

SIRC Newsletter

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MAY 2013 | Volume 38 ■ Part 11



Southern India Regional Council ▶ THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ▶ SET UP BY AN ACT OF PARLIAMENT

FINANCIAL INSTRUMENTS



Members of SIRC and Central Council from Southern Region with Chairpersons and Secretaries of Branches of SIRC at the Orientation Programme held from 17th to 19th April 2013 at Visakhapatnam

CHAIRPERSONS OF BRANCHES OF SIRC OF ICAI FOR THE YEAR 2013-14



CA. R. Sreenivasan
Alleppey Branch
9847051915



CA. S.N. Ravindranath
Bangalore Branch
9632503279



CA. Vijayeendra G. Patil
Belgaum Branch
9448634961



CA. K. Rajasekhar
Bellary Branch
9448057789



CA. Ranjani Umesh
Calicut Branch
9895288655



CA. K.P. Gobinath
Coimbatore Branch
9443911586



CA. Mathew Joseph
Ernakulam Branch
9447745467



CA. N. Thangavel
Erode Branch
9443379070



CA. A. Leelakrishna Murthy
Guntur Branch
9440257685



CA. Madhusudan D. Pise
Hubli Branch
9448821589



CA. Yarra Tirupathiah
Hyderabad Branch
9391004677



CA. Mandhata Surya Rao
Kakinada Branch
9346052259



CA. P.J. Jacob
Kannur Branch
9447778744



CA. Thankachan Zacharias
Kottajam Branch
9447660217



CA. R. Baskar
Kumbakonam Branch
9488422525



CA. P. Saravanan
Madurai Branch
9843136365



CA. M. Jagannath Kamath
Mangalore Branch
9845082646



CA. K.S. Sadashiva
Mysore Branch
9448277208



CA. A. Pundarikaksham
Nellore Branch
9866290509



CA. A.K. Mohandas
Palghat Branch
9447052311



CA. Meenakshi Sundar
Pondicherry Branch
9442535820



CA. T.Y. Koshy
Quilon Branch
9847211819



CA. Ch. S.V.S. Viswanath
Rajamahendravaram Branch
9849115212



CA. V. Madhukar
Salem Branch
9842702521



CA. M. Muthusubramanian
Sivakasi Branch
9842163649



CA. V. Jayaraman
Tiruchirappalli Branch
9443705152



CA. B. Ramasamy
Tirunelveli Branch
9443380361



CA. B. Krishna Murthy
Tirupati Branch
9963971685



CA. K. Chinnasamy
Tirupur Branch
9842279191



CA. T.T. Shajan
Trichur Branch
9447260097



CA. C. Hari
Trivandrum Branch
9349329711



CA. M.R. Antony Xavier
Tuticorin Branch
9443222137



CA. U. Muralidhar Kini
Udupi Branch
9844062933



CA. D. Kalaiyalagan
Vellore Branch
9345644414



CA. Bhimavarapu Shivaji Prasad
Vijayawada Branch
9848290289



CA. P.V.S.P. Kumar
Visakhapatnam Branch
9441077410

Chairman writes ...



My dear Professional Colleagues,

Experience is the teacher of all things. The only source of knowledge is experience. All experience is an arch to build upon.

Human behavioral approach depends upon how much one has gained experience and in what direction. The experience may be in any form, may be through theoretical or practical knowledge and learning from others. But nothing can substitute "direct contact" where with experience, true and new ideas are born. I realized this concept when the Orientation Programme for the Chairmen and Secretaries of Branches of SIRC was held at Visakhapatnam from 17th to 19th April 2013. A rich experience indeed for me and it also gave me and my team at SIRC an opportunity to come across many issues concerning the members and students across the Region. The presence of Central and Regional Council Members and their interaction gave more insight to the leaders of our profession at the branches and their sharing of experience of performance in the cause of our profession provided a new dimension to the proceedings. The meeting, I am confident, would bring in more new and innovative programmes for the members and students in the Region during this year. I thank CA. P.V.S.P. Kumar, Chairman, Visakhapatnam Branch and his team for the excellent co-ordination and arrangements made for the successful conduct of the Orientation Programme.

Interaction with the Members

Conscious of the fact that most of the members would either be busy on bank audit or finalization of annual accounts, I had to deny the pleasure of visiting the Branches last month. But however, I had one pleasant opportunity to meet cross section of members of the Region in the Regional Residential Course at Yercaud. The Course was well attended and highly fruitful and purposeful. Encouraged by the response, SIRC is organizing yet another Residential Course at Ootacamund from 24th to 26th May 2013. I invite members to participate in large numbers. The details of the programme are published in Page No. 14 of this Newsletter. I congratulate CA. M. Madhukar, Chairman, Salem Branch and his team for hosting the Regional Residential Course in an excellent manner with warmth and precision.

Sports Activities for Members

For the first time in the annals of SIRC, sports activities for members have been scheduled. This year to make a beginning, Cricket for men and Shuttle Badminton for men and women will be held during May/June 2013. At the meeting of the Regional Council held on 25th April 2013 a draw was taken at the meeting for preliminary round of competition.

The tournament has been divided into State Level and Regional Level. Inter-Branch Tournament will be held amongst the Branches in the respective States. State Level Teams will participate in the Inter-State Tournament at Regional Level which will be held at Chennai in the month of July 2013. The winners at the State Level and the Regional Level will be awarded Shields at the 45th Regional Conference. I request the members to participate in large numbers and encourage the new initiative to have good Fellowship and Sportsmanship.

New Opportunities for Members

It is always the endeavour of the Council to explore new opportunities for the Profession. We have taken up certain initiatives in this direction at Southern Region Level. As you are aware, audit under VAT Acts in Tamil Nadu, Kerala and

Karnataka is mandatory. It is our desire to take up the matter with Government of Andhra Pradesh to introduce compulsory Audit under AP VAT Act. Karnataka State has introduced audit of Cooperative Sectors by Chartered Accountants. SIRC took up to pursue the matter with the other State Governments as well in Southern Region.

SIRC Committee Meetings

Number of Committees of SIRC met in April and chalked out various programmes/initiatives in line with the Action Plan of SIRC. The details of such programmes and initiatives will be published in the forthcoming issue of Newsletter.

45th SIRC Regional Conference at Visakhapatnam

The Regional Council has decided to hold the 45th Regional Conference of SIRC of ICAI on 13th and 14th December 2013 at Visakhapatnam. Further information of the Conference would be published in the forthcoming issues of the Newsletter. I request the members to block those two days to be at Visakhapatnam and be part of the momentous occasion.

Readers' Feedback on Newsletter

We received the feedback from members in the prescribed proforma contained in the last Newsletter and I am very happy that while the feedback from the members was positive, the members also indicated their valuable suggestions for the improvement of the Newsletter. We thank the members for sparing their valuable time in sending them. I also wish that the number of feedback should have been little more for having more input for the consideration of the Editorial Board and I look forward to receiving the feedback from more members.

Convocation

The Convocation for the members who have qualified and enrolled as Associate Members between 1st March and 31st August 2012 is scheduled on 10th May 2013 at Chennai. I, on behalf of SIRC and on my own behalf, welcome the recipients of the credentials and wish them all the best in their professional career.

Our Thanks to Members

I take this opportunity to thank the members for their support and look forward to meeting the members to share their wisdom and knowledge in these programmes and also initiatives of SIRC. The success of the programmes is measured not only on the content and resource persons but also the presence of members which provides a platform for interaction and exchange of thoughts on professional matters.

With warm regards,

Yours in professional service

CA. D. PRASANNA KUMAR
chairmansirc@gmail.com

EDITORIAL BOARD

Editor	:	CA. D. Prasanna Kumar
Members	:	CA. P.R. Suresh CA. P.R. Aruloli CA. Gopal Krishna Raju CA. P.V. Rajarajeswaran CA. Babu Abraham Kallivayalil CA. M. Devaraja Reddy CA. V.G. Aravindanayagi CA. K. Pattabhiraman CA. Siva Prasad Nandyal

SIRC CALENDAR

MAY 2013 & JUNE 2013

Contact: Dr. T. Paramasivan, Senior Deputy Director (Tech.) – ICAI – Phone: 044 – 30240361 / 320 – E-mail: sirc@icai.in

Sl.No.	Date and Day	Programme Name	Resource Persons	Timings	Venue	CPE Credit	Delegate Fees	Page No
1	May 1, 2013 Wednesday	Study Circle Meeting on Recent Issues in Tax Laws	CA. N. V. Balaji Chennai	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
2	May 4, 2013 Saturday	Workshop on Internal Audit	Details at April 2013 Newsletter	10.00 a.m. to 5.00 p.m.	P. Brahmayya Memorial Hall	6	750	-
3	May 8, 2013 Wednesday	Study Circle Meeting Case Studies in Transfer Pricing	Dr. P. Vijay Anand Chennai	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
4	May 10, 2013 Friday	Study Group Discussion on Exposure Draft "Standard on Assurance Engagement (SAE) 3420 Report on the Compilation of ProForma Financial Information Included in a Prospectus"	Group Leader CA. Chinnamy Ganesan Chennai	4.30 p.m. – 6.30 p.m.	SIRC Premises	No CPE	No Delegate Fee	-
5	May 11, 2013 Saturday	Workshop on Project Financing	Details at April 2013 Newsletter	10.00 a.m. to 5.00 p.m.	SIRC Premises	6	750	-
6	May 15, 2013 Wednesday	Study Circle Meeting Central Excise - Role of CA's	CA. V.M. V. Subba Rao Nellore	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	No Delegate Fee	-
7	May 18, 2013 Saturday	Workshop on Adding Value to Bank Audit		10.00 a.m. to 5.00 p.m.	SIRC Premises	6	750	15
8	May 18, 2013 Saturday	Panel Discussion on Tamil Nadu State Budget	Details will be hosted in the SIRC Website (www.sircoficai.org)	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
9	May 22, 2013 Wednesday	Study Circle Meeting on Issues in Minimum Alternate Tax (MAT)	CA. K. U. Shankar Chennai	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
10	May 24 & 25, 2013 Fri. & Sat.	Workshop on Enabling Service Tax Practice		10.00 a.m. to 5.00 p.m.	P. Brahmayya Memorial Hall	12	1500	6
11	May 24 -26, 2013 Fri. – Sun.	Regional Residential Programme at Ooty			Sagar Holiday Resorts, Ooty	12	6000	14
12	May 29, 2013 Wednesday	Study Circle Meeting on Value Addition in Internal Audit	CA. R.A. Narayanan Chennai	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
13	May 30 & 31, 2013 Thurs. & Fri.	Seminar on FEMA		4.00 p.m. – 8.00 p.m.	P. Brahmayya Memorial Hall	8	1000	7
14	June 1, 2013 Saturday	Seminar on Clause by Clause Analysis of Finance Act -2013		10.00 a.m. to 4.00 p.m.	P. Brahmayya Memorial Hall	5	750	11
15	June 5, 2013 Wednesday	Study Circle Meeting on TDS - An Overview	CA. P. Satheesan Thrissur	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-

SIRC CALENDAR (Contd..)

16	June 7, 2013 Friday	Workshop on TAMIL NADU VALUE ADDED TAX (VAT)	10.00 a.m.to 5.00 p.m.	SIRC Premises	6	750	11
17	June 8, 2013 Saturday	Workshop on International Taxation	10.00 a.m.to 5.00 p.m.	P. Brahmayya Memorial Hall	6	750	6
18	June 12, 2013 Wednesday	Study Circle Meeting on FCRA - Precautions	6.15 p.m. – 8.30 p.m.	P. Brahmayya Memorial Hall	2	150	-
19	June 15, 2013 Saturday	Workshop on Forensic Accounting and Fraud Detection	10.00 a.m.to 5.00 p.m.	P. Brahmayya Memorial Hall	6	750	7
20	June 28-30, 2013 Fri. – Sun.	Regional Residential Programme at Kodaikanal		Hotel Kodai International	12	7000	14

**SOUTHERN INDIA REGIONAL COUNCIL OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034

**62nd
ANNUAL GENERAL MEETING OF SIRC OF ICAI
NOTICE**

NOTICE is hereby given that the **Sixty Second Annual General Meeting** of the Members of the Southern India Regional Council of the Institute of Chartered Accountants of India will be held on **Friday, 7th June 2013 at 5.30 p.m.** at the **P. Brahmayya Memorial Hall at 'ICAI Bhawan', No. 122 Mahatma Gandhi Road, Nungambakkam, Chennai – 600034** to transact the following agenda:

1. To receive the Annual Report of the Regional Council for the year ended 31st March 2013;
2. To receive the Audited Financial Statements of the Regional Council for the year ended 31st March 2013 together with the Auditor's Report thereon; and
3. To transact any other business that may be brought before the meeting including any resolution(s) received and/or any resolutions that may be received from the member(s) subject to the fulfillment of conditions under Regulations 150 & 151 of the CA Regulations, 1988 with the permission of the Chair.

**BY ORDER OF THE
SOUTHERN INDIA REGIONAL COUNCIL OF ICAI**

Place: Chennai
Date: 25.04.2013

CA. P.R. ARULOLI
SECRETARY

Note:

1. The aforesaid documents are being sent by email, and have been hosted on the website of the Southern India Regional Council of the Institute of Chartered Accountants of India [www.sircoficai.org] and have also been displayed on the Notice Board at the Southern India Regional Council of the Institute of Chartered Accountants of India. Members who have not received those documents may provide their email ids to sirc@icai.in to enable us to send the notice to members by email.
2. Members desirous of having hardcopy of the aforesaid documents may write with their ICAI Membership Number to Dr.T. Paramasivan , Senior Deputy Director (Tech.), the Institute of Chartered Accountants of India, 'ICAI Bhawan', Post Box No.3314, No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034 [email: sirc@icai.in]

WORKSHOP ON INTERNATIONAL TAXATION

SIRC Premises, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai - 600 034

CPE Credit
6
HOURS

Saturday, June 8, 2013

Timings: 10.00 AM to 5:00 PM

Topics

- Issues in International Taxation- Recent Issues
- Transfer Pricing- Latest Developments

Resource Persons

CA. Divakar Vijayasathy
Chennai

CA. Sivam Subramaniam
Chennai

DELEGATE FEE: ₹ 750

Delegate fee by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai shall be sent to SIRC of ICAI, 'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Phone: 044-30210320; Fax: 044-30210355 ; Email: sirc@icai.in

The Registrations for the Workshop are limited to 50 only. Spot Registrations are not encouraged

CA. P. R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

TWO DAYS WORKSHOP ON ENABLING SERVICE TAX PRACTICE

P. Brahmayya Memorial Hall, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai-600 034

CPE Credit
12
HOURS

Friday & Saturday, May 24 & 25, 2013

Timings: 10.00 AM to 5:00 PM

Day 1 – Friday – 10.00 a.m. to 5.00 p.m.

Technical Sessions	Resource Persons
Definition of Service and its taxability ' Declared Service' & Place of provision of Service	CA. Rajendra Kumar P Chennai
Negative List and Exemptions	CA. J. Purushothaman Chennai
Reverse Charge, Joint Charge and their Taxability	CA. Sheikh Abdul Samad Ahmad Chennai
Point of Taxation Rules	CA. N.K. Bharath Kumar Chennai

Day 2 – Saturday – 10.00 a.m. to 5.00 p.m.

Technical Sessions	Resource Persons
Valuation Rules	CA. N.K. Bharath Kumar Chennai
CENVAT Credit Rules, 2004 relating to Service Tax	CA. Rajendra Kumar P Chennai
Provisions and Rules relating to Construction & Works Contract.	CA. P. Sankaran Chennai
Statutory compliance like Registration, Issue of Invoice, Payment of Tax, Adjustment of Excess Payment of Tax: Filing of Periodical Returns, Refund of Service Tax, etc.,	CA. Sheikh Abdul Samad Ahmad Chennai

DELEGATE FEE: ₹ 1500

Delegate fee by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai shall be sent to SIRC of ICAI, 'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Phone: 044-30210320; Fax: 044-30210355 ; Email: sirc@icai.in

CA. P. R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

TWO DAYS WORKSHOP ON FEMA

P. Brahmajya Memorial Hall, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai-600 034

CPE Credit
8
HOURS

Thursday & Friday, May 30 & 31, 2013**Day 1 – Thursday – 03.15 p.m. to 07.30 p.m. - Dinner 7.30 p.m. onwards**

Technical Sessions	Resource Persons
Introduction of FEMA and Role of CAs under FEMA	CA. Rashmin Sanghvi Mumbai
Deposit Schemes for Non Residents, FC Accounts for Persons resident in India, Borrowing and Lending in FC & INR	Mr. Brij Raj Chennai
Investment by NRIs & PIOs	CA. G. Murali Krishna Hyderabad
Valuation of Shares under FEMA	CA. P. Venkatesan Chennai

Day 2 – Friday – 04.00 p.m. to 08.30 p.m. - Dinner 8.30 p.m. onwards

Technical Sessions	Resource Persons
Foreign Direct Investment (including Real Estate Policy)	CS. S. Dhanapal Chennai
External Commercial Borrowings (ECB)	Adv. B. Ramanakumar Chennai
Establishment of Branch/ Liason/ Project office in India; Establishment of Branch/ Representative office outside India Out bound Investment	Adv. K. Ramesh Chennai

DELEGATE FEE: ₹ 1000

Delegate fee by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai shall be sent to SIRC of ICAI, 'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Phone: 044-30210320; Fax: 044-30210355 ; Email: sirc@icai.in

CA. P.R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

WORKSHOP ON FORENSIC ACCOUNTING & FRAUD DETECTION

SIRC Premises, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai - 600 034

CPE Credit
6
HOURS

Saturday, June 15, 2013**Timings: 10.00 AM to 5:00 PM**

Topics	Resource Persons
Forensic Accounting <ul style="list-style-type: none"> Forensic Accounting and Audit Forensic Accounting: Process and Scope 	CA. G. Subramaniam Chennai
Fraud Detection & Investigation <ul style="list-style-type: none"> Fraud Investigation – An Overview Fraud Investigation, Reporting and Prevention Providing Assurance on Internal Controls 	CA. P. Selvamoorthy Chennai

DELEGATE FEE: ₹ 750

Delegate fee by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai shall be sent to SIRC of ICAI, 'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Phone: 044-30210320; Fax: 044-30210355 ; Email: sirc@icai.in

The Registrations for the Workshop are limited to 50 only. Spot Registrations are not encouraged

CA. P.R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

Invitation for Contribution of Articles

SIRC of ICAI invites Articles from Members for publication in the SIRC Newsletter. SIRC is releasing Theme Based monthly Newsletter. The theme finalized for the next three months as follows:

Month	Theme	Articles to reach SIRC on or before
June 2013	Internal Audit	May 10, 2013
July 2013	Direct Taxes	June 10, 2013
August 2013	InDirect Taxes	July 10, 2013

Members may send the soft copy of their article, profile and passport size colour photograph to SIRC by email to sirc@icai.in and sircnewsltr@icai.in for consideration by the Editorial Board on or before the above said dates.

Derivatives – One class of Financial Instruments

The “derivatives” are financial instruments which derive their value from some underlying assets. The underlying assets could be equities (shares), debt (bonds, T-bills, and notes), currencies, and even indices of these assets, such as Nifty 50 Index. Derivatives derive their names from their respective underlying asset.

Basic Derivatives

- **Forwards**
- **Futures**
- **Options**
- **Swaps**

1. Forwards

A **forward** is a contract between two parties to buy or sell an asset at a certain future date at a price predetermined on the date of the contract. The future date is the “expiry date” and the predetermined price is the “Forward Price”. It may be noted that Forwards are private contracts and their terms are decided by the parties concerned. It is a commitment by both the parties to engage in a transaction at a later date with the price set in advance. Thus it is different from a spot market contract, where immediate payment and transfer of asset take place. The party that agrees to buy the asset on a future date is referred to as a long investor and is said to have a long position. Similarly the party that agrees to sell the asset in a future date is referred to as a short investor and is said to have a short position. Forward contracts are traded in Over the Counter (OTC) market and not in stock exchanges. OTC market is a private market where individuals/institutions can trade through negotiations on a one to one basis. When a forward contract expires, there are two alternate arrangements possible to settle the obligation of the parties: physical settlement and cash settlement.

Default risk in forward contracts

Regardless of whether the contract is for physical or cash settlement, there exists a potential of default by one party, i.e. failure to honour his commitment under the contract. It could be either the buyer or the seller. This results in the other party suffering a loss (counter party / credit risk). The main reason behind such risk is the absence of any mediator between the parties, who could have undertaken the task of ensuring that both the parties fulfill their obligations arising out of the contract.

2. Futures

Like a forward contract, a futures contract is an agreement between two parties in which the buyer agrees to buy an underlying asset from the seller, at a future date at a predetermined price agreed upon at the time of the agreement. However, unlike a forward contract, a futures contract is not a private transaction but gets traded on a recognized stock exchange. In addition, a futures contract is standardized by the exchange. All the terms, other than the price, are set by the stock exchange (rather than by individual parties as in the case of a forward contract). Also, both buyer and seller of the futures contracts are protected against the counter party risk by an entity called the The Futures Exchange / Clearing Corporation. The Futures Exchange provides this guarantee to ensure that the buyer or the seller of a futures contract does not suffer as a result of the counter party defaulting on its obligation. To be able to guarantee the fulfillment of the obligations under the contract, The Futures Exchange collects Initial Margin based on the price volatility of the underlying financial assets and also a variable margin to meet the daily loss arising from marking to market the open positions. Such security margin may be in the form of cash or other financial



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assets from both the parties. Also, since the futures contracts are traded on the stock exchanges, the parties have the flexibility of closing out the contract prior to the maturity by squaring off the transactions in the market. Futures contracts are available for equity (Index based), commodity, bonds, forex, interest rates, etc.

Currency Futures

First introduced in 1972 in International money market Chicago and then in London International Financial Futures Exchange, SIMEX, Tokyo International Financial Futures Exchange. Standard sizes & prices are quoted in USD.125,000 per contract of EURO, CHF etc, 62,500 for GBP and 1.25mio for JPY. Min Tick size is 0.01% or 0.0001 per unit of currency. If exchange rate moves one pip (point in percentage), profit or loss is = 0.0001 X contracted amount.

Example

Suppose we are Long IN EURO 1 MIO at 1 EURO = USD 0.9450. View is EURO may weaken against USD.

If EURO falls in Cash market to 0.9400 we would have lost USD 5000. i.e. 1,000,000 X (0.9450-0.9400) had we not hedged.

To hedge risk, we sell EURO futures at EURO = 0.9500. If future settles at 0.9445 we make a profit of USD 5500 = [1,000,000 X (0.9500-0.9445)]

Commodity futures are traded on MCX, NCDEX, while stock indices are traded in BSE and NSE. Trading in Bonds futures and T bills futures is yet to take off.

3. Options

Like forwards and futures, options are derivative instruments that provide the opportunity to buy or sell an underlying asset at a future date. An option is a derivative contract between a buyer and a seller, where one party (option writer / seller) gives to the other (option holder / buyer) the right, but not the obligation, to buy from (or sell to) the option writer, the underlying asset on a specific day at the predetermined price. In return for giving the option, the party giving the option collects a payment from the option buyer. This payment collected is called the “premium” or price of the option. Unlike forwards and futures contracts, options require a cash payment (called the premium) upfront from the option buyer to the option seller. Options can be traded either on the stock exchange or in over the counter (OTC) markets. Options traded on the exchanges are backed by the Clearing Corporation thereby minimizing the risk arising due to default by the counter parties involved. Options traded in the OTC market however are not backed by the Clearing Corporation.

Call option

A call option is an option giving the right to the buyer (also known as holder) of the option to buy the underlying asset on a specific day at an agreed upon price, but not the obligation to do so. It is the seller who gives this right to the buyer of the option. This predetermined price at which the buyer has the right to buy the asset is known as the strike price of the contract (call option strike price). Since the buyer of the call option has the right (but no obligation) to buy the underlying asset, he will exercise his right to buy the underlying asset if and only if the price of the underlying asset in the market is more than the strike price on the expiry date of the contract. The buyer of the call option does not have an obligation to buy if he does not want to.

Example: An European Call option holder of XYZ Steels at a strike price of Rs.395 with a premium of Rs.7 will exercise the option if the market price on the day of expiry is above Rs.395. Suppose the market price is Rs.439.00. He will earn then a profit of Rs.37.00 per share (net of the premium paid, but excluding the charges such as transfer fees / brokerages), i.e., Rs.439 - Rs.402.00 [Rs.395+Rs.7.00] by exercising the call option of buying the shares from the option writer at Rs.395 (the strike price) and selling the so acquired shares in the market at Rs.439.00. As this call is in the money, the intrinsic value is +ve at 44.

Put option

A put option is a contract giving the right to the buyer of the option to sell the underlying asset on a specific day at an agreed upon price, but not the obligation to do so. It is the seller (also known as writer) who grants this right to the buyer of the option. The person who has the right to sell the underlying asset is known as the "buyer of the put option". This predetermined price at which the buyer has the right to sell the asset is known as the strike price of the contract (put option strike price). Since the buyer of the put option has the right (but not the obligation) to sell the underlying asset, he will exercise his right to sell the underlying asset if and only if the price of the underlying asset in the market is less than the strike price on the expiry date of the contract. The buyer of the put option does not have the obligation to sell if he does not want to.

Example: An European Put option holder on PQR Bank at a strike price of Rs.400 with a premium of Rs.8 will exercise the option if the market price on the day of expiry is below Rs.400.00. If the market price is Rs.375.00, he will earn then a profit of Rs.17.00 per share (net of the premium paid, but excluding the charges such as transfer fees / brokerages), i.e., $\{400.00 - Rs.375.00\} - 8.00$ by buying the PQR Bank shares from the market at Rs.375.00 and exercising the Put option of selling the so acquired shares to the option writer at Rs.400 (the strike price).

'Straddle'

It is an option strategy in which the investor holds both a call and put position with the same strike price and expiration date.

Interest rate options

Cap: Option products which protect lenders / investors from raising interest rates.

Floor: Option products which protect lenders / investors from falling interest rates.

Types of options

Options can be divided into two different categories depending upon the primary exercise styles associated with options. These categories are:

American options: American options are options that can be exercised on any day on or before the expiry date. They can be exercised by the buyer on any day on or before the final settlement date or the expiry date.

European Options: European options are options that can be exercised only on the expiration date.

Moneyness of an Option

"Moneyness" of an option indicates whether an option is worth exercising or not i.e. if the option is exercised by the buyer of the option whether he will receive money or not. The premium paid is not taken into consideration while calculating moneyness of an Option, since the premium once paid is a sunk cost and the profitability from exercising the option does not depend on the amount of the premium paid. The following table defines the moneyness of an option.

	Situation	Call	Put
1	In-the-money option	Spot price > Strike price	Spot price < Strike price
2	At-the-money option	Spot price = Strike price	Spot price = Strike price
3	Out-of-the-money option	Spot price < Strike price	Spot price > Strike price

4. Swaps

Swaps are private agreements between two parties to exchange cash flows in the future according to a prearranged formula. They can be regarded as portfolios of forward contracts. The two commonly used swaps are interest rate swaps and currency swaps.

- 1) Interest rate swaps: These involve swapping only the interest related cash flows between the parties in the same currency. It is a transaction in which one party pays a fixed rate of interest and the counter party pays floating rate of interest on an agreed notional principal. Example Paying 9% fixed interest semi-annual and receiving MIBOR + 0.075% annual.
- 2) Currency swaps: These entail swapping both principal and interest between the parties, with the cash flows in one direction being in a different currency than those in the opposite direction.

5. Forward Rate Agreement – FRA

FRA is a contract between two parties to settle the interest differentials on a notional principal on a future settlement date for a specified future period.

Example

A Corporate wants to borrow Rs. 1 crore for 6 months starting from 3 months from today. Co feels that interest rate may go up in 3 months and hence want to lock in a rate right today for future borrowing commitment. It enters into a 3 v 9 FRA with a counter party for a notional amount of Rs.1 crore. Counter party quotes 6.25/6.50 for a 3 v 9 FRA, the corporate buys the FRA at 6.50% which effectively means it locks itself for 6.50% for the above future borrowing commitment.

If on the settlement date the bench mark interest rate settles at 7.00% (the corporate's view has come true), the seller of FRA pays to the buyer the interest differential of 0.5% (7-6.5) on the notional principal of Rs.1 crore for the period of 6 months discounted at 7%. The amount receivable by the corporate is calculated as under:

$$\frac{(1,00,00,000 \times 0.50\% \times 181)}{365} \times \left[\frac{1}{1 + 0.07 \times 181/365} \right] = \text{Rs.23963}$$

If on the other hand Bench mark interest rate on settlement date has fallen down to 6.00% the corporate has to pay to the counter party the interest differential of 0.5% for six months discounted at 6.00%. The amount payable by the corporate is $\frac{(1,00,00,000 \times 0.50\% \times 181)}{365} \times \left[\frac{1}{1 + 0.06 \times 181/365} \right] = \text{Rs.24078}$

Conclusions

- Derivatives have high leverage or gearing. With small outlay of funds we can deal in high volumes.
- Pricing and trading in derivatives are very complex and thorough understanding is a pre requisite before one can venture into dealing with derivatives.
- Derivatives enable price discovery, improve the liquidity of the underlying asset and are thus effective hedging instruments.

EXCHANGE TRADED FUNDS (ETFs)



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"Wall Street is the only place that people ride to in a Rolls-Royce to get advice from those who take the subway." - Warren Buffet

What is an ETF

If one wants to define an ETF, it is similar to a Mutual Fund but different in that the units are traded in Stock Exchanges similar to Stocks. Wikipedia defines it as Investment Funds traded in Stock Exchanges like Stocks. These ETFs combine the skills and expertise of management of Mutual Funds and the ease and advantages of trading in a stock in a Stock Exchange. They are tax effective as well as cost effective in terms of management efficiency.

Each such ETF has a Product or Theme. Such product or theme is called the underlying (asset). The ETFs track the underlying asset prices and never try to beat the performances of their underlying.

The underlying asset in each ETF may differ. It may be only one asset such as Gold or a Combo of stocks such as Nifty, which is an Exchange calculated Index (a combination of 50 Stocks in the same proportion as Nifty is weighted) or a class of stocks belonging to an industry such as Infrastructure or PSU Banks or a commodity such as Crude or Copper or a currency such as USD etc. The asset management companies (AMCs) float the ETF and after the public subscribes to it, then proceed to list these ETFs in recognized Stock Exchanges and in India there are presently 3 active recognized Stock Exchanges. The investing public are free to trade them close to the NAV or market perceived rates in a transparent manner.

It may also be stated that Mutual Funds in India are not traded like the ETFs. One can place orders for Mutual Fund units in the Stock Exchange provided platform but the result of the order, price at which the investor gets his units allotted and the net fund receivable on redemptions are not known in real-time for the investors. The main reason for these Mutual Funds not picking up in the Stock Exchange platforms is that they are not as transparent as ETFs are.

Evolution of ETF

In 1989 this was first tried as Index Participation Shares in American Stock Exchange and Philadelphia Stock Exchange but was withdrawn due to legal ban. Later on in Toronto Stock Exchange (TSE) in 1990 this was introduced as TIPS (Toronto Index Participation Shares) mirroring TSE100 and TSE35 and became hugely popular with investors. Following the success, NYSE introduced in 1993 SPY (also known as "Spiders" to rhyme with S&P Depository Receipts-SPYDR). This is the largest traded ETF in the world at present. Many others followed like "iShares" etc.

In India Benchmark ETFs were launched in 2002 and have grown very well as their products are called "BeES"-Nifty BeES, Bank BeES etc. Essentially this brought the trading in various indices possible for any common investor unlike the Futures and Derivatives which still remain elusive in monetary as well as skillset terms for an average investor. There are more than 30 ETFs in India presently and the majority of them are in Gold and Stock Indexes. Many reputed Banks, Fund Managers and other Big Corporates engaged in Wealth and Money Management business have floated these ETFs and are managing them. Leading among these are Goldman Sachs (Benchmark), Motilal Oswal, Religare, Reliance ADAG, ICICI, SBI etc.

Worldwide ETFs have grown exponentially in the last 20 years to clock an investment of 1.5 trillion USD. In India too the growth of

ETFs has been impressive to augment over Rs. 11000 crores.

Structure and Operations

As in Mutual Funds the ETFs also offer the investors an undivided share in the underlying invested asset class. The ETFs have invested in Stocks, Indexes, Commodities such as Gold, Silver or Crude or Currencies. The AMCs (Asset Management Companies) do not transact with investors unless the deals are large enough (Called Creation Units). The investors transact through the Stock Exchanges where these units are listed. Trading and settlement rules are similar to the stocks and the units are held in dematerialized form with various Depository Participants (DPs). In India all the Stock Exchanges encourage trading in ETFs and NSE leads in the ETF turnover in India. See the References for more details. As per SEBI the domain of Futures and Options segment of the market (Derivative Segment) must be participated by only knowledgeable and skilled High Net worth Individuals (HNIs). All retail investors and traders who cannot manage their risk in the markets must desist from trading in this segment, according to the regulators. The lot sizes in our Indian markets are kept with a minimum exposure size of 2 lacs as compared to international practice of keeping only 100 as the lot size irrespective of the value of exposure. Keeping this in mind only SEBI has ordered the 2 exchanges to withdraw trading in MINI Contracts.

The structural mechanism in ETFs provides scope for minimizing the price differences in purchase/sale values as well as valuation of the NAV of the fund. Since the trades carried out in exchanges are transparent investors get the near true value of the fund and avoid deviation to a large extent unlike MFs. A feeling of satisfaction also is there for investors as the trades are real time and not after the end of the day. ETFs largely track their underlying such as Indices or Gold and the tracking error or deviation is very minimal.

Types of ETFs

Internationally there are a variety of ETFs floated by many AMCs who are known world over, like, Vanguard, Goldman Sachs, Deutsche Bank et al. The asset classes include Indexes (S&P, NASDAQ, Nifty), Stockgroups (Banking, Technology, Infrastructure), Commodities (Gold, Silver, Crude), Currencies (USDollar, GBP) or even leveraged/Inverse ETFs (based on Dow Jones) with a leverage of 2x or 3x depending on Investor's risk appetite (BOOST, Direxion, P roshares).

In India the ETFs mainly track Gold and Nifty and other indexes. And Indian ETFs do not offer any Leveraged or Inverse trading facilities unlike in the developed worlds such as America or Europe or U.K. Indian ETF industry was pioneered by Benchmark and their ETFs carry the name BeES such as Nifty BeES, Bank BeES, PSUBank BeES, Junior BeES, Gold BeES. Many other AMCs followed suit particularly in Gold where all leading Banks, Institutions and AMCs are managing the ETFs. But the Benchmark ETFs have greater liquidity which helps the investor to enter and exit the markets with ease, with low impact costs. Out of all the ETFs 14 are devoted to Gold while 9 are tracking the leading Indexes such as Nifty .

India lacks in Leveraged/Inverse ETFs that are in USA, Canada, U.K. Leveraged products in ETFs will make these ETFs liquid and liquidity leads to greater price discovery. A Table is provided hereunder which compares various exchange traded products including the Index Mutual Funds

ETF and Other Asset Classes Comparison

Characteristic of action taken	ETF	Index Mutual Fund	Individual Stock	Derivatives Products like Futures and Options
Does it provide diversified products	Yes	Yes	No	Yes
Product Value Appreciation	Average	Average	Maximum	Maximum
Risk involved	Minimum	Minimum	Maximum	Maximum
Traded throughout the day	Yes	No	Yes	Yes
Margin Trading	Yes	No	Yes	Yes
Short Selling (Intraday)	Yes	No	Yes	Yes
Leveraged/Inverse Trading	No	No	No	Yes
Position Trading (Long/Short)	No	No	No	Yes
Tracking Error	Yes	Yes	No	Yes
Tax Implications (Long term Capital Gains)	Yes	Possibly	Yes	Always considered as Business Income/Loss
Expense Ratio	Low	Some-times	Not a factor	Low
Trade at any brokerage	Yes	No	Yes	Yes

Risks and Other Objections to ETFs

The objections, which mainly emanate from pure MF managers and their risk perceptions, are mainly due effects on stability of the markets. They think that the ETFs are spurious consumers and not real investors. They feel that many Emerging Markets are propped up by these ETFs. Some recent objections have been on the holdings and auditing of the stocks and their quality. Also very recently Gold Holdings in ETFs and the panic selling by investors in such ETFs are being cited as the cause for the steep fall in the prices of Gold

which slumped in an unprecedented fashion.

Conclusion

ETFs are relatively new products even in international markets as they are merely 20 years old and in India they are merely 10 years old. But the growth shows that they are becoming more and more popular due to ease of investment and several other facilities offered by them. But more than anything else investors will tend to track their portfolio with ease and will not be disappointed looking at their own portfolio not appreciating when Index moves up. Also the high risk environment in which the various markets are operating makes the issue of governance a prominent one. ETFs when they cater to Indexes will eliminate the risk element by including only those stocks which are largely capitalized in accordance with the Index committee's requirements. Thus good stocks tend to move towards the Index and thus towards those ETFs which track these Indexes.

References

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- <http://www.benchmarkfunds.com/KnowledgeCenter/FAQ/FAQs.aspx>
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- http://nseindia.com/live_market/dynaContent/live_watch/equities_stock_watch.htm?cat=E
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- <http://www.businessinsider.com/warren-buffetts-best-quotes-2013-3?op=1#ixzz2QRXYZdwe>

WORKSHOP ON TN VAT WITH SPECIAL REFERENCE TO TN VAT AUDIT

SIRC Premises, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai - 600 034

CPE Credit
6
HOURS

Friday, June 7, 2013

Timings: 10.00 AM to 5:00 PM

Topics

Introduction to VAT- Input Tax Credit – Hotel & SEZ
Works Contract, Leasing and Compounding
Practical Aspects of VAT Audit
Panel Discussion on VAT Audit

Resource Persons

CA. J. Murali, Chennai
CA. P. Sankaran, Chennai
CA. V.V. Sampath Kumar, Chennai

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The Registrations for the Workshop are limited to 50 only. SPOT Registrations are NOT encouraged

CA. P.R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

SEMINAR ON CLAUSE BY CLAUSE ANALYSIS OF FINANCE ACT -2013

P. Brahmajya Memorial Hall,
'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai - 600 034

CPE Credit
5
HOURS

Saturday, June 1, 2013

Timings: 10.00 AM to 4:00 PM

Topics

Clause By Clause Analysis – Direct Taxes
Clause By Clause Analysis – Indirect Taxes

Resource Persons

Eminent Resource Person
CA. P C Anand, Chennai

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CA. P.R. Aruloli
Secretary, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

Updates on Direct Taxes

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1. Revision under section 264 cannot be made when appeal has been dismissed by CIT (Appeals): In K.H. Traders v. CIT [2013] 351 ITR 1 (Ker) the assessee filed an appeal against the order of assessment long after the end of the prescribed time. The CIT (Appeals) declined to condone the delay in filing of appeal and hence dismissed the appeal. The assessee subsequently sought revision under section 264 before Commissioner of Income-tax. The Commissioner rejected the application on the ground that that in view of section 264(4), the revision sought by the assessee as not maintainable. The court held that the order dismissing the appeal passed by CIT (Appeals) implies that the assessee did not waive his right of appeal and consequently the eligibility for seeking revision under section 264 was also lost. Thus the revision petition of the assessee rejected by the Commissioner was held as valid in law.

2. Sale consideration received in kind but later converted into cash is also eligible for capital gains exemption: In CIT v. Smt. Padmavathy [2013] 82 DTR (Kar) 369 the assessee transferred land and entered into a joint development agreement with the builder by which she became eligible for six flats to be constructed by the builder. Out of six flats received, she sold three flats and deposited the sale proceeds in eligible investments to avail exemption from capital gains. The court held that the assessee having converted the non-cash consideration into cash and deposited the same within the specified time has satisfied the conditions for capital gain exemption. The contention of the revenue that long-term capital gains chargeable to tax had arisen at the time of sale of land and the deposit of sale consideration subsequently cannot go to bestow tax exemption on the taxpayer was rejected by the court. Readers may note that the assessee sought exemption by reinvestment in section 54EA deposit which is presently not in vogue. Nevertheless, the essence of the decision could be applied even now for availing tax exemption under certain other exemption provisions.

3. Receipt of power subsidy based on actual power consumption is a revenue receipt: In CIT v. Rassi Cements Ltd [2013] 351 ITR 169 (AP) the assessee based on the G.O. issued by the Government of Andhra Pradesh became eligible to receive a sum of Rs.35.58 lakhs by way of power subsidy which was transferred to a reserve account in the books of account of the assessee. The assessee claimed that the amount received by way of power subsidy was to encourage setting up of new industry or to those going in for substantial expansion of the existing industries. It was argued by the assessee that the subsidy was received for setting up industry in backward area and merely because quantification of subsidy was based on power consumption it would not change the character of receipt from capital receipt to revenue receipt. The court held that a capital receipt as per the legal principles is exempt unless it is expressly taxable and a revenue receipt is normally taxable unless it is expressly exempt in law. It held that the nature of receipt always has to be decided as a question of fact. It held that the power subsidy was given after commencement of production and it was linked to production, hence a revenue receipt. Assistance by way of subsidy is given for the purpose of carrying on of business by the assessee. The decision hence was in favour of revenue.

4. Proximity of relationship and genuineness of transaction provides relief from penalty under section 271D: In CIT v. Smt. M.Yesodha [2013] 351 ITR 265 (Mad) the assessee received Rs.20.99 lakhs from her father in law for purchase of property. Penalty for contravention of the provisions of section 269SS was initiated and the assessee claimed that the amounts received represent gift and not loan so as to attract the penal provision. The Assessing Officer however held that the amount was received as loan not as gift based on the disclosure in the balance sheet of the assessee. The CIT (Appeals) confirmed the levy of penalty. The tribunal held that the transaction was between father-in-law and daughter-in-law and the genuineness of the transaction was not disputed and hence the cash taken by the assessee could not be subjected to penalty under section 271D. The court held that the source for the payment had been disclosed in the assessment proceedings vis a vis the genuineness of transaction. Since it was a genuine bona fide transaction with reasonable cause shown by the assessee for accepting the amounts, it was held that the authority vested with the power to levy penalty can also exercise the discretion to, not to levy penalty. Hence, the decision of the tribunal in favour of the taxpayer was upheld by the court.

5. Contribution made by foreman to make good the defaults made by subscribers is a deductible expenditure: In CIT v. Shriram Chits & Investments Ltd [2013] 83 DTR (Mad) 208 the assessee conducting chits in the capacity of foreman had to contribute money to make good the defaults committed by any of the subscribers of the chit. The assessee either can replace the subscriber if the defaulting subscriber had not bid the chit or take necessary action for recovering the amounts if the defaulting subscriber had already bid the chit. The amount contributed in order to honour the prized chit subscribers with payment was claimed as business expenditure and any amount recovered subsequently was offered to tax. The court held that the amounts contributed to make good the defaults in the capacity of foreman were deductible as business loss under section 28 of the Act.

6. Working partner salary paid as per section 40(b) vis a vis impact of section 40A(2): In CIT v. Great City Manufacturing Co [2013] 83 DTR (All) 13 the assessee-firm paid salary to working partners in accordance with the recitals contained in the deed of partnership. The claim of salary to the partners was Rs.39.33 lakhs and whereas the salary paid to employees by the firm was only Rs.4.87 lakhs. The Assessing Officer held that the partnership deed did not specify the duties and functions of the partners to justify the remuneration of Rs.13.11 lakh to each working partner. The Assessing Officer accordingly allowed only Rs.12 lakhs as permissible working partner salary and disallowed the balance invoking section 40A(2). The court held that the Parliament has fixed a limit on allowing remuneration to working partners and so long as the remuneration is within the ceiling limit provided in law, recourse to section 40A(2) cannot be taken. Accordingly, the disallowance of salary made by the Assessing Officer was held as untenable.

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Updates on Indirect Taxes

1. Agent actions binding on Principal:

Agent Delivers goods to buyers or Principal's authorised dealers then also the goods are delivered as goods of the principal and hence there is no new sale transaction by the agent. It is only a transaction by the principal. **59 VST 241 Madhya Pradesh High court in the case of ALLENTIS PHARMACEUTICALS PVT LTD Vs STATE OF MADHYA PRADESH**

2. Input tax credit once granted cannot be reversed because of retrospective cancellation of registration of selling dealer:

The Assessee has purchased from the registered dealers and have claimed the input tax credit and subsequently the same as conformed by the assessment order. Subsequently the registration of the seller was cancelled retrospectively and hence the assessment is now revised. Held the **Hon. Madras High Court** held that revision is not in order and input tax credit cannot be revised in this issue. **59 VST 256 JINASAN DISTRIBUTORS Vs STATE OF TAMILNADU**

3. Cenvat Credit eligible:

The Lower Appellate Authority allowed Cenvat credit in respect of rent-a-cab/travel agent, cargo handling, brokerage, courier, civil construction, catering, manpower recruitment, photography, interior decorator, insurance, dry cleaning, professional service, garden maintenance, waste management service and repair of fan service on the ground that these services were not integrally connected to the manufacture of final product and that therefore input services eligible for cenvat credit. **CESTAT- MUMBAI 59 VST 381 Commissioner of CE&ST(LTU) Vs Lupin Limited**

4. Cenvat credit is eligible for incidental transactions:

Cenvat Credit on input service such as Technical testing and analyzing service, courier services, clearing and forwarding agency service, Repair and Maintenance service, Management consultancy services, Services rendered by Interior decorator, commercial or industrial construction services, Technical inspection and certification services are input services and the Respondent who is Manufacturer of patent and proprietary medicines are entitled during relevant period to credit on taxes paid such services but Foreign agency service is not a input service. It was decided by the **Hon. Gujarat High Court 59 VST 386 Commissioner of Central Excise Vs Cadila Healthcare Limited**

5. Turnover tax amended during the year and the amended provision will apply to the period after the amendment and prior period will be assessed as per the old provision of the Act. The amended provision cannot be applied for the whole year. It was decided by the **Hon. Madras High court In the case of 59 VST 421 R.K. JAIN AND BROTHERS Vs STATE OF TAMILNADU**

6. MENS REA Not necessary:

Goods transported from Pune and the way bill was not endorsed at entry check post, even though the goods are moved by way of stock transfer and not for sale since the goods are taxable in the particular State in which it entered is default of statutory civil obligation and mens rea is not necessary for levy of penalty. This was decided by

West Bengal taxation tribunal in the case of **59 VST 433 Delhi Assam Roadways Corporation Limited Vs S.T.O., SILIGURI RANGE**

Same view was taken by the West Bengal Taxation tribunal in the case of import also the evasion of tax is possible hence the mens rea is not necessary for levy of penalty in the case of **59 VST 440 Kusum Udyog Ltd Vs S.T.O., PHANSIDEWA MORE CHECK-POST** The above Judgments confirm that any thing contravening the provisions of the act are liable for levy of penalty.

7. Section 4 (3)(d) of Central Excise Act 1944, Value of Warrantly and service is post manufacturing and it is includible in assessable value and therefore entitle for input tax credit. **28 STR 382 Mumbai Tribunal Commissioner of Central Excise Vs Mahindra & Mahindra**

8. Entitlement to claim refund without challenging the assessment of bill of entry because at the time of filing of bill of entry the assessee has complied with condition of Notification No.21/2002-Customs act. It is the duty of Assessing Officer to give benefit of exemption under Notification 21/2002 as the Assessing Officer failed to assess the goods properly the assessee is entitled to get refund. **105 ELT (290) IN THE CESTAT, WEST ZONE BENCH-MUMBAI RUCH SOYA INDUSTRIES LTD Vs Commissioner of Customs (ACC&Import), Mumbai**

9. PENALTY set aside when assessee himself rectified the error:

The Assessee wrongly took the CENVAT credit on input services due to an accounting error and also reversed it promptly when pointed out. The Hon. Tribunal by considering the size and operation of the Appellant company and the fact that the Appellant had excess credit during the relevant period waived the penalty under Rule 15 of CENVAT Credit Rules 2004 decided in the case of **27 STR 479 Tribunal- Ahmd GAIL (India) Limited Vs Commissioner of Central Excise**

10. Interest on Refund due 3 months from the date of application and not date of order:

The **Honourable Supreme Court** held that the ability of revenue to pay interest on delayed refund under section 11BB of the Central Excise Act commences from the date of expiry of 3 months from the date of receipt of application for refund under sec 11 BB and not on the expiry of period of 3 months from the date on which order of refund is made. **27STR193(SC) RANBAXY LABORATORIES LIMITED Vs UNION OF INDIA**

11. The Hon. Tribunal held that where the bona fide belief was established due to prevalence of decisions in favour of the assessee during the relevant period which were later overturned by a larger bench decision, the extended period of limitation could not be invoked and accordingly it set aside the penalty under section 76. **DELHI TRIBUNAL 27 STR 501 S.R. GUPTA & SONS Vs COMMISSIONER OF CENTRAL EXCISE**

12. The assessee did not pay service tax Legal Compliance service rendered to its clients under the category of Management consultancy services on the basis of CBEC circulars. The Honourable Tribunal held that the extended period of limitation cannot be invoked in such cases. **DELHI TRIBUNAL 27 STR 462 ERNST & YOUNG Pvt Ltd Vs Commissioner of Service Tax**

Mr. D. VIJAYARAGAVAN WE WISH YOU A HAPPY RETIRED LIFE

Retired on Superannuation on 30th April 2013



Mr. D. Vijayaragavan, Deputy Secretary, ICAI retired on superannuation after 39 years of meritorious service on 30th April 2013. He joined the Institute as Lower Division Clerk and rose to the present position of Deputy Secretary by his sincere and hard work.

May the Almighty give him health, wealth, prosperity, peaceful and long retired life.

Mr. P. ARUMUGAM WE WISH YOU A HAPPY RETIRED LIFE

Retired on Superannuation on 30th April 2013



Mr. P. Arumugam, Caretaker, ICAI retired on superannuation after 42 years of meritorious service on 30th April 2013. He joined the Institute as Peon and rose to the present position as Caretaker by his sincere and hard work.

May the Almighty give him health, wealth, prosperity, peaceful and long retired life.

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Hosted by Tiruchirapalli Branch Jointly with Madurai Branch of SIRC of ICAI
Hotel Kodai International, Kodaikanal

June 28 -30, 2013

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Members are requested to register for the Seminar well in advance. Outstation delegates are requested to plan their travel accordingly

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Hosted by Tirupur Branch of SIRC of ICAI
Sagar Holiday Resorts (I) Ltd. Ooty

May 24 - 26, 2013

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12
HOURS

Inaugural Session - 2.30 p.m. – 3.00 p.m.

Inaugural Address : CA. D Prasanna Kumar, Chairman, SIRC of ICAI

Topics	Resource Persons
Day – 1 – May 24, 2013	
Recent Issues in Capital Gains under Income Tax Act	CA. S. Raghunathan, Salem
Day – 2 – May 25, 2013	
Assessment, Appeals & Representation under the Income tax Act - Practical Issues.	CA. V.Ramnath, Coimbatore
Highlights of Companies Amendment Bill, 2012	CS. M.R.Thiyagarajan, Coimbatore
Advanced Functions in Excel	CA. S. Venkataramani, Tirupur
Day – 3 – May 26, 2013	
Impact of Service Tax on Different Audits [Statutory Audit, Tax Audit and Internal Audit]	CA. Madhukar N. Hiregange, Bangalore
Recent Landmark Cases in Income Tax	CA. V.K.Subramani, Erode

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Secretary, SIRC

CA. Gopal Krishna Raju
Ex-officio Member, Tirupur Branch

CA. D. Prasanna Kumar
Chairman, SIRC

CA. N. Sivachalam
Secretary, Tirupur Branch.

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CA. K. Chinnasamy
Chairman, Tirupur Branch.

For Attention of Members & Students

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Certificate of Practice Fee	:	₹ 2000/-

For Members above age of 60 years		
Associate Membership Fee	:	₹ 600/-
Fellow Membership Fee	:	₹ 1600/-
Certificate of Practice Fee	:	₹ 1500/-

Individual circulars have been despatched to members giving details of scale of fee and also the manner of remittance of the fee. The fee can, therefore, be remitted to the concerned Decentralised Office of the Institute.

It may be noted that remittance of fee has to be made by local cheque (in case of Members who are residing in the cities in which respective Decentralised Office is situated) or by way of demand draft in favour of 'Secretary, The Institute of Chartered Accountants of India', payable at the place where the concerned Decentralised Office is located. **It may also be noted that under no circumstances out-station cheques will be accepted.** No remittance should be made directly to the Head Office or to a different Decentralised Office.

Members can also pay fee in advance in accordance with details given in the communication being mailed to the members.

Members are advised to remit the fee immediately. For more details visit our website www.icai.org.

WORK DISPOSAL POSITION

The position of disposal of various matters relating to Members and Students of Regional Office, Chennai as on **29.04.2013** is as under:

Particulars	Disposal of records received upto
Members	
Enrolment of Members	19/04/2013
Fellow Admission	17/04/2013
Grant of COP	17/04/2013
Restoration of Name – Recommended upto	22/04/2013
Restoration of Name – Cleared upto	18/04/2013
Constitution of Firms	15/04/2013
Reconstitution of Firms	19/04/2013
Paid Assistant	15/04/2013
Change of Address – Members	19/04/2013
Change of Address – Firms	19/04/2013
Students	
Registration of Articles	14/03/2013
Re-registration of Articles	18/03/2013
Industrial Training	20/03/2013
Termination of Articles	25/03/2013
Completion of Articles	15/04/2013
Permission to pursue Other Courses	22/03/2013
Despatch of Materials – CPT	10/04/2013
Despatch of Materials – IPCC	22/04/2013
Despatch of Materials – ATC	14/04/2013
Despatch of Materials – Final	31/03/2013
Despatch of Materials - ITT	31/03/2013

NEW ARRIVALS AT SIRC SALES COUNTER

S.NO.	NAME OF THE PUBLICATION	PRICE ₹	POSTAGE ₹
1	GUIDANCE NOTE ON REPORT UNDER SEC. 92E OF THE INCOME TAX ACT, 1961 (TRANSFER PRICING)	250	30
2	TECHNICAL GUIDE ON TAMIL NADU VAT AUDIT	120	30
3	GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES	50	30

Institute Sales Counter at Chennai is open from 10.00 a.m. to 05.00 p.m. (Except lunch hour 01.00 to 02.00) if required by post, send DD/ AT PAR CHEQUE favouring "ICAI" payable at Chennai

WORKSHOP ON ADDING VALUE TO BANK AUDIT

under the auspices of Committee on Banking, Insurance & Pension, SIRC

SIRC Premises, 'ICAI Bhawan'
No.122, MG Road, Nungambakkam
Chennai - 600 034

CPE Credit

6
HOURS

Saturday, May 18, 2013

Timings: 10.00 AM to 5:00 PM

Topics

Takeover of Advances – Areas of concern and the need for adequate due diligence Banks Lookout & Due Diligence.

Concurrent Audit – Failure to report Significant Aspects – Case Studies

Case Study on Stock Audit-I – Software Products & Chemicals

Case Study on Stock Audit-II – Construction etc.

DELEGATE FEE: ₹ 750

Delegate fee by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai shall be sent to SIRC of ICAI, 'ICAI Bhawan', No.122, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Phone: 044-30210320; Fax: 044-30210355; Email: sirc@icai.in

The Registrations for the Workshop are limited to 50 only. SPOT Registrations are NOT encouraged. Further details about the workshop will be hosted in the website www.sircoficai.org

CA. P.R. Aruloli
Secretary, SIRC
Chairman, COBIP, SIRC

CA. D. Prasanna Kumar
Chairman, SIRC

Names of Office-bearers of Branches of SIRC of ICAI and Chairpersons of SICASA for the year 2013-14						
Sl. No.	Name of the Branch	Chairperson	Vice-Chairman	Secretary	Treasurer	Chairman-SICASA
1	Alleppey	CA. R. Sreenivasan	CA. Bijumon Antony	CA. B. Remesan	CA. Malu V. Nair	CA. Vidhu Kumar B
2	Bangalore	CA. Ravindranath S N	CA. Babu K	CA. Allama Prabhhu M S	CA. Pampanna B E	CA. Naina Gadia
3	Belgaum	CA. Vijayendra G. Patil	CA. Sanjay S. Mudnur	CA. Shivananda Vilas Halbhavi	CA. Channabasappa Nagraj Patil	CA. Praveen Prakash Ghali
4	Bellary	CA. Rajasekhar K	CA. M.L. Lakshminarayana	CA. J. Bharath Kumar Gupta	CA. RamaKrishna B	CA. Siddarameshwara Gowda A
5	Calicut	CA. Ranjani Umesh	CA. T.N. Sujith Kumar	CA. A.P. Vinod Kumar	CA. M. Ramkumar Menon	CA. M. Sathish Kumar
6	Coimbatore	CA. K.P. Gobinath	CA. Viswanathan P	CA. Robert Kennedy	CA. Shanmuga Vadivel N N	CA. Saravanan B
7	Ernakulam	CA. Mathew Joseph	CA. Poulse M D	CA. Balagopal R	CA. Suresh T N	CA. Poulse M D
8	Erode	CA. N. Thangavel	CA. R. Nagarajan	CA. J.S. Agub	CA. P. Sivasubramanian	CA. M. Thilagar
9	Guntur	CA. A. Leelakrishna Murthy	CA. G. Satyanarayana	CA. Ch. Ashok Kumar	CA. Ch. Samba Siva Rao	CA. K.V. Subba Rao
10	Hubli	CA. Madhusudan D. Pise	CA. Hitesh Kumar Modi	CA. Katur Prakash Rudrappa	CA. Shivakumar G. Gurlingadevarmath	CA. Khatavkar Nandraj
11	Hyderabad	CA. Yarra Tirupathiah	CA. Mathesh Reddy K	CA. Rama Murthy T	CA. China Masthan Thalakyala	CA. Ritesh Mittal
12	Kakinada	CA. Mandhata Surya Rao	CA. Mallidi Rama Brahmananda Reddy	CA. Nulu Suresh	CA. Buddavarapu Venkata Subbarao	CA. Boda Anand
13	Kannur	CA. Jacob P J	CA. Mohanan U	CA. Jagaprakesh MC	CA. Suresh Kumar C	CA. Rejeesh TK
14	Kottayam	CA. Thankachan Zacharias	CA. Dinesh R. Shenoy	CA. Zachariah M M	CA. Josy Thomas	CA. I. Rajesh
15	Kumbakonam	CA. R. Baskar	CA. C. Rajagopal	CA. A. Guhaneswaran	CA. I. Rajesh	CA. R. Jagadeesh
16	Madurai	CA. P. Saravanan	CA. G. Selvakumar	CA. Dunga Chand U. Jain	CA. N. Chidambaram	CA. R. Jagadeesh
17	Mangalore	CA. Jagannath Kamath M	CA. A.K. Shyamala Shenoy	CA. Shivakumar K	CA. Sham Bhat K	CA. Shivaram Kamath
18	Mysore	CA. Sadasheva K S	CA. Francis P W	CA. C.S. Sathyanarayana	CA. Yathish VA	CA. Kumarpal M. Jain
19	Nellore	CA. A. Pundari Kaksham	CA. K. Kiran Kumar	CA. P.V. Rama Raghava Rao	CA. A. Sankaranarayana	CA. R. Yugandhar Reddy
20	Palghat	CA. A.K. Mohandas	CA. Harish C R	CA. K.P. Madhusoodanan	CA. Harish T S	CA. Arun Aravind
21	Pondicherry	CA. Meenakshi Sundar	CA. Vijaykumar N. Modi	CA. K. Kumaraguru	CA. M.S. Ravichandran	CA. Prabagarane V
22	Quilon	CA. Koshij T.Y.	CA. P. Alphonse	CA. R. Murallee Mohan	CA. Sam Yarghese	CA. Renjith S
23	Rajamahendravaram	CA. Ch.S.V.S. Viswanath	CA. K. Venkateswarlu	CA. Godavari Srinivasan	CA. T. Veerabhadra Rao	CA. V. Krishnakumari
24	Salem	CA. V. Madhukar	CA. V. Jayaprakash	CA. A. Sowkath Ali	CA. A.V. Arun	CA. I. Sivakumar
25	Sivakasi	CA. M. Muthusubramanian	CA. Siva Sooria Perumal	CA. V. Veera Badran	CA. G. Anuradha	CA. J. Maria Raja Basker
26	Tiruchirappalli	CA. V. Jayaraman	CA. R.P. Hari	CA. A. Victor D. Samuel	CA. R. Rajaram	CA. M. Parthiban
27	Tirunelveli	CA. V. Ramasamy	CA. Jejuaraj V. Rajen	CA. R.B.K. Samuel	CA. S. Velajudham	CA. Gnana Micheal Amara Jothi A
28	Tirupati	CA. B. Krishna Murthy	CA. T. Venkatesh Reddy	CA. G.V. Pradeep Kumar	CA. V. Gunasekhar	CA. C. Jagadeesh Krishna
29	Tirupur	CA. K. Chinnaasamy	CA. S. Rajeshkannan	CA. Sivachalam	CA. N. Venkatesan	CA. R. Anbazhagan
30	Trichur	CA. Shajan T T	CA. Sijo P L	CA. Joseph T I	CA. Vipin K K	CA. Subin V R
31	Trivandrum	CA. Hari C	CA. Sundar S	CA. Sreenivasan R	CA. Hari K S	CA. Revathy Raja N
32	Tuticorin	CA. M.R. Antony Xavier	CA. I. Micheal Antony	CA. J. Selvin Gnanaraj	CA. B. Francis Amal	CA. Sangeetha
33	Udupi	CA. Muralidhar Kini U	CA. Amunje Venkatesh Nayak	CA. Prashantha Holla T	CA. Sadasheva Pai B	CA. Ganesh B Kanchan
34	Vellore	CA. D. Kalaiagan	CA. R. Sevanambi	CA. C. Srinivasan	CA. B.S. Surya Narayanan	CA. A.C. Prabakar
35	Vijayawada	CA. Bhimavarapu Shivaji Prasad	CA. Sunkara Akkiah Naidu	CA. Srinivas Agnihotram	CA. Venkata Ramesh Babu Kakaraparathi	CA. Venkata Naga Poorna Chandra Rao K
36	Visakhapatnam	CA. P.V.S.P. Kumar	CA. A.V.S. Lalitha Sundari	CA. N.N.S. Prakasa Rao	CA. K. Ramachandra Rao	CA. D. Chandrasekhara Reddy

ICAI Announcements

INDUSTRIAL TRAINING

CA Regulations, 1988 provide scope for Industrial Training facilitating articled assistants real life exposure in office workings at industry and service organizations in order to develop their professional acumen. Industrial Training is highly benefiting to articled assistants in terms of practical knowledge & learning. The period of Industrial Training may range between nine months to twelve months during last year of the prescribed period of Practical Training under CA Course.

An articled assistant who has passed Intermediate [Integrated Professional Competence] Examination/Intermediate [Professional Competence] Examination/Professional Education [Examination-II]/Intermediate Examination may serve as an Industrial Trainee in any of the financial, commercial, industrial undertakings under an eligible member of the Institute working with such organization. A list of registered organizations permitted to Impart Industrial Training is available at the ICAI website.

Members are requested to inform and encourage their articled assistants to pursue industrial training by fulfilling above eligibility. Detailed information and prescribed application forms are available on ICAI website www.icai.org as well as may be obtained from concerned Regional Offices of ICAI.

Members serving in such organizations / Industries are also requested to apply separately in the prescribed form for empanelment of their organization with the Institute for imparting Industrial Training.

SECONDMENT OF ARTICLED ASSISTANTS

CA Regulations, 1988 provide scope for Secondment of articled assistant facilitating an opportunity for gaining practical experience in multi-disciplinary work and variety of business situations. A principal may second an articled assistant to other member/s with a view to provide him/her training in the areas where the principal/ articled assistant may require exposure. Secondment can also be availed during Industrial Training.

Such Secondment can be done under an eligible member whether in practice or in employment. A member can provide secondment to maximum two articled assistants at a time. The minimum period of secondment shall be four months and the maximum period shall be one year which may be served with more than one member. During the period of Secondment, the member with whom the articled assistant is seconded shall pay stipend at the rates prescribed under CA Regulations. A record of training imparted during Secondment will be properly maintained.

For Secondment, a statement in the prescribed form [containing particulars of such training] needs to be filed with the Institute within 30 days from the date of commencement of training on secondment.

Members may inform their articled assistants regarding Secondment and encourage them to undergo Secondment with an eligible member for training in the desired field. Detailed information and prescribed application form of secondment is available on ICAI website www.icai.org as well as may be obtained from concerned Regional Offices of ICAI.

FOR ATTENTION OF MEMBERS AND STUDENTS- SERIOUS VIEW TAKEN ON BREACH OF CA REGULATION 65

As you are aware, the Council of the Institute, under Regulation 65 of the Chartered Accountants Regulations, 1988 has permitted Articled Assistants to pursue/attend, with prior permission to be obtained from concerned Decentralised offices, only one course simultaneously with CA course subject to the condition that the classes being attended for such permitted courses do not overlap with the Principals office hours.

The Executive Committee of the Council of the Institute, has had an occasion to consider certain instances of breach of the above Regulation 65 / relevant decision of the Council and taking a serious view of the matter, it has decided to impose severe consequences by delaying grant of Membership for substantial period as deemed fit corresponding to quantum of overlapping period between office timings of the Principal and attendance at the classes.

It has also been decided that the conduct of members/employers concerned would also be simultaneously examined and appropriate action initiated against them, whenever required.

Members and students are therefore hereby cautioned to be careful in observing the provisions of the Chartered Accountant Regulation / decisions of the Council.

OBITUARY

S. No.	MRN	Name	Status	Place	Date of Death
1	001242	MR. NARASIMHA MURTHY WG CDR B V	FCA	BANGALORE	08/09/2012
2	002689	MR. PANIKKAR V N P	ACA	THIRUVANANTHAPURAM	02/09/2012
3	004016	MR. L. MALLIKHARJUNA RAO	FCA	CHENNAI	15/04/2013
3	004805	MR. RAJAN V G N	FCA	CHENNAI	06/01/2013
4	009139	MR. VENKATESAN L	FCA	CHENNAI	15/01/2013
5	020054	MR. MAHESH B C	FCA	BANGALORE	09/11/2012
6	020473	MR. HANUMANTHA RAO J V	FCA	HYDERABAD	27/08/2012
7	020967	MR. RAJKUMAR M	FCA	TIRUPUR	21/02/2013

May the Almighty Architect of the Universe rest their souls in peace

**SOUTHERN INDIA REGIONAL COUNCIL OF ICAI
PRELIMINARY FIXTURES FOR SPORTS ACTIVITIES
(CRICKET (FOR MEN) AND BADMINTON (FOR MEN AND WOMEN))**

<p>ANDHRA PRADESH</p> <p>Guntur Vs Nellore Hyderabad Vs Vijayawada Kakinada Vs Rajamahendravaram Tirupati Vs Visakhapatnam</p>	<p>KARNATAKA</p> <p>Bangalore Vs Hubli Belgaum Vs Bellary Mysore Vs Udupi Mangalore (Bye)</p>
<p>KERALA</p> <p>Calicut Vs Kottayam Ernakulam Vs Kannur Palghat Vs Trivandrum Quilon Vs Trichur Alleppey (Bye)</p>	<p>TAMIL NADU</p> <p>Chennai Vs Tuticorin Coimbatore Vs Tirunelveli Erode Vs Tiruchirappalli Madurai Vs Tirupur Pondicherry Vs Salem Sivakasi Vs Vellore Kumbakonam (Bye)</p>
<p>OVERALL CO-ORDINATOR CA. C.S. SRINIVAS Member, SIRC</p>	
<p>STATE LEVEL COORDINATORS</p>	
<p>CA. NARESH CHANDRA GELLI V Member, SIRC Andhra Pradesh</p>	<p>CA. C.S. SRINIVAS Member, SIRC Karnataka</p>
<p>CA. JOMON K GEORGE Member, SIRC Kerala</p>	<p>CA. GOPAL KRISHNA RAJU Treasurer, SIRC Tamil Nadu</p>

RECENT ADDITIONS TO SIRC LIBRARY

CENTRAL EXCISE, CUSTOMS

Central Excise Tariff of India With Commodity Index	R. K. Jain
Central Excise Law Manual 2013- 14	R. K. Jain
Customs Tariff of India - Customs Duty Rates & Exemptions Volume 1&2	R. K. Jain
Customs Law Manual 2013	R. K. Jain
Customs Tariff with New Import Policy Volume 1&2	Anand Garg

TAX, AUDITING, VALUATION AND OTHERS

Indirect Taxes Containing Central Excise, Customs, Service Tax & Vat	Mohd. Rafi
The Budget 2013-14	Vinod K. Singhania
Law of Income tax	A.C. Sampath Iyengar

Service Tax Law & Practice Volume 1 to 3	Rohini Aggarwal
Service Tax- How to Meet Your Obligations	S.S. Gupta
Treatise on Service Tax Law, Practice & Procedure With Notifications & Circulars	Sunil B. Gabhawalla
Central Excise Ready Reckoner	R. Krishnan & R. Parthasarathy

Service Tax Law & Procedure Volume 1&2	CA. Ashok Batra
Law Practice & Procedure of Service Tax Volume 1&2 (2013)	J.K. Mittal

CUSTOM LAW & PRACTICE & PROCEDURES

Master Guide To Service Tax - A Lucid Guide to Service Tax Law & Procedures	V. S. Datey
	Vineet Sodhani

Guide to the Competition Law	Gautam Banerjee
Service Tax Manual	Taxmann's
Commercial's Service Tax Ready Reckoner	R. Krishnan & R. Parthasarathy

Audit and Investigations Under Central Excise Customs & Service Tax	R. Krishnan & R. Parthasarathy
Central Excise Law & Practice	V. S. Datey
Commercial's How to Handle Central Excise Problems	P. Veera Reddy & P. Mamatha

Valuation Under Central Excise & Service Tax	R. Krishnan, & R. Parthasarathy
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10-DAYS CPT RAPID REVISION CLASSES FOR JUNE, 2013 EXAMINATION

A 10-Day CPT Rapid Revision Classes for the benefit of CPT Students appearing for June, 2013 CPT Examination is scheduled from 20/05/2013 to 01/06/2013. Students who have already appeared CPT Examination and yet to qualify and students who attended CPT coaching classes in other institutions may join this CPT Rapid Revision Classes.

Senior Faculty Members will discuss the Model Test Papers (Questions) in detail. Fully Examination orientated. One CPT Model Examination will also be conducted on 01/06/2013.

Class Timings : 10.00 am to 5.00 pm

Fees : Rs.1,500/-

Registration : Online – www.sircoficai.org/batches/

For registration and further information please contact SIRC office.

Phone : 044-30210322. **Email-id** : sircclasses@icai.in

GRIEVANCE REDRESSAL

To effectively serve the Members and Students and redress their complaints/grievances, a Grievance Register is maintained at the Reception (Ground Floor, Main Building) of the Institute at Chennai Office. Members & Students may lodge their complaints in the Register for unresolved issues for remedial action by the appropriate authority / Committee. Members and Students may also send their complaints through email at grievance_sircmembers@icai.in and grievance_sircstudents@icai.in respectively.

DISCLAIMER

The SIRC/ICAI does not accept any responsibility for the views expressed in different contributions/ advertisements published in this Newsletter.



CA. D. Prasanna Kumar, Chairman, SIRC, with CA. M. Surya Rao, Chairman, Kakinada Branch of SIRC [Senior-most Chairperson of Branches 2013-14] and other Members of SIRC at the Orientation Programme for Chairpersons and Secretaries of SIRC, unveiling the Official Directory of SIRC of ICAI on April 17, 2013 at Vishakapattinam



CA. D. Prasanna Kumar, Chairman, SIRC, with the other Members of the SIRC and Participants of the SIRC Regional Residential Course [Hosted by Salem Branch of SIRC] held at Yercaud on 26-28, April, 2013.

**Intensive Workshop on Indirect Taxes -
Construction & Real Estate Industry**
April 20, 2013



CA. J. Murali
Chennai



CA. J. Purushothaman
Chennai

Workshop on Data Analytics & Data Mining
April 27, 2013



CA. Mathew A. Thomas
Chennai



CA. K. Paul Jayakar
Chennai

Advanced Excel for CAs - April 13, 2013
Resource Persons



CA. Deepak Kumar
Chennai



CA. Pradeep Gadhia
Chennai

CPE Study Circle Meetings - April 2013
Resource Persons

April 03, 2013



CA. V.P. Manavalan
Chennai

April 10, 2013



Mr. S. Vasudevan
Chennai

April 17, 2013



CA. V. Alagappan
Chennai

**Companies (Auditors Report)
Order (CARO) & Standard on
Auditing (SA 700) April 27, 2013**



CA. TV. Balasubramanian
Chennai

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