



WIRC BULLETIN

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Inaugural Session - National Seminar on New India 2022 - 23rd November 2018



L to R: CMA Amit A. Apte, President, ICAI, Chief Guest Dr. A.R. Deshmukh, MD, Maharashtra State Co-op. Bank, CMA Laxman D. Pawar, Chairman WIRC, CMA P. V. Bhattad, Past President and CCM of ICAI, CMA Debasish Mitra, Chairman, P.D. Committee WIRC, CMA Pradip H. Desai, Vice-Chairman, WIRC, CMA Shriram N. Mahankaliwar, Hon. Secretary, WIRC and CMA Harshad Deshpande, Treasurer, WIRC during lighting the lamp ceremony.

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

Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.

Tel.: 2204 3406 / 2204 3416 / 2284 1138 • Fax : 2287 0763 E-mail : wirc@icmai.in • Website : www.icmai-wirc.in

Glimpses of Technical Session - National Seminar



L to R : Technical Session I in progress - CMA S.N. Mundra, Bharuch Ankleshwar Chapter, Shri Santosh Dalvi, Partner & Deputy Head - Indirect Tax, KPMG, CMA B M Sharma, Past President of ICAI, CMA Mrudula Godbole, Chief Manager (Finance), GST Cell, RCF Ltd. CMA Arindam Goswami, Chairman of Raipur Chapter



L to R : Technical Session II in progress - CMA Samir Joshi, Nagpur Chapter, Advocate Amir Arsiwala, IP, CMA Laxman D.Pawar, Chairman WIRC, CMA Pramod Jain, IP, CMA Mahendra Bhombe, Chairman of Pimpri-Chinchwad-Akurdi Chapter



L to R : Technical Session III in progress - CMA Ashish Bhavsar, Chairman, Ahmedabad Chapter, Shri Amit Mohare, Practising Chartered Accountant, CMA Rajendra Gore, Practising Cost Accountant, CMA Pradya Chandorkar, Practising Cost Accountant, CMA Shrinivas Diddi, Vice Chairman, Solapur Chapter



L to R : Technical Session IV in progress - CMA Nagraj K. Alwal, Chairman, Solapur Chapter, CMA Sudip Bhattacharya, IP, Duff and Phelps, CMA Dr. V.V. L.N. Sastry, Practising Cost Accountant, CMA Dr. Rammohan Bhawe, Consultant, CMA K. M. Mehta, Vice Chairman Ahmedabad Chapter



L to R : Technical Session V in progress - CMA Prashant Yeole, Chairman, Nashik-Ojhar Chapter, CMA H.K. Joshi, Director (Finance), Shipping Corporation of India Ltd., CMA Rajneesh Jain, CFO of Reliance Jio, CMA Ashish Deshmukh, Past Chairman of Pimpri-Chinchwad-Akurdi Chapter, CMA Shriram N. Mahankaliwar, Hon. Secretary, WIRC



L to R : Technical Session VI in progress - CMA Chandrashekhar S Adawadkar, Practising Cost Accountant, CMA V.C.Kothari, Past Central Council Member of ICAI, CMA P.V. Bhattad, Past President and CCM of ICAI, CMA Delzad D. Jivaasha, Associate VP, ICICI Lombard General Insurance Company Limited, CMA Rammohan Menon, Chairman, Goa Chapter



From the Desk of Chairman

The difference between impossible and the possible lies in a man's determination.

– Tommy Lasorda

We are happy to state that we have successfully organized the National Seminar on 23rd and 24th November 2018 at Yashvantrao Chavan Centre at Mumbai with the theme on " New India 2022 ". Dr. A.R.Deshmukh, Managing Director, The Maharashtra State Co-operative Bank Ltd., was the Chief Guest for the event on 23rd November. The Seminar was also graced by CMA Rajneesh Jain, CFO of Reliance Jio and CMA Mrs.H.K.Joshi, Director (Finance) of The Shipping Corporation of India Ltd. on 24th November 2018 who spoke eloquently on the areas of Corporate Governance and gave an industry perspective from their Chair.

In the National Seminar we had six technical sessions on GST, Insolvency, Valuation, Co-operative Audit, Social Reforms and Corporate Governance in over two days and the speakers were from the Industry, Practising Cost Accountants, Industry leaders, Consultants and Corporate czars.

The National Seminar was also the event which was a forum for the family of CMAs to come together and re-connect themselves and also a platform for networking and knowledge sharing with fellow CMAs. We also had a considerable presence of corporate delegates which had enabled the brand building of CMA across the Industry fraternity.

WIRC also organized the Members Meet after a prolonged gap of many years on 23rd November 2018 at WIRC Office which was graced by CMA Amit A.Apte, President of the Institute, CMA P.V.Bhattad, Past President and CCM, CMA Pradip H.Desai, Vice-Chairman of WIRC, CMA Shriram N. Mahankaliwar, Hon'ble Secretary of WIRC, CMA Harshad S Deshpande, Treasurer of WIRC, CMA Debasish Mitra, Chairman of PD Committee and myself. We heard the views of the members and various suggestions for Professional Development and other allied areas for improving the services to students and members.

The National Seminar was successful with the association of all my Council Colleagues President of the Institute, Office Bearers of Chapters, Practising Members, Members in Industry, Sponsors, Volunteers, Staff of WIRC and organizers of YB Chavan and many others who had given their time and wishes to make the Seminar a grand success. We also had round table discussion meets to plan the event and I personally thank all the participants for providing their insights, views and thoughts for organizing the programme in a gala manner.

I appreciate the deliberations made by CMA B M Sharma, Past President of ICAI, CMA Santosh Dalvi, Partner & Deputy Head - Indirect Tax, KPMG, CMA Mrudula Godbole, Chief Manager (Finance), GST Cell, RCF Ltd., Advocate Amir Arsiwala, IP, CMA Pramod Jain, IP, CMA Rajendra Gore, Practising Cost Accountant, Shri Amit Mohare, Practising Chartered Accountant, CMA Pradyna Chandorkar, Practising Cost Accountant, CMA Dr. V.V. L.N. Sastry, Practising Cost Accountant, CMA Dr. Rammohan Bhawe, Consultant, CMA Sudip Bhattacharya, IP, Duff and Phelps, CMA Rajneesh Jain, CFO of Reliance Jio, CMA H.K. Joshi, Director (Finance), Shipping Corporation of India Ltd., Dr. Venkatachalam Shunmugam, Head - Research, Multi Commodity Exchange of India Ltd., CMA P.V. Bhattad, Past President and CCM of ICAI, CMA Delzad D. Jivaasha, Associate VP, ICICI Lombard General Insurance Company Limited, CMA V.C.Kothari, Past Central Council Member of ICAI and CMA Chandrashekhar S Adawadkar, Practising Cost Accountant and all the Office bearers of the Chapters for their co-operation and support.

We also are hosting the Insolvency Professional Agency Pre-Registration Educational Course for the 10th Batch which we hosted from 29th November 2018 till 5th December 2018 at WIRC.

WIRC is also hosting the 6th Batch of the RVO of ICMAI course on Valuation from 30th November 2018 onwards.

I would like to also state WIRC hosted the programme for the Banking Month on 30th November 2018 titled "Change in Banking Landscape and role of Asset Reconstruction Companies".

I wish all the students and members Merry Christmas and a very Happy New Year 2019.

CMA Laxman Pawar
Chairman, WIRC



An analysis of Impact of Companies (Cost Records and Audit) Amendment Rules, 2018

CMA Harshad S. Deshpande, Treasurer, WIRC

Contact : +91 98904 20201 • E-mail : harshadde@gmail.com

Ministry of Corporate affairs (MCA) on 3rd December released Companies (Cost Records and Audit) Amendment Rules, 2018. MCA has released draft rules earlier for public comments. However the rules published are very much

different than what was being offered for public comments. The changes which are proposed in the amendment are as under :

Sr	Rule	Pre-Amendment	Post Amendment	Change	Impact
1	Rule 3, Table (B) Non Regulated Sector, Sr.No. 7	Port services of stevedoring, pilotage, hauling, mooring, re-mooring, hooking, measuring, loading and unloading services rendered by a Port in relation to a vessel or goods regulated by the Tariff Authority for Major Ports under section 111 of the Major Port Trusts Act, 1963 (38 of 1963)"	Port services of stevedoring, pilotage, hauling, mooring, re-mooring, hooking, measuring, loading and unloading services rendered for a port in relation to a vessel regulated by tariff authority for Major Ports under the Major Port Trusts Act, 1963 (38 of 1963)"	for the words 'by a port' words "for a port" are substituted	It will include Companies who are providing Port services of stevedoring, pilotage, hauling, mooring, re-mooring, hooking, measuring, loading and unloading services rendered to a port.
2	Rule 3, Table (B) Non Regulated Sector, Sr No. 8	Aeronautical services of air traffic management, aircraft Aeronautical services of air traffic management, aircraft operations, ground safety services, ground handling, cargo facilities and supplying fuel rendered by airports and regulated by the Airports Economic Regulatory Authority under the Airports Economic Regulatory Authority of India Act, 2008 (27 of 2008)	Aeronautical services of air traffic management, aircraft Aeronautical services of air traffic management, aircraft operations, ground safety services, ground handling, cargo facilities and supplying fuel rendered at the airports and regulated by the Airports Economic Regulatory Authority under the Airports Economic Regulatory Authority of India Act, 2008 (27 of 2008)	for the words 'by airports' words "at the airports" is substituted	It will include Companies who are providing Aeronautical services of air traffic management, aircraft Aeronautical services of air traffic management, aircraft operations, ground safety services, ground handling, cargo facilities and supplying fuel rendered "at the airport",
3	Rule 3, Table (B) Non Regulated Sector, Srl No. 13	Railway or tramway locomotives, rolling stock, railway or tramway fixtures and fittings, mechanical (including electro mechanical) traffic signalling equipment's of all kind CETA HEADING : 8601 TO 8608	Railway or tramway locomotives, rolling stock, railway or tramway fixtures and fittings, mechanical (including electro mechanical) traffic signalling equipment's of all kind CETA HEADING : 8601 TO 8609	CETA 8609 is added	No major change as the companies are being covered under other CTH headings. CTH 8609-CONTAINERS (INCLUDING CONTAINERS FOR THE u 12.5% TRANSPORT OF FLUIDS) SPECIALLY DESIGNED AND EQUIPPED FOR CARRIAGE BY ONE OR MORE MODES OF TRANSPORT shall be covered for Cost Accounting Records and Audit.

Sr	Rule	Pre-Amendment	Post Amendment	Change	Impact
4	Rule 3, Table (B) Non Regulated Sector, Srl No. 19	Jute and Jute Products CETA HEADING : 5303, 5310	Jute and Jute Products CETA HEADING : 5303, 5307, 5310	CETA 5307 is added	No major change as the companies are being covered under other CTH headings. CETA 5307- YARN OF JUTE OR OF OTHER TEXTILE BAST FIBRES OF HEADING 5303 covering the following items: 5307 10 - Single : 5307 10 10 - of jute Fibre 5307 10 90 - Other Fibres 5307 20 00 - Multiple (folded) or cabled shall be additionally covered for Cost Accounting Records and Audit.
5	Rule 3, Table (B) Non Regulated Sector, Srl No. 28	Paper CETA HEADING : 4801 to 4802	Pulp & Paper CETA HEADING : 4701 to 4704, 4801 to 4802	"Pulp" & CETA 4701 to 4704 are added	The Companies Manufacturing only Pulp will also get covered
6	Rule 3, Table (B) Non Regulated Sector, Srl No. 29	Textiles CETA HEADING: 5004 to 5007; 5106 to 5113; 5205 to 5212; 5303; 5310; 5401 to 5408; 5501 to 5516	Textiles CETA HEADING: 5004 to 5007; 5106 to 5113; 5205 to 5212; 5303; 5307; 5310; 5401 to 5408; 5501 to 5516	CETA 5307 is added	No major change as the companies are being covered under other CTH headings.
7	Rule 3, Table (B) Non Regulated Sector, Srl No. 33 point no. (XIII)	(xiii) Automatic impalpable cardiac deflobillator	(xiii) Automatic impalpable cardiac defibrillator	The word Deflobillator is replaced with Defibrillator	No impact on coverage, just correction in the technical name of the medical apparatus used to support cardiac ailments.

Other Amendments

Rule 6 , sub Rule (6)

Provided that the companies which have got the extension of time of holding Annual General Meeting under section 96(1) of the Companies Act, 2013, may file Form CRA-4 within resultant extended period of filing of financial statements under section 137 of the Companies Act, 2013

Impact : It will allow time extension of last date of filing of Cost Audit Reports by companies getting extension of time for holding Annual General meeting. However the amendment is not extended to form CRA-3 which is Cost Audit Report. Hence there is confusion in revision as it is allowing the time extension for efilling however no time extension for Cost Auditor.

FORM CRA-3, Note , Note (3)

The unit of measurement for each Customs Tariff Act Heading, wherever applicable, shall be the same as provided for in the Customs Tariff Act, 1975 (51 of 1975) corresponding to that particular Customs Tariff Act Heading.

Impact : The idea is to bring uniformity in reporting the unit of measurement in respect of products and thereby helping the authorities to assimilate the information for other regulatory uses including matters concerning pricing, WTO and anti-dumping. However it may also create problem for Cost Auditor as many companies follow different UOM for invoicing. E.g. CTH UOM is for many Chapter heading under chapter 84 is Kgs whereas the product is being sold in Nos or Sets. In such cases it will be mandatory to follow same UOM as per CTH.

Summary :

In short following CETA (CTH) heading are being added 8609, 5307, 4701-4704 and companies providing the Port Services and Aeronautical services to Ports / Airports will get added.

Much more was expected from MCA, especially the amendment in the annexures to Cost Audit Report in the light of advent of GST. It is also important to note that these amendments will be in force from date of publication in official gazette and last 2 amendments in Companies (Cost Records and Audit) Rules s are yet to be gazetted.



Typical GST Audit Program

CMA Arun S. Karnik

Contact : 90040 35754 • E-mail: arunskarnik@gmail.com

S. 35(5) of the CGST Act, 2017 (the Act) requires all taxable persons with a turnover exceeding rupees 2 crore to get the GST records audited by a Cost Accountant or a Chartered Accountant in practice. Here is an attempt to draw a typical audit program CMAs could adopt.

Records:

1. Obtain copy of the audited financial statements of the company.
2. Get all GSTR 1 and GSTR 3B Returns for the period July 2017 to March 2018.
3. Ensure access to all books of accounts of the company.

GSTR 1 and GSTR 3B Returns:

1. Obtain list of invoice and debit note series in use.
2. Check dates of filing of GSTR 1 and GSTR 3B Returns.
3. Check whether all invoices/debit notes/credit notes have been reported in the GSTR 1.
4. Check if there are any sales returns. Have credit notes been issued for sales returns.
5. Are there any rate revisions to any invoices. If yes, have debit/credit notes been issued for such revisions. Have such debit/credit notes been reported in the GSTR 1.
6. Check if IGST has been charged where address of the customer is out of the state but delivery has been made within home state.
7. Check whether the client deals in goods which are exempt but would attract GST if sold as Registered Brand, Packed Goods, Processed Goods, Cattle Feed (?), etc.

ITC Credit:

1. Check whether ITC has been availed in respect of all inward supplies.
2. Tally ITC availed with corresponding entries in GSTR 2A.
3. Are there any purchase returns. If yes, has ITC been reversed in respect of such purchase returns.
4. Deliveries of goods in installments - Check if deliveries of goods for any invoices are to be received in installments. If so, ITC for the invoice is to be taken only upon receipt of the last installment.
5.
 - a. Check if any of the supplier invoices were not paid within 180 days during the year. If so, check whether ITC was reversed when the invoices became overdue beyond 180 days.
 - b. Check whether interest @ 18% has been paid from the date of availment upon reversal of ITC.

- c. Check whether ITC has been reinstated if such invoices were paid for subsequently.
6. Check whether ITC has been availed in respect of tax paid under RCM.
7. Check whether ITC has been availed in respect of bank charges.
8. Blocked ITC credits - Check whether ITC has been availed in respect of purchases of the following goods/services on which ITC is not permitted in terms of S.17(5).
 - a. Motor vehicles and other conveyances except when meant for resale, passenger transport business, imparting training in driving or transportation of goods.
 - *b. Supply of food, beverages including outside catering.
 - *c. Beauty treatment, health services, cosmetic and plastic surgery.
 - *d. Membership of a club, health and fitness centre.
 - *e. Rent-a-cab and life insurance and health insurance except where the Government notifies the services which are obligatory for an employer to provide to its employees under any law for the time being in force.

*Please note ITC will be available where such inward supply of any such goods or services is used for making an outward taxable supply of the same category of goods or services.
 - f. Travel benefits extended to employees on vacation such as leave or home travel concession.
9. Inputs lost, damaged, etc.- Check if any of the inputs on which ITC has been availed have been lost, damaged or written off. ITC availed on such lost inputs must be reversed.
10. Check if the client makes supply of any exempted goods or services. If so, common expenses are to be apportioned between taxable and exempt supplies. ITC to be taken only on that portion which applies to taxable supplies.
11. Sale of capital assets before 5 years - Check if any assets capitalized are sold during the year before completion of 5 years. In such cases GST will be payable on higher of the following:-
 - i. GST calculated on the actual sale value of the asset;
 - ii. 1/20th of the ITC availed for each of the remaining quarters of the balance period of 5 years.

12. If excess claim is on account of error, reverse the credit with 24% interest from the date of claiming.

Reverse Charge Mechanism:

A. Reverse Charge u.s. 9(3):

1. Check if there are purchases of any of the following goods:
 - i. Purchase from agriculturist of, Cashew nuts, not shelled or peeled, bidi wrapper leaves (tendu), tobacco leaves.
 - ii Purchase of silk yarn from manufacturers of silk yarn from raw silk or silk worm cocoons
 - iii. Purchase of lottery tickets by a lottery dealer from State Government or local authority, GST is to be paid by the receiver of the goods listed above.
2. Identify the inward supplies of the Services listed in Notifications. 13/2017 and 3/2018, CGST (Rate) viz. :
 - i. GTA Services
 - ii. Advocate services;
 - iii. Services by Arbitral Tribunals;
 - iv. Sponsorship services;
 - v. Services by Government or Local authority, except:
 - a. Renting of immovable property until 24-01-2018.
 - b. Speed post, express parcel post, etc.
 - c. Transport of goods or passengers.
 - d. Services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport.
 - vi. Services provided to a company by a director.
 - vii. Services of insurance agent to insurance company.
 - viii. Services by bank recovery agent to a bank.
 - ix. Supply of services by an author, music composer, photographer, artist or the like by way of transferor permitting the use or enjoyment of a copyright. GST is to be paid by the receiver of services in respect of all the services listed above.

B. Reverse Charge u.s. 9(4):

1. Check if there are any inward supplies from unregistered persons from July 1, 2017 to October 12, 2017. GST is payable on purchases of goods/services from unregistered persons during the period July 1, 2017 to October 12, 2017.
2. GST is not payable on purchases of goods/services if purchases in one day are up to rupees 5,000/-. Prepare day-wise list of purchases of goods /services from unregistered persons.
3. Check if any advances have been paid to unregistered persons from July 1 to October 12, 2017. GST will be payable under RCM on such advances.

C. Invoice for RCM expenses:

1. Check whether a consolidated invoice has been prepared at the end of each month for the purpose of payment of RCM tax in respect of all invoices liable to RCM during the month.
2. Check whether the consolidated invoice has been included in the GSTR 1 for the month.
3. Check whether tax has been paid through the GSTR 3B for the month on the RCM supplies as per the consolidated invoice.

Miscellaneous items liable to payment of GST : Ensure that tax is paid on the following items-

1. Telephone and other facilities provided to employees - Where telephone or other facilities are made available to an employee which could be partly used for personal purposes, reverse 5% of the ITC availed on such expenses.
2. Recoveries from employees - Canteen and Other recoveries from employees taxable.
3. Recoveries from customers - Ensure that GST has been charged on all recoveries from customers like penal interest, transport charges, liquidated damages, etc.
4. Receipt of advance payments- Please note-
 - a. All advances received by registered persons till October 12, 2017 are liable to GST at the time of receipt of such advance.
 - b. Advances received by registered persons having turnover of Rs.1.50 crore from October 13, 2017 are not subject to payment of GST on receipt of advance payment.
 - c. From November 15, 2017, advance payment received by all registered persons is not liable to payment of GST at the time of receipt of advance payment.
5. Write-off of credit balances- Check if any credit balances have been written off. If so, ITC should be reversed on such write-offs.

Jobwork:

1. Check if any inputs were lying with job-workers as on July 1, 2017. If yes, please check whether such inputs have been received back December 31, 2017. If these are not received by December 31, 2017, the ITC availed on such inputs is liable to be reversed.

The above audit program should cover the most commonly experienced situations in any business. CMA colleagues and others are welcome to forward their specific queries on email id arunskarnik@gmail.com.

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How to craft your personal brand

CMA (Dr.) S. K. Gupta

Contact : 98101 62341 | E-mail : Cbst.skgupta@gmail.com

Jeff Bezos (founder of Amazon) famously said, "Your brand is what people say about you when you're not in the room."

Your personal brand is the sum total of what you do, how you do it and why you do it. It's not something you can fake. It's authentic and deep-seated. don't make the mistake of thinking your personal brand is all about you. It's not. Your personal brand is not about your work experience or your personal accomplishments. Your personal brand should be about other people, specifically what you can do for other people

PERSONAL BRAND = EVERYTHING THAT YOU ARE + EVERYTHING PEOPLE BELIEVE YOU TO BE.

A personal brand isn't a logo or a color scheme or a fancy font-those things can be an important part of your brand identity, but they're definitely not the entirety of your personal brand. The rise of branding on a personal level has been more recent. For a long time, personal branding was better left to athletes, models, and Hollywood celebrities. Today, personal branding is a key to succeeding in many different parts of life.

Although the term "brand" is often associated with business, the two are different. A brand is something you're constantly building because it's the affirmation of who you are and what you love to do. Whether you're a full-time employee, independent freelancer or business owner, your personal brand speaks before you. Being intentional about what you want it to stand for shapes the opportunities you attract.

A brand is anything-a symbol, design, name, sound, reputation, emotion, employees, tone, and much more-that separates one thing from another. Branding on a business-level is common, but today branding is becoming just as important on a personal level

Personal branding is the process of developing a "mark" that is created around your name or your career. You use this "mark" to express and communicate your skills, personality, and values. Your personal brand should be about who you are and what you have to offer.

How to build your personal brand

When people say, "I want to build a personal brand," the first thing they think about is numbers. Number of Twitter followers. Number of Facebook Likes. Number of blog subscribers. Those are very poor metrics for building a meaningful personal brand. Building a personal brand means providing so much value in one (or multiple) niche(s) that people begin to associate your name with the idea of what it means to be successful in that industry, venture or profession

To effectively present and communicate your brand to others, you need to be clear about the meaning of your achievements and who you are. Answering the following questions will help you do this:

1. Who am I?
2. Why do people enjoy working or associating with me?
3. What are my personality features? Am I charismatic? Compassionate? Innovative? Patient?
4. What are my personal values, and how do they impact my behavior?
5. What am I passionate about?
6. What are my skills, strengths or weaknesses?
7. What experiences have I had that separate me from others? If you need help with this consider talking to a career advisor who may be able to help you determine these.
8. What is my specialty? What makes me unique? What do I do that others don't and what do people want me to do for them?

Identify your uniqueness and strengths : Businesses create vision and mission statements. Creating a personal brand begins much the same way by creating a personal vision. Think about the characteristics and strengths you've built in your career. If you are stuck, think about that "one thing" that everyone says you rock at. If you're still stuck, ask others.

Be Yourself : Find your own style and create a new set of footprints for others to follow in. You don't have to do what everyone else is doing and just follow the crowd.

Craft your personal brand persona : It will help in creating your brand. Your persona can be created by:

- **Identifying your emotional appeal.** What are your personality features? This can be as easy as saying you have a crazy sense of humor or that you are obsessively organized. Take a few moments, why do you think people are attracted to the brand of you?
- **Describing yourself.** When it comes to your brand who are you and why do people enjoy working with you?
- **Identifying your specialty.** What do you do and what do people want you to do for them?

Craft Your Personal Brand Statement : Once you've taken a long, hard look at yourself and your history, think about how you can package it into a handful of lines.

This is your personal brand statement or elevator pitch-it's something you can say when others ask you about yourself, or include in your profiles online.

Don't try to be unique. Just be you-nique

Your personal brand statement consists of 3 key elements:

- **Your target audience:** The specific market or people that you serve.
- **The value you offer:** How you help your target market.
- **What makes you unique:** Why people choose you over the competition.

Understand your value : Your value isn't based on who you work for or your position at a job. It's based on what you're able to bring to the table. What is it that you do extremely well and who does it best serve? If you aren't specific about the kind of work you do or would like to do, people won't know to come to you for it. Create a value proposition that speaks to what you do and who you best help.

Deliver on your value consistently and get testimonials : Don't be the only one talking about your value. Have other people do it too. You do this by consistently delivering, and going above and beyond in all the contracts you have. This is ultimately how you can build a loyal network of brand ambassadors and get people to refer you organically. Do what you do so well that other people start raving about you.

Understand how much your value is worth : Most people tend to estimate their pricing based on how much they'd like to make. So they usually end up shortchanging themselves because their work brings a lot more value to an employer or client than they're charging for. In order to properly position yourself, you have to know what problems the company is facing and how you are a part of the solution. What does a company stand to lose without having you? That is where your value lies.

Show rather than tell : The more you understand your value, the easier it becomes to articulate and do it. Create a platform where people can see what you do. Don't hesitate to promote your accomplishments as they give you credibility. People can't connect with you if they don't know where they find you. Having a platform opens the door to more opportunities.

Create an Online Presence : A well-established brand also needs a well-established online presence not just in social media, but also on their own professional website. Once you have a significant following on social media it's time to build your website. Your website should be the ultimate value add to readers. You attract their attention on social media, and you give them all the value in the world on your website.

Maintain Consistency across all channels : All of your branding efforts-whether part of networking, marketing, or any other area that increases visibility-should express a consistent theme and message. Visual components, design elements, key information, and especially overall messaging should not vary from one place to the next.

Craft Uniform Messaging, Both Personally and Professionally : As an independent consultant, you are

often viewed as representing your brand-even in your personal life and actions. Keep this in mind in your public, non-business communications and actions, including social media networks. Differing messages promoted by your personal and professional actions could create a perception of dishonesty or lack of trustworthiness.

Here are some of the less obvious strategies that are equally important.

1. **Your word :** "You're only as good as your word," and that's a 24/7 commitment. One of the best ways to build your brand is to do what you promise. Positive comments about how you "crushed it," were on time and on budget, get around quickly. And it's always better to over-deliver than over-promise. Your brand and integrity precede you. While it takes a long time to build your brand, it can go south quickly when you break that trust
2. **Your communication skills :** Communications are the holy grail of emotional intelligence, a cornerstone of your brand (the way you interact and speak with others is core to how you're perceived). Are you responsive to emails, texts and voice mails? When you're swamped, do you just ignore incoming messages or do you let people know you're busy, but will get back to them (and follow through)?
3. **Your attire :** It's nice to believe that how you dress doesn't matter, but the way you present yourself relates to etiquette and respect, to some degree. Your industry (such as creative or high tech) is a factor, of course, but generally speaking, dressing "smart" is always desirable. Consider: Would you trust the financial adviser in torn shorts, a t-shirt and flip-flops, or the one in a nice blouse/shirt and blazer?
4. **Your authenticity :** Be genuine. If you're out to impress, it will show. And what's the point, anyway? Bernard M. Baruch said, "Be who you are and say what you feel, because those who mind don't matter, and those who matter don't mind."
5. **Manage your brand :** Like keeping your resume up to date every time you have a new experience, keep your brand up to date too. Make sure your online public photos and content are current and represent you well. Learn from experiences, as these are what shape you personally and professionally. Own your brand and commit to it; be bold, be different, be unique, be you!

The Bottom Line

Building a personal brand takes time and effort, but it's worth it. The need for a personal brand will continue to increase. It's the one thing that no one can take away from you, and it can follow you throughout your career. It's a leadership requirement that lets people know who you are and what you stand for. If you get it right, your personal brand will make you stand out from the crowd, shine a spotlight on your expertise and enhance your value. You'll have an energy and a buzz about you that people can't help being drawn to. ■



Relative Valuation

CMA Vishal Gupta

Contact : +91 80809 43381 • E-mail : vishalwgupta@gmail.com

Relative Valuation is an approach where an asset is valued not based on of its fundamentals (cash-flows, growth, and risk) but on the basis of what other people are paying for assets just like it. Hence, it is also called "pricing". It is the way for how 90% of the valuations are done. Relative Valuation has 3 steps.

1. Finding companies just like the subject company
2. Standardizing prices. We cannot compare price per share because it is an arbitrary number. If the stock were to split, the price per share would halve. So we use a multiple. Dividing price by earnings or by book value, we obtain a standardized price.
3. Controlling for those differences. The target company might still be different from other companies in terms of growth and risk in cash-flows which need to be adjusted for.

Any relative valuation considers a multiple comprising of a numerator and a denominator. In the numerator, we see one of 3 numbers - market value of equity (market cap), market value of the firm (market cap + market value of debt), or enterprise value (market cap + market value of debt - cash). The numerator always takes some measure of market value. With the denominator, we can divide the market value number by revenue or any of the drivers of revenue. There are several advantages of using revenue, it being a positive number helping us to always being able to calculate the multiple. The drivers of revenue may be number of clients for subscription businesses, and such. We may also use a measure of earnings such as net income or operating income for equity and firm respectively. Similarly, we may use the cash-flows in the denominator, using FCFE or FCFF. We can also use the book value in the denominator, using book value of equity or of the firm. Using a multiple involves a 4-step process.

1. Defining the multiple. The first check on a multiple is the consistency of its definition, i.e. if the numerator of the multiple is an equity value, the denominator has to be an equity value as well. Same goes for firm / enterprise values. The second check should be on the uniformity of estimation of the multiple. If we are using multiple values of 15 firms, we need to be measuring the same thing. A common multiple used is the price-to-earnings ratio. However, the "earnings" portion of that multiple is an accounting number and we know the same accounting standards may result in different degrees of fidelity to those standards. The PE may use the earnings from the most recent financial year or the trailing twelve months. The earnings could be before or after the extraordinary items. The earnings may be primary, partially diluted, or fully diluted. What analysts use is simply the story they're trying to sell. Similar problems persist with other widely used ratios

such as EV/EBITDA. Accounting numbers pose a threat that companies with conservative estimates of earnings look expensive and aggressive ones look cheap.

2. Describing the multiple. This is an analysis where we find the basic statistical data like average and standard deviation. Most multiple data is asymmetrical. Most ratios such as PE, EV/EBITDA are positive for healthy companies. So the minimum is pegged to zero. But PE ratios may be as high as 100 or even 300 for some companies due to which the averages get pulled out by large positive outliers. Hence the median makes more sense while talking about a multiple. Also, when such ratios are negative, we need to drop the companies from our data-set. As of 30 Nov 2018, 21% of Indian listed companies had a negative PE ratio. That's losing a lot of data. Also, we are creating a bias in the sample by ignoring the smallest, riskiest, and most troubled companies.
3. Drivers of multiple. The questions we're trying to answer here are (a) what are the variables that determine this multiple and (b) how does the change in those variables change the multiple. Again taking PE ratios as an example. We know that high growth companies have high PE ratios. So what is the change in PE for a 1% change in growth? If we can't answer this question, then we cannot scale our multiples for our specific companies. The simplest way to do that is to use a stable growth dividend discount model for determining the price, and then substitute the mathematical term for the price in the relative valuation multiple.
4. Apply the multiple. To apply the multiple we need to find out the comparable companies. The lazy way of doing this is to compare companies in the same sector. Reliance is a refinery but is there any refinery company that is remotely close to Reliance? From a valuation perspective, a comparable company is one with similar cash flows, similar growth, and similar growth. There is no need to consider a sector. However, no matter how careful are, there will be differences between the target company and sample companies. We need to find creative ways of controlling for those differences. For example, since high growth companies have high growth rates, we may divide the PE ratio by the growth rate which is called the PEG ratio.

So one needs to be creative about Relative Valuation. Don't just compare multiples with the average for the sector. We need to consider the data, look across the sector, and not throw away information. Some statistical analysis enables us to make better judgments about why differences in companies translate into differences in multiples. If we're able to do that, multiples are excellent tools to have in the arsenal. ■



4th Industrial Revolution.... Design Costing... Series 3

Indraneel Sen Gupta
E-mail - neel19414@gmail.com



In my third series, I find that under the 4th Industrial revolution design based costing plays a pivotal role. Small things with huge capacity, cheap things with huge quality are the key boon to support the 4th industrial revolution. I am talking about nanotechnology and its design costing impact on the global industry and the 4th Industrial revolution. I have discussed two subjects here where I find cost management and costing tools will have a huge impact in the coming days. The 1st one was Nanotechnology and the second is climate change and its economic aspect which leads to economic growth during these tough times of trade war without focusing much on export-driven economic growth. Well In my 1st part I will discuss the design costing and the upcoming Femtotechnology. But before all these, I will present the whole research in parts so that readers can absorb it slowly.

Cost management and cost reduction can be a boon for stopping the radical climate change. The biggest question which will strike everyone is that how this could be possible. Climate change has been a known global issue and no country is left from its curse. Cost management means efficiency in cost which is a reflection of the efficiency of the production process, improvisation of the traditional process and improvement in the society. Design costing has been an important topic which needs no introduction also since nanotechnology has changed the landscape of production and resources management. Nanotechnology is one of the finest products of design based cost management which improves the production and efficient resources management. This resource management creates a ripple effect on the climate and hence its boon.

Before we get into further we need to clear few meanings

deeply. Nano is the prefix that refers to a one billionth of a quantity in many sciences like physics. Since dimensions of an atom are about 10nano-meters, this prefix is popular in studying atoms and molecules as well. Nano was coined by Richard P. Feynman's classic talk at the annual meeting of the American Physical Society at the California Institute of technology in 29thDecember, 1959. Later, Feynman's idea was followed by Eric Drexler.

The main difference of nanotechnology in comparison with other technologies lies in materials scale and structure of this technology. Thus, nanotechnology is in relation with the production process which has an important effect on the implementation of this phenomenon. This is one of the finest design based technological improvisation which has a huge impact on the climate.

Climate change targets can only be achieved when efficient production and resource management is being implemented and this subject is dominated by cost accountants since they are being taught about these two key areas. Cost reduction leads to the elimination of inefficiencies and hence journey from better to best in terms of manufacturing.

Capitalist and business models don't want to deploy capital to change the traditional cost of production since they will have to face a longer gestation period in improving the production process. This has been evident in many countries due to which these countries don't implement the climate change related trade policies in a faster way. Private segment shy away from the investments and they demand more tax benefits for implementing the same which is actually at the cost of the economy. Capitalist minds always stay away from these transformation phases. This area has now been broken and disruptive production and business models have come up to give a challenge to the capitalist mindsets.

Nanotechnology has a huge impact on the energy cost saving and reduction of carbon dioxide into the atmosphere. Costing tools improves the design cost and hence a vast number of industries gets to benefit from the Nanotechnology segment. Nan technological approaches like light-emitting diodes (LEDs) or quantum caged atoms (QCAs) lead to a strong reduction of energy consumption for illumination.

Lighter stronger materials are being produced in manufacturing which leads to efficiency in production and also saves energy cost significantly. Skyscrapers and

construction industry get a significant boost up from the nanotechnology-driven production process with low-cost material but with a high density of quality. The current steel designs are based on the reduction in the allowable stress, service life or regular inspection regime. Extra copper of nano-particles reduces the surface unevenness of steel which then limits the number of stress risers and hence fatigue cracking. Design costing leads to business opportunities and creates disruptive growth avenues replacing the traditional process.

But the world is moving ahead of Nanotechnology now. The 4th Industrial revolution would improve the efficiency of the production process and would lead a quantum jump in the cost management segment. Climate issues can be resolved provided the too much capital chasing limited assets are being realigned and focused towards the climate change. Climate change would result in a stupendous implementation of costing tools and design costing methods which leads to change of production process. Export-driven economic growth is not the way for a sustainable economic growth. The recent trade war and its impact on the export-driven economy will be very harsh on the society and on the GDP growth.

It's not about a number, rather I am about the economic growth distributed among the society. We have seen historically that a huge amount of capital keeps chasing a limited asset class or segment. This is due to the capitalist mindsets and lack of government policies to frame equal growth within its own economy. Today we find that there is a wide disparity of economic growth within countries internal due to lack of vision.

Climate change is an opportunity for the economic growth provided efficient policies are being deployed to bridge the gap which is existing within every country. One can pick up any country to find the widening gap of growth. The best I can remember now is the growth of the German economy and the rest of the EU. China today is facing trade war problems, well it can easily mitigate the risk of slowdown provided it fasten the process of adhering to the climate goals. These goals itself are highly economic growth supportive. Climate change is an integral part of the 4th industrial revolution and one should work on the lines to get growth. I repeat again what I have said many times in my previous articles that all traditional economic theory is redundant and 4th industrial revolution will create new theories. ■

A brief report of the National Seminar on New India 2022 organized by WIRC, ICAI

The National Seminar was organized on New India 2022 on Friday 23rd & Saturday 24th November 2018 at Yashvantrao Chavan Centre, Nariman Point, Mumbai - 400 021. The programme started with Saraswati Bandana by Smt. Priyanka Rege, Staff of WIRC.

A) The Inaugural Session:

The welcome Address was given by Pradip H. Desai, Vice-Chairman of WIRC and Convener of the National Seminar. He spoke about the theme and the topic of the seminar. Thereafter, CMA Shriram N. Mahankaliwar, Hon'ble Secretary of WIRC of ICAI spoke about the reason for hosting the seminar with such a theme. CMA Harshad S Deshpande, Treasurer of WIRC of ICAI enumerated the technical sessions of the seminar and scope of CMAs in the current scenario.

CMA P. V. Bhattad, Past President and Council Member spoke elaborately about the India's growth story and the flagship schemes implemented by the Government. Thereafter, CMA Laxman D. Pawar, Chairman, WIRC of ICAI highlighted the WIRC activities in the current year.

CMA Amit A. Apte, President, ICAI stated at length the Institute's activities in various areas and his vision to take the Institute to greater heights through a plethora of activities. The Chief Guest Dr. A.R. Deshmukh, MD, Maharashtra State Cooperative Bank highlighted the role of CMAs in implementing the Government's objectives and wished the seminar a grand success. The Souvenir

was released by the respectable guests. The Vote of Thanks for the Inaugural session was addressed by CMA Debasish Mitra.

B) Technical Session 1: 3 dimensional view of GST Audit

The Introduction was given by CMA R.A. Mehta, Chairman, Bharuch Ankleshwar Chapter. The Chairman of Session was CMA B M Sharma, Past President of ICAI. He highlighted the challenges of GST Audit after the regime of VAT and Service Tax.

The Speakers are stated as follows:

CMA Santosh Dalvi, Partner & Deputy Head - Indirect Tax, KPMG about the challenges faced by consultants in compliance and measures taken to arrest them in ever changing GST era.

CMA Mrudula Godbole, Chief Manager (Finance), GST Cell, RCF Ltd. About the challenges faced by the PSU and how they comply with such norms

The Vote of thanks was given by CMA Arindam Goswami, Chairman of Raipur Chapter

C) Felicitation of Past President of Institute & Past Chairman WIRC (In attendance)

The Session Co-ordinator was CMA Kailash Gandhi, Immediate Past Chairman WIRC and WIRC Chairman felicitated the Past Chairmen in presence and Past

President of ICAI and appreciated their contribution for brand building of CMAs. He also acknowledged that Past Chairmen and Presidents are doyens and torchbearers for future of the Institute.

D) Technical Session II-Economic impacts of IBC 2016

The Introduction was given by CMA Mahendra Bhombe, Chairman of Pimpri-Chinchwad-Akurdi Chapter. The Chairman of Session - CMA Laxman D. Pawar, Chairman of WIRC delved on the practical cases of Insolvency and the resolution processes which are undergoing and how they are being resolved.

The Speakers are stated as follows:

- Advocate Amir Arsiwala, IP stated the legal provisions of IBC, 2016.
- CMA Pramod Jain, IP stated at length about the organization structure of IBBI, IPA, IPEs NCLT, NCLAT etc. and its functioning and working.

The Vote of thanks was given by CMA Samir Joshi, Nagpur Chapter

E) Technical Session III - Inculcating Competitiveness in Co-operatives and Trusts through Audit

The Introduction was given by CMA Ashish Bhavsar, Chairman of Ahmedabad Chapter. The Chairman of the Session - CMA Rajendra Gore, Practising Cost Accountant elaborately stated the genesis of Co-operative audit.

The Speakers are stated as follows:

- Shri Amit Mohare, Practising Chartered Accountant who speak about the present scenario of Co-operative Audits and Trust Audits.
- CMA Pradyna Chandorkar, Practising Cost Accountant spoke about the intricacies of audit and scope for CMAs for audit in co-operative sector.

The Vote of thanks was given by CMA Shrinivas Diddi, Vice Chairman, Solapur Chapter

F) Technical Session IV - Redefining Valuation framework Co relating with Cost Accounting Standards

The Introduction was given by CMA Nagraj K. Alwal, Chairman, Solapur Chapter. The Chairman of the Session was - CMA Dr. V. V. L. N. Sastry, Practising Cost Accountant. He gave a complete overview of the Valuation in the light of it becoming a separate profession for CMAs in the context of Ministry's Circular, also he stated the various emerging trends in valuation.

- CMA Dr. Rammohan Bhave, Consultant. He spoke eloquently on the Business Valuation practical case studies with special reference to start ups, unicorns and game changers.
- CMA Sudip Bhattacharya, IP, Duff and Phelps gave an insight on the cases prevailing in IBC.

The Vote of thanks by CMA K.M. Mehta, Vice Chairman

Ahmedabad Chapter.

G) Technical Session V - CFO Speaks: New Reforms & Corporate Governance

The introduction was given by CMA Prashant Yeole, Chairman, Nashik-Ojhar Chapter. The Chairman of the Session CMA Rajneesh Jain, CFO of Reliance Jio. He provided a presentation of Corporate Governance and presented issues shareholder activism, woman's participation in board and technological transformation in present board room.

- CMA H. K. Joshi, Director (Finance), Shipping Corporation of India Ltd spoke about the gender diversity in Corporate and opportunities and challenges for women in boardroom and Offices.

Vote of thanks by CMA Ashish Deshmukh, Past Chairman of Pimpri-Chinchwad-Akurdi Chapter.

CMA Shriram N Mahankaliwar compered the session and introduced the guests and felicitated them for their contribution to the profession.

H) Presentation by MCX

Dr. Venkatachalam Shunmugam, Head - Research, Multi Commodity Exchange of India Ltd. (MCX) gave a presentation on the topic on Commodity Risk, its Management & Disclosures

I) Technical Session VI - Socio-Economic Reforms

The Introduction was given by CMA Mustafa I. Lakdawala - Chairman of Kolhapur Chapter. The Chairman of the Session CMA P.V. Bhattad, Past President and CCM of ICAI moderated the session and guided the speakers to delve deep into the topic.

The Speakers are as follows:

- CMA Delzad D. Jivaasha, Associate VP, ICICI Lombard General Insurance Company Limited spoke the insurance sector in enabling reforms by risk management
- CMA V. C. Kothari, Past Central Council Member of ICAI highlighted the socio-economic issues prevailing in India and how we can arrest it through various activities
- CMA Chandrashekhar S Adawadkar, PCA spoke elaborately on the government's schemes and how the country will undertake reforms in the grip of globalization and liberalization.

The Vote of thanks was given by CMA Rammohan Menon, Chairman, Goa Chapter

J) The Valedictory Session was undertaken where all RCMs & CCMs in attendance alongwith CMA L. Prakash, Co-ordinator National Seminar & Chairman Navi Mumbai Chapter were present. The Felicitation of Volunteers & WIRC Staff were done for their support and contribution for the event.

The programme ended with the National Anthem. ■



Stakeholders Management and Stakeholders Mapping

CMA Nikhil Pawar

Mob.: 9021831683 • E-mail : pawarniks11@gmail.com

Recently attended one session 'Stakeholders Management' and would like to share some highlights for our 'stakeholders'.

Stakeholders Management is a critical component to the successful delivery of any project, programme or activity. Stakeholder management creates positive relationship with stakeholder through the appropriate management of their expectations and agreed objectives. Stakeholder's management is a process and control that must be planned and guided by underlying principles.

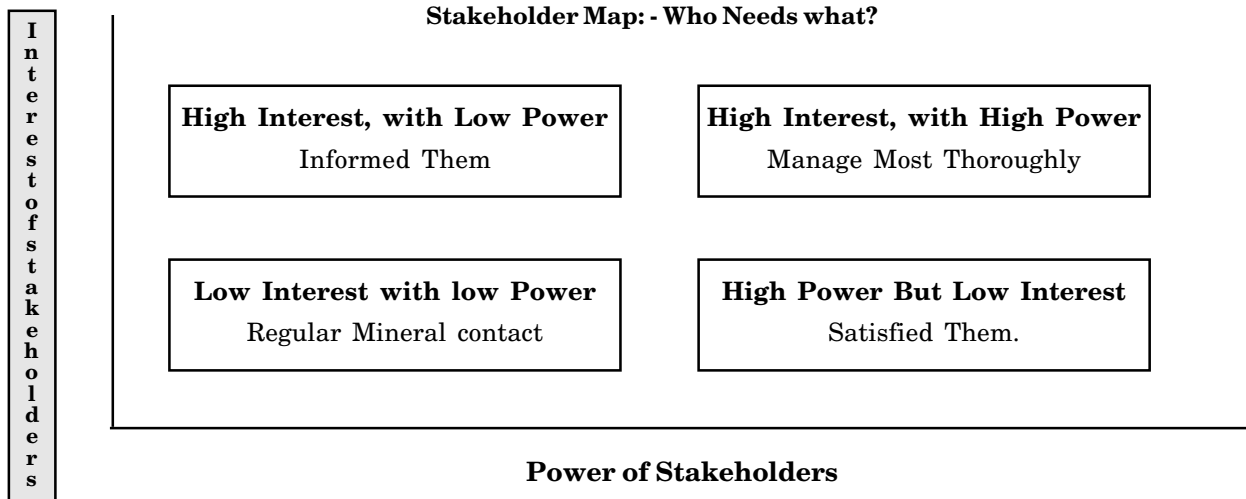
Before we go forward it is important to understand the definition of stakeholder.

A person, group or organisation that has interest or concern in an organisation. Stakeholders can affect or be affected by the organisation's action, objectives and policies. Some examples of key stakeholders are Creditors, Directors, Employees, Government, Owners, Suppliers, Trade Unions and Community from which the business draws its resources.

Stakeholder Identification:

The first step in your stakeholder analysis is to brainstorm who your stakeholders are. As a part of this, think of all people who are affected by your work, who have influence or power over it, or have an interest in it. Successful or unsuccessful conclusion. Remember that although a stakeholder may be both "Organisations" and "People", ultimately you must communicate with people. Make sure that you identify the correct individual stakeholders within a stakeholder organisation so in a nutshell, the stakeholder management comprises four steps, which are:-

- Identify, recognise and acknowledge stakeholder.
- Determine their influence and interest.
- Establish communication management plan.
- Influencing and engaging stakeholder.



Above chart is simply explained in following words:-

1) Low Power, High Interest

Treatment: - Inform them.

These stakeholders have a strong interest in your project but very little power to influence it. Anticipate their needs and keep these stakeholders informed to ensure their continued support. Consult on their area of interest and use their input to improve your level of success.

Example: - End Users, Media Outlets

2) High Power, High Interest

Treatment: - Manage them thoroughly

These are your key stakeholders. They have a lot of influence and a strong interest in the outcome. Manage them well to build strong relationships and ensure you retain their support. Involve them in decision and engage regularly.

Example: - Trade Unions, Politicians, Investors.

3) High Power, Low Interest

Treatment: - Satisfy

These are highly influential stakeholders but they don't have a lot of interest, nor are they actively engaged in your project. Consider their objectives and keep them satisfied.

Example: - Regulators, Administrator

4) Low Power, Low Interest

Treatment: - Monitor

These stakeholders sit on the periphery of the project. They are neither interested. Monitor their activity from time to time to stay on top of their involvement. Their relevance may change over a time. Communicate to keep them informed and encourage their interest.

Example: - Support service.

"To keep everyone invested in your vision, you have to back up a little bit and really analyse who the different stakeholders are and what they individually respond to."

- Alan Stern



Annual Return Under GST (GSTR - 9)

Pratik Sudhir Shah

Mobile : 9819122318 • E-mail : pratiksh2704@gmail.com



Ever since GST came into prominence with effect from 1st July, 2017, there were several anticipations for the GST audit and its reconciliation with the annual return, including linkage of the same with the erstwhile VAT regime or the Income Tax Return/Tax Audit Report. Some of the additions in the Tax Audit Report were also opined and notified by the Government, so that the payments made under GST regime commensurate with the Income Tax & Account Books such as reconciliations in respect of turnover, expenditures incurred, ITC availed, etc., however the same has been kept in abeyance till 31st March, 2019 for the very reason of it being burdensome for the companies to compile the enhanced requirements for tax audit post the close of the accounting period and statutory audits.

The much awaited Annual return (GSTR-9) was notified by CBIC vide Notification No. 39/2018 - Central Tax dated 04th September 2018.

It is to be clarified that Annual GST Return (GSTR 9) is a consolidation of returns filed and is no way reconciliation with books of accounts.

POINTS TO REMEMBER

- A) Every person with a GSTIN needs to prepare Annual Returns, even if no transactions are carried out during 9-month financial year 2017-18.
- B) No such return is required by holders of registration as ISD, TDS-TCS, casual and non-resident taxable persons.
- C) Annual Return admits that GSTR 1 and GSTR 3B are in harmony with each other. That is, no turnover reported in GSTR 1 has been omitted in GSTR 3B while paying tax. And no turnover that is taxed in GSTR 3B has gone unreported in GSTR 1.
- D) Annual Return is not the place to rectify errors in the data reported in GSTR 1 / 3B. An important thing to keep in mind is that the form only asks for the details already declared in the returns filed so that means no new information can be furnished here.
- E) No new credit will be discovered and claimed in

GSTR 9.

TABLE WISE ANALYSIS OF GSTR ANNUAL RETURN

The Annual Return form GSTR-9 contains total 6 parts spread out in 19 Tables detailed below:

Part-I :	Basic information of Tax payer in Tables 1 to 3
Part-II :	Details of outward & inward supplies in Tables 4 & 5
Part-III :	Details of Input tax credit in Tables 6 to 8
Part-IV :	Details of Tax paid in Table 9
Part-V :	Details of transactions of 2017-18 reported in April 18 to Sept. 18 in Tables 10 to 14
Part-VI :	Other information in Tables 15 to 19

• **Table 4 & 5 of the Annual Return**

GSTR-9 requires the details of the outward supplies including (Details of Advances on which tax is payable, Inward supply on which tax is payable on RCM basis, outward supply on which Tax is payable) already declared in the returns (GSTR-1 & GSTR-3B) filed during the financial year.

• **Table 6 of the Annual Return**

GSTR-9 asks for bifurcating Input Tax claimed in 3B into three heads viz. Inputs, Capital Goods, Input Services whereas there was no such requirement in GSTR-3B return. It also expects the dealers to bifurcate the ITC claimed under Section 9(3) & 9(4) in the same categories of Inputs, Capital Goods, Input Services

• **Table 7 of the Annual Return**

GSTR-9 requires the dealer to enter the details of the reversal made under Rule 37, 39, 42, 43 & Section 17(5) which filing his GSTR-3B returns. However any dealer who now wants to make the reversals or want to declare the same who had not done it in 3B return cannot do so.

• **Table No.8 of the Annual return**

GSTR-9 takes the values of GSTR-2A as the base for allowing the ITC to the dealers. So suppose a dealer has claimed ITC in his 3B return which is more than the one reflecting in the GSTR-2A the form will show negative figure in column No. 8D.

• **Table No.10 & 11 of the Annual return**

The details in relation to any amendments (addition/

deletion) made in the returns filed for the current Financial Year which was pertaining to any supplies declared in the returns of the earlier Financial Year is required to be shown here. However, the same should be shown net of any debit or credit notes.

• **Table 13 of the Annual Return**

The details of ITC pertaining to goods/services received in the previous Financial Year but which has been taken in the returns filed for the current Financial Year shall be declared here.

• **Table 15 of the Annual Return**

GSTR-9 requires a dealer to bifurcate the refund applied by a dealer into Refund sanctioned, Refund rejected and Refund pending and also ask for the details of Total Tax Demands, Tax Demand Paid & Demands pending.

• **Table 17 & 18 of the the Annual Return**

GSTR-9 requires dealers to upload Rate Wise HSN wise summary not only of the outward supplies but also of the inward supplies received.

CHECKLIST FOR GST ANNUAL RETURN



- List of tax invoices issued during the period and reconciliation of the same with books of accounts, this also should be reconciled with the turnover declared in the audited financial statements. This should be made each GSTIN statewise by the company.
- List of debit/credit notes issued during the period and reconciliation of the same with books of accounts.
- In case company has the different units/branch all over India, then the stock transfer between -units/branches also to be reconciled with the books.
- Reconciliation of advances received and GST paid for goods & services during 1July 1 to 15th November 2017 and advances received for services and GST paid for that from 15th November 2017 to 31ST March 2018.
- Reconciliation of E-Way bill data with the tax invoices issued during the period GSTIN statewise
- Reconciliation of HSN wise summary with the issued tax invoices
- Reconciliation discount given to the customer with purpose and recheck if the same under GST act allowed or not.

- List of Purchase & other service bills accounted during the period & Input credit taken on the same and further reconciliation with the books and returns.
- Ensure all the input credit taken bills are uploaded by the suppliers and it is reflecting in the GSTR-2A.
- Reconciliation of input credit availed and also ensure all the availed credits are eligible as per the act and the ineligible credits, common credits are reversed & accounted properly.
- Details of input credit taken on the fixed assets and
- Reconciliation of Reverse charge GST (RCM) payable till the applicable date on all the applicable expenses and paid the same.
- Reconciliation of monthly GST returns with the books of accounts and all the taxable, exempted & non GST turn over declared in the returns if any differences, reason for the same.
- Check and ensure input credit taken supplier invoices paid within 180 days, if not the same input to be reversed.
- All the credit taken on TRAN-1 credit reflecting in the GST portal and there is no issue on that.
- In case any refund application filed with the department and eligibility & status of the same.

FAQ ON GST ANNUAL RETURN

Q1) Who is required to file GSTR-9? Is there any threshold limit of Turnover for exemption to file GSTR-9?

As per Legal provision of Section 44(1) of CGST Act, every registered person shall be required to file GSTR-9. Hence, irrespective of the Turnover, every registered person under GST is required to file GSTR-9.

Q2) Who is not required to file GSTR-9?

Following persons are not required to file GSTR-9:

- an Input Service Distributor,
- a person paying tax under section 51 (TDS) or section 52 (TCS),
- a casual taxable person and
- a non-resident taxable person.

Q3) Whether a Taxpayer shall be required to file GSTR-9 even though his registration has been cancelled before 31st March 2018? Whether answer remains the same if his application for cancellation was pending as on 31st March 2018?

As per Legal provision of Section 44(1) of CGST Act, every registered person shall be required to file GSTR-9. Hence, even if the status of taxpayer is not registered as on 31st March 2018 but he was registered between July-17 to March-18, he shall be required to file GSTR-9 providing details for the period during which he was registered.

Similarly, if a taxpayer had applied for cancellation of registration but the application was pending as on 31st March 2018, he shall be required to file GSTR-9

Q4) What will be source of information for filling up GSTR-9?

GSTR-9 is merely a compilation of data filed in GSTR-3B and GSTR-1. As per the instructions of the form GSTR-9, it is stated that information of outward supplies 'may' be derived from Form GSTR 1. Inward supplies, input tax credit and the net tax paid in cash are to be gathered from Form GSTR 3B.

Q5) If taxpayer has identified some information which are missed to be reported in GSTR-3B or GSTR-1, whether the same can be added while filing GSTR-9?

GSTR-9 is a merely compilation of data filed in GSTR-3B and GSTR-1 and no other information can be incorporated in GSTR-9. Even if a taxpayer has identified data fed in GSTR-1 / GSTR-3B as incorrect, still the same data is to be taken for reporting in annual return

Q6) If no other information can be furnished in GSTR-9 over and above what is stated in GSTR-1 and GSTR-3B, then how can the taxpayer pay the tax liability in case he identifies certain liabilities which are missed to be reported?

If there is any additional liability missed to be reported in GSTR-1 / GSTR-3B pertaining to 2017-18, the same will be reported in subsequent GSTR-1 / GSTR-3B up to September 2018. However, if the same is missed to be reported in GSTR-1 / GSTR-3B up to September 2018, as of now there is no clarity provided by Government whether the same can be paid through GSTR-3B or DRC-03.

Q7) Where to report stock transfer made to another branch situated in another state if both are registered?

Since both branches are registered persons for a particular state, these transactions are to be reported in supplies made to registered person (B2B) Table 4B.

Q8) Whether any ITC pertains to FY 2017-18 but claimed subsequently in GSTR-3B of April-18 to September-18 will be reported in Table-6?

No. Even though ITC belongs to FY 2017-18, the same will not be reported here. Only ITC claimed up to March-2018 in GSTR-3B will be reported here

Q9) GST Refund is claimed before March-18 but sanctioned in April-18. How to report such kind of situation in Part VI Table-15?

GST Refund claimed during July-17 to March-18 is to be reported in Table-15A. If refund is sanctioned after March-18 then that is not to be reported in Table-15B.

Q10) Taxpayer has received a notice from its jurisdiction range office that there is a tax difference between GSTR-1 vs GSTR-3B / GSTR-3B vs GSTR-2A. Whether such tax differences are to be reported in total demand of tax in Table-15E?

No, demand of tax for which an order confirming the demand has been issued by adjudicating authority shall be reported in Table-15E. Only notice received asking for reasons / reconciliation of tax differences

between returns filed cannot be said to be an order confirming demand of tax.

Q11) Whether GSTR-9 can be revised?

No such option has been provided in the law till now.

Q12) How much late fee is payable for late filing of GSTR-9?

As per section 47(2) of CGST Act, Late fee for belated filing of GSTR-9 is Rs.100 per day subject to maximum of 0.25% of turnover in a state/UT. Similar provision is there in SGST Act also. Hence, in total there will be late fee of Rs.200 per day subject to 0.50% of turnover.

CONCLUSION:

Under the GST law, the provisions related to Annual Return are complex and need some more clarity on various aspects, which are likely to come in due course and we also look forward to some relaxation for small taxpayers.

OBITUARY



CMA J. K. Puri, Past President of the Institute (1989-90) passed away on 4th December 2018.

May the departed soul rest in peace.

CONDOLENCE MEETING

To mourn the sad demise of CMA J. K. Puri, WIRC Council arranged a Condolence Meeting on Thursday, 6th December 2018 at WIRC Office premises.

Students & Members, alongwith Staff members of WIRC attended the meeting.

CHAPTER NEWS

AHMEDABAD

CEP on GST E-way Bill & GST Audit on 27.10.2018

A CEP on GST E-Way bill and GST Audit was organized on 27th October 2018 at ATMA Hall, Ashram Road, Ahmedabad. CMA Ashish Bhavsar, Chairman of the chapter welcomed participants and the faculties. CMA D S Mahajani was felicitated by offering bouquet and memento by CMA Ashish Bhavsar, Chairman of Chapter. CA Nitesh Jain was felicitated by offering bouquet and memento by CMA Ashwin Dalwadi, Chairman of PD Committee and CMA Malav Dalwadi was felicitated by offering bouquet and memento by CMA Haren Bhatt, Secretary of Chapter. Faculties submitted the presentation and explained about GST E-way bill, GST Audit and Reconciliation with GSTRS and exploitation of software for E-way Bill and GSTR reconciliation. CMA Haren Bhatt, Secretary of Chapter proposed vote of thanks.

Diwali Get-together Program for Members & Students on 17.11.2018

Chapter organized Diwali Get-together program at Amphy Theatre, Vastrapur on 17.11.2018. A Quiz competition organized for members and students on the occasion. Mobile app of Ahmedabad Chapter was launched by CMA P H Desai, Vice Chairman of WIRC for providing facilities to students and members about chapter activities. The program was followed by Dinner.

CEP on Cost Sense on 27.11.2018

A CEP on Cost Sense was organized on 27th November 2018 at Chapter. CMA Ashish Bhavsar, Chairman of chapter welcomed participants and the faculty CMA Dr. Sreehari Chava. CMA Ashish Bhavsar was felicitated by faculty by offering memento. CMA Dr. Sreehari Chava submitted the presentation and explained the subject.

AURANGABAD

Career Guidance Programme was conducted at Dayanand College of Commerce, Latur on 27th October 2018. CMA Kiran Kulkarni, Chairman Training & Education Committee and CMA Parag Rane, Secretary of Chapter guided the students.

NAGPUR

Chapter organised CEP Role of CMAs in Banking Sector on 17th November 2018 at Chapter premises. CMA Rajat Naidu was the speaker.

NAVI MUMBAI

Chapter had organized a CEP on "Wealth & Wellness" on 18th November 2018 at Karamveer Bhaurao Patil College, Vashi. CMA L. Prakash, Chairman welcomed the audience to the programme.

Speaker CMA Soumit Das explained the concept of VUCA. VUCA stands for Volatility, Uncertainty, Complexity and Ambiguity. He went into detail of various asset classes of finances for creation, accumulation and protection of wealth and to overcome VUCA. He spoke in details of Insurance products, mutual funds, equity investment. He explained importance of investment allocation for accumulation and protection of wealth for individuals of all age groups.

CMA Soumit Das highlighted the importance of insurance policies to cover risk and manage uncertainties of life and also helps in wealth protection. Similarly investment in other financial assets - mutual fund, real estate helps in accumulation of wealth.

The session was very interactive and the speaker thanked all participants for making the session interesting with their questions and discussion.

The programme was completed with felicitation of speaker by CMA Kumar Subramaniam, Reliance Industries Limited and vote of thanks by CMA Sushant Ghadge, Treasurer of the Chapter.

PIMPRI-CHINCHWAD-AKURDI

Half day seminar on 3rd November 2018

Chapter jointly with Western Maharashtra Tax Practitioners Association conducted half day seminar on "GST Audit, Reconciliation and Annual Return" on 3rd November 2018 from 9.00 a.m. to 1.30 p.m. at CMA Bhawan, Pimpri. CMA L D Pawar, Chairman - WIRC of ICAI & Shri Navneetlal Bora, President - Western Maharashtra Tax Practitioners Association were the Chief Guests of the program. CMA Mahendra Bhombe, Chairman of PCA Chapter welcomed all dignitaries on the dais Shri Navneetlal Bora, CMA L. D. Pawar, Shri Ashok Pagariya, CA Maheshwar Marathe and Advocate Shri G. Y. Patwardhan. CMA L. D. Pawar felicitated all the dignitaries by offering mementos.

Shri Navneetlal Bora addressed the gathering and welcomed all the participants. He also thanked to CMA L. D. Pawar and all Managing Committee members of PCA Chapter for arranging such type of program in association with Western Maharashtra Tax Practitioners Association for the benefit of peoples in Pimpri-Chinchwad area.

Advocate Amol Mane - the eminent speaker in his speech focused on the topic of GST Audit. The book 'APPEAL' written by Shri G. Y. Patwardhan was unveiled at the hands of all the dignitaries present at the function.

Career Counselling Seminar held on 30.11.2018

Chapter conducted Career Counselling Seminar on 30th November 2018 at CMA Bhawan, Pimpri for getting more and more awareness about CMA Course and our Institute also. Mr. Vikas Adawade introduced speaker CMA Mahendra Bhombe, Chairman of PCA Chapter and Mrs. Apurva Dixit, Co-ordinator of City Pride School.

The program started with video clip about CMA Career. CMA Mahendra Bhombe delivered the lecture and informed students about Foundation, Intermediate and Final levels of the course. He also gave some live examples about the future and motivated all the students.

SOLAPUR

Celebration of Chapter Foundation Day and Students' Day

On 14th October 2018, Members, faculty and students of Solapur Chapter celebrated Chapter Foundation Day, in a traditional manner. On this occasion the lamp was lit by the Chairman of the chapter and representative of the students. This was followed by Students' Day celebrations. Students organized a cultural programme. The programme was compered by the students themselves. The function was attended by members, faculty and students.

CEP on GST Audit

On 20th October 2018, CEP on "Audit under GST Act" was conducted by Chapter. The Speaker was CMA Prof. Sunil Ingale. CMA Murali Iyengar, Treasurer of the Chapter introduced the Speaker and Chairman CMA Nagaraj Alwal felicitated him. He explained the meaning of the term "Audit" as envisaged under GST Act. He also explained the scope of such audit and the areas which should be the focus of such audit. The lecture was followed by a lively Question and Answer Session. CMA Amol Kshirsagar proposed vote of thanks. The CEP was attended by members and students of the Chapter.

CEP "Basel III norms and Asset Liability Management in Banks."

On 18th November 2018, a CEP was organized by on "Basel III norms and Asset Liability Management in Banks." The key speaker for the CEP was Shri S.S.N. Murthy, Retired DGM, Union Bank of India. He spoke about the history of Basel norms and their need. He also explained as to how the Reserve Bank of India has adopted these norms to be followed by the Indian Banking industry. CMA Shri Raghunath Kshirsagar, Secretary of Chapter, introduced the speaker and CMA Shri Murali Iyengar, Treasurer of Chapter, proposed the vote of thanks.



CMA D. S. Mahajani - faculty being felicitated by CMA Ashish Bhavsar during CEP organized by Ahmedabad Chapter on 27th October 2018.



CMA Kiran Kulkarni, Secretary of Aurangabad Chapter guiding the students in Career Guidance Programme organized by Aurangabad Chapter on 27th October 2018.



Welcoming to Chief Guest CMA Vijay P. Joshi by CMA Ravinder Dubey (Treasurer, Indore-Dewas Chapter) during Felicitation Function organised by Indore-Dewas Chapter



CMA Rajat Naidu, speaker lighting the lamp during CEP organised by Nagpur Chapter on 17th November 2018. Seen (L to R): CMA Sarda, CMA V. V. S. Murthy, CMA Anil B. Verma, CMA Anan R. Sahasrabudhe and CMA Shriram Mahankaliwar, Hon. Secretary, WIRC



Speaker CMA Soumit Das being felicitated by CMA Kumar Subramaniam during CEP organized by Navi Mumbai Chapter on 18th November 2018



CMA Laxman D. Pawar, Chairman WIRC proposing the Vote of thanks during Banking Symposium 2018 held at Taj Santacruz, Mumbai on 30th November 2018.



CMA L D Pawar, Chairman, WIRC felicitating Shri. Navneetlal Bora, President, Western Maharashtra Tax Practitioners Association during Half day seminar organized by Pimpri-Chinchwad-Akurdi Chapter on 3rd November 2018



CMA Mahendra Bhombe, Chairman felicitating Mrs. Apruva Dixit from City Pride School during Career Counseling seminar organized by Pimpri-Chinchwad-Akurdi Chapter on 30th November 2018

Glimpses of National Seminar



CMA Laxman D. Pawar, Chairman, WIRC felicitating Chief Guest Dr. A. R. Deshmukh, MD, Maharashtra State Co-operative Bank



CMA Pradip H. Desai, Vice-Chairman WIRC felicitating CMA Amit A. Apte, President, ICAI



Chief Guest Dr. A. R. Deshmukh, MD, Maharashtra State Co-operative Bank delivering inaugural speech



Release of Souvenir by dignitaries



Felicitation of Past Presidents WIRC and Past Chairmen WIRC



Volunteers of the Seminar

To



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