

SIRC

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Newsletter

OCTOBER 2013 | Volume 39 ■ Part 4



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



Fourth Sub-Regional Conference at Ernakulam held on 7th September 2013: CA. D. Prasanna Kumar, Chairman - SIRC with CA. P.R. Aruloli, Secretary - SIRC, CA. Babu Abraham Kallivayalil, Central Council Member - ICAI, CA. P.V. Rajarajeswaran, Member - SIRC, CA. V.X. Jose, Member - SIRC, CA. Jomon K. George, Member - SIRC, CA. Mathew Joseph, Chairman - Ernakulam Branch of SIRC, CA. R. Balagopal, Secretary - Ernakulam Branch of SIRC, Chairmen of other Branches in Kerala, Managing Committee Members of Ernakulam Branch of SIRC, CA. Venugopal C. Govind and CS. L. Jayaraman, Resource Persons.



ICAI President, CA. Subodh Kumar Agrawal, ICAI Vice-President, CA. K. Raghu along with two other sister Professional Institutes signed MoUs with the Ministry of Corporate Affairs, in the presence of Minister of State (Independent Charge) for Corporate Affairs, Shri Sachin Pilot, in New Delhi on 12th September 2013. The Secretary, Ministry of Corporate Affairs, Shri. Naved Masood, IAS and Joint Secretary, MCA, Shri Manoj Kumar, IAS are also seen.



Southern India Regional Council
The Institute of Chartered Accountants of India

Udyati
in pursuit of excellence...

Excellence is a milestone
in the path of perfection...

45th Regional Conference of SIRC of ICAI

13th & 14th December 2013, Visakhapatnam

Topic	Resource Person
The Companies Act, 2013 – Impact on the Profession	CA. P.R. Ramesh Hyderabad
Profits & Gains of Business or Profession – Judicial Trends	CA. Padamchand Khincha Bangalore
State of the Indian Economy	Eminent Economist
CAs in the Wonderland of Service Tax Law – Beyond Basics	CA. K.S. Ravishankar Bangalore
Re-engineering the Audit – Meeting the Expectations	Eminent Resource Person
Emerging Opportunities and Challenges in the Profession –The way forward	Padma Shri CA. T.N. Manoharan Chennai
Critical Issues in Taxation of Capital Gains	CA. Dr. Girish Ahuja New Delhi
Exploring FEMA - CAs Perspective	CA. P.V.R. Rajendra Prasad Hyderabad
Cardiac Care: A Humorous Approach	Dr. V. Chockalingam Professor, Dr. MGR Medical University Chennai

Travel Advisory

Travel by Train

As per the Reservation Policy of Indian Railways, advance booking commences 60 days before the date of journey from the originating station. Accordingly the following information is provided for the benefit of members.

Travel to / from	Date of Departure from Originating Station	Reservation commences at 08:00 a.m.	Hyperlink for Details of the Train Schedule
To Visakhapatnam	11 th December 2013	12 th October 2013	http://sircoficai.org/Trains-To-Visakhapatnam.pdf
	12 th December 2013	13 th October 2013	
From Visakhapatnam	14 th December 2013	15 th October 2013	http://sircoficai.org/Trains-From-Visakhapatnam.pdf
	15 th December 2013	16 th October 2013	

Travel by Air

Please refer page no. 16 of the September 2013 issue of SIRC Newsletter for details of the Flight Timings. The same has been hosted at <http://sircoficai.org/Udyati-flight-timings.pdf>.

Accommodation

Accommodation [Hotel] details have been published at page no.17 of the September 2013 issue of SIRC Newsletter and available at <http://sircoficai.org/Udyati-Hotels-Visakhapatnam.pdf>.

Assistance at Visakhapatnam for Local Travel and Accommodation:

CA.P.V.S.P. Kumar at - 09441077410, CA. B. Venkat Rao at 09246624286, CA. M.K. Kumar at 09849667748

Delegate Fee ₹ 3000

Online Registration: <http://www.sircoficai.org>

Offline Registration: Cheque/Demand Draft favouring "45th Regional Conference of SIRC of ICAI" payable at Chennai or Visakhapatnam can be submitted at SIRC Office or any Branch, CPE Study Circle, CPE Study Chapters and CPE Study Group of SIRC of ICAI

Chairman writes ...



My dear Professional Colleagues,

45th Regional Conference of SIRC of ICAI:

I have great pleasure and privilege to welcome you to the **45th Regional Conference of SIRC** being organized by SIRC on **13th and 14th December 2013** at Indoor Port Stadium, **Visakhapatnam** and hosted by the Visakhapatnam Branch of SIRC.

In my last communication I have underlined the significance of this Conference with the theme **“UDYATI”**. During the last one month, we have been working on the technical content, composition of the resource persons, venue, reception and hospitality to the delegates. I am sure the information on travel and accommodation published in the last Newsletter would have been very useful to plan your travel and stay at Visakhapatnam. For your immediate reference, the details of hotel accommodation are re-produced in this issue of the newsletter.

Though one of the objectives of this Conference is the coming together of our professional colleagues and sharing of thoughts, we have ensured that rich transmission of knowledge on contemporary topics of professional interest finds a significant place in the two day Conference. The consecration shown by our profession in the nation building would be the high point of deliberations during the technical sessions when our learned resource persons would be contributing their skill and expertise while presenting technical papers on varied subjects. The best of resource persons in the country would be amongst us to enhance, enrich and enlighten on the challenges and opportunities for the profession at large.

In our perspective, the success of the conference is measured by the active participation of the delegates, the happy memories they carry back home and the mind-sharing thoughts on our elite professional competence. We can assure you that the objective of holding conferences of this nature would be achieved in bountiful by the devoted demeanor with dedicated and diligent team of members of the Conference Committee and all others who form the nucleus of the organizational team.

Registration for the Conference:

We are extremely happy with the overwhelming response from the members across the region for this conference.

With a view to assist you to pay the delegate fee, we have advised the Branches, CPE Study Circles and CPE Chapters apart from SIRC to collect the delegate fee and issue receipt across. You may also enrol as delegate online at www.sircoficai.org.

I recall a saying on unity and working together which would be amply demonstrated at this Conference and I seek your support and co-operation to take our profession to the pinnacle of glory and beyond.

“We cannot accomplish all that we need to do without working together” - Bill Richardson

Sub-Regional Conference:

In the series of Sub-Regional Conferences, the fourth one was organized at Kochi on 7th September which also showed the enthusiasm of our members of their pursuit to continuous learning process. I congratulate CA. Mathew Thomas, Chairman, Ernakulam Branch of SIRC and his team, the Chairmen of other eight Branches of SIRC in the State of Kerala and their team for remarkably conducting the Conference. I record the excellent co-ordination by my colleagues in the Regional Council CA. V.X. Jose and CA. Jomon K. George under the able guidance and dynamic leadership of CA. Babu Abraham Kallivayalil, Central Council Member.

The last Conference in the series of the Sub-Regional Conferences of this year would be held at Mangalore on 24th October 2013, the details of which are published elsewhere in this Newsletter.

Visit to Branches:

Apart from Ernakulam Branch, I visited the Guntur Branch and participated in the CPE Seminar. A state of art and air-conditioned Reading Hall with a seating capacity for 50 was opened on that day for the benefit of students. It also gave me an opportunity to interact with the members on matters of professional interest and Branch issues. I congratulate CA. A. Leela Krishna Murthy, Chairman, Guntur Branch and his team for excellently organizing the seminar and supporting the initiatives of SIRC.

Certification Courses:

We have taken the initiative to organise a number of Certificate Courses for the benefit of members at

OCTOBER & NOVEMBER 2013

SIRC CALENDAR

Contact: Dr. T. Paramasivan, Senior Deputy Director (Tech.) – ICAI – Phone: 044 – 30210361 / 320 – E-mail: sirc@icai.in

Sl.No.	Programme Date	Programme Name	Resource Persons	Timings	Venue	CPE Credit	Delegate Fees	Page No
1	October 17, 2013 Thursday	CPE Study Circle Meeting on SOX	CA. Sivalai Senthinathan Chennai	6.15 p.m. – 8.30 p.m.	ICAI Bhawan	2	No Delegate Fee	-
2	October 18, 2013 Friday	CPE Teleconference	Details will be updated in ICAI Website	11.00 a.m. – 1.00 p.m.	ICAI Bhawan	2	150	-
3	October 18 & 19, 2013 Friday & Saturday	Workshop on Service Tax	Details in SIRC Newsletter September 2013	10.00 a.m. – 5.00 p.m.	ICAI Bhawan	12	1500	-
4	October 18, 2013 Friday	Workshop on Currency Risk Management – Role of CA as Advisory. Currency Risk Cause & Effect and Way forward		5.30 p.m. – 8.30 p.m.	ICAI Bhawan	3	500	8
5	October 18, 2013 Friday	Workshop on Currency Risk Management		5.30 p.m. – 8.30 p.m.	ICAI Bhawan	3	500	6
6	October 23, 2013 Wednesday	CPE Study Circle Meeting on Change in definition of Capital Assets & TDS u/s 195	CA. P.T. Joy Kochi	6.15 p.m. – 8.30 p.m.	ICAI Bhawan	2	150	-
7	October 24, 2013 Thursday	Sub-Regional Conference of SIRC at Mangalore		9.30 a.m. – 5.30 p.m.	Sri T.V. Raman Pai Convention Centre, Mangalore	6	1000	7
8	October 26, 2013 Saturday	CPE Seminar on Cost and Financial Management		10.00 a.m. – 5.00 p.m.	ICAI Bhawan	6	750	6
9	October 30, 2013 Wednesday	CPE Teleconference	Details will be updated in ICAI Website	11.00 a.m. – 1.00 p.m.	ICAI Bhawan	2	150	-
10	October 30, 2013 Wednesday	CPE Study Circle Meeting on New Era in Corporate Governance w.r.t Companies Act - 2013	CA. N.A. Charanthimath Hubli	6.15 p.m. – 8.30 p.m.	ICAI Bhawan	2	150	-
11	November 6, 2013 Wednesday	CPE Study Circle Meeting on Taxation of Private Beneficiary Trusts	CA. Sunil Sethia Chennai	6.15 p.m. – 8.30 p.m.	ICAI Bhawan	2	150	-
12	November 9, 2013 Saturday	One Day Seminar on New Companies Act-2013		9.30 a.m. – 5.00 p.m.	ICAI Bhawan	6	750	-
13	November 13, 2013 Wednesday	CPE Study Circle Meeting on Representation before ITAT	CA. B. Ramakrishnan Chennai	6.15 p.m. – 8.30 p.m.	ICAI Bhawan	2	150	6

Unless otherwise specified, the delegate fee for SIRC Programmes may be paid by way of Cash or by Cheque / DD drawn in favour of 'SIRC of ICAI' payable at Chennai and 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

BRANCH CALENDAR

Sl.No.	Programme Date	Programme Name	Resource Persons	Timings	Venue	CPE Credit	Delegate Fees
Vijayawada Branch							
1	October 18, 2013 Friday	"Jnana Sambhitha" - One Day Conference 1. Accounts and Audit under New Companies Act, 2013 2. Reply to notices and Scrutiny Assessments - Recent Judicial Trends 3. NRI - Transaction - Guidelines of FEMA & RBI	CA. Ganesh Balakrishnan, Hyderabad Adv. Dr. Anita Sumanth, Chennai CA. G. Murali Krishna, Hyderabad	8.30 a.m. – 6.00 p.m.	Hotel Fortune Murali Park Vijayawada	6	600

CHAIRMAN WRITES [Contd..]	
Erode Branch	
2	<p>October 19, 2013 Saturday</p> <p>Jhana Pravaha – Flow of Knowledge 1. Critical issues in income tax other than Capital Gains 2. Issues in Capital Gains with special reference to Section 50C, Agri. Lands and Exemptions 3. Current issues in Service Tax</p> <p>Shri Kapil Goei, Advocate, Delhi High Court CA. Gaoutham Nayak, Mumbai Shri K. Vatheeswaran, Advocate, Chennai</p> <p>08.30 a.m. – 05.30 p.m.</p> <p>ICAI Bhawan, Erode Branch of SIRC</p> <p>6</p> <p>750</p>
Quilon Branch	
3	<p>October 26, 2013 Saturday</p> <p>One Day Seminar Companies Act 2013 - Role of CAs in new era Company Rules, 2013</p> <p>CS. L. Jayaraman, Hyderabad CA.G.Surendranath Rao, Quilon</p> <p>9.00 a.m. – 5.00 p.m.</p> <p>ICAI Bhawan, Quilon</p> <p>6</p> <p>APS- Nil 750</p>
Visakhapatnam Branch	
4	<p>October 26, 2013 Saturday</p> <p>Seminar on NPOs, Societies and Co-operative Societies 1. Accounting and Auditing of NPOs, Societies and Co-operative Societies 2. FCRA 3. Formation of NPOs, Societies and Co-operative Societies</p> <p>CA. Suresh Kejriwal, Kolkata Dr. Manoj Fogla, Odisha Dr. CA. N. Suresh, Bangalore</p> <p>10.00 a.m. – 05.00 p.m.</p> <p>ICAI Bhawan, Visakhapatnam Branch of SIRC</p> <p>6</p> <p>750</p>

CHAIRMAN WRITES [Contd..]

Chennai. The Certification Course on Concurrent Audit of Banks scheduled to be held from 5th October 2013 at Chennai received good response from the members. Three more Certification Courses are being organized at Chennai, the details of which are published in this Newsletter. I request you to take this opportunity and enrol for the courses.

Festivities:

In the month of September Onam was celebrated with gay and gaiety. On 2nd October 2013 the country would be celebrating the Birthday of the Father of the Nation Mahatma Gandhi. Let us dedicate ourselves to the cause of the Nation on this day. October is a month of festivities starting with Dusheera on 13th, Bakrid on 16th October and Deepavali on 2nd November. SIRC extends its warmest greetings and wishes you health, wealth and prosperity.

Significance of Performance:

Before I conclude this column, I intend to share my thoughts on one of the prime aspects in every man's life and more particularly on the life of a professional. Our profession is one of the highly respected professions in the country and across globe and this is entirely due to the sheer commitment by our members in their performance. The financial structure of any organization is devolved in the hands of the Chartered

Accountants whose dedication, hard work and high performance add to the strengthening of our economy. A profession known for its integrity, discipline and performance, our members excel in all the fields of activity they are involved in. It is not only their performance that is the hallmark but in the process they help others to perform at the highest level of their potential by which our value is enhanced and character strengthened.

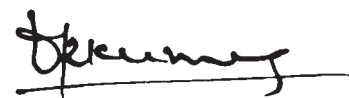
“A total commitment is paramount to reaching the ultimate in performance.” Tim Flores

Precisely we at SIRC espouse this principle in all our activities and needless to say that we aspire to provide the best results and performance with the support and co-operation extended by our members. I am confident that SIRC would continue to receive encouraging response from all of you.

Once again, let me have the pleasure of extending warm invitation to partake in the momentous **“45th Regional Conference of SIRC”** and to make it lively, interactive and ever-lasting in our memory.

Until we meet through this column, my warm regards,

Yours in professional service



CA. D. PRASANNA KUMAR
 chairmansirc@gmail.com

EDITORIAL BOARD

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WORKSHOP ON CURRENCY RISK MANAGEMENT – ROLE OF CA AS ADVISORY		Friday October 18, 2013	P. Brahmayya Memorial Hall 'ICAI Bhawan' No.122, MG Road, Nungambakkam Chennai-600034	CPE Credit 3 HOURS
Under the auspices of Internal Audit Committee, SIRC				
DELEGATE FEE: ₹ 500		Time: - 5.30 p.m. to 8.30 p.m.		
Topics		Resource Persons		
Currency Risk – Cause and Effect Currency Risk Management – Way forward Panel Discussion		CA. V. Pattabhi Ram, Chennai Eminent Resource Person		
CA. P R Aruloli Secretary, SIRC	CA. K. Sripriya Chairperson, Internal Audit Committee, SIRC	CA. D Prasanna Kumar Chairman, SIRC		
SEMINAR ON COST AND FINANCIAL MANAGEMENT		Saturday October 26, 2013	P. Brahmayya Memorial Hall 'ICAI Bhawan' No.122, MG Road, Nungambakkam Chennai-600034	CPE Credit 6 HOURS
DELEGATE FEE: ₹ 750		Time: - 10.00 a.m. to 5.00 p.m.		
Topics		Resource Persons		
Capital Market Structure -Strategies Foreign Exchange Exposure & Risk Management TQM - Theory of Constraint Valuation Management/Business Valuation Management		Shri. S. Sankar Narayan, Chennai CA. Jithin A, Chennai CA. Vinod, Chennai CA. Ravikishore, Chennai		
CA. P R Aruloli Secretary, SIRC		CA. D Prasanna Kumar Chairman, SIRC		
ONE DAY SEMINAR ON NEW COMPANIES ACT-2013		Saturday, November 9, 2013	P. Brahmayya Memorial Hall 'ICAI Bhawan' No.122, MG Road, Nungambakkam Chennai-600034	CPE Credit 6 HOURS
Under the auspices of Committee for Corporate Laws & Allied Laws and Corporate Governance, SIRC				
DELEGATE FEE: ₹ 750		Timings: - 9.30 a.m. to 5.00 p.m.		
Topics		Resource Person		
Accounts & Audit – with applicable Rules Management & Administration of Companies Share Capital – Issue & Allotment of Shares		CA. Chinnsamy Ganesan, Chennai CA. P.S. Kumar, Chennai Eminent Resource Person		
CA. P R Aruloli Secretary, SIRC	CA. Jomon K George Chairman, CCL & CG, SIRC	CA. D Prasanna Kumar Chairman, SIRC		
CERTIFICATE COURSES OF ICAI AT CHENNAI				
Sl No	Particulars	Details		
1	Name of the Certificate Course	INTERNATIONAL TAXATION	INDIRECT TAXES	VALUATION
2	Scheduled Commencement date	19 th October 2013	26 th October 2013	10 th November 2013
		[Subject to availability of minimum number of Members as per the policy of the ICAI]		
3	CPE Hours Credit	Course Sessions and Self Study : 100 Hrs	70 Hrs (50 Structured and 20 Unstructured) CPE Hrs	300 Hrs – Self Study 200 Hrs Class room teaching 50 Hrs Case study & project preparation - 50 Hrs
4	Fees	Rs.25,000	Rs.20,000	Rs.25,000
5	Course Coordinators	CA. P. R. Aruloli Secretary, SIRC and CA. V.P. Muthukumar, Chennai	CA. Gopal Krishna Raju Treasurer, SIRC and CA. V.V. Sampath Kumar, Chennai	
6	Helpline	Mr. R.K. Punithan, Assistant Secretary, ICAI, 'ICAI Bhawan', 122, Mahatma Gandhi Road, Nungambakkam, Chennai : 600034. Phone: 044-30210346		
Detailed Information published in Page No. 7 of September, 2013 issue of SIRC Newsletter				

SUB-REGIONAL CONFERENCE OF SIRC OF ICAI Hosted by: Mangalore Branch of SIRC of ICAI Jointly with Udupi Branch of SIRC of ICAI		Thursday October 24, 2013 9.30 a.m. – 5.30 p.m.	Sri T.V. Raman Pai Convention Centre, Kodialbail, Mangalore	CPE Credit 6 HOURS
DELEGATE FEE: For Members ` 1000 For Students ` 300		Inauguration: 09.30 a.m. CA. D. Prasanna Kumar, Chairman, SIRC of ICAI		
Topics Survey, Search & Seizure Companies Act 2013 Panel Discussion on Real Estate Transactions: Income Tax, Service Tax and VAT		Resource Persons CA. Kapil Goel, New Delhi CA. K. Viswanath, Bangalore CA. E. Phalgun Kumar, Tirupati & CA. V. Raghuraman, Bangalore		
Demand Draft/Cheque shall be drawn favouring “MANGALORE Branch of SIRC of ICAI” payable at Mangalore and sent to Chairman, Mangalore Branch of SIRC of ICAI, ‘ICAI Bhawan’, II Floor, Mahendra Arcade, Karangalpady, Mangalore- 575 003. MANGALORE BRANCH OF SIRC OF ICAI UDUPI BRANCH OF SIRC OF ICAI mangalore@icai.org ; 0824 - 2495722 udupi@icai.org ; 0820 - 2536603				
<u>Conference Convenors</u> CA. D. Prasanna Kumar Chairman, SIRC CA. P R Aruloli Secretary, SIRC	<u>Conference Co-Convenors</u> CA. M. Jagannath Kamath, Chairman CA. Shivakumar K, Secretary MANGALORE BRANCH OF SIRC OF ICAI		<u>Conference Co-ordinator</u> CA. U. Muralidhar Kini, Chairman CA. Prashanth Holla T, Secretary UDUPI BRANCH OF SIRC OF ICAI	CA. Srinivas C.S. Member, SIRC & Ex-Officio Member, Mangalore & Udupi Branches

IPCC & FINAL COACHING CLASSES FOR MAY, 2014 C.A. EXAMINATIONS		
The next batch of Coaching Classes for IPCC & Final Students appearing for MAY, 2014 Examinations will commence on 6 th November, 2013. The duration of the coaching classes will be four months.		Highlights ✓ Renowned Faculty ✓ Classes are conducted since 1965 ✓ Affordable fees ✓ Backing of ICAI ✓ Special attention for weak students ✓ World class Library support ✓ Reading Room Facility ✓ Mock Tests ✓ Doubt clearing sessionS
Days	Group-I	Group-II
Monday to Saturday	6.30 a.m. to 9.30 a.m.	5.30 p.m. to 8.30 p.m.
Sundays	7.00 a.m. and 5.00 p.m	
Fees		
Groups	IPCC	FINAL
Both Groups	` 4,000	` 5,000
One Group	` 2,000	` 2,500
Last Date for Enrolment: 4th November, 2013		
Seats will be booked only through Online Registration & the registration will be on 'first come first served basis'		For further information and registration, please visit SIRC website or contact SIRC Office. Contact Nos : 044-30210322 / 80560-11449
Email-id : sirclasses@icai.in		Website : www.sircoficai.org
Online regn link : www.sircoficai.org/batches/		

10-DAYS CPT RAPID REVISION CLASSES FOR DECEMBER, 2013 EXAMINATION	
A 10 Day CPT Rapid Revision Classes, for the benefit of CPT students who attended CPT Exams and yet to clear and students who attended CPT classes in other institutions, is scheduled [1 st batch] from 06/11/2013 to 15/11/2013 & [2 nd batch] from 20/11/2013 to 29/11/2013.	
Senior faculty members will discuss the model test papers [questions] in detail. Fully examination orientated. One CPT model examination will also be conducted on 02/12/2013.	
Class Timings :	10.00 am to 1.00 pm & 2.00 pm to 5.00 pm
Fees :	` 1,500 (Limited seats only)
Registration :	online – website : www.sircoficai.org/Batches/
Contact Nos :	044-30210322 / 80560-11449
Email-id :	sirclasses@icai.in
Website :	sircoficai.org

DISCLAIMER

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

CPE Programs under the auspices of Committee on Internal Audit of SIRC of ICAI

The Theme of the Committee on Internal Audit for the year 2013-14 is **Know Risk. Know Reward** and we bring you a series of Structured CPE programs to help you to kick start an Internal Audit vertical in your organization or even to perform Internal Audits better.

Internal Audits are soon poised to emerge as a leading service line for Chartered Accountants as we foray into the new world order dominated by varied laws, regulations, business processes, cross border activities, large and complex transactions and accounting systems, standards and procedures.

For most of us who grew up on a staple training of taxation and statutory audits, the transition to set up an Internal Audit vertical in our offices or even perform one off Internal Audits may be a bit daunting,

The New Companies Act places emphasis on Internal Audits and also the statutory auditor to report if the Company has adequate financial controls system in place and the operating effectiveness of such controls. Hence it is important for us to understand how to understand and evaluate the internal controls which is precisely what Internal Audit is all about

The Committee on Internal Audit of the SIRC of ICAI brings you an Internal Audit Guidance Series that unravels Internal Audits and demystifies the service line for you. The faculty base comprises of eminent Chartered Accountants with significant knowledge and experience in Risk Advisory Services. The panel of faculty who would be conducting this program include senior professionals from industry and practice

Proposed Programs in Know Risk Know Reward

- Special Eye Opener Sessions
- Seminars on Risk Based Internal Audits
- Anti-Fraud Conclaves
- Internal Audits of Small and Medium Sector
- Recent trends in Currency Risk Management
- Internal Audit of Statutory Compliances
- Managing Audit Risk

Details of programs

Programme Date	Programme Timing	Programme Name	Delegate Fee	CPE Credit
October 18, 2013	5.30 p.m. – 8.30 p.m.	Workshop on Currency Risk Management – Role of CA as Advisory. Currency Risk Cause & Effect and Way forward	500	3
December 28, 2013	9.30 a.m. – 5.00 p.m.	Audit of Key Statutory Compliances -(a checklist driven approach) under Income tax, Customs and Central Excise, Service Tax, VAT, Labour and Forex Related legislations.	750	6
January 25, 2014	9.30 a.m. – 5.00 p.m.	Internal Audits for Small and Medium Enterprises- Adding Value and Managing Audit Risk	500	6
February 7, 2014	9.30 am to 1.00 pm	Anti- Fraud Conclave with extensive participation from Members in Industry	Will be announced later	3
Will be announced later	9.30 a.m. – 5.00 p.m.	Seminar on Risk based Internal Audit	750	6
CA. D. Prasanna Kumar Chairman, SIRC of ICAI		CA Sripriya K Chairperson, Committee on Internal Audit, SIRC	CA. P.R. Aruloli Secretary, SIRC of ICAI	

RESIDENTIAL CONFERENCE ON INTERNATIONAL TAXATION AT BANGALORE NEW HORIZONS - NEW HOPES

SIRC is presenting to you a unique programme the first of its kind from SIRC – “New Horizons New Hopes” a **Residential Conference on International Taxation at Bangalore from 20th December to 22nd December 2013.**

In the era of globalization and advent of technology, the world has converted itself into a Global village. Post globalization India has moved leaps and bounds towards becoming a developed nation. In the process our nation has lived through magnum opportunities and threats followed by enormous changes in taxation system.

As professionals one needs to grow as international consultants and to achieve this, we need to possess the knowledge of international taxation and be vary of trends and changes occurring across the world economy.

SIRC has decided to provide a platform to enable and equip you to the global needs. Hence, this programme has been conceptualized which is first of its kind in the history of SIRC. Members may get ready to register as SIRC is eager to welcome you with folded hands and wishes you to grab this opportunity with both hands.

Further details of the programme will be posted on the website and published in SIRC News letter in the November issue.

CA. D. Prasanna Kumar Chairman, SIRC of ICAI	CA. Adusumilli Venkateswara Rao Chariman, Taxation Committee, SIRC Programme Co-ordinator	CA. Srinivas C.S. Member, SIRC Programme Co-ordinator	CA. P.R. Aruloli Secretary, SIRC of ICAI
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**INTERNATIONAL CONFERENCE ON ACCOUNTANCY PROFESSION:
EMERGING FRONTIERS OF FUTURE GROWTH**

November 21–23, 2013

Science City Auditorium
KolkataCPE Credit
14
HOURS

Accounting profession has been recognized worldwide as key facilitator in promoting investment, enhancing economic stability, improving management of scarce resources, facilitating public revenues and strengthening enterprises. The Accountancy profession has grown tremendously in terms of capability and capacity. It has met the challenges of a high growth economy, the opening up of the country and competition due to globalisation. The ICAI being amongst the largest accounting bodies in the world has always endeavoured to position brand Indian Chartered Accountancy globally.

H.E Shri Pranab Mukherjee, President of India has kindly consented to inaugurate the International Conference on November 21, 2013 at 4.30 pm.

The Institute of Chartered Accountants of India (ICAI) has been instrumental in providing quality education and continuous professional education to its members. As part of the continuous professional development of the members, ICAI is organizing 2 days International Conference on "Accountancy Profession: Emerging Frontiers of Future Growth" on November 22-23, 2013 at Science City Auditorium, Kolkata. Complete details regarding the Conference will be available on the website www.icaai.org shortly.

Panel Discussions / Key Note Addresses		Confirmed Speakers
<ul style="list-style-type: none"> Raising the voice of Asia in Global Accounting Profession Public Finance Management for Financial Inclusion Role of Public Sector Enterprises in Nation Building Public Sector Enterprises: Anchoring Economic Growth Competency Mapping for the Capacity Development Banking Sector – Navigating through Maze; Roadmap for Growth Developing Nation through Wealth Creation Emerging Paradigm in context of Education, Technical Standards and Company Law Empanelment as Key to Growth Enhanced Regulation as key to Sustainable Growth <p style="text-align: center;">Technical Sessions</p> <ul style="list-style-type: none"> Promoting Excellence – New Dimensions of Reporting Corporate Finance – Way Forward Beyond Accountancy – Management & Leadership Information Technology – Rewriting the Rules of Business Global Competitiveness: Evolving Dimensions of Trade 		<ul style="list-style-type: none"> Mr Keith Wedlock, President, Confederation of Asian Pacific Accountants (CAPA) Mr Sujeewa Mudalige, Deputy President, CAPA CA. P K Choudhary, Chairman, ICRA Shri Keki Mistry, Vice - Chairman, HDFC Ltd. Shri Sunil Kanoria, MD, SREI Finance Shri Harish Bijoor, Bijoor Consulting CA. Chetan Dalal, Chartered Accountant CA T P Ostwal, Chartered Accountant
Particulars	Delegate Fees	The details of the Conference are available at the link http://www.icaai.org/post.html?post_id=9718 . You can also register yourself through online payment. The online payment facility is available at the link http://www.icaai.org/post.html?post_id=9790 .
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OBITUARY

S. No.	MRN	Name	Status	Place	Date of Death
1	018950	MR. SHANKAR RAM S	ACA	BANGALORE	18/06/2013
2	024924	MR. VASUDEVAN K	FCA	CHENNAI	10/07/2013
3	202776	MS. MEENAKSHI M	FCA	CHENNAI	26/01/2013

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

INTEREST ON LOAN TO ASSOCIATES UNDER TRANSFER PRICING - (under Income Tax Act)



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Transfer Pricing:

"Interest charge" on Loan given by an assessee to its "Associates" is one of the "International Transaction" under Section 92B of Income Tax Act, 1956, and has to satisfy the Arm's Length Price (ALP) u/s 92, to be computed under one of the methods prescribed u/s 92C, especially under Comparable Uncontrolled Price (CUP).

Loan to Associates Enterprises (AE) and Interest income thereon:

The charging of such interest has raised various issues that are being contested at various stages, such issues being –

1. If loans were advanced to associates out of borrowed funds in India, whether the said borrowed interest cost need to be benchmarked as interest rate for ALP,
2. Whether LIBOR plus rate only need to be applied on the said advances,
3. Whether commercial expediency can be attributed and thereby interest need not be charged on loan to AEs.

Judicial precedents:

Various Tribunals have held that interest need to be charged on advances to associates and have also held that LIBOR rate has to be applied for benchmarking the interest charged by the enterprise with its associates.

One of the earliest decisions in this was rendered by the **Mumbai Tribunal in VVF Ltd., vs. DICT (ITA No.673/Mum/06)**. In this case, the assessee had advanced interest free loans to its subsidiaries and contested that the loans were given out of its own funds and attributed commercial expediency for the same. The Mumbai tribunal held that this is not a question of whether the loan was given from its own or borrowed fund and that TP regulations are to nullify the impact of inter-relationship between the AEs and held that interest need to be charged on loans to AEs, whether commercially expedient or not. The Tribunal also placed reliance on internal CUP and that the comparable transaction should be a forex loan and remanded back to the assessing officer to recompute the ALP.

In the decision of Delhi Tribunal in **Perot Systems TSI (India) Ltd., vs. DCIT (130 TTJ 685)**, the assessee had advanced interest free loans to its AEs. TPO determined ALP based on CUP, by applying LIBOR plus base average points. Assessee argued that notional interest cannot be added and only real income could be taxed and also that the loans were **quasi-equity**. The Tribunal rejected the concept of taxing only the real income and held that notional income could be added under TP regulations. The feature of loans as quasi-equity was not present in the agreement between the assessee and AEs and hence the Tribunal did not consider the concept of quasi-equity. The argument of commercial expediency was also not accepted by the Tribunal as it was of the opinion that the loan was not an ordinary transaction but an international transaction, covered under transfer pricing regulations.

In another decision of Mumbai Tribunal in **Tata Autocomp Systems Ltd., Vs. ACIT (21 taxmann.com 6; ITA No.7354/Mum/11)** the tribunal had held that granting interest free loans comes within the ambit of international transactions and subject matter of test of ALP u/s 92. Here the AE being located in Germany, the EURIBOR based interest rate was held to be most appropriate comparable uncontrolled rate.

Mumbai Tribunal in another case in **Aurion Solutions Ltd., vs. ACIT, (ITA No.7872 /Mum/2011)** had to consider the CUP vs. CPM (Cost plus margin) on interest free loans. In this case the assessee had advanced interest free working capital advances to its AEs and contended that the advances are at cost plus zero margin (CPM) and hence are at arms length. The Tribunal did not agree with the CPM method, but ruled that CUP method is most applicable method and that interest need to be charged. The Tribunal finally relied on other judicial precedents in **Tata Autocomp (supra)** and **Siva Industries & Holdings Ltd., vs. ACIT (145 TTJ 497-Chennai Trib)**, and held that LIBOR (Plus base points) would be the ideal arms length price.

On the issue of whether LIBOR rate or the domestic prime lending rate that need to be adopted for ascertaining arms length price on loans to AEs, the **Delhi Tribunal in Cotton Minerals (I) Pvt. Ltd. Vs. DCIT**, again relying on **Siva Ind. & Holdings Ltd., (supra)**, held that domestic prime lending rate would have no applicability and the international rate fixed being LIBOR should be taken as the benchmark rate for international transactions.

In another interesting case, where the assessee had given interest free loans to its AEs, attributed commercial reasons behind not charging interest and that the transaction is of the nature that no data is available for finding out external comparable uncontrolled price and hence it proceeded to apply TNMM to determine its arm's length basis of the said loan. The **Delhi Tribunal (in Aithent Technologies Pvt Ltd., vs. ITO – ITA 3647/D/2007)**, on facts and circumstances of that case, held that the loan transaction is to be independently evaluated under CUP method and cannot be considered under TNMM along with the other international transactions of the assessee. The Delhi Tribunal was also of the view that LIBOR rate is to be considered as benchmark rate relying on other tribunals rendered in this regard.

From the above judicial decisions, the following emerges:

- a) TP regulations are applicable to even loan transactions and charging of interest is mandatory
- b) LIBOR rate of interest is to be applied for the loan as benchmarking rate for determining ALP.
- c) The concept of commercial expediency was not accepted by the Tribunals. As held in **Tata Autocomp Systems Ltd., (supra)**, commercial expediency was not relevant under the Transfer Pricing regulations. Even the decision of **SA Builders Vs. CIT (288 ITR 1)** rendered by the Supreme Court, was held not to be applicable by the Tribunal, as that case was not

rendered under Chapter X of the IT Act, as Transfer Pricing regulations (contained in Chapter X) relates to special provision of computation of international transactions having regard to arms length price.

- d) Quasi-Equity concept was not proved in the Delhi Tribunal decision in Perot Systems.

Recent decision in Micro Inks Ltd.

Recently the Ahmedabad Tribunal had occasion to deal with non charging of interest on international loan to AE, where it had dealt with nearly all the above issues. This landmark judgement has considered most of the above Tribunal decisions and also referred the Supreme Court's decision in SA Builders case.

In this case, the assessee Micro Inks, had given advances to its AE, Micro USA which are said to be in the nature of **quasi-equity**. Commercial expediency was attributed for the making of these advances including that the AE was incurring loss and the assessee is fully dependent on the AE for its marketing of its products and that there is necessity for advancing monies to AE which was later converted into equity. These were the reasons attributed for not charging interest on these advances.

Two important submissions was made before the Tribunal. The first one being the reliance to the para 1.37 of the OECD Guidelines, which state that in certain circumstances it may be both appropriate and legitimate for a tax administration to consider 'substance over form' to consider all surrounding circumstances. It was explained that one such circumstance arises where economic substance of a transaction differs from its form. In such a case, the tax administration may disregard the form and re-characterize it in accordance with its substance. One such example given in the said Guideline is an investment in an associated enterprise in the form of interest bearing debt, when, at arm's length, having regard to economic circumstances of the borrowing company, the investment would not be expected to be structured this way. The OECD guidelines state that in this case, it might be appropriate for a tax administration to re-characterize the investment in accordance with its economic substance with the result that loan may be regarded as a subscription of capital.

Hence based on the above, the assessee submitted that after obtaining the approvals of RBI, the loan was converted into equity and hence they did not charge interest on such loans. The Tribunal considered two important factors, one being that the loan is in the nature of quasi capital and the other factor, is that the Tribunal recognised the significant role played by the AE in its sale and distribution chain and that significant volume of the transactions of AE are to that of its parent assessee itself, and that the AE exists only to facilitate the marketing of assessee's products in US markets. Hence the Tribunal observed that the relationship on account of lending of money cannot thus be considered in isolation with these crucial business considerations.

The other important submission was the arms length computation in case of interest on loan. The Tribunal accepted that in such cases, CUP method has to be applied and the LIBOR or other bank linked rate is to be taken as benchmark rate or interest. It agreed that as held in the decisions of VVF (supra) and Perot Systems (supra), cost of funds have no relevance and it is only the rate applicable for comparable uncontrolled transaction that is to be taken into account.

Here the Tribunal went in length to the provisions of Rule 10B(1) which is a three step process, as follows:

- (i) the price charged or paid for property transferred or services provided in a comparable uncontrolled transaction, or a number of such transactions, is identified
- (ii) such price is adjusted to account for differences, if any, between the international transaction and the comparable uncontrolled transactions or between the enterprises entering into such transactions, which could materially affect the price in the open market;
- (iii) the adjusted price arrived at under sub-clause (ii) is taken to be an arms length price in respect of the property transferred or services provided in the international transaction;

Thus the Tribunal deemed it necessary that as per 10B(1)(ii), adjustments will have to be necessarily made in the LIBOR plus rate, due to

- (a) the loan to AE was to overcome its teething problems and pending the approval for capital subscription by RBI,
- (b) the assessee and AE are mutually dependent for commercial reasons,
- (c) LIBOR plus rate cannot be adopted, as the transaction is not a simplicitor financing transaction, and that it is not a case of granting advance to a business concern without significant and decisive commercial considerations, as the monies are given for strengthening assessee's marketing apparatus in US and to keep alive its biggest exports customer,
- (d) The differences are so fundamental that these differences, to use the phraseology employed in Rule 10B(1)(a)(ii), **"could materially affect the price in the open market"**.

Hence on the above counts, the Tribunal opined that the application of LIBOR plus rate will be inappropriate to this case.

Finally, the Tribunal, in finding out as to what would be the arm's length price in this case, relied on the commercial factors as listed above, held that the variations in the nature of transactions between the assessee and AE and variations in the nature of relationship between them are so fundamental that the entire LIBOR plus rate, which is the starting point of our computation of ALP of these interest free loans, **is to be reduced to zero** to take care of the differences in terms of Rule 10B(1)(a)(ii) of the Income Tax Rules.

Conclusion:

The above landmark decision had upheld the adopting of LIBOR plus rate of interest for computing ALP for loans given to AE, and that commercial considerations have been given weightage by relying on Rule 10B(1)(a)(ii), the said LIBOR rate could be adjusted for differences and that even zero could be adopted as ALP. Coupled with the recent favourable ruling by the Tribunal, the advent of new Safe Harbour Rules with the recent relaxation thereon by Finance Ministry, would pave way for reduced litigation for assessees. ■

FORENSIC ACCOUNTING – THE NEED OF THE HOUR



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With the rise in the telecast of crime stories on television these days, we get the feel that the word 'forensic' is related purely to crime scenes. The monotonous working in criminal dramas like investigators tracking down criminals using blood samples, DNA, fingerprints and the like has a great impact on our imagination. It is natural for us to wonder how 'forensic' can ever be associated with 'accounting'. We need to correlate 'forensic' with 'accounting' to know what 'Forensic Accounting' actually is.

Fraud, corruption and asset misappropriation are a threat to every organization. The source/root cause could be staff, suppliers, or the company's directors themselves. So, we require forensic reviews and risk assessments at intervals. That is when the need for Forensic Accounting arises.

'Forensic' according to Webster's dictionary means 'belonging to, used in or suitable to courts of judicature or to public discussion and debate'. From this we can just infer that 'forensic' means 'relating to the application of scientific knowledge to a legal problem'. So now by correlating the two terms, we can say that '**Forensic Accounting utilizes accounting, auditing and investigative skills to conduct an examination into a Company's financial statements**'. It, thus, provides an accounting analysis that is suitable for court. Thus, Forensic Accounting is the application of a specialized knowledge and specific skills to stumble upon the evidence of economic transactions.

Forensic Accounting encompasses both Litigation Support and Investigative Accounting.

Forensic Accounting linked with Litigation Support:

Litigation Support is one of the most common reasons to hire a forensic accountant. Litigation Support is the process by which accountants with expertise are roped in to provide consultation and advice with respect to commercial disputes. The kind of Litigation Support varies from case to case. Litigation Support service provided assistance in a variety of ways; one by providing the required advice and two by calculating the extent of damage and the ways to reduce it.

Litigation Support services to be provided by a Forensic Accountant include:

- Advising the client and his solicitor regarding the financial issues
- Preparing cross examinations
- Advising with regard to taxation implications that may arise
- Interpreting financial documents
- Reviewing the expert report and providing analysis/critic with regard the same
- Preparing reports
- Providing expert evidence in the court of law

Who should be roped in to carry out the job of Forensic Accounting?

The foremost point that needs stress here is that a Forensic Accountant ought to be hired from outside the business so that independent financial analysis is possible in the best interest of the business. Forensic Accounting cannot be conducted by any Tom, Dick and Harry. You need persons who are trained for the job. Hence, 'Forensic Accountants' are roped in to carry out Forensic Accounting. Forensic Accountants are also known as fraud investigators, investigative accountants, forensic auditors or fraud auditors. An ordinary person may not be in a position to decipher things so easily compared to the Forensic Accountants as these Forensic Accountants are trained to look beyond numbers and deal with the business reality of a situation. A Forensic Accountant takes a more proactive, skeptical approach in examining the books of accounts. They make no assumption of management integrity; they show a comparatively less concern for arithmetical accuracy, have nothing to do with accounting or auditing standards (as there are other experts to do the same), but are always keen on exposing the possibility of any sort of fraud.

All the while we have been reading in our curriculum that 'Auditor should be a watchdog and not be the bloodhound'. But, the statement gets reversed in the case of a Forensic Accountant. A Forensic Accountant is nothing but a bloodhound of book keeping, as he always keeps sniffing around for the possibility of a fraud. He hounds for conclusive evidences.

Role of Forensic Accountants:

Forensic Accountants have a tough job of performing their duties as a lot is expected of them. They have different roles to play; role in Corporate Governance, role in Courts of Law, role in Internal Investigations, etc. A Forensic Accountant needs to be very alert at every stage. A very apt quote given by **Warren Buffett** which can be very well related is 'It's only when the tide runs out that you learn who's been swimming naked'. Unless an in – depth analysis is done, the duty of a Forensic Accountant doesn't get completed. We can, however, summarize and say that the job of a Forensic Accountant entails the following:

- The ability to identify frauds at the initial stages
- The ability to interview and interact in the process of collecting evidences and requisite information
- To seek out what the situation mostly demands, a Forensic Accountant should be, at times, able to think like a fraudster/criminal
- Should possess the ability to understand the working in the Court of law
- Should be competent enough to handle different situations with ease

- Core knowledge and personal skills are required
- Should be in a position to provide expert evidence in the Court of Law

At times when a company is facing legal issues or any other complex issue for that matter, a forensic accountant can be of great help. However, one needs to know that a Forensic Accountant needs to be roped in at the most appropriate time. The most appropriate time is a matter of discretion.

Procedure adopted in the conduct of Forensic Accounting/ Analysis:

Every single assignment of forensic analysis is completely different from the other. The procedure adopted in one case may not hold well in some other case. But, however, the general procedural approach remains the same. The general approach is brought as follows:

Career in Forensic Accounting:

Of late, the opportunities for the forensic accountants are growing at a rapid speed. Collapse of Enron and the like has blessed the American Forensic Accountants with numerous opportunities. The Sarbanes – Oxley Act, 2002 was, in fact, the US Government's quick fix response to the fraudulent corporate happenings experienced during the 1990's and early 2000's. It is considered to be one of the significant steps taken in order to regain the investors' confidence. **In India, the formation of Serious Fraud Investigation Office (SFIO) under the Ministry of Corporate Affairs on the recommendations made by the Naresh Chandra Committee is the landmark creation for the Forensic Accountants.** This can be regarded as the first step of the Government of India to recognize the importance and advance the profession of Forensic Accountants. Growing cyber crimes, series of co-operative bank bursting, failure to track down security scams, corporate scams, etc has all been pinpointing the need for Forensic Accounting. In India, more number of Forensic Accountants is required in the wake of growing frauds. The task of providing Forensic Accountants has been taken up by the ICAI. Certificate Courses have been introduced to impart training for the same in order to equip accountants to exercise their duties and fulfill their responsibilities.

The opportunity can be utilized by us to curb the frauds that have been happening at an alarming rate.

Despite the existence of experts from various fields, the first and foremost law enforcement agency involved is the police and CBI. When it comes to investigation of such financial white collar crimes, these agencies need to be trained appropriately in this regard. So at this juncture it is called for to engage specialist forensic accountants by carrying out the training.

Indian Laws which have references to Forensic Accounting (if not specifically, generally):

Provisions relating to Investigation of the affairs of the company by appointing investigators as provided in the Companies Act

Provisions relating to Sick Industrial Companies Act incorporated into the Companies Act

- SEBI Act, 1992
- Preventions of Money Laundering Act, 2002
- The Companies (Auditor's Report) Order, 2003
- The Insurance Act, 1938

(All these have some sort of references to curb fraud)

Conclusion:

Though Forensic Accounting may not sound as glamorous as its counterparts, the field has achieved great heights and has received more attention in the recent years. This importance has been gained, of late, due to the high profile cases involving the financial white collar crimes involving large corporations such as Enron and Adelphia Communication scandals of 2001 and 2002. While mentioning about these how can we forget our very own Satyam scam. Forensic Accounting has become a rapidly growing area of accounting concerned with the detection and prevention of fraud. The opportunities in this respect are also very promising as on this day. With continuous support from the entire fraternity, we can very well see less financial white collar crimes in the future. But, to achieve the same a lot of contributions are required from various arenas.

By having an insight into the working of this forensic accounting and the role and opportunities for a Forensic Accountant, I can now visualize crime stories on television where forensic investigators feature with calculators rather than pistols. ■

Mr. C.P. REVATHIKUMAR WE WISH YOU A HAPPY RETIRED LIFE

Retired on Superannuation on 30th September, 2013



Mr. C.P. Revathikumar, Assistant Secretary, ICAI retired on superannuation after 33 years of meritorious service on 30th September, 2013. He joined the Institute as Lower Division Clerk and rose to the position as Assistant Secretary by his sincere and hard work.

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

Invitation for Contribution of Articles

SIRC of ICAI invites Articles from Members for publication in the SIRC Newsletter for the month of October 2013 which should reach SIRC by email to sirc@icai.in and sircnewsltr@icai.in latest by **20th October 2013** for consideration by the Editorial Board.

Analysis of Service Tax on Supply of Food or Drink and Accommodation and the Kerala High Court Decision



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Introduction

Article 265 states that no tax shall be levied or collected without the authority of law. Further article 246 governs the subject matter of the laws made by the Parliament and by the Legislature of States. The matters are listed in the Seventh Schedule to the Constitution. The Seventh Schedule is classified into three lists:

- a. List I: This list sets out the matters in which the Parliament has an exclusive right to make laws
- b. List II: This list enumerates the matters in respect of which the Legislature of any State has an exclusive right to make laws.
- c. List III: This list enumerates the matters in respect of both the Parliament and subject to list I, Legislature of any State, have powers to make laws.

Accordingly there were ensuing questions on the applicability of aspect theory ie whether the Union could levy taxes on subject matter of State list and vice versa. Further whether aspect theory can be valid where concurrent list exists. This question arises particularly in the items of negative list for software, IPR..

We examine in this article, the levy of State and Central levies on supply of food or drink and accommodation in light of the recent Kerala High Court decision.

What is a composite transaction?

A composite transaction is a transaction which involves both supply of goods and services and such transaction cannot be vivisected for charging different types of taxes. Taxability of a composite transaction depends on the intention of the parties involved, that is whether parties has contracted for goods or services. The test for deciding whether a contract falls into one category or other is to decide as to what is the substance of the contract. It can be called as the dominant nature test.

The dominant nature test can be summed up as follows-

If the dominant nature of such a transaction is sale of goods or immovable property then such transaction would be treated as such.

If the dominant nature of such a transaction is provision of a service then such transaction would be treated as a service and taxed as such even if the transaction involves an element of sale of goods.

However this test has certain exceptions. The exceptions are those entries which were brought into definition of deemed sale vide article 366(29A) in the Constitution. Accordingly after the 46th amendment, it has become possible for the States to levy sales tax on the value of goods involved in the following-

- a.....;
- b. a tax on the transfer of property in goods (whether as goods or in some other form) invoked in the execution of a works contract;

c.....

d.....

e.....

f. a tax on the supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (whether or not intoxicating), where such supply or service, is for cash, deferred payment or other valuable consideration, and such transfer, delivery or supply of any goods shall be deemed to be a sale of those goods by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made;

Consequently, even the composite contract embodied in a single document would be deemed to be divisible for the purpose of levying sales tax. However for the other entries this question may be open.

At the same time, the Finance Act 2011, had introduced a new service tax levy on Restaurants & Accommodation provided in hotels, lodges, inns etc. This levy would be applicable with effect from 01.05.2011.

Service Tax on restaurant and accommodation services

From 1.5.2011, the service tax is levied on Restaurant Service. The service tax is levied on services provided to any person, by a restaurant, having the facility of air-conditioning in any part of the establishment, at any time during the financial year, which has licence to serve alcoholic beverages, in relation to serving of food or beverage, including alcoholic beverages or both, in its premises; Under negative list based taxation, the declared services has an entry service portion in an activity wherein goods, being food or any other article of human consumption or any drink (whether or not intoxicating) is supplied in any manner as part of the activity.

Prior to 1.4.2013, levy was attracted when there was both air conditioner and license to serve alcoholic beverages. From 1.4.2013, the requirement of license to serve alcohol as a condition to attract service tax on restaurant services is done away with. It is sufficient that the restaurant, eating joint or mess has AC facility or central air heating to attract the levy. This has attracted the service tax levy on most hotels which were hitherto exempted/excluded from service tax levy.

Short term accommodation services are brought to tax net wef 1.5.2011. The service tax levy was attracted under this category on the services provided to any person, by a hotel, inn, guest house, club or campsite, by whatever name called, in relation to providing of accommodation for a continuous period of less than three months.

Under negative list based taxation, it levied service tax on services

by way of renting of a hotel, inn, guest house, club, campsite or other commercial places meant for residential or lodging purposes, having declared tariff of a unit of accommodation of equal to or more than rupees one thousand per day or equivalent;

Whether service tax and VAT can be levied on supply of food or drink?

If the entire amount is offered to VAT as a supply of food, levy of the service tax on the same amount would be amounting to a double taxation. The Supreme Court more than a decade back in *K. Damodarasamy Naidu V, State of Tamil Nadu [2000 (117) STC 1 (SC)]* has held that the tax is on the supply of food or drink and it is not of relevance that the supply is by way of a service or as part of a service. In our view, therefore, the price that the customer pays for the supply of food in a restaurant cannot be split up. The price provided for food could not be split up between charges for food and charges for services for the purpose of taxation. Applying same analogy, the question of taxing under service tax could be doubtful especially if on the full amount VAT has been paid appropriately.

The levy under service tax would also be against the basic principle that service tax and VAT are mutually exclusive. Once VAT is rightly levied on a transaction service tax cannot be levied on same. This has been held in a number of decisions, important of which is decision in *Imagic Creative case 2008 (9) S.T.R. 337 (S.C.)* which was a Supreme Court decision.

Further as per the explicit provision in Article 366(29A) it levied sales tax as a deemed sale on **the supply, by way of or as part of any service** or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink. Further there was no deduction for the service portion of supply of goods [food/any article for human consumption]. In other words, the entire transaction was leviable to sales tax. In the opinion of paper writers the levying of service tax is doubtful if on the full amount VAT has been paid as required under law.

Discussion on recent Kerala High Court decision [2013-TIOL-533-HC-Kerala-ST].

Background:

The petitioners in the above writ petitions were challenging the validity of sub clause (zzzzv) and (zzzzw) of clause 105 of Section 65 of the Finance Act, 1994 and Section 66 of the Finance Act, 1994 as amended by the Finance Act 2011 relating to levy of service tax on taxable services referred there and for consequential reliefs. The relevant portion reads as under:

“(zzzzv) services provided or to be provided to any person, by a restaurant, by whatever name called, having the facility of air-conditioning in any part of the establishment, at any time during the financial year, which has licence to serve alcoholic beverages, in relation to serving of food or beverage, including alcoholic beverages or both, in its premises;

(zzzzw) Services provided or to be provided to any person, by a hotel, inn, guest house, club or camp-site, by whatever name called, for providing of accommodation for a continuous period of less than three months;”

Points on which liability challenged:

The main contention urged by the petitioners is that the imposition

of service tax in relation to serving of food or beverage including alcoholic beverages represents only sale of goods which transaction squarely falls under Entry 54 of List II (State List) of the 7th schedule to the Constitution of India and therefore within the exclusive competence of the State Legislature.

Similarly the State Legislature had enacted Kerala Tax on Luxuries Act, by which tax is levied for accommodation.

By introducing service tax on restaurant and accommodation services, the Parliament has encroached upon the legislative powers of the State under Entry 54 and 62 of List II. The main contention of the petitioners is with reference to the legislative competence of the Parliament to impose a tax on sale of goods which is absolutely the domain of the state legislation.

Arguments taken by respondents:

The service tax can be imposed on the service involved during the sale of a product and so long as the Statute does not transgress to any restriction contained in the Constitution, contentions regarding lack of legislative power cannot be sustained. It is further contended that the Sales Tax Act and the Kerala Tax on Luxuries Act are framed by the State Government. Service tax levied by the Government of India is not for serving alcoholic beverages and it is a tax on the services provided by restaurants and hotels. In that view of the matter, according to them, the challenge to the provisions aforesaid are absolutely baseless.

Decision:

i) It is declared that sub Clauses (zzzzv) and (zzzzw) to Clause 105 of Section 65 of the Finance Act 1994 as amended by the Finance Act 2011 is beyond the legislative competence of the Parliament as the sub Clauses are covered by Entry 54 and Entry 62 respectively of List II of the Seventh Schedule.

ii) That if any payments have been made by the petitioners, they are entitled to seek refund of the same.

Way forward

This decision was by application of the principle that the Constitution is above the law. The Constitution permitted sale of goods during service as taxable as a deemed sale. Necessarily service formed part of deemed sale of goods. Therefore, State Government alone has the competence to enact a law imposing tax on service elements forming part of sale of goods. This could be an indication how the issue of taxability of supply of food and drink may move forwards.

Further this decision has held that service tax imposed on services by a hotel, inn, guest house, club or camp-site for providing of accommodation would be trenching on Entry 62 of List II [state list] which taxes luxuries.

This decision from Kerala High Court would hold good in that jurisdiction and has a persuasive value in other states. At same time as the matter has not yet been confirmed at the highest level of judiciary. In the opinion of the paper writers, restaurants/hotels could safely rely on this decision. They may as a measure of caution write under an acknowledgement seeking confirmation of their view that there is no liability. However those who do not wish to have any disputes with the government could erring on side of caution wherever the customers are willing to pay. ■

Updates on Direct Taxes

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1. Reassessment in respect of reasons not discussed in original assessment does not amount to change of opinion:

In *Innovative Foods Ltd v. Union of India* [2013] 356 ITR 389 (Ker) an assessment made under section 143(3) was subjected to reopening by issue of notice under section 148. The reasons related to apparent incorrect claims made in the return filed which were omitted to be considered in the original assessment. The assessee contended that the reassessment was prompted by change of opinion which is not tenable in law. The court held that the tax authority had complied with all the procedural aspects for reopening the case and the matters not considered at the time of assessment would only imply that no opinion was formed previously. Thus a reassessment so initiated will not amount to change of opinion as the issues were not discussed in the earlier assessment order.

2. Genuine sale and leaseback transaction cannot be doubted:

In *First Leasing Co of India Ltd v. Asstt. CIT* [2013] 356 ITR 128 (Mad) the assessee, a leasing company entered into a sale and leaseback agreement with the Tamil Nadu Electricity Board. As per the agreement the value of assets acquired and leased back amounted to Rs.3944.27 lakhs and on which depreciation was eligible at 100%. Since the assets were not used for more than 180 days the claim was limited to 50% of eligible depreciation and the amount being Rs.1973.14 lakhs. The claim was negated by doubting the lease agreement and also in respect of four other agreements for which the assessee neither could collect lease rent nor repossess leased assets. The court held that a genuine lease agreement could not be doubted in spite of some minor irrelevant clauses in the agreement. When the leased assets continue to remain with lessees even after the lease period it is to be presumed that the equipments

were used in the business of the assessee and hence are eligible for depreciation.

3. Cash credit does not mean only receipt of cash but also amounts due to supply creditors:

In *Smt. Rekha Krishnaraj v. ITO* [2013] 91 DTR (Kar) the issue before the court was whether section 68 would apply only to cash found credited in the books or would apply even to credits on account of supply of goods i.e. supply creditors. The court held that the title to section cannot be referred for interpreting a provision when the words used in the provision are clear and unambiguous. It held that the section covers both the cash found credited in the books of account and a credit representing value of amounts payable to suppliers of goods. Once the credit so mentioned in the section is found to be not supported by any acceptable evidence, then such sum may be charged to income-tax as the income of the assessee. The court expanded the meaning and applicability of the provision in this judgment and it is somewhat peculiar but debatable.

4. Deduction towards allotment of ESOP to employees is not a contingent liability:

In *CIT v. PVP Ventures Ltd* [2013] 90 DTR (Mad) 340 the assessee issued shares to its employees and claimed Rs.6.82 lakhs as expenditure. The allotment of shares was in accordance with SEBI regulations. The claim of the assessee though allowed in assessment became one of the subject matters of revision under section 263. The claim of the assessee that allotment of ESOP shares as staff welfare expenditure was accepted by the tribunal. The court held that the assessee had followed SEBI directions and the claim of deduction is towards an ascertainable liability. It was held that the difference between market price of shares and issue price to employees is eligible for deduction.

WORK DISPOSAL POSITION

The position of disposal of various matters relating to Members and Students of Regional Office, Chennai as on **27.09.2013** is as under:

Particulars	Disposal of records received upto
Members	
Enrolment of Members	20/09/2013
Fellow Admission	23/09/2013
Grant of COP	23/09/2013
Restoration of Name – Recommended upto	23/09/2013
Restoration of Name – Cleared upto	23/09/2013
Constitution of Firms	20/09/2013
Reconstitution of Firms	20/09/2013
Paid Assistant	23/09/2013
Change of Address – Members	20/09/2013
Change of Address – Firms	27/08/2013

Particulars	Disposal of records received upto
Students	
Registration of Articles	31/08/2013
Re-registration of Articles	06/09/2013
Industrial Training	15/09/2013
Termination of Articles	06/09/2013
Completion of Articles	10/09/2013
Permission to pursue Other Courses	02/09/2013
Despatch of Materials – CPT	22/08/2013
Despatch of Materials – IPCC	19/08/2013
Despatch of Materials – ATC	19/08/2013
Despatch of Materials – Final	31/08/2013
Despatch of Materials - ITT	19/08/2013

Updates on Indirect Taxes

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1. Franchise agreement not right to use: 63 VST 497 Malabar Gold Private Limited Vs Commercial Tax Officer, Kozhikode and others

It was decided by the Hon.Kerala High Court that,"Franchise agreement entered into by company engaged in Marketing and trading of Jewellery with franchise for use of trademark is not transfer of right to use goods and hence the Royalty received from 2006-07 to 2010-11 is not taxable under Kerala VAT act".

2. Amendment to CST rates only by notification:- The rate of tax change can be implemented only when it is covered by a notification from the Government and mere press release will not entitle to reduction in rate.The Finance Minister in his budget speech informed about the gradual reduction of CST rates but the notification was not released. The press release cannot be taken as a promise or affirmation of rate. Held by the Hon. Kerala High Court in the case of **63 VST 371 Cardamom Processing and Marketing Co-operative Society Ltd. Vs Inspecting Assisstant Commissioner, Idukki at Kattappana, Kerala.**

3. Sales tax assessment time barred after the introduction of VAT:-

Sales tax reassessment is barred by the limitation of time after being repeal. The five years time for revision holds good in this case also. The extract of the judgement is as follows;

Repeal of Sales Tax Law and Enforcement of Value Added Tax Law-Substantial changes in Law governing reassessments-outer time limit of five years prescribed in all cases and limit to apply not for issuance of notice

But for passing the final order-returns filed under old act-no action taken till new act was passed-Reassessment governed by new act- Notices of re assessment under new act-barred by limitation of time. Gujarat Value Added Tax Act, 2003. **Hon.Gujarat High Court 63vst 144 Ravi Electronics Vs Assistant Commercial tax officer Endorcement (2)**

4. Principles of natural justice and service tax:

The service tax appeal filed before the Tribunal with a request to waive the Pre- deposit. The appeal was filed along with the stay petition and assessee requesting for early hearing petition. On the allotted day of hearing the assessee prayed for adjournment by giving the fax message. The appeal was decided ex party and the early hearing petition was dismissed and the assessee were asked to pay 20% more than the amount actually demanded. Held on hearing the case the Hon.High Court quashed the orders of Tribunal on the grounds that the principles of natural justice was not afforded to the assessee. **Hon.Gujarat High Court 63 vst 341 Toyota Construction P.Ltd Vs Union of India.**

5. Waiver of Pre Deposit:- The Assessee is a Company owned by the Government of India and the issue involved in the case is whether the Business auxiliary Service rendered and received outside India and therefore not taxable . The issue was a debatable issue and the assessee will be put to financial hardship if they are asked to deposit the money. The lower forum exempted the pre deposit. Tribunal also granted waiver of predeposit as it will put the assessee to too many financial hardship. **In the Hon.High Court of Delhi 63 vst 337 Air India Limited Vs Commissioner of Adjudication,Service tax.**

6. F form under CST Act can cover transactions of a period more than one month :- Calcutta High Court in CIPLA Limited vs. Deputy Commissioner, Commercial Tax reported in VSTI 2013 Vol.17 B -509 has held that there is nothing in Rule 12(5) of CST (R&T) Rules

Which could be construed to vitiate a declaration form. "F" form on a ground that such declaration form should cover only one month transaction. **In the Hon. High Court of Calcutta CIPLA Limited Vs Deputy Commissioner of Commercial Tax.**

7. Excise: fraudulent claim of input: 2013 (295) E.L.T 387 (Guj.) IN THE HIGH COURT OF GUJARAT DIWAN BROTHERS Versus UNION OF INDIA

Special Civil Application No 13931 of 2011, decided on 15-09-2011

Rebate – Fraudulent claim based on bogus bills and documents – Fact that petitioner manufactured the finished goods and exported the same ,by itself would not be sufficient to entitle the petitioner to the rebate claim-When the authorities found inputs utilized by the petitioner for manufacturing export products were not duty paid ,the entire basis for seeking rebate would fall – Once it was found that several suppliers who claimed to have supplied the goods to petitioner were either fake ,bogus or non-existent, the petitioner cannot claim rebate merely on the strength of exports made – petitioner cannot take shelter that it had no knowledge or claim total innocence - Three authorities examined the petitioner 's rebate claim and found that the goods were purchased from non-existent and fictitious parties and Cenvat was wrongly availed – No case for rebate was made out.

Writ jurisdiction – Several issues of facts have been gone into examined and conclusions have been arrived at on the basis of evidence on record – Such conclusions are not pointed out to be perverse – No interference in exercise of powers under Article 226/227 of Constitution of India can be made.

Petition Dismissed

8.Excise:Refund for wrong payment: 2013 (295) E.L.T 392 (Kar.) In The HIGH COURT OF KARA CIRCUTI BENCH AT DHARWAD COMMISSIONER OF CENTRAL EXCISE , BELGAUM Versus GOKAK MILLS

Refund – Mistakenly paid amount – Goods removed under CT-3 certificate where no payment of duty is required – Credit Note issued to the extent of said duty – As per Judgment in case of Sudhir Papers Ltd.[2012(276) E.L.T.304 (Kar.)], it was held that if benefit passed on to customer ,thus ,not passing on the burden of Excise duty and credit notes raised then refund is allowed – Judgment of said case followed and refund granted – Section 11B of Central Excise Act,1944.Appeal dismissed.

9.Customs ACT: 2013 (295) E.L.T 395 (Mad.) IN THE HIGH COURT OF JUDIVATURE AT MADRAS STAR AGRO MARINE EXPORTS P.LTD Versus COMM. OF CUS.(IMPORTS), CHENNAI-I

Writ petition No.4491 of 2012, decided on 20-04-2012

Seized goods – Release of – Shrimps exported to its customer – Said goods re-imported for re-packing and then re-export – Appellant alleges that shrimps had shelf –life up to 2 years from May 2010- Carton of Shrimps shows best before use as April, 2011 – After inspection it comes to the knowledge that the validity of shelf –life had expired – Adjudicating authority confiscated the goods and impose the penalty – CESTAT is not sitting due to vacancy in Chennai Bench Cannot be a good reason for this Court to Interfere in impugned order- It is open to appellant – company to avail alternative remedy available to it before appropriate forum- Section 110A of Customer Act, 1962. Petition dismissed.

HOTELS IN VISAKHAPATNAM

Name of the Hotel	Location	Dist. to venue Kms	Double Non AC	Double AC	Suite	Category	Phone No (0891)	Email id
HOTEL MEGHALAYA	ASILMETTA JN	3	-	2000	4200	3 Star	2755141	
ROYAL FORT	ASILMETTA JN	3	-	2550	3750	3 Star	6622888	vizag@royalforhotel.com
AMBICA SEA GREEN	BEACH ROAD	4	-	4000	6500	3 Star	2821818	ambicaseagreen@gmail.com
GRAND BAY	BEACH ROAD	5	-	5000	11000	4 Star	6600101	gm.grandbay@yahoo.com
NOVATEL	BEACH ROAD	5	-	5500	11000	5 Star	2822222	h7535-re@accor.com
THE GATEWAY	BEACH ROAD	5	-	8000	18000	5 Star	6623670	gateway.visakhapatnam@tajhotels.com
THE PARK	BEACH ROAD	4	-	5600	11000	5 Star	3045678	resv.viz@theparkhotels.com
FOUR POINTS	CBM COMPOUND	4	-	4500	12000	5 Star	3051111	reservation.visakhapatnam@fourpoints.com
DOLPHIN	DABAGARDENS	4	-	4395	5995	4 Star	6666677	reservationsvizag@dolphinhotels.com
HOTEL BALAJI GRAND	DABAGARDENS	3	850	1850	-	Standard	2791869	hotelbalajeegrand@gmail.com
HOTEL CHANDRA'S	DABAGARDENS	3	-	1350	3000	Standard	2541074	hotelchandras@gmail.com
HOTEL PARIWAR GRAND	DABAGARDENS	3	950	1350	2200	Standard	6005777	hotelpariwargrand@gmail.com
HOTEL PRINCE	DABAGARDENS	3	850	1500	-	Standard	2747675	prince_hotels@yahoo.com
HOTEL SAKETH RESIDENCY	DABAGARDENS	3	1780	1990	3290	Standard	2780000	hotelsaaketresidency@hotmail.com
R R GRAND	DABAGARDENS	3	-	3000	5000	3 Star	6690000	rrgrand@vsnl.net
THE LEGEND	DABAGARDENS	4	650	950	-	Standard	6644211	
THE ORANGE	DABAGARDENS	4	-	2090	2590	Standard	6636363	contact@orangehotels.in
AKSHAYA	DONDAPARTHY	2	1050	1250	1450	Standard	3098111	reserve@hotelakshaya.in
NAKSHATRA INN	DONDAPARTHY	2	750	999	-	Standard	6005222	
SAI NATIONAL	DONDAPARTHY	2	700	999	-	Standard	2714199	hotelsainational@gmail.com
WELFARE MARINA	DONDAPARTHY	2	-	1500	-	Standard	2514888	info@welfaremarina.com
ANUPAMA HOTEL	DWARAKANAGAR	2	700	1200	1999	Standard	6674444	
BEZZ KRISHNA	DWARAKANAGAR	2	-	4500	7000	3 Star	6662666	sales@bezkrishnaa.in
BUDHIL PARK	DWARAKANAGAR	2	-	3450	-	3 Star	2795353	reservations@hotelbudhilpark.com
DIAMOND SPRINGS	DWARAKANAGAR	2	-	1800	3000	Standard	2710143	info@diamondspringsvizag.com
DWARAKA INN	DWARAKANAGAR	2	995	1495	-	Standard	2712630	dwarakainn99vizag@yahoo.in
FORTUNE INN SRI KANYA	DWARAKANAGAR	2	-	3600	8000	4 Star	3988444	innsreekanya@fortunehotels.in
JUKASOTEL	DWARAKANAGAR	2	-	2500	3000	Standard	9390556079	jukasotelvizag@jukaso.co.in
JYOTHI SWAROOPA	DWARAKANAGAR	2	750	990	-	Standard	6668871	
LAKSHMI RESIDENCY	DWARAKANAGAR	2	600	1200	-	Standard	2514355	
LODGE KONARK	DWARAKANAGAR	2	650	999	-	Standard	2748251	
MICRO CONTINENTAL	DWARAKANAGAR	2	-	3000	4000	Standard	2598598	info.vskp@microcontinental.in
REDNAM MANOR	DWARAKANAGAR	2	-	1125	-	Standard	6664545	
SAI RATNA RESIDENCY	DWARAKANAGAR	2	-	1800	2500	Standard	2507474	hotelsairatnaresidency@gmail.com
GREENPARK	JAGADAMBA JN	4	-	4500	6700	4 Star	6615151	vizag@hotelgreenpark.com
AP TOURISM PUNNAMI (*)	M V P COLONY	4	1349	1686	2361	Standard	2562333	
EXECUTIVE COURT	RAMNAGAR	4	-	2680	3600	3 Star	2717300	hoteldaspalla@gmail.com
ATHIDI GRAND	RESAPUVANIPALEM	2	-	1499	3399	Standard	2748989	athidihotels@gmail.com
ATHIDI INN	RESAPUVANIPALEM	2	-	1599	-	Standard	2727567	athidi.inn@gmail.com
KRISHNA TOWERS	RLY NEW COLONY	2	650	950	-	Standard	2541276	
AP TOURISM HARITHA (*)	RUSHIKONDA	9	-	2473	3092	Standard	9848813581	
SEACITY GRAND	SIVAJIPALEM	3	-	2200	-	Standard	6669666	
DASPALLA	SURYABAGH	4	-	2625	4125	4 Star	2564825	hoteldaspalla@gmail.com
HOTEL MEGHANA	SURYABAGH	4	-	2299	3999	Standard	6641230	hotelmeghana@gmail.com

Note:

(*) The rates are inclusive of Taxes

All the other rates are exclusive of Taxes

The above rates are after considering the discount and negotiation

In addition to the above list, some Serviced Apartments are also available.

ASSISTANCE FOR ACCOMODATION

Please contact CA. B. Venkat Rao, Mobile: 092466 24286, Email: bvrao2@rediffmail.com for reservation/assistance for accommodation.



Inauguration of Seminar organised by Guntur Branch of SIRC on 1st September 2013. Chief Guest CA. D. Prasanna Kumar, Chairman-SIRC seen with CA. P.R. Aruloli, Secretary-SIRC, CA. Naresh Chandra Gelli, V. Member-SIRC, CA. E. Phalguna Kumar, Member-SIRC, CA. A. LeelaKrishna Murthy, Chairman-Guntur Branch of SIRC, CA. Ch. Ashok Kumar, Secretary-Guntur Branch of SIRC, other Office-bearers and Members of the Managing Committee of Guntur Branch of SIRC.



CA. D. Prasanna Kumar, Chairman, SIRC declaring open the Reading Hall for Students at Guntur on 1st September 2013. CA. P.R. Aruloli, Secretary, SIRC, CA. E. Phalguna Kumar, Member, SIRC, CA. A. Leela Krishna murthy, Chairman, Guntur Branch of SIRC, CA. G. Satyanarayana, Vice - Chairman, Guntur Branch of SIRC are also in the picture.



SIRC Celebrates Teachers Day on 5th September 2013 at Chennai: Faculty being honoured by the Chief Guest CA. V. Murali, Vice Chairman, Board of Studies - ICAI, CA. G. Sekar, Central Council Member - ICAI and CA. B. Sekkizhar, Chairman - SICASA are also seen in the picture.



Inauguration of the All India CA Students Conference held at Bangalore on 31st August, 2013: CA. Subodh Kumar Agrawal, President - ICAI, CA. K. Raghu, Vice President - ICAI, CA. Vijay Garg, Chairman, Board of Studies - ICAI, CA. V. Murali, Vice Chairman, Board of Studies - ICAI, with Chief Guest Shri R.K. Dubey, CMD, Canara Bank. CA. S.N. Ravindranath, Chairman, Bangalore Branch and CA. I.S. Prasad, Past Member - SIRC, Bangalore are also seen.



Distribution of Certificates to the GMCS participants: CA. V. Murali, Vice Chairman, Board of Studies - ICAI presenting Certificate in the presence of CA. D. Prasanna Kumar, Chairman-SIRC seen with CA. P.R. Aruloli, Secretary-SIRC.



CA. D. Prasanna Kumar, Chairman-SIRC addressing the delegates of the CPE Study Circle Meeting held on 18th September, 2013 on Carbon Credits. CA. P.R. Aruloli, Secretary-SIRC, CA. C. Shenbamoorthy, Resource Person also seen in the picture.



CFO Meet on 7th September, 2013 held at Chennai. CA. G. Sekar, Central Council Member is addressing. CA. Vijay Kumar Gupta, Chairman, CMII-ICAI and Dr. P.T. Giridharan, Joint Director-ICAI are also seen in the picture.

WORKSHOP ON ACCOUNTING STANDARDS ON 14TH SEPTEMBER, 2013



CA. Chinnasamy Ganesan
Chennai



CA. Pauls M.I.
Chennai

CPE STUDY CIRCLE MEETINGS - SEPTEMBER 2013
RESOURCE PERSONS

11.09.2013

25.09.2013



CA. V. Inbavijayan
Chennai



CA. Sriraman Parthasarathy
Chennai

Visakhapatnam
A jewel on the coromandel coast

*USS Intrepid
Submarine Museum*
The only one in Asia

Romeshwara Beach

*Victory at Sea
1971*

*Natural Harbour
Largest in India*

Dolphin's Nose

45TH REGIONAL CONFERENCE OF SIRCOF ICAI
ON 13TH & 14TH DECEMBER, 2013 AT VISAKHAPATNAM

