

SIRC

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Newsletter

November 2014 | Volume 40 • Part 05



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

40th Year of
Publication



Arise.. Awake...

46th Regional Conference of SIRC of ICAI

12 & 13 December, 2014
Madura College Grounds, Madurai.
www.sircconfmdu.in

Hosted by
Madurai Branch of SIRC of ICAI

CPE
12
Hrs.



THREE DAYS RESIDENTIAL COURSE ON OCTOBER 12-14, 2014 AT TIRUPATI



Shri M. Venkata Ramana, MLA, AP State Legislative Assembly inaugurated. Shri Pola Bhaskar, JEO, TTD, Tirupati, CA. P.V. Rajarajeswaran, Chairman, SIRC, CA. M. Devaraja Reddy, CCM, ICAI, CA. V. Murali, CCM, ICAI, CA. E. Phalguna Kumar, RCM, CA. T. Venkatesh Reddy, Chairman, Tirupati Branch of SIRC and CA. G.V. Pradeep Kumar, Vice Chairman, Tirupati Branch of SIRC are also seen in the picture.

SIRC - WIRC JOINT REGIONAL RESIDENTIAL REFRESHER CONFERENCE ON OCTOBER 10 - 12, 2014 AT GOA



CA. P.V. Rajarajeswaran, Chairman, SIRC addressing the delegates. CA. Cotha S. Srinivas, Secretary, SIRC, CA. Anil Bhandari, Chairman, WIRC and CA. Prasad Bandari, MC Member, Ahmed Nagar Branch of WIRC are also seen in the dais.

OFFICIAL VISIT BY PRESIDENT, ICAI TO COIMBATORE BRANCH OF SIRC OF ICAI ON OCTOBER 26, 2014



CA. K. Raghu, President, ICAI addressing the Members. CA. P.V. Rajarajeswaran, Chairman, SIRC, CA. G. Ramaswamy, Past President, ICAI, CA. Viswanath P, Chairman, Coimbatore Branch of SIRC, CA. Shanmuga Vadivel N.N., Secretary, Coimbatore Branch of SIRC are also seen in the picture.

THREE DAYS RESIDENTIAL COURSE ON OCTOBER 19-21, 2014 AT SRISAILAM



CA. Naveen N.D. Gupta, CCM, ICAI, CA. M. Devaraja Reddy, CCM, ICAI, CA. Adusumilli Venkateswara Rao, Treasurer, SIRC, CA. G. Buchanna, Chairman, Kurnool Branch of SIRC, CA. N. Kiran Kumar, Secretary, Kurnool Branch of SIRC and other Managing Committee Members of Hyderabad and Kurnool Branches of SIRC of ICAI along with Resource Persons and participants.

SWACHH BHARAT ABHIYAN (CLEAN INDIA CAMPAIGN) ON OCTOBER 02, 2014 AT HUBLI



"CLEAN INDIA MISSION" - A social responsibility to the society and joining the hands of our beloved Hon'ble Prime Minister of India. Participated by Managing Committee Members, Past Chairmen, Members, Students and Staff of Hubli Branch of SIRC of ICAI.

OFFICIAL VISIT BY PRESIDENT, ICAI TO SALEM BRANCH OF SIRC OF ICAI ON OCTOBER 26, 2014



CA. K. Raghu, President, ICAI being honoured with shawl by CA. P.V. Rajarajeswaran, Chairman, SIRC. CA Cotha S. Srinivas, Secretary, SIRC, CA. P.R. Suresh, RCM, CA. V. Jayaprakash, Chairman, Salem Branch of SIRC are also seen.

WORKSHOP ON ENABLING SERVICE TAX PRACTICE ON OCTOBER 30 & 31, 2014 AT CHENNAI



CA. V. Prasanna Krishnan
Chennai



CA. V.P. Manavalan
Chennai



CA. J. Balasubramanian
Madurai



CA. G. Saravana Kumar
Madurai



CA. P. Sankaran
Chennai



CA. V. Alagappan
Tiruchirappalli



CA. S. Chandrasekaran
Tirupur



CA. Vijay Anand
Chennai

Chairman writes ...



My dear Professional Colleagues,

46th Regional Conference at Madurai on 12th and 13th December 2014

All Roads lead to Madurai – The annual mega event in the annals of the Southern India Regional Council of ICAI opens up with the inauguration of 46th Regional Conference of SIRC by Hon'ble Smt. Nirmala Sitharaman, the Union Minister of State (Independent Charge) for Commerce & Industry and Union Minister of State for Finance and Corporate Affairs on the morning of 12th December 2014 at Madura College Grounds, Madurai. SIRC is greatly honoured and grateful to the Hon'ble Union Minister for accepting to grace the momentous occasion in the history of SIRC and inaugurate the 46th Regional Conference. My colleagues in the Regional Council, Chairman and Members of the Host Branch – Madurai, all the members of the Conference Committee and I extend a very warm and cordial welcome to you to partake in this important gathering of our professional fraternity.

The other notable feature of this conference is that two more Union Ministers of State would be gracing the Conference. Hon'ble Shri Pon. Radhakrishnan, Union Minister of State for Heavy Industry & Public Enterprises and CA. Piyush Goyal, Union Minister of State (Independent Charge) for Power, Coal, New and Renewable Energy would address our members during the course of the Conference.

I deem it my pleasure and privilege to record the encouragement and guidance given by our beloved President CA. K. Raghu and Vice-President CA. Manoj Fadnis in the conduct of this Conference. SIRC is extremely beholden to our President for accepting our request to preside over and deliver Presidential Address and to our Vice-President for accepting our request to deliver Special Address at the inaugural session.

The Conference Committee has been working on all fronts to make the occasion an intensely invigorating experience for the delegates right from the selection of the theme of the Conference "**Ennum Ezhuthum**", selection of technical papers, identifying par excellence resource persons, pleasing ambience, exemplary hospitality, delicious food courts, exceptional cultural event and all that associated with the Conference to create new benchmark in the conduct of the Regional Conference.

If everyone is moving forward together, then success takes care of itself

- Henry Ford

The success of any initiative taken by SIRC is fully dependent upon the response and reception received from the members. SIRC always looks upon the well-being of its members and I am happy to share that you have been unequivocally supporting us always. I am sure that this 46th Regional Conference, with your active involvement and participation would be an enlightening, effervescent and would enhance our skills and competence in great measure.

I solicit early registration for the Conference which would help the organizers to systematically plan for holding the Conference and make your stay more comfortable and enjoyable. I am sure

the details given by us in the last Newsletter on the flight timing, train timings and hotel accommodation would have facilitated your travel plan. Please send your registration through online for which the provision has been made in our SIRC Website www.sircoficai.org or through Demand Draft/Cheque favouring "46th Regional Conference of SIRC of ICAI". The details on the process of remittance are published in Page No. 18 in this Newsletter.

Forthcoming Programmes

As you are aware, every member other than those exempted should comply with the CPE requirements for the year 2014 latest by 31st December 2014. With a view to ensure compliance by members, SIRC has been conducting numerous programmes and for the month of November and December, we have chalked out seminars and study circle meetings. The information is published in Page No. 4 & 5 in this Newsletter.

4th, 5th and 6th Sub-Regional Conferences

The 4th Sub-Regional Conference is scheduled to be held on 8th November 2014 at Chithode, Erode hosted by all Tamil Nadu Branches of SIRC of ICAI and Palghat Branch of SIRC of ICAI. The 5th Sub-Regional Conference is being held on 12th November 2014 at Karimnagar in Andhra Pradesh hosted by Karimnagar Branch. The 6th Sub Regional Conference is being held at Pondicherry on 16th November 2014 hosted by Pondicherry Branch of SIRC. I invite members to attend in large numbers to get the benefits as has been in respect of our earlier three Sub-Regional Conferences during this year at Belgaum, Trivandrum and Guntur. The details of the Conference is published in Page No. 7 in this Newsletter.

Cultural Competition for Members

On 14th November 2014, SIRC is organizing a Talent Promotion for members with the holding of Cultural Competition. The details have already been published in Page No. 26 of the last issue of Newsletter. SIRC invites members to showcase their talents and make our initiative a grand success which could become an annual feature.

Regional Residential Course at Kolli Hills, Salem

SIRC is organizing the next Regional Residential Course at Kolli Hills, Salem hosted by Salem and Coimbatore on 14th, 15th and 16th November. As has been witnessed in the previous Regional Residential Courses, we are sure of large participation of members.

CA Women Conference

On 15th November 2014, the women Chartered Accountants would congregate at the Women Conference being organized by SIRC. As you are aware, ICAI in its Action Plan has given emphasis on Women Empowerment and this Conference would address issues pertaining to the women CAs. SIRC extends its invitation to all women Chartered Accountants to participate and enliven the proceedings.

SIRC CALENDAR

NOVEMBER AND DECEMBER 2014

Contact: Dr. T. Paramasivan, Joint Director, ICAI – Phone: 044 – 30210361 / 320 – E-mail: sirc@icai.in

Sl. No.	Programme Date	Programme Name	Resource Persons	Timings	Venue	CPE Credit	Delegate Fee ₹	Fees for Spot Regn. ₹	Page No.
1	November 5, 2014 Wednesday	CPE Study Circle Meeting on Corporate Governance	CA. P.B. Sampath Chennai	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
2	November 8, 2014 Saturday	'Sangamam' - 4th Sub Regional Conference of SIRC of ICAI Organised by SIRC of ICAI Hosted by All Tamil Nadu Branches of SIRC of ICAI & Palghat Branch of SIRC of ICAI			Tex Valley NH 47, Ganga Puram, Chithode, Erode	6	For Details visit SIRC Website		
3	November 12, 2014 Wednesday	CPE Study Circle Meeting on Direct Tax	Eminent Resource Person	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
4	November 12, 2014 Wednesday	5th Sub Regional Conference of SIRC of ICAI Organised by SIRC of ICAI Hosted by Karimnagar Branch of SIRC of ICAI				12	1500	Details at Page No.7	
5	November 14, 2014 Friday	"ARANGAM" - Cultural Competition for Members (Pre-registration is compulsory)			P. Brahmayya Memorial Hall	Details at Page No. 5			
6	November 14-16, 2014 Fri-Sat-Sun	Three Days Regional Residential Course at Kolli Hills, Salem			Nallathambi Resorts (P) Ltd., Kolli Hills	15	For Details visit SIRC Website		
7	November 15, 2014 Saturday	"Mangalyaan" The Sky is 'Not' the limit Empowering Women Members of ICAI CA. Women Conference	Details will be hosted in SIRC Website	09.00 am to 05.00 pm	P. Brahmayya Memorial Hall	6	270	300	For details visit SIRC website
8	November 16, 2014 Sunday	6th Sub Regional Conference of SIRC of ICAI at Pondicherry			Hotel Ocean Spray, East Coast Road, Pondicherry	6	Details at Page No. 7		
9	November 19, 2014 Wednesday	CPE Study Circle Meeting on Analytics for Auditors	CA. Mathew A. Thomas , Chennai	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
10	November 22, 2014 Saturday	Workshop on Advanced Excell – (No Macros)	CA. Deepak Kumar & CA. Pradeep Chennai	09.30 am to 05.00 pm	SIRC Premises	6	900	1000	For details visit SIRC website
11	November 22, 2014 Saturday	7th V. Sankar Aiyar Memorial Lecture	Mr. Ramachandra Guha Eminent Economist	06.30 pm	P. Brahmayya Memorial Hall	2	No delegate fee		-
12	November 26, 2014 Wednesday	Regional Level Debate Competition for Schools			P. Brahmayya Memorial Hall	Nil	-	-	-
13	November 26, 2014 Wednesday (Prog. Rescheduled from 22 nd October 2014)	CPE Study Circle Meeting on FEMA, FDI and Compounding under FEMA	CA. P. Venkatesan Chennai	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-

14	December 1, 2014 Monday	CPE Study Circle Meeting on Indirect Tax	Eminent Resource Person	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
15	December 3, 2014 Wednesday	CPE Study Circle Meeting on Frauds in Banking Industry	CA. T.G. Sukumaran Chennai	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
16	December 10, 2014 Wednesday	CPE Study Circle Meeting on Real Estate Investment Trusts - Issues relating to Income Tax	CA. Shantha Kumar Chennai	06.15 pm to 08.30 pm	P. Brahmayya Memorial Hall	2	180	200	-
17	December 12 & 13, 2014 Friday & Saturday	46th Regional Conference of SIRC of ICAI at Madurai Host: Madurai Branch of SIRC			Madura College Grounds, Madurai	12	Details at Page No. 18		

* Delegate Fee: Will be considered upto immediate preceding day of the programme only.

*RRC scheduled on 7th & 8th November, 2014 at Visakhapatnam and Araku has been postponed. New dates will be announced in due course.

Online enrolment through <http://sircoficai.org/CPEcalendarnew.aspx?id=forth> is requested.

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 - 600 034. Phone: 044-30210320; Fax: 044-30210355; Email: sirc@icai.in sufficiently in advance. Members are requested to avoid SPOT Registration.

**CPE HOURS REQUIREMENTS FOR THE BLOCK PERIOD OF
3 YEARS (1-1-2014 TO 31- 12-2016)
TO BE COMPLIED WITH BY DIFFERENT CATEGORIES OF MEMBERS**

- A. All the members (aged less than 60 years) who are holding Certificate of Practice (except all those members who are residing abroad) are required to:
- Complete at least 90 CPE credit hours in a rolling period of three-years.
 - Complete minimum 20 CPE credit hours of structured learning in each calendar year.
 - Out of the 90 CPE Credit Hours as mentioned above, 30 CPE credit hours can be completed either through Structured or Unstructured learning (as per Member's choice).
- B. All the members (aged less than 60 years) who are not holding Certificate of Practice and all the members who are residing abroad (whether holding Certificate of Practice or not) are required to:
- Complete at least 45 CPE credit hours either structured or unstructured learning (as per Member's choice) in rolling period of three-years
 - Complete minimum 10 CPE credit hours of either structured or unstructured learning (as per member's choice) in each calendar year.
- C. All the members (aged 60 years & above) who are holding Certificate of Practice, are required to:
- Complete at least an aggregate of 70 CPE credit hours of either Structured or Unstructured Learning (as per member's choice) in a rolling period of three years
 - Complete minimum of 10 CPE credit hours being an aggregate of either Structured or Unstructured Learning in the first calendar year i.e. 2014.
 - Complete minimum of 20 CPE credit hours being an aggregate of either Structured or Unstructured Learning (as per member's choice) in the second and third calendar years i.e. 2015 & 2016
- D. The following class of members are exempted from CPE credit hours requirement:
- All the members (aged 60 years and above) who are not holding Certificate of Practice.
 - Judges of Supreme Court, High Court and Tribunal
 - Members of Parliament/MLAs/MLCs
 - Governors of States
 - Centre and State Civil Services
 - Entrepreneurs Owners of Business (manufacturing organizations other than professional service)
 - Judicial Officers

The Chairman and Members of the
Southern India Regional Council of
The Institute of Chartered Accountants of India

Invites you to **"ARANGAM"**
Cultural Competition for Members of Chennai
Solo Singing (in any Language)

Venue : 'ICAI Bhawan',
No. 122, M.G. Road, Nungambakkam,
Chennai – 600 034

Day & Date : Friday, 14th November 2014

Timing : 3.00 p.m. to 7.00 p.m.

Members desirous of participating in the Competition may register themselves through e-mail to sirc@icai.in

Subject to 30 Registrations

ALL ARE WELCOME

CA. P. V. Rajarajeswaran
Chairman, SIRC

CA. K. Sripriya
Member, SIRC

CA. Cotha S. Srinivas
Secretary, SIRC

CHAIRMAN WRITES (Contd..)**7th V. Sankar Aiyar Memorial Lecture**

SIRC is organizing the 7th V. Sankar Aiyar Memorial Lecture on 22nd November 2014. Eminent Economist Shri Ramachandra Guha will be delivering the Memorial Lecture on "Gandhi, Ambedkar and the Struggle for Dalit Emancipation" at 6.30 pm at the SIRC Premises. Hon'ble Shri Mani Shankar Iyer, Member of Parliament (Rajya Sabha) will be the Guest of Honour. SIRC looks forward to the participation of members in large numbers.

Postponement of Regional Residential Course at Visakhapatnam and Araku Valley

Due to unavoidable circumstances caused by cyclone at Visakhapatnam, the RRC scheduled from 7th to 9th November at Visakhapatnam and Araku has been postponed. We shall inform the revised dates in due course.

Pre-Budget Memorandum

ICAI invites suggestions from members for the Pre-Budget Memorandum to be submitted to the Ministry of Finance. SIRC requests members to send the suggestions to SIRC (sirc@icai.in) by 15th November 2014 for onward transmission to the Central Council. We request the Branches of SIRC to conduct the meeting to elicit the views of members on the forthcoming Union Budget – 2015 and request members in Branches to participate and offer their suggestions. The branches are requested to take the views of the Trade and Industry bodies.

Acknowledgement and Appreciation

SIRC during the month of October 2014 organized several programmes, viz., 3rd Sub-Regional Conference at Guntur on 18th October 2014, Workshop on Transfer Pricing at Chennai from 6th to 10th October 2014, an interactive meeting on PSUs, Joint Regional Conference with WIRC at Goa from 10th to 12th October 2014, hosting of Residential Conference at Tirupati from 12th to 14th October 2014 organized by the Committee on Capacity Building of CA Firms and Small and Medium Practitioners of ICAI and Committee on Management Accounting of ICAI, Residential Course at Srisailem from 19th to 21st October jointly organized by the CPE Committee of ICAI and CPE Committee of SIRC and hosted by Kurnool and Hyderabad Branches of SIRC, Workshop on Enabling Service Tax Practice on 30th and 31st October 2014 at Chennai, S. Vaidyanath Aiyar Memorial Lecture on 30th October 2014 and Annual Regional Residential Course on International Taxation at Bangalore on 30th October, 1st & 2nd November 2014 and other regular CPE meetings.

SIRC acknowledges and records its appreciation to the organizing team of the respective programmes, ably guided by the members of the Central and Regional Council, Chairmen and Members of the Managing Committee of the respective host branches, the resource persons and the members at large for their unstinted support to make every programme a resounding success. My special appreciation to CA M. Devaraja Reddy, CA E. Phalguna Kumar and all the Managing Committee members of Tirupati Branch for organizing an Excellent Special Dharsan of Lord Venkateswara for all the participants.

Visit to Branches

During the month of October 2014, I visited the Coimbatore, Guntur, Salem and Tirupati Branches in connection with the programmes of SIRC and also participated in a programme organized by Madurai Branch and the occasions provided me

with an opportunity to interact with the members and I had fruitful discussion with the sharing of matters of professional interest. At Guntur I with my other office-bearers inspected the land and also participated in a students meeting addressed by CA. Jomon K. George, Chairman, SICASA. We were highly impressed with the activities of the Branch under the Chairmanship of CA. G. Satyanarayana.

Myself, CA. Cotha S. Srinivas, Secretary, SIRC and CA. P.R. Suresh, Member, SIRC had the pleasant privilege of joining with our beloved President CA. K. Raghu during his visit to Salem and Coimbatore Branches and at Coimbatore we had the gracious presence of our beloved Past President CA. G. Ramaswamy. The meetings at both the places were well attended by the members.

Regional Level Elocution and Quiz Contests

SIRC congratulates the winners of the Regional Level Elocution and Quiz Contests held on 28th and 29th October 2014 who will now participate in the All India Elocution and Quiz Contests. SIRC wishes them all the best.

Congratulations to Rank Holders

I am pleased to inform that in the IPC Examination held in May/June 2014 the first three rank holders are from Southern Region.

Ms. Geethika Haridas of Bangalore - 81.14%

Shri Gaurav Anand of Secunderabad - 80.86%

Shri S. Agathiswaran of Vellore - 80.71%

SIRC congratulates all the three rank holders and wish them the best in their career.

Thought of the Month

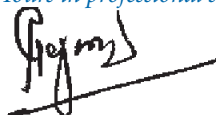
"Desire is the key to motivation, but it's determination and commitment to an unrelenting pursuit of your goal -- a commitment to excellence -- that will enable you to attain the success you seek."

-Mario Andretti

The above quote intensifies our inspiration and makes us to look confidently the success of the 46th Regional Conference and many other programmes scheduled in the next few months. We at SIRC stands fully committed to make the quest of members for enlarging the professional acumen and to have more meaningful and purposeful upgradation of our knowledge.

Until we meet through this column, I remain,

Yours in professional service



CA. P.V. RAJARAJESWARAN
chairmansirc@icai.in

Editorial Board

Editor :	CA. Rajarajeswaran P V
Members :	CA. Naresh Chandra Gelli V
	CA. Cotha S Srinivas
	CA. Adusumilli Venkateswara Rao
	CA. Aruloli P R
	CA. Prasanna Kumar D
	CA. Babu Abraham Kallivayalil
	CA. Kandavel M S
	CA. Mohamed Khan A
	CA. Muthusubramanian M

5TH SUB REGIONAL CONFERENCE OF SIRC OF ICAI

Hosted by Karimnagar Branch of SIRC of ICAI

Hotel Swetha,
KarimnagarNovember 12 & 13, 2014
(Wednesday & Thursday)CPE Credit
12
HOURS**Day 1****Topics**

Formation of Companies under New Companies Act, 2013
Deemed Income under Real Estate Transactions
Tax Audit issues
Taxation Aspects in respect of NRI investments /inflows to India

Resource Persons

CA. Gopala Krishna Raju, Chennai
CA. E. Phalgun Kumar, Tirupati
Eminent Resource Person
CA. MSV Ramana Murthy, Karimnagar

Day 2**Topics**

Practical Issues in Search & Survey
VAT Update
Appeal Procedures Before CIT Appeals and Tribunal
Service Tax applicability

Resource Persons

Eminent Resource Person
Sri.P.V. Subba Rao, Hyderabad
Eminent Resource Person
CA. Rama Murthy T, Hyderabad

DELEGATE FEE : ₹1500

Cheque/Demand Drafts may be drawn in favour of "Karimnagar Branch of SIRC" payable at Karimnagar and sent to Chairman, Karimnagar Branch of SIRC of ICAI, 2-10-1068, Shiva Theatre Complex, Jyothinagar, Karimnagar – 5055001
E-Mail ID: karimnagar@icai.org

CA. P. V. Rajarajeswaran
Chairman
SIRC of ICAI

CA. G. Anand Kumar
Chairman
Karimnagar Branch of
SIRC of ICAI

CA. Naresh Chandra Gelli V
Vice Chairman, SIRC &
Ex-Officio Member
Karimnagar Br. of SIRC of ICAI

CA. D. Niranjana Chary
Secretary
Karimnagar Branch of
SIRC of ICAI

CA. Cotha S. Srinivas
Secretary
SIRC of ICAI

6TH SUB REGIONAL CONFERENCE OF SIRC OF ICAI

Hosted by Pondicherry Branch of SIRC of ICAI

Hotel Ocean Spray,
East Coast Road, PondicherryNovember 16, 2014, Sunday
(09:00 a.m to 05:30 p.m)CPE Credit
6
HOURS**Registration: 09.00 a.m. to 09.30 a.m.****Inaugural Session: 09.30 a.m. to 10.00 a.m.**

Inauguration: Shri U. Niranjan, IRS, Commissioner of Central Excise & Service Tax, Pondicherry

Topics

Application of Income, Carry Forward and other Issues relating to Charitable Trusts
Landmark Decisions in Direct Taxes
Service Tax on Hotel, Hospitality and Tourism Industry
Capital Gains on Real Estate Transactions

Resource Persons

CA. E. Phalgun Kumar, Tirupati
Shri S. Sridhar, Advocate, Chennai
CA. Madhukar N. Hiregange, Bangalore
CA. T.G. Suresh, Chennai

DELEGATE FEE Members: ₹1250

Non Member : ₹1500

Students: ₹950

Demand Draft / Cheque shall be drawn favouring Pondicherry Branch of SIRC of ICAI payable at Pondicherry and sent to Chairman, Pondicherry Branch of SIRC of ICAI, 'ICAI Bhawan' No. 8, Second Main Road, Ilango Nagar, Pondicherry – 605 011.
Phone: 0413-4308081 E-Mail ID: pondicherry@icai.org

CA. P. V. Rajarajeswaran
Chairman
SIRC of ICAI

CA. Vijaykumar N. Modi
Chairman
Pondicherry Branch of
SIRC of ICAI

CA. P.R. Aruloli
Ex-Officio
Pondicherry Branch of
SIRC of ICAI

CA. V. Prabagarane
Secretary
Pondicherry Branch of
SIRC of ICAI

CA. Cotha S. Srinivas
Secretary
SIRC of ICAI

SIRC INVITES SUGGESTIONS FOR PRE-BUDGET MEMORANDUM-2015

The Direct Taxes Committee, Indirect Taxes Committee and Committee on International Taxation of SIRC of ICAI are in the process of identifying issues for inclusion in the Pre-Budget Memoranda - 2015 to be submitted to the Ministry of Finance through the ICAI. Suggestions are invited on laws relating to Direct Taxes (including International Taxation) and Indirect Taxes for the same.

Suggestions relating to Direct Taxes are invited under the following heads:

- Suggestions for widening the tax base and increasing the tax revenue
- Suggestions to check tax avoidance
- Suggestions to reduce/minimize litigations
- Suggestions for rationalization of the provisions of Direct Tax Laws
- Suggestions for removing administrative and procedural difficulties relating to Direct Taxes

Suggestions in respect of Indirect Taxes are invited to cover the following:

- Central Excise Law
- Customs Law
- Service Tax Law
- Central Sales Tax

Suggestion may be sent to sirc@icai.in by 15th November 2014.

Updates

Direct Taxes

Contributed by: **CA. V.K. Subramani**
Erode
vks111164@gmail.com

- 1. Extension of time for filing of return of income in case of assesseees who have to obtain and file tax audit report:** In Order [F.NO.153/53/2014-TPL (PT.I)], dated 26-9-2014, the CBDT has extended the 'due date' for filing the income-tax return for the assessment year 2014-15 in the case of assesseees who have to obtain and furnish tax audit report under section 44AB of the Act. The 'due date' is extended from 30th September 2014 to 30th November 2014. However, this extension will not have any impact in respect of assesseees who are required to furnish report under section 92E of the Act. It may be noted that there is no extension of the 'due date' for the purposes of Explanation 1 to section 234A (interest for defaults in furnishing return) of the Act and the assesseees shall be liable for interest as per the provisions of section 234A of the Act.
- 2. Scope of enquiry in respect of cases selected for scrutiny during financial year 2014-15 on basis of AIR/CIB/26AS mismatch:** In Instruction No.7/2014 dated 26-9-2014, the Board took note that during the scrutiny assessment proceedings some of the AOs are routinely calling for information which is not relevant, for enquiring into the issues to be considered. This has been causing undue harassment to the taxpayers and has also drawn adverse criticism from several quarters. The CBDT by virtue of its powers under section 119 of the Act, in supersession of earlier instructions/guidelines on this subject, directed that the cases selected for scrutiny during the Financial Year 2014-2015 under CASS, on the basis of either AIR data or CIB information or for non re-conciliation with 26AS data, the scope of enquiry should be limited to verification of these particular aspects only. In case, during the course of assessment proceedings, it is found that there is potential escapement of income exceeding ₹10 lakhs (for non-metro charges, the monetary limit shall be ₹5 lakhs) on any other issue(s) apart from the AIR/CIB/26AS information mismatch, the case may be taken up for comprehensive scrutiny with the approval of the Pr. CIT/DIT concerned. Cases so taken up for detailed scrutiny shall be monitored by the Jt. CIT/Addl. CIT concerned.
- 3. Extension of due date for deposit of tax deducted/collected at source during month of September, 2014 :** In Order [F.NO. 385/10/2014-IT(B)], dated 1-10-2014, the CBDT considered the consecutive holidays due to the festive season and weekends during the first week of October, 2014 and has extended the 'due date' for deposit of tax deducted at source/tax collected at source during the month of September, 2014 from 7th October, 2014 to 10th October, 2014. However, the 'due date' for filing of TDS/TCS statements for the Quarter ended 30th September, 2014 shall remain the same i.e. 15th October, 2014. Readers may note that the Government in its press release dated 17.10.2014 has extended the last date for filing of TDS / TCS statement for second quarter of the financial year 2014-15 for deductors / collectors in the States of Andhra Pradesh, Jammu & Kashmir, Odisha and Telangana till 31st October, 2014. In the case of Government deductors

/ collectors that are mapped to a valid AIN, the 'due date' is extended from 31st October, 2014 to 7th November, 2014.

- 4. Clarification on deduction under section 10A/10AA on transfer of technical manpower in the case of software industry :** In Circular No. 14/2014 dated 8-10-2014, the CBDT took note of its earlier Circular No.12/2014 dated 18.07.2014 whereby transfer or redeployment of existing technical manpower from an existing unit to a new SEZ unit in the first year of commencement of business will not be construed as splitting up or reconstruction of an existing business, provided the technical manpower so transferred does not exceed 20% of the total technical manpower engaged at any point of time in the given year in the new unit. Considering the representation received from the stakeholders that the aforesaid limit of 20% is inadequate and restrictive, the CBDT has issued this Circular in supersession of its earlier Circular and has increased the percentage from 20% to 50%. Thus units can transfer or re-deploy upto 50 percent in the first year of the new unit and that would not be construed as splitting up or reconstruction of an existing business. Further, in the alternative, if the assessee (enterprise) is able to demonstrate that the net addition of the new technical manpower in all the units of the assessee (enterprise) is atleast equal to the number that represents 50% of the total technical manpower of the new SEZ unit during such previous year, deduction under section 10A/10AA would not be denied provided the other prescribed conditions are also satisfied. For the sake of clarity, it is stated that the assessee will have a choice of complying with any one of the two alternatives given above. It is also clarified that this Circular shall be applicable only in the case of assesseees engaged in the development of software or in providing IT Enabled Services in SEZ units eligible for deduction u/s 10A or u/s 10AA of the Act. This Circular shall not apply to the assessments which have already been completed. Further, no appeal shall be filed by the Department in cases where the issue is decided by an appellate authority in consonance with this Circular.
- 5. Income-tax (Eighth Amendment) Rules, 2014 - Amendment in New Appendix-I :** In Notification No.43/2014 dated 16-9-2014, the CBDT has revised the rates of depreciation applicable for Windmill and any specially designed devices which run on windmills from 15% to 80% where it is installed on or after 01.04.2014. Similarly, for any special devices including electric generators and pumps running on wind energy installed on or after 01.04.2014 the rate of depreciation has been enhanced from 15% to 80%. In effect, the earlier rate of depreciation of 80% applicable for those installed on or before 31.03.2012 is revived for the said assets installed after 01.04.2014. However, in respect of assets installed during the interregnum from 01.04.2012 to 31.03.2014 the rate of depreciation is only 15%. ■

Tamil Nadu VAT

Contributed by: **CA. V.V. Sampathkumar**
Chennai
vvsampat@yahoo.com

As per Section 2(11) of the Act, the enumerated goods will be classified as "capital goods" if used in the State for the purpose of "Manufacture" etc.,

Sec 2(11) "capital goods" means, –

- Plant, machinery, equipment, apparatus, tools, appliances or electrical installation for producing, making, extracting or processing of any goods or for extracting or for bringing

about any change in any substance for the manufacture of final products;

- (b) Pollution Control, Quality Control, Laboratory and Cold Storage Equipments;
- (c) Components, Spare Parts and Accessories of the goods specified in (a) and (b) above;
- (d) Moulds, Dies, Jigs and Fixtures;
- (e) Refractors and Refractory Materials;
- (f) Storage Tanks; and
- (g) Tubes, Pipes and Fittings thereof

used in the State for the purpose of manufacture, processing, packing or storing of goods in the course of business excluding civil structures and such goods as may be notified by the Government;

In the case of sales to any person/ entities not for the purposes of "manufacture" etc., the rate of VAT may not be 5%. Hence, the rate of tax @ 14.5% as per the entry in Part C of the First Schedule to the TNVAT 2006 is considered for such situations.

It is also to be noted that the classification of the goods which are machinery and machinery parts and sold to a manufacturer / user having TIN number, will have the rate of VAT at 5% only if such plant and machinery etc., is used for the for the "manufacture" of other goods. If the sale is to a customer situated outside the State, with 'C' form the rate of CST is 2% and without 'C' form the rate of CST is the local VAT rate as per the provisions of section 8(2) of the CST Act, 1956.

There are clarifications issued by the department to the extent that capital goods if sold to / through the dealer is liable for 4% (now 5%) only and that the sale without C form is also 4% (now 5%). Some of such clarifications are Lr. No. VAT Cell / 6998 / 2007 (VCC No. 128), dated 12.3.2007 and Lr. No. VAT Cell / 31960 /2007 (VCC No.877) dated 12.7.2007.

In view of the above, the view held by some of the officers that the rate of CST for the sale of machinery without C forms is 14.5%, as the goods are not used in the State of TN, cannot be considered to be proper. ■

Andhra Pradesh VAT

Contributed by: **CA. Ambati Chinna Gangaiah**
Hyderabad
agcpower@icai.org

GOs issued

1. G.O.Ms.No. 347 dt 17.10.14 – Exemption of entry tax on the buses to be transferred by APSRTC to successor State Organization as per State of Andhra Pradesh as per AP Reorganization Act.

STAT

1. Venkata Satyanarayana Cashew Manufacturing Co – 58 APSTJ 77 – In the absence of providing export agreement and nexus between purchase of goods and exporting goods not exempt U/s 5 (1) or (3) of CST Act. Dealer is to prove beside F form, the movement of goods to other state not in pursuance of contract to claim exemption U/s 6A of CST Act.
2. TVS Motors 58 APSTJ 162 – Sale of goods to Velugu Project as per G.O.Ms No.26 dt 13.1.2000 is taxable at 4% against Form N

UP Tribunal

1. Birla Tyres 55 NTN 49 – Transporter Bitty (Copy) tampered – stock less than declared and branch name unbound – entered in books – no prima facie irregularity to evade tax – appeal allowed

West Bengal Commercial Tax Appellate and Revisional Board

1. Castrol India Limited (2014) STC 63(6) page 27 – accepted F form covering transactions more than one month

ITAT Delhi

1. Jaintex Apparels - ITA 4845/Del/2014 dt 4.8.2014 – consignment sales unaccounted in the books – sale proceeds of consignment sale is to be credited to principal's account and expenditure and commission is to be debited – net proceeds will be sent by a document called sale patti – sales is to be specified in Sales Tax returns – Commission is to be shown as revenue as per guidance note for tax audit by ICAI

Sales by agent, expenditure and commission are to be recorded in principal's books and to be claimed as exempt sales U/s 6A of CST Act by producing Form F issued by agent and sale patti (statement of sales). In the case of resident agent in the same state, the rules of concern state to be followed.

The disputed issue of consignment sale was deleted by CIT (A) and revenue filed an appeal before ITAT. Discussing guidance note of ICAI, the disputed revenue appeal on the ground of consignment sale; was deleted.

High Court

1. Bhanu Enterprises 58 APSTJ 54 – passing assessment order without providing information sought – denial of sufficient opportunity and denial of principles of natural justice
2. Gerdau Steel India 58 APSTJ 169 – Revisionary authority is to return defective C or F forms for resubmissions with necessary rectifications.

Supreme Court

1. Hindustan Zinc Vs CTO [2014-VIL-18-SC] – supply of explosives by deducting the price – sale liable to tax (It is better to get anticipated price of the materials to be supplied; be reduced from the contract price – free supply of material as per agreement is not liable to tax – Input tax is available for usage in the business transactions unless it is in negative list) ■

Telangana VAT

Contributed by: **CA. Satish Saraf**
Hyderabad
satish.saraf@icai.org

GOs issued

1. G.O.Ms. No.32 dt 15.10.14 – Adaption of AP Value Added Tax Act 2005 by State of Telangana with suitable modification of word State of Telangana for State of A.P. and adding Soya Bean Deoiled cake as item d to Section 8 and item no.6 in 2nd Schedule to treat as Zero rated sale. Soya Bean Deoiled cake is to be inserted in Section 2(47) defining zero rated sales.

(VAT Act may be called Telangana VAT Act with necessary modifications; once the necessary legislative formalities are completed)

DC Orders

1. BJNI Hotels - RR.No.37/12-13 dt 29.9.2014 – VAT imposed on service tax element on supply of food by revising assessment
2. DC Adilabad revised assessment orders of cotton dealers specifying C forms submitted are fake
3. Ratna Enterprises - RR.No. /14/ 2014-15 dt 9.10.14 – revised to correct short levy of penalty [non-initiation of penalty proceedings is considered to be erroneous in IT CIT Vs Surendra Prasad Agarwal 275 ITR 113 (All)]
4. Kesoram cements R.R.No.A2/14/13-14 dt 16-10-2014 – DC revised assessment treating the
 - (a) Materials used for plant as used for civil construction (1. SC differentiated the civil Construction and plant in Karnataka Power Corpn 247 ITR 268 and Dr. B. Venkatarao 243 ITR 81 in IT Appeals and Authority for Clarifications and Advance Rulings in Maa Maha Maya Industries in PMT / P&L / A.R.Com / 573 /2005 Dt: 23-1-07) and
 - (b) Post collection expenditure of fly ash (free of cost) to purchase tax U/s 4(4). (2. AS 4 specifies the expenditure incurred to bring the material to present location is to be specified as cost of purchase. The accounts are made as per the accounting standard. The purchase price as per VAT Act is different from the purchase cost as per accounting standards)

ADC orders

1. Hyderabad Coach Builders - R/142/2012-2013-VAT dt 7.10.14 – earlier bus body building considered as sale – presently works contract as per 5 Member SC Judgment in Kone Elevators
2. RDC Concrete (India) Private Limited - R/28/2014-15-VAT dt 10-10-14 – supply of material to contractor of SEZ is liable to VAT due to non-obstante clause in Section 7A – following advance ruling in SEZ Association of AP and CCT circular Ref No. L.III (2) / 48 / 2013, Dt. 06/04/13
3. Kalwala Gangaiah Engineering CO - N/19/2014-2015-VAT dt 13.10.14 – assessment made beyond 4 years barred by limitation U/s 21(3) following judgments of STAT in Decent Furnishing and Interiors 58 APSTJ 30 and APHC in Triveni Poly Plast Private Limited 58 APSTJ 277
4. Crown Beers India Private Limited PV/111/2014-15 dt 15.10.14 - Spent Malt sold covered by Advance Ruling - Sahara Dairy Farms in A.R.Com/32/2013 dt 31-12-2013
5. Creamline Dairy Products - CVC/50/2014-15 dt 15.10.14 – appeal remanded with direction to furnish the alleged copy obtained from the Excise & Taxation authorities, Punjab to the appellant ■

ANNOUNCEMENT

Extract of F.No. 02/13/2014 CL-V
Government of India, Ministry of Corporate Affairs

COMPANY LAW SETTLEMENT SCHEME, 2014 (CLSS-2014)

In Continuation to the Ministry's General Circular No. 34/2014 dated 12.08.2014 on the subject cited above, this Ministry has, on consideration of requests received from various stakeholders, has decided to extend the Company Law Settlement Scheme (CLSS 2014) upto 15th November 2014.

Sd/-

K.M.S. Narayanan, Assistant Director

Kerala VAT

Contributed by: **CA. C. Seshadri Nadan**
Vadakkencherry
seshadrinadan@icai.org

1. In Koothattululam Liquors Vs. Deputy Commissioner of Sales Tax (2014) 72 VST 353 the Supreme Court considered whether a dealer can request for regular assessment in the same assessment year after opting for payment of tax at compounded rates. The Court held that:-

- a. the concept of payment of compounded amount of tax is a bilateral agreement between the parties and it dispenses with the requirement of regular assessment and it is for the easy purpose of levy and collection of the tax payable under the Act.
- b. It is the choice of a dealer to opt for compounded payment of tax and if the said choice is in accordance with the scheme and is ultimately accepted by the authority concerned, it becomes an agreed amount of tax. The Department and the dealer are thereafter bound by the said agreement.
- c. Therefore, the dealer having once exercised its option under the composition scheme, cannot therefore be permitted to turn around and rescind from its liability merely on the ground that he had no turnover due to losses or had not done any manufacturing activity during the relevant year only for the reason that amount payable under the composition scheme is not relatable to any annual turnover but depends upon the agreement under the scheme at the option of the dealer. In other words, the assessee once having opted for composition and upon the completion of assessment cannot blow hot and cold at the same time, requesting the assessment authority for regular assessment under the Act.

2. High Court held in M/S.ARCHANA AGENCIES Vs. THE COMMERCIAL TAX OFFICER [(2014) 74 VST 90] that:-

“a quasi-judicial authority considering a stay application under a taxation statute has to give reasons to support the order directing payment of any amount towards tax/ interest pending disposal of the appeal. He has to bear in mind the Constitutional Mandate under Article 265 of the Constitution that there shall be no levy or collection of tax except by the authority of law. In taxation matters therefore, more than in any other matter, reasons must support not only the decision to waive payment of amounts due but also the decision that directs an assessee to make some payments pending consideration of the appeal. No doubt, this would require the adjudicating authority to look into the merits of the matter for the purposes of deciding the extent of waiver from payment that he can grant to an assessee while deciding the conditions for the grant of stay. This, however, is a legal requirement that must be read into the exercise of the statutory discretion by the said authority”.

3. In STATE OF KERALA, Vs. M/S LEO HOSPITAL”[(2014) 64 VST 158] it is held that:-

“the fact, that when the person make use of the goods it may generate profit, will not detract from the use being its own

use though the word 'commercial' figures in the heading of Section 70B. What is required for attracting Section 70B is bringing goods from outside the State declaring it for own use, but not using it for own use. It means that when the person brings the goods declaring it for own use, but he sells or otherwise alienates/transfers the goods, it could be said that the goods are not being used for its own use”.

In *Parisons Agrotech (P) Ltd.* [(2014) 74 VST 309] it is held that an order that is prejudicial to interest of revenue can be revised u/s. 35 of KGST act and it is not necessary that the order to be revised should be erroneous also. ■

Karnataka VAT

Contributed by: **CA. C.R. Dhavalagi**
Hubli
cr_dhavalagi@rediffmail.com

I-Notification no.fd 88 CSL 2014 Dated:30-09-2014.

Government Of Karnataka hereby specifies that with effect from the 1st day of October 2014, that the input tax shall not be deducted in calculating the net tax payable by a dealer under the said act on Rubber compound, cushion patches and rubber bonding solution by whatever name called used as inputs in the business relating to Tyre retreading

III- Notification no.CCW/CR-44/2013-14 Dated :22-09-2014.

Wide Commissioner of Commercial Taxes Circular No:17/2014-15 with regarding to : “Revision” and “e-Return Matching” Module with reference to electronic Uploading of Purchase and Sale Statement (eUPaSS)-,The Commercial Tax Department (CTD) in association with National Informatics center (NIC) has developed and deployed a system to facilitate the dealers for electronic uploading of the purchase and Sales Statement (eUPaSS), under local and interstate transactions including export sales along with their returns. ■

Banking and Insurance

Contributed by: **CA. P.S. Narasimhan**
Chennai
jandsca@gmail.com

The Regulator-RBI- in its notification in September had permitted banks to exceed the limit of 25 per cent of total investments under HTM category, provided such excess comprise only of SLR securities. This was consequent to its move of having reduced the SLR to 24% of Net Time and Demand Liabilities. RBI had further stipulated that the holding of SLR securities in the HTM category should not be in excess of 24 per cent of Net Demand and Time Liabilities as on the last day of the second preceding fortnight as well. Banks were allowed time upto 9th August to effect transfers from HTM category to AFS/HFT category, in order to comply with the 24 per cent ceiling.

In a move to develop the market for government Securities and to enhance liquidity in the market, the Regulator has now decided to scale down the ceiling on SLR securities under HTM category from 24 percent of NDTL to 22%, over a period.

The recent circular says:

Accordingly it is advised that:

Banks are permitted to exceed the limit of 25 per cent of total investments under HTM category provided:

- a. the excess comprises only of SLR securities, and
- b. the total SLR securities held in the HTM category is not more than 23.50 per cent with effect from January 10, 2015, 23.0 per cent with effect from April 4, 2015, 22.5 per cent with effect from July 11, 2015 and 22.0 per cent with effect from September 19, 2015, of their DTL as on the last Friday of the second preceding fortnight. “

Currently, banks are allowed to transfer securities from and to HTM category, only once a year (and that too at the beginning of the year) with the approval of their respective Boards. However, in order to enable the banks to fall in line with the stipulations described above, the Regulator has decided to allow such transfer of the excess securities at the beginning of January, July and September 2015.

It should be noted that these transfers are in addition to the transfer permitted at the beginning of the fiscal year, i.e., April 2015. The Notification goes on to say:”Such transfer to AFS/HFT category would be excluded from the 5 per cent cap prescribed for value of sales and transfers of securities to/ from HTM category under paragraph 2.3 (ii) of the Master Circular on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks”.

The issue of unclaimed deposits with banks and under a number of Small savings scheme has been engaging the attention of various authorities in the government. Recently the National Savings Institute came out with a notification inviting suggestions and ideas on the ways and means by which these unclaimed amounts can be utilised. The Ministry seems to be thinking of utilising them for the welfare and protection of financial interest of senior citizens. Suggestions have been invited by the National Savings Institute, serving under the Ministry Of Finance, by the 15th of November.

We should be hearing more on this aspect in the coming days.

On Basel II norms, the Regulator has come out with certain revisions/modifications in the calculation of capital charge under the Standardised approach and Advanced Measurement Approach on Operational Risk. The exercise of collecting information under these approaches would initially be on a trial basis until such time they are finetuned and ready to replace the existing approaches. ■

FEMA

Contributed by: **CA. G. Murali Krishna**
Hyderabad
gmk@sbsandco.com

1. Foreign Direct Investment (FDI) in India - Issue of equity shares under the FDI Scheme against legitimate dues

RBI vide A.P. (DIR Series) Circular No.31 dated 17th September 2014 has reviewed the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, notified vide Notification No. FEMA 20/2000-RB dated May 3, 2000, as amended from time to time, A.P. (DIR Series) Circular No. 15 dated October 1, 2004, and Notification No. FEMA 242/2012- RB Dated October 19, 2012. Accordingly, it has been decided to permit issue of equity shares against any other funds payable by the investee company, remittance of which does not require prior permission of the Government of India or Reserve Bank of India under

FEMA, 1999 or any rules/ regulations framed or directions issued there under, provided that:

- i. The equity shares shall be issued in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time;

Explanation: Issue of shares/convertible debentures that require Government approval in terms of paragraph 3 of Schedule 1 of FEMA 20 or import dues deemed as ECB or trade credit or payable against import of second hand machinery shall continue to be dealt in accordance with extant guidelines;

- ii. The issue of equity shares under this provision shall be subject to tax laws as applicable to the funds payable and the conversion to equity should be net of applicable taxes.

All the other conditions for issuance of equity shares under the automatic route (c.f. paragraph 2(4) (i) (ii) (iii) of schedule 1 to Notification No. FEMA 20/2000-RB dated May 3, 2000) and Government approval route [c.f. paragraph 3 of schedule 1 of Notification No. FEMA 20/2000-RB dated May 3, 2000] shall remain unchanged.

The above have been notified vide Notification No. FEMA.315/2014-RB dated July 10, 2014, vide G.S.R.No.632 dated September 2, 2014.

These changes would be applicable with immediate effect

2. Risk Management and Inter Bank Dealings - Hedging under Past Performance Route

RBI vide A.P. (DIR Series) Circular No.34 dated 30th September, 2014 has revised the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 3, 2000 (Notification No. FEMA/25/RB-2000 dated May 3, 2000) as amended from time to time and A.P. (DIR Series) circular no. 58 dated December 15, 2011, as amended from time to time, and A.P. (DIR Series) circular no. 135 dated May 27, 2014.

Under the extant guidelines relating to hedging of currency risk of probable exposures based on past performance, resident importers are allowed to book contracts up to 50 per cent of the eligible limit. The eligible limit is computed as the average of the previous three financial years' import turnover or the previous year's actual import turnover, whichever is higher.

On a review of the evolving market conditions and with a view to bringing at par both exporters and importers for hedging of currency risk of probable exposures based on past performance, it has been decided to allow importers to book forward contracts, under the past performance route, up to 100 per cent of the eligible limit. Importers, who have already booked contracts up to previous limit of 50 per cent in the current financial year, shall be eligible for difference arising out of the enhanced limits. All other operational guidelines, terms and conditions shall apply mutatis mutandis. ■

Corporate Laws

Contributed by: **Dr. P.T. Giridharan**
Joint Director & Regional Head (SRO), ICAI, Chennai
giridharan@icai.in

Notifications/Circulars: General Circular No.39/2014

Clarification on matters relating to Consolidated Financial Statement

Subject Matter

It is clarified that Schedule III to the Companies Act, 2013 read with the applicable Accounting Standards does not envisage that a company while preparing its CFS merely repeats the disclosures made by it under stand-alone accounts being consolidated. In the CFS, the company would need to give all disclosures relevant for CFS only.

Impact

In the Companies (Accounts) Rules, 2014, in rule 6, after the existing proviso, the following provisos have been inserted, namely:-

“Provided further that nothing in this rule shall apply in respect of preparation of consolidated financial statement by an intermediate wholly-owned subsidiary, other than a wholly-owned subsidiary whose immediate parent is a company incorporated outside India;

Provided also that nothing contained in this rule shall, subject to any other law or regulation, apply for the financial year commencing from the 1st day of April, 2014 and ending on the 31st March, 2015, in case of a company which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, for the consolidation of financial statement in respect of associate companies or joint ventures or both, as the case may be.

General Circular No.40/2014

Subject Matter

Company Law Settlement Scheme, 2014 (CLSS-2014) extended up to 15th November, 2014.

Impact

Though Peak Filing and congestion at MCA21 portal may not be there at this is point of time companies to plan well in advance accordingly for filing of their annual return and balance sheets before the next ensuing last date.

General Circular 41/2014 dt 15.10.2014 Company Law Settlement Scheme 2014 (CLSS-2014)

Subject Matter

It is clarified that in case of companies, who have filed their balance sheets and annual returns on or after 01/04/2014 but prior to launch of CLSS-2014, disqualification under clause (a) of sub-section (2) of section 164 of the Companies Act, 2013 shall apply only for prospective defaults, if any, by such companies.

Impact

MCA has granted immunity from disqualification of directors pursuant to Section 164(2) (a) of the Companies Act, 2013 to all such companies and their directors who have filed due returns between 01-04-2014 to 15-08-2014 i.e. prior to the launch of CLSS – 2014. [General Circular No. 41/2014 dated October 15, 2014]

Notification dt. 14th October, 2014 Amendment in the Companies (Audit and Auditors) Rules, 2014

Subject Matter

After Rule 10, the following shall be inserted, namely:-

“10A. For the purposes of clause (i) of sub-section (3) of section 143, for the financial years commencing on or after 1st April, 2015, the report of the auditor shall state about existence of adequate internal financial controls system and its operating effectiveness:

Provided that auditor of a company may voluntarily include the statement referred to in this for the financial year commencing on or after 1st April, 2014 and ending on or before 31st March, 2015.

Impact

The relief from the compliance of the concerned section has now been provided through the amendment in the relevant Rules temporarily for a period of one financial year.

DIN-3 replaced by DIR-3C**Subject Matter**

Directors/Signatory details registered in the MCA21 system

Impact

Companies which do not have any of their Directors/Signatory details registered in the MCA21 system and who are desirous of filing DIR-3C Form are requested to get at least one authorised signatory registered by contacting the concerned Registrar of Companies. Instructions have already been issued to ROCs and RDs in this regard.

Issuance of PAN Card along with incorporation of a company**Subject Matter**

MCA has initiated a dialogue with the Income Tax Department for allotment of the Permanent Account Number (PAN) to newly incorporated companies, immediately after issuance of certificate of incorporation of companies by the Registrar of Companies.

Impact

Procedure for obtaining PAN by companies will be at ease.

Lateral Entry of OCI Chartered Accountants**Subject Matter**

Overseas Citizens of India (OCI), with qualification as Chartered Accountants have been allowed practice rights in India through a bridging scheme for enrolments/lateral entry.

Impact

The scheme has been notified by the ICAI on 22nd August, 2014. The terms and conditions of the scheme are given at www.icaai.org.

Components of MCA21 in eBiz**Subject Matter**

The MCA has linked four of its services i.e. (1) incorporation of company; (2) name application (3) commencement of business; (4) Director's Identification Number (DIN) with the eBiz platform. The above step is the outcome of Finance Minister in his budget speech 2014 that by the end of this year, all Ministries of the Central Government will integrate their services with the eBiz platform.

Impact

The focus of eBiz e-governance project is to improve the business environment in the country by enabling fast and efficient access to Government to Business (G2B) services through an online portal. ■

SEBI

Contributed by: **CA. VMV. Subba Rao**
Nellore
vmvsr@rediffmail.com

Single registration for Stock Brokers & Clearing Members

Applicants seeking registration as stock brokers or clearing members from SEBI will be issued one certificate of registration irrespective of the number of stock exchanges/ clearing corporations or number of segments that entity wishes to be a part of. A SEBI circular said applicants have to apply to SEBI through respective stock exchanges or clearing corporations.

Earlier, brokers/clearing members received separate certificates for different exchanges/ clearing corporations and within these separate certificates for different segments (equities, debt, currency and derivatives).

Brokers/ clearing members of one exchange/ clearing corporation wanting to register with another exchange/ clearing corporation can directly apply for approval to the concerned stock exchange/ clearing corporation.

Circular: CIR/ MIRSD/ 4/ 2014 October 13, 2014

India market regulator issued clarification on foreign investment limit for debt

Market regulator SEBI said long-term FPIs such as sovereign wealth and foreign central bank can invest in government bonds having a minimum residual maturity of one year within USD 5 billion category.

"...all investments by long-term FPIs (sovereign wealth funds, multilateral agencies, endowment funds, insurance and pension funds and foreign central banks) in the USD 5 billion government debt limit shall continue to be made in government bonds having a minimum residual maturity of one year," SEBI said in a circular.

The Securities and Exchange Board of India (SEBI), in July, had tweaked the investment limits for Foreign Portfolio Investors (FPIs) in government securities by increasing the threshold for general investors from USD 20 billion to USD 25 billion.

At the same time, it has reduced sub-limit for longer time FPIs such as sovereign funds by USD 5 billion as there was less demand in this category. The overall cap remain unchanged at USD 30 billion.

The previous cap of USD 10 billion had been utilised by only about 20 per cent in this category. The USD 20 billion limit for general FPIs has been always fully exhausted.

FPIs are allowed to invest in the USD 25 billion government debt limit till the overall investment reaches 90 per cent after which the auction mechanism can be initiated for allocation of the remaining limits.

The debt auction quotas give overseas investors the right to invest in debt up to the limit purchased.

Earlier this year, the limit for long-term investors for investment in government securities was raised from USD 5 billion to USD 10 billion within the total limit of USD 30 billion available to them. ■

International Taxation

Contributed by: **CA. Mohan R. Lavi**
Bangalore
mohan.lavi@gmail.com

VODAFONE TRANSFER PRICING CASE**What was the case all about?**

Vodafone India Services Pvt. Ltd, a wholly owned subsidiary of a non-resident company, Vodafone Tele-Services (India) Holdings

Limited issued 2,89,224 equity shares of the face value of ₹10/- each on a premium of ₹8,509/- per share to its holding company. The fair market value of the issue of equity shares at ₹8,519/- per share was determined by the company in accordance with the methodology prescribed by the Government of India under the Capital Issues (Control) Act, 1947.

However, the TPO made his own calculation of the premium as follows:

	Rs in million
Net-worth of the assessee company based on audited balance sheet as on 31-03-2008	12341.8
Add: Shortfall in charging for provision of IT enabled services for FY 2006-07	331.53
Shortfall in charging for sale of call centre business during FY 2007- 08	13443.92
Shortfall in charging for assignment of call options during FY 2007-08	61788.83
Less: Provision for tax on shortfall in charging for sale of call centre during FY 2007-08 @ 22.66%	3046.39
Less: Provision for tax on assignment of call option during FY 2007-08 @ 33.99%	21002.02
Total Net Asset Present Value	51515.87
No. of Equity Shares as on 31-03- 2008	9,57,992
ALP Value of each equity Share as on 31-03-2008	53,775

What was Vodafone's stand?

- Section 92(1) of the Act which applies to the present facts, directs that any income arising from an International Transaction should be computed, having regard to the ALP. Thus, the sine-qua- non, for application of Section 92(1) of the Act is that income should arise from an International Transaction. In this case, it is submitted that no income arises from issue of equity shares by the Petitioner to its holding company.
- The Departmental order after correctly holding that the word 'Income' has not been separately defined for the purpose of Chapter X of the Act, yet proceeds to give its own meaning to the word 'Income'. This is clearly not permissible
- Chapter X of the Act is not designed to bring to tax all sums involved in a transaction, which are otherwise not taxable.
- The impugned order itself demonstrates the fact that the share premium on issue of shares is per se not taxable. This is so as the amounts received by the Petitioner on account of share premium has not been taxed and only the amount of share premium which is deemed not to have been received on application of ALP, has alone been brought to tax ;
- If the contention of the Revenue that issue of shares invokes Section 45 is correct, then every issue of shares by any Company would be subjected to tax;
- The issue of shares by the Petitioner to its holding company and receipt of consideration of the same is a capital receipt under the Act. Capital receipts cannot be brought to tax specifically/ expressly brought to tax by the Act.

What was the Department's stand?

Section 92(1) of the Act uses the word 'Any income arising from an International Transaction'. This indicates that the income of either party to the transaction could be subject matter of tax and not the income of resident only. Further, it is submitted that for the purpose of Chapter X of the Act,

real income concept has no application, otherwise the words would have been 'actual Income'. Therefore, the difference between ALP and the contracted price would be added to the total Income. The Department also attempted to give its own definition to Section 92(2) of the Income –Tax Act which was rejected by the Mumbai High Court.

What did the Mumbai High Court say?

The Mumbai High Court relied on its own judgement in Cadell Weaving Mill Co. vs. CIT 249 ITR 265 which was upheld by the Supreme Court in CIT vs. D.P. Sandu Bros. Chamber (P) Ltd. 273 ITR 1 where it was stated that:

“ It is well settled that all receipts are not taxable under the Income tax Act. Section 2(24) defines “income”. It is no doubt an inclusive definition. However, a capital receipt is not income under section 2(24) unless it is chargeable to tax as capital gains under Section 45. It is for this reason that under section 2(24)(vi) that the Legislature has expressly stated, inter alia, that income shall include any capital gains chargeable under section 45”

Impact of the decision

This decision of the Mumbai High Court will ensure that all income that would not meet the definition of income as per Section 2(24) of the Income Tax Act would not be considered to be an international taxation. Similarly, any capital receipts could be not taxed under Section 2(24) unless they are specifically brought to tax under Capital Gains.

One only hopes that the Department does not file a needless appeal before the Supreme Court. ■

Central Excise and Service Tax

Contributed by: **CA. V.P. Manavalan**
Chennai
manavalanandco@yahoo.com

Clarification On Levy Of Service Tax On Taxable Services Provided (A) By Members Of Joint Venture (Jv) To Jv And Vice Versa; And (B) Inter Se Between Members Of Jv

1. Certain doubts have been raised regarding the levy of service tax on taxable services provided (i) by the members of the Joint Venture (JV) to the JV and vice versa; and (ii) inter se between the members of the JV. In addition, doubts have also been raised regarding taxation of cash calls or capital contribution made by the members to the JV and also administrative services provided by a member to the JV.
2. The issue has been examined. With effect from 1st July, 2012, under the negative list approach, all services are taxable subject to the definition of the service [available in section 65B(44) of the Finance Act, 1994], other than the services specified in the negative list [section 66D] and exemption notification 25/2012. According to Explanation 3(a) of the definition of service, "an unincorporated association or a body of persons, as the case may be, and a member thereof shall be treated as distinct persons". In accordance with the above explanation, JV and the members of the JV are treated as distinct persons and therefore, taxable services provided for consideration, by the JV to its members or vice versa and between the members of the JV are taxable.
3. In the context of a JV project, cash calls are capital contributions made by calls are merely a transaction in money, they are excluded from the definition of service provided in section 65B(44) of the Finance Act, 1994. Whether a 'cash call' is 'merely... a transaction in money' [in terms of section 65B(44) of the Finance Act, 1994]

and hence not in the nature of consideration for taxable service, would depend on the terms of the Joint Venture Agreement, which may vary from case to case. ■

Opportunities available at ICAI for Woman Members

Contributed by: **Dr. T. Paramasivan**
Joint Director, ICAI¹
tparamasivan@icai.in

Empanelment as Technical Reviewers with Financial Reporting Review Board (FRRB)

The Council of the Institute of Chartered Accountants of India, constituted the Financial Reporting Review Board (FRRB) as its non-standing committee in the year 2002. The objective of the Board is to review the compliance, inter alia, with the accounting and auditing standards issued by the ASB and AASB of the Institute of Chartered Accountants of India.



It is envisaged by the ICAI that the reviews carried out by the Board, in the long-run would improve the overall quality of works executed by the members of the profession. The Board, however, restricts its reviews to the published general-purpose financial statements only. It may be noted that the reviews by the Financial Reporting Review Board would not be verification of the entire audit (re-audit) or review of working papers of the auditors concerned.

Objectives of the FRRB are achieved through a systematic process of review of general purpose, which includes, initial review of general purpose financial statements by Technical Reviewers who have to check:

- Compliance with the generally accepted accounting principles in the preparation and presentation of financial statements;
- Compliance with the disclosure requirements prescribed by regulatory bodies, statutes and rules and regulations relevant to the enterprise; and
- Compliance with the reporting obligations of the auditor.

Members who are interested to become Technical Reviewers can fill up the empanelment form available at the link http://icai.org/app_forms/frrb_2013.html. ■

¹ This is Part III of the series on Opportunities available at ICAI for Woman Members. Part I and II of the series were published in September and October 2014 issues of SIRC Newsletter respectively. Feedbacks are welcome at sirc@icai.in. in to make the column further more focused.

ANNOUNCEMENT

A CA firm for its proposed office in Bangalore is looking for chartered accountant having minimum 5 years of experience with capability to handle clients and office independently. Experience in Statutory Audit, Internal Audit, & taxation is essential. Prospect for sharing partnership for suitable candidate. Send CV to bjgc@bjgc.in

Advrt.

IPCC & FINAL COACHING CLASSES AT SIRC CHENNAI FOR MAY, 2015 C.A. EXAMINATIONS

The next batch of Coaching Classes for IPCC & FINAL Students appearing for May, 2015 Examinations will commence on 19th November, 2014. The duration of the coaching classes will be four months.

Highlights

- Renowned Faculty
- World class Library support
- Classes are conducted since 1965
- Reading Room Facility
- Affordable fees
- Mock Tests
- Backing of ICAI
- Doubt clearing sessions
- Special attention for weak students

CLASS TIMINGS

Timings	Group-I	Group-II
Monday to Saturday	6.30 a.m. to 9.30 a.m.	10.00 a.m to 12.30 p.m
On Sundays	7.00 a.m. to 5.00 p.m.	

FEES

Course	One Group for all papers in the group	Both Group for all seven papers
IPCC	₹ 2500	₹ 5000
FINAL	₹ 3000	₹ 6000

- Last Date of Enrolment: 17th November, 2014
- Seats can be booked through Online Registration
- The registration will be on 'first come first served basis'

For further information and registration please visit our website or contact SIRC Office at 044-30210322

Email-id : sircclasses@icai.in Website : www.sircoficai.org
Online registration link : www.sircoficai.org/batches/

CA. P.V. Rajarajeswaran Chairman, SIRC	CA. Jomon K George Chairman Students Committee, SIRC	CA. Cotha S. Srinivas Secretary, SIRC
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CONGRATULATIONS

CA. J. Balasubramanian, serving as JAO with BSNL's Madurai office has been honoured with 'Vishist Sanchar Seva Padak' for the year 2014 by BSNL for his professional skills, innovative ideas, commitment, loyalty, sincerity, devotion to duty and fulfilling the statutory obligations for the Company. Award for the year 2014.

SIRC Congratulates him.

OBITUARY



CA. P. ALPHONSE, Treasurer, Quilon Branch of SIRC of ICAI.

SIRC of ICAI deeply regrets to inform the sad and sudden demise of CA. P. Alphonse (M.No.18698), Treasurer, Quilon Branch of SIRC of ICAI on 23rd October 2014.

CA. P. Alphonse was an active member and prior to this he had held the position of Chairman of Quilon Branch in the year 1990-91 and Vice Chairman of Quilon Branch in the year 2013-14 and Secretary of the Branch for the years 1987-89.

May His soul rest in peace

The Chairman and Members of the
Southern India Regional Council of
The Institute of Chartered Accountants of India
cordially invite you to the

7th V. SANKAR AIYAR MEMORIAL LECTURE

by

Shri. Ramachandra Guha

Eminent Economists

CPE
CREDIT
2 HRS

has kindly consented to deliver the Memorial Lecture on
"Gandhi, Ambedkar and Struggle for Dalit Emancipation"

Shri. Mani Sankar Aiyar

Hon'ble Member of Parliament, Rajya Sabha &
Eldest son of CA. V. Sankar Aiyar
will be the Guest of Honour

on **Saturday the 22nd November 2014 at 06:00 pm**

Venue: P. Brahmaya Memorial Hall, ICAI Premises
"ICAI Bhawan"

No. 122, Mahatma Gandhi Road, Chennai - 600 034

High Tea: 05.30 pm

ALL ARE WELCOME

CA. P. V. Rajarajeswaran
Chairman, SIRC

CA. Cotha S. Srinivas
Secretary, SIRC

WORK DISPOSAL POSITION

The position of disposal of various matters relating to Members and Students of Regional Office, Chennai as on 25/10/2014 is as under:

Particulars	Disposal of records received upto 25/10/2014
Members	
Enrolment of Members	17.10.2014
Fellow Admission	14.10.2014
Grant of COP	14.10.2014
Restoration of Name	14.10.2014
Constitution of Firms	15.10.2014
Reconstitution of Firms	23.10.2014
Paid Assistant	16.10.2014
Change of Address – Members	24.10.2014
Change of Address – Firms	23.10.2014
Students	
Registration of Articles	12.10.2014
Re-registration of Articles	15.10.2014
Industrial Training	10.10.2014
Termination of Articles	16.10.2014
Completion of Articles	13.10.2014
Permission to pursue Other Courses	16.10.2014
Despatch of Materials – CPT	01.10.2014
Despatch of Materials – IPCC	01.09.2014
Despatch of Materials – ATC	01.09.2014
Despatch of Materials – Final	31.08.2014
Despatch of Materials - ITT	31.08.2014

DISCLAIMER

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



ENNUM EZHUTHUM
46th Regional Conference of SIRC of ICAI

12th & 13th December 2014, Madurai

Hosted by: Madurai Branch of SIRC of ICAI

DELEGATE REGISTRATION FORM

Dear Sir,

I / We would like to enrol as a delegate/s to the Two Days 46th Regional Conference of SIRC of ICAI on 12th and 13th December 2014 at Madura College Grounds, Madurai.

I / We have enclosed Cheque / DD No. dated on for
Rs. (Rupees only) towards my / our delegate fee.

Delegate Name

Membership No.

.....
.....

.....
.....

Phone (O) Mobile

E-mail id.

Yours faithfully

Signature

DELEGATE FEE:

Members: ₹3500

Non Members: ₹5250

Please send your registration by at par Cheque / Demand Draft favouring "46th Regional Conference of SIRC of ICAI"

Payable at Madurai to:

The Chairman

46th Regional Conference Committee of SIRC of ICAI
Madurai Branch of SIRC of ICAI
"ICAI Bhawan", Old Natham Road, Opp: Bala Mandir School
Visalakshipuram, Madurai – 625 014

Payable at Chennai to:

The Chairman

46th Regional Conference Committee of SIRC of ICAI
SIRC of ICAI
"ICAI Bhawan", No. 122, Mahatma Gandhi Road
Nungambakkam, Chennai – 600 034

Registration can also be done online at <http://sircoficai.org/Event/index.html>


SIRC OF ICAI (Its journey since 1952) *Journey Continues...*
DETAILS OF S. VAIDYANATH AIYAR MEMORIAL LECTURE

Lec. No	Date	Dignitary who have delivered the Memorial Lecture
1 st	Sept. 1963	CA. H. B. Dhondy
2 nd	01.04.1965	Prof. Vasudevan
3 rd	04.04.1965	Shri M.K. Nambir, Bar-at-Law
4 th	05.04.1965	Dr. B. Natarajan
5 th	12.03.1966	Dr. M. Srinivasan
6 th	25.03.1966	Dr. V.A. Syed Mohammed, Bar-at-Law, Advocate General, Kerala
7 th	26.03.1966	Dr. M.H. Gopal
8 th	14.02.1967	Shri R.S. Bhatt, Chairman, UTI, Bombay
9 th	01.03.1969	Shri S. Y. Krishnaswamy, ICS (Retd.)
10 th	19.02.1970	Prof. Louis Gold Berth University of Melbourne, Australia
11 th	31.01.1978	Shri S. Narayanaswamy, Industrialist
12 th	26.12.1980	Shri N.N. Pai, Chairman, Corporation Bank
13 th	01.03.1984	Hon'ble Justice Shri V.R. Krishna Iyer Former Judge, Supreme Court
14 th	16.09.1989	Shri K. Parasaran, Attorney General of India
15 th	20.08.1991	Dr. N. Mahalingam, Industrialist
16 th	25.09.1992	Shri N. Ram Editor, "Frontline", Madras
17 th	26.08.1993	Shri C. Subramaniam Former Governor of Maharashtra
18 th	20.06.1994	Shri T.N. Seshan Chief Election Commissioner of India
19 th	20.12.1995	Shri J.V. Shetty, Chairman & Managing Director, Canara Bank
20 th	28.02.1996	Dr. Andrew D. Bailey, Jr. Ph.D., Head of the Dept. of Accountancy, University of Illinois, U.S.A
21 st	03.09.1998	CA. N. Rangachari Chairman, Insurance Regulatory and Development Authority, New Delhi
22 nd	23.06.1999	Shri D.R. Karthikeyan, Director General, Human Rights Commission, New Delhi
23 rd	22.12.2000	Dr. M.D. Srinivas, Centre for Policy Studies
24 th	29.12.2001	Shri S. Sripal, IPS (Retd.) Former Director General of Police, Tamil Nadu
25 th	13.02.2003	Mr. Ranjana Kumar Chairperson and Managing Director, Indian Bank
26 th	12.02.2004	Dr. Raja J. Chelliah, Chairman Madras School of Economics, Chennai
27 th	19.01.2005	Shri Arvind P. Datar, Senior Advocate, Chennai
28 th	01.02.2006	CA. S. Gurumurthy Eminent Columnist, Chennai
29 th	27.12.2007	CA. S. Krishnaswamy, FCA, Bangalore
30 th	14.03.2008	Dr. Subramania Swamy, Former Union Minister of Commerce, Law & Justice
31 st	08.02.2010	His Excellency Dr. The Hon'ble Ewart Fredrick Brown, Prime Minister of Bermuda
32 nd	19.02.2011	Nawab Mohammed Abdul Ali Azimjah His Highness the Prince of Arcot
33 rd	21.12.2012	Dr. S.S. Badrinath, Chairman Emeritus, Sankara Nethralaya, Chennai
34 th	26.12.2013	CA. N. Srinivasan, Former Chairman, SIRC and Former Central Council Member, ICAI
35 th	30.10.2014	Dr. P.T. Rajan, Former Managing Director (Financial Markets) Standard Chartered Bank

DETAILS OF V. SANKAR AIYAR MEMORIAL LECTURE

Sl. No	Date	Dignitary who have delivered the Memorial Lecture
1	09.05.2008	Shri Mani Shankar Aiyar, Hon'ble Union Minister for Panchayat Raj and Development of the North Eastern Region

2	20.07.2009	Shri Swaminathan S. Anklesaria, Aiyar, Consulting Editor, Economic Times
3	17.06.2010	Smt. Tara Ram Kumar Eminent Social Worker, Bangalore
4	19.10.2011	Dr. Montek Singh Ahluwalia Deputy Chairman, Planning Commission Govt. of India
5	31.01.2013	Padma Bhushan Awardee Shri Nandan Nilekani Chairman, Unique Identification Authority of India
6	18.01.2014	Shri Gopalkrishna Gandhi, IAS (Retd.), Former Governor of West Bengal
7	22.11.2014	Shri Ramachandra Guha Eminent Economist, Mumbai

DETAILS OF P.P. GURURAJA UPADHYAYA MEMORIAL LECTURE

Sl. No	Date	Dignitary who have delivered the Memorial Lecture
1	29.12.1997	Inaugurated by: CA. P.B. Vijayaraghavan, Former CCM, ICAI Key Note Address by CA. R. Bupathy CCM, ICAI Speakers: CA. M. Naganathan CA. R. Ranga Rao CA. V. Ranganathan
2	20.09.1998	CA. Bhavani Balasubramanian
3	05.09.1999	Special Classes held for CA Students
4	11.09.2000 17.09.2000 24.09.2000 01.10.2000 08.10.2000 15.10.2000	CA. L. Venkatesan CA. G. Sekar CA. K. Sambasivan CA. Satya Gupta CA. Cynthia D. Almeida CA. S.B. Balachandra Prabhu
5	30.12.2000	Special Classes held for CA Students
6	08.09.2001	CA. N.D. Gupta and CA. T.N. Manoharan
7	25.01.2003	Special Classes held for CA Students
8	06.09.2004 07.09.2004 13.09.2004	Special Classes held for CA Students
9	23.12.2005	Special Classes held for CA Students
10	08.09.2007	CA. R. Bupathy and CA. T.N. Manoharan, Past Presidents of ICAI and CA. Ved Jain, Vice-President, ICAI.
11	14.02.2009	Special Classes held for CA Students
12	25.01.2011	CA. T.N. Manoharan, Past President, ICAI CA. N. Madahan CA. N.S. Srinivasan CA. T.G. Suresh CA. P.B. Sampath
13	04.10.2012	CA. T.N. Manoharan Past President, ICAI
14	28.12.2013	CA. P. Anand

CONGRATULATIONS


CA. AMARJIT CHOPRA, PAST PRESIDENT OF ICAI has been elected as Chairman of National Advisory Committee on Accounting Standards.

SIRC Congratulates him.



ENNUM EZHUTHUM

46th Regional Conference of SIRC of ICAI

Friday & Saturday, 12th & 13th December 2014, Madurai

Hosted by: Madurai Branch of SIRC of ICAI

Madura College Grounds, Madurai



Day - 1: December 12, 2014 (Friday)

08.00 am Registration

10.00 am Inaugural Session to be graced by

Smt. Nirmala Sitharaman

Hon'ble Union Minister of State for
Finance & Minister for Corporate Affairs

Shri Pon Radhakrishnan

Hon'ble Union Minister of State for Heavy
Industry and Public Enterprises

CA. Piyush Goyal (*To be confirmed)

Hon'ble Union Minister of State for
Power, Coal, New and Renewable Energy

Presidential Address

CA. K. Raghu

President, ICAI

Special Address

CA. Manoj Fadnis

Vice-President, ICAI

11.30 am Technical Session - 1

**Issues in Income Tax Assessment
Proceeding**

Shri. Firoze B Andhyarujina, Mumbai

01.00 pm Lunch

02.30 pm Technical Session - 2

Companies Act, 2013 - Key Issues

CA. Ashish Makhija, New Delhi

03.30 pm Technical Session - 3

**International Taxation with Special
reference to NRI Taxation**

CA. Rashmin Sanghvi, Mumbai

04.30 pm Technical Session - 4

**Taxation of Charitable Trusts / Nonprofit
Organization**

CA. Dr. Manoj Fogla, Cuttack

06.00 pm Fire Works Display

07.00 pm Entertainment

08.30 pm Dinner

**CPE CREDIT
12 HOURS**

CA. P.V. RAJARAJESWARAN
Chairman, SIRC of ICAI

CA. G. SELVA KUMAR
Chairman, Madurai Branch

CA. COTHA S. SRINIVAS
Secretary, SIRC of ICAI

Day - 2: December 13, 2014 (Saturday)

06.00 am Walkathon around Meenakshi Temple

08.00 am Breakfast

09.00 am Spiritual Session

10.00 am Technical Session - 5

Recent Changes in Service Tax

CA. Ashok Batra, New Delhi

11.30 am Panel Discussion:

Challenges and Opportunities for Members

Panelists:

CA. R. Balakrishnan, Past President, ICAI

CA. B. P. Rao, Past President, ICAI

CA. G. Sitharaman, Past President, ICAI

Moderator:

CA. G. Ramaswamy, Past President, ICAI

01.00 pm Lunch

02.00 pm Technical Session - 6

**Rotation of Auditors under
Companies Act, 2013**

CA. T.N. Manoharan

Past President, ICAI

03.00 pm Technical Session - 7

Taxation of Real Estate Transactions

CA. R. Bupathy, Past President, ICAI &

CA. Dr. Girish Ahuja, New Delhi

04.30 pm Thanks giving session

DELEGATE FEE:

Members: ₹ 3500

Non Members: ₹ 5250

Delegate fee by way of Cash or by Cheque / DD drawn in favour of '46th Regional Conference of SIRC of ICAI' payable at Madurai or Chennai can be submitted at SIRC Office or any Branch/CPE Study Circle/CPE Chapter/CPE Study Group of SIRC of ICAI

Online Payment at:

<http://sircofcai.org/CPEcalendarnew.aspx?id=forth>

Payment by NEFT:

Axis Bank, Thallakulam, Madurai

Name: 46th Regional Conference of SIRC of ICAI

A/c No.: 914010040327254

IFSC: UTIB0000876

FIVE DAYS WORKSHOP ON BASICS IN TRANSFER PRICING ON OCTOBER 6-10, 2014 AT CHENNAI



CA. P.V. Rajarajeswaran, Chairman, SIRC inaugurated. (L-R): CA. B. Sekkizhar, RCM, CA. T. Banusekar, Resource Person, CA. P.R. Suresh, RCM, CA. Cotha S. Srinivas, Secretary, SIRC, CA. Adusumilli Venkateswara Rao, Treasurer, SIRC, CA. Hariprasad Padmanabhan, Resource Person, CA. D. Lakshmi Valli, Coopted Member, Committee on International Taxation of SIRC are also seen in the picture.

06.10.2014		07.10.2014	
CA. Hariprasad Padmanabhan Chennai	CA. T. Banusekar Chennai	CA. Praveen Ranka Chennai	CA. Jatin Sanghvi Chennai
08.10.2014		09.10.2014	
CA. Hussain Sunel Chennai	CA. Balaji Ravindran Chennai	CA. S. Sridhar Chennai	CA. B. Ramana Kumar Chennai
10.10.2014			
CA. Sanjeev Gupta Chennai	CA. Vinoth Koritala Chennai	CA. Krishnan Parameshwaran Chennai	

INSURANCE AWARENESS PROGRAMME ON OCTOBER 16, 2014 AT CHENNAI



CA. V. Ramasamy, Former CMD, National Insurance Co., and Former Insurance Ombudsman, Chennai inaugurated. Mr. Ravi Seshadri, Vice President, Bharti Axa General Insurance, Bangalore, CA. Naresh Chandra Gellii V, Vice Chairman, SIRC, CA. Adusumilli Venkateswara Rao, Treasurer, SIRC, CA. Gopal Krishna Raju, RCM, CA. V.X. Jose, RCM, CA. Jomon K. George, RCM, CA. K. Sripriya, RCM and CA. P.S. Prabhakar, Resource Person are also seen.

CPE STUDY CIRCLE MEETINGS - OCTOBER 2014

01.10.2014	08.10.2014	15.10.2014	18.10.2014
CA. Sathya Kumar Chennai	CA. A. Raja Chennai	CA. S. Lambodar Chennai	CA. S. Ravi Veeraghavan Chennai
25.10.2014	29.10.2014	29.10.2014	
CA. V.V. Sampath Kumar Chennai	CA. P.R. Suresh Bangalore	CA. P.S. Prabhakar Chennai	

ONE DAY TRAINING PROGRAMME FOR FINANCE PERSONNEL IN TAMIL NADU STATE PUBLIC SECTOR UNDERTAKINGS STATUTORY BODIES ON COMPANIES ACT, 2013 ON OCTOBER 11, 2014 AT CHENNAI



Shri T. Udhayachandran, IAS, Secretary to Govt. (Exp.) BPE, Govt. of Tamil Nadu inaugurated. Shri P. Raghavan, Addl. Director & Ex-officio Joint Secy., Finance BPE, Department, Govt. of Tamil Nadu CA. S. Santhanakrishnan, CCM, ICAI, CA. K. Sripriya, RCM and CA. Chinnsamy Ganesan, Resource Person are also seen in the picture.

WORKSHOP ON ADVANCED EXCEL ON OCTOBER 18, 2014 AT CHENNAI

CA. Deepak Kumar Chennai	CA. Pradeep Chennai



CA. M.S. Kandavel
FA & CAO of SETC
Co-ordinator for
the above programme

GMCS INAUGURATION ON OCTOBER 9, 2014 AT CHENNAI



Chief Guest Dr. K.V.S. Gopalakrishnan, IPS, Director IB is being felicitated by CA. V. Murali, CCM, ICAI.

S. VAIDYANATH AIYAR MEMORIAL LECTURE ON OCTOBER 30, 2014 AT CHENNAI



Dr. P.T. Rajan, Former Managing Director, Financial Markets, Standard Chartered Bank delivering the lecture. CA. P.V. Rajarajeswaran, Chairman, SIRC, CA. P.R. Aruloli, RCM, CA. Gopal Krishna Raju, RCM, CA. K. Sripriya, RCM are also seen in the dais.

SUB REGIONAL CONFERENCE OF GUNTUR BRANCH OF SIRC ON OCTOBER 18, 2014 AT GUNTUR



CA. P.V. Rajarajeswaran, Chairman, SIRC inaugurated. CA. Naresh Chandra Gelli V, Vice-Chairman, SIRC, CA. Cotha S. Srinivas, Secretary, SIRC, CA. Adusumilli Venkateswara Rao, Treasurer, SIRC, CA. Jomon K. George, RCM, CA. G. Satyanarayana, Chairman, Guntur Branch of SIRC, CA. Ch. Samba Siva Rao, Secretary, Guntur Branch of SIRC, other Managing Committee Members of Guntur Branch of SIRC and other Resource Persons are also in the picture.

GMCS VALEDICTORY ON OCTOBER 1, 2014 AT CHENNAI



Chief Guest Mr. T.T. Srinivasaraghavan, Managing Director, Sundaram Finance Ltd., being felicitated by CA. V. Murali, CCM, ICAI. CA. P. R. Aruloli, RCM is also seen in the picture.

SECOND ANNUAL REGIONAL RESIDENTIAL COURSE (ARRC) ON INTERNATIONAL TAXATION ON OCT. 31, NOV. 1 & 2, 2014 AT BANGALORE



CA. Cotha S. Srinivas, Secretary, SIRC, CA. Babu K. Thevar, Chairman, Bangalore Branch of SIRC, CA. Pampanna B E, Secretary, Bangalore Branch of SIRC, CA. D. Sri Lakshmi Valli, Co-opted Member, Committee on International Taxation of SIRC, Resource Persons and other participants are also seen in the picture.

INAUGURATION OF THE ORIENTATION PROGRAMME FOR CAMPUS INTERVIEW ON OCTOBER 8, 2014 AT CHENNAI



CA. R. Balakrishnan, Past President, ICAI inaugurated. CA. G. Sitharaman, Past President, ICAI, CA. V. Murali, CCM, ICAI, CA. Babu Abraham Kallivayalil, CCM, ICAI, CA. P.R. Aruloli, RCM, CA. Gopal Krishna Raju, RCM, CA. K. Sripriya, RCM are also seen in the picture.