface (IAI3), Founder CEO, Neeta Training & Consultancy Services & Executive Director of IFISE (for student empowerment).

More than 80 students from Foundation, Intermediate and Final were attended the program.

PUNE

CEP on the topic "GST Return filling - Experience sharing and expert advice"

Speakers for the programme were CMA Dr. Sanjay Bhargave, CMA N. K. Nimkar, CMA Rahul Pore, CMA Sanjay Deshpande and CMA Navnath Nalawade. CMA Chaitanya Mohrir, Treasurer, Chapter introduced the speakers and welcome the members.

Large number of members attended the programme. Session was very fruitful and members were satisfied on the topic. The Programme ended with questions and answer session.

Felicitation of Co-Chancellor

On be-half of Pune Chapter CMA Meena Vaidya-Chairperson and CMA Amit Shahane-Secretary Chapter felicitated the newly appointed Co-Chancellor of Savitribai Phule Pune University Dr. N. S. Umrani on 20th November 2017 in University premises.

CMA Meena Vaidya and CMA Amit Shahane thanked and expressed the gratitude to Dr. Umrani for his valuable support from time to time to CMA Professionals and his keen interest in the chapter activities carried out in the interest of the

students. They wished him good luck in all his future ventures as a Co-Chancellor of SPPU.

Seminar on GST at Kaveri College (Karnataka College) Erandwana, Pune.

On 29th November.2017, Commerce Dept. of Kaveri Institute of Arts, Science and Commerce in association with Savitribai Phule University of Pune under the QIP of the University, conducted a full day state level seminar on 'GST-Law, Awareness and Accounting'. CMA Meena Vaidya, Chairperson and CMA Amit Shahane, Secretary were special invitees for the inaugural function. The organizers felicitated and thanked them for gracing the occasion.

SOLAPUR

CEP on Role and Opportunities to CMA in Insolvency and Bankruptcy Code 2016.

Chapter had organized a CEP on "Role and Opportunities to CMA in Insolvency and Bankruptcy Code 2016" on 18th November 2017. The speaker for this seminar was CMA Raghavendra Chilweri, Practicing Cost Accountant and qualified Insolvency Professional.

CMA Murali S. Iyengar, Treasurer of Chapter introduced the speaker and he was felicitated by CMA N. K. Alwal, Chairman of Chapter. The speaker explained in detail about the Code and its applicability to various entities viz., Companies, LLPs, Partnership and Individuals. He also explained the circumstances due to which the formulation and implementation of the code became necessary.

CMA Shriniwas Diddi, Vice Chairman of the Chapter proposed the vote of thanks.

SURAT

Observance of Restriya Ekta Diwas

Chapter organized programme on 31st October 2017 at Chapter Office. CMA Amish Parmar, Secretary and CMA Nanty Shah, Treasurer of the Chapter conducted the programme with students, faculties, staff and other members of the Chapter. CMA Nanty Shah administered the pledge along with office staff. The programme was followed by a collective singing of the National Anthem.

CEP on "Over view of Product Costing through SAP"

Chapter arranged a CEP on "Over view of Product Costing through SAP" on 23/11/2017 at Chapter Office. CMA Dr. Heena Suni Oza, Chairperson welcome the eminent speaker CMA Neeraj Joshi, RCM WIRC. CMA Neeraj Joshi explained in detail the basic elements and factors of CO Module and process involved in deriving at product costing through SAP. CMA Nanty Shah, Treasurer of the Chapter proposed formal vote of thanks. Around 45 members including senior members from industries and final students were present.

Practitioners Meet

Practitioners Meet was arranged at Chapters Office on 18/11/2017. CMA Dr. Heena Oza, Chairperson welcome all PCA of Surat. They all talked about increasing a liaison with Local Authority and promote and encourage young members through PCA's client companies to give an opportunity to serve them. CMA Amish Parmar, Secretary, CMA Nanty Shah, Treasurer and CMA Deepali Lakdawala, Jt. Secretary were also present in the PCA's Meet.



Prof. CMA S. S. Shah welcoming Company Representatives during Campus Placement organized by Ahmedabad Chapter.



CMA P. H. Desai, RCM-WIRC felicitating faculty Shri Nandankumar during CEP organized by Ahmedabad Chapter on 11th November 2017.



CMA Bhushan Pagere, Treasurer felicitating CMA Swapnil Kharade during Investor Awareness Programme organized by Nasik-Ojhar Chapter



CMAs Sanjay Deshpande, Rahul Pore, Dr. Sanjay Bhargave, N. K. Nimkar and Navnath Nalawade during CEP organized by Pune Chapter on 18th Nov. 2017.



Dr. D. B. Bhanade being felicitated by CMA Vaidyanathan Iyer during Investors Awareness Programme organized by Navi Mumbai Chapter on 26th November 2017.



CMA Rajendra Rathi speaking during CEP on "GST - Practical aspects" conducted by Navi Mumbai Chapter on 19th November 2017.



CMA Mahendra Bhombe and CMA L. D. Pawar, RCM & Vice-Chairman, WIRC felicitating speaker CMA Arvind Paranjape during Investor Awareness Programme organized by Pimpri-Chinchwad-Akurdi on 11th November 2017



Industrial Visit at PRISM Technology, Talegaon Dabhade organized by Pimpri-Chinchwad-Akurdi on 18th November 2017.



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