



The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Nagpur Branch of WIRC of ICAI



Newsletter / June 2015

Important Helpline Numbers

Police Control Room	100
Women Helpline Telephone No.	1091
Senior Citizens Scheme Helpline	+91-712-2564333
Child Help Line	+91-712-2520699

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*When you fly high,
people will throw stones at you.
Don't look down. Just fly higher
so the stones won't reach you.*

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2 Days - All Vidarbha Conclave on Professional Enrichment on 6th & 7th June 2015



Welcome of Dignitaries

Felicitation of Dignitaries



Chief Guest - Shri Nitin Gadkari
Union Cabinet Minister



Guest of Honour - Shri Chandrashekar Bawankule
Guardian Minister, Energy Minister



Guest of Honour - Shri Sudhakar Deshmukh
MLA, Nagpur



Shri Nitin Gadkari
Union Cabinet Minister



CA. Prafulla Chhajed
Hon. CCM



CA. Uttamprakash Agrawal
Hon. Past President, ICAI



CA. Amarjit Chopra
Hon. Past President, ICAI



CA. Jaydeep Shah
Past President, ICAI



Chairman, Secretary, Convenor of the Branches & CPE Chapter of Vidarbha along with Dignitaries

More Pics on Page No. 18....



Chairman's Communication



Dear Professional Colleagues,

Vidarbha is the heart of India. With its rich natural resources, mineral & forest wealth, rich cultivable land, mega thermal power generation & other attributes, this area has vast potential in the field of economic development. A research conducted by VED states that the investment potential in Vidarbha is of the order of Rs 100,000 Crores i.e. US \$ 200 billion, by judicious utilization of its natural resources, location advantages and key areas of strength.

MIHAN, the Multi Modal International Hub Airport at Nagpur has paved the way for Nagpur as well as Vidarbha's long awaited economic development. Nagpur is growing well and major investments are coming in the Services Sectors. The IT /ITES business is on the Growth mode. Nagpur is emerging as a logistics hub for Rail, Road and Air. With it, warehousing would be established here which would surely benefit several other sectors. The SEZ in MIHAN offers multi-product manufacturing space with the facility of a Rail Terminal, Road Terminal and International Airport.

Real Estate is booming in Nagpur and Urban Infrastructure is one of the best in cities of this size in India. Organizations providing world class education and medical services are trying to capture a ground in Nagpur. Other booming sectors in Vidarbha are Textile, agro processing, dairy farming and tourism.

In a nutshell, Vidarbha has tremendous potential for economic development and we as the members of such an esteemed profession could very well contribute our bit in its development.

Past Events: 2 batches of Advanced ITT, 2 batches of ITT, 31st batch of GMCS 1 and 84th batch of IPCC Orientation were organized during the month.

Nagpur branch had the privilege to organize a joint programme with Vidarbha Industries Association, an Interactive Meet with the officials of TDS department, Shri Satish Goyal, Commissioner of Income Tax (TDS).

"All Vidarbha Conclave on Professional Enrichment", was a huge success and we were fortunate to get an opportunity to felicitate **Shri Nitinji Gadkari, Union Cabinet Minister, Shri Chandra Shekharji Bawankule, Guardian Energy Minister, Shri Sudhakarji Deshmukh, MLA, CA Uttam Prakash Agrawal. Past President ICAI, CA Jaydeep Shah, Past President ICAI, CA Prafulla Chhajed, Hon. CCM.** The learned speakers of the conclave on the first day were **CA Uttam Prakash Agrawal and CA Amarjit Chopra.** On the second day of the conclave, there was a Special Interactive Session with the Service Tax Authorities. The dignitaries like **Shri S.K. Panda (Chief Commissioner), Shri Ashish Chandan (Commissioner) and Shri Yogesh Agrawal (Addl Commissioner, Customs, Central Excise & Service Tax, Nagpur Zone)** graced the occasion and were felicitated. **CA J.K. Mittal(Delhi), CA S.P. Tulsian (Mumbai) and CA Gurunandan Savnal (Mumbai)** shared their knowledge on day 2 of the conclave. I am grateful to all the Dignitaries, Speakers, Chairman, Secretary, Conveners of Branches and CPE Chapters of Vidarbha for gracing the conclave and making it a grand success.

I am thankful to Hon.CCM CA Rajkumar Adukia for allotting 8 days 31st batch of Certificate Course on Forensic Accounting & Fraud Detection to Nagpur branch which was successfully conducted and we were honored by the presence of **Mrs. Deepali Misarkar, (DCP) EOW** for the inaugural ceremony of the course.

"Mudde ki Baat", Study Circle Meet witnessed discussions on Provision of Undisclosed Foreign Income & Assets (Imposition of Tax) Bill, 2015, popularly known as "Black Money Bill". During this meet we received expert guidance from CA Kailash Jogani on the subject.

For the first time branch organized 4 days DISA Refresher course with Mock Test for the members appearing for DISA exam. A career counseling programme was organized jointly with Entrepreneur Café at Chitnavis Center. Half day seminar on LBT witnessed the presence and interaction with Shri Milind Meshram, Asstt Commissioner LBT, and the speakers were CA Ashwin Agrawal & CA Shailendra Jain. Seminar of LLP was huge success with the knowledge shared by CA Satish Shanbag (Mumbai) and CA Devendra Jain(Mumbai).

Forthcoming Events: There is a 30th Regional Conference of WIRC at Bombay Exhibition Center, Goregaon, Mumbai on 17th & 18th on Empowering Excellence. ICAI International Conference on "Accountancy Profession: Spearheading Excellence" is from August 7 to August 9, 2015 at Brilliant Convention Centre, Scheme no. 78, Indore.

CA Month Wishes : July is a CA Month. I extend my warm wishes to all the members of the profession for CA month. May god bless our fraternity with more success, wisdom and knowledge.

CA. Kirti Agrawal





Message



Joint Editor - CA. Ritesh Mehta

*True ignorance is not the absence of Knowledge but the refusal to acquire it
- Karl Popper*

Being Professional our endeavor should always be to remain out of the darkness of ignorance into the light of knowledge & education. We can truly exploit our potential only with self renewal & to sharpen our saw we have a lot many learning oriented programs. Nagpur branch has organized many quality programs in past few months like Maharashtra Tax Convention, All Vidarbha Conclave, Mudde Ki Baat Series & many more which was well attended too. Publications like the monthly newsletter also plays a key role in enhancing our knowledge bank and updating the members with the monthly activities carried out by our vibrant branch.

Our editorial team is constantly motivated by the appreciation we are receiving on the enhanced quality and regularity of the newsletter. We are also eager to get your feedbacks & suggestions to make this newsletter a most read one.

Our Profession has completed 66 glorious years on 1st July and its time we come together, introspect and carry the torch of Partner in Nation Building ahead with a renewed zeal & enthusiasm.

We are presenting before you the 4th edition of the newsletter and hope that it adds value to your kitty of knowledge.

Awaiting for feedbacks, suggestions & surely your contribution in articles....

Happy Reading !!!!

Editorial Team Member - CA. Pramod Jawandhiya



Dear Professional Colleagues and Students,

WIRC celebrated 66th Foundation Day with great Joy and I was delighted with the enthusiasm shown by the Professional Members and students. July as a month has a lot of associations for all stakeholders of accountancy profession. Very few of us know that, till 1949 technically speaking, there were very few Chartered Accountants. And now a day, the Institute proudly boasts of being second largest accounting body in the world. It's the glorious ongoing journey of excellence. It is our paramount duty and responsibility to preserve this legacy of professional excellence and pass it on to our next generations in a much bigger way.

The world understands the need and the importance of our profession. With accountancy profession now an integral part of India's success story. Having tirelessly upheld a triumphant tradition of converting challenges into opportunities, the story of ICAI has been a story of professional panache and perseverance. No doubt Indian accountancy profession has come a long way but still there are miles to go.

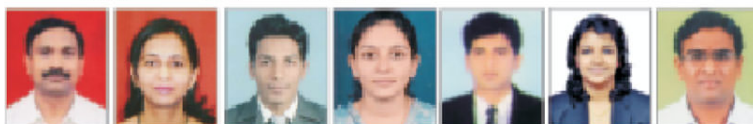
The CA day is not just an occasion for the professionals to rejoice but also 're-invent' and renew their resolve for self-less and value-added service to the nation. Let's make such a beginning on the occasion of Chartered Accountants Day....

"Wish you a Happy CA Day."

Cultural & Fellowship Committee 2015 Co Opted Members



CA. Swapnil Agrawal CA. Mahendra Kamath CA. Mukesh Agrawal CA. Satnam Das Gandhi CA. Sudhir Dara CA. Vinod Hassani
Chairman Convenor Co-ordinator



CA. Sanjay Gulkari CA. Megha S. Rathie CA. Sapan Jain (Duggad) CA. Kanchan Deshpande CA. Yash Godhani CA. Premalata Daga CA. Ashish Ghate

Warm wishes to all
CA Fraternity,
Members and Aspirants
on CA day.

**Happy Chartered
Accountants Day.**



The Maharashtra Municipal Corporation - Local Body Tax Amnesty Scheme 2015

CA. Yash Verma



LOCAL BODY TAX

Scheme in Nutshell :

- Pay LBT for the period from 1/4/2013 to 31/3/2015, if not paid earlier;
- File LBT return in Form E-II for above periods, if not filed earlier;
- Make application for availing benefits under amnesty scheme in prescribed form along with necessary documents on or before 31st July, 2015;
- RELIEF AVAILABLE- No need to pay any interest on late payment of tax and also waiver of penalty under various provisions like sections 148, 152J, 152L, Rule 48 and 49 of LBT Rules.

Introduction :

The government of Maharashtra has notified Local Body Tax Amnesty Scheme, 2015 for waiver of interest and penalty vide Notification of Urban Development Department bearing No. LBT-2015/CR-82/2015/UD-32 dated 3rd June, 2015.

Subsequently, this scheme is amended vide notification dated 17th June, 2015 where in certain changes are made in clause 3(vii), (viii) and (ix) of original notification. Amended portion is given in *italics*.

The scheme in brief is as under-

• Period of Scheme -

- The scheme has come into force from 3rd June, 2015 and is applicable upto 31st July, 2015.
- The scheme is applicable for registered as well as non-registered dealers or persons.
- Unregistered persons should register themselves for getting benefit of this scheme.
- The scheme is applicable for the total period starting from date of implementation of LBT (i.e. 1/4/2013 for NMC) to 31st March, 2015.
- The scheme is applicable for assessed as well as for un-assessed periods.
- Quantum of interest and penalty as per assessment order can be claimed as waived under amnesty provided the trader

or person pays principal tax payable as per such order within amnesty period.

• Procedure Involved -

- If person is unregistered, he must get himself registered;
- Calculate liability for the period covered under amnesty;
- Pay the tax liability in full;
- If appeal is filed (and benefit under amnesty is intended to be availed) then same should be withdrawn;
- Make application for availing benefit under amnesty in the prescribed form which forms part of notification dated 3rd June, 2015.

• Regarding Application Form -

The application is a simple single page form. It can be downloaded from the official website of the corporation (link is http://www.nmcnagpur.gov.in/files/Application_form_for_Amnesty_Scheme04062015.pdf).

It has to be signed and verified by authorized person and submitted along with following documents-

- a) Copy of statutory order passed; (if the amnesty is sought against any statutory order passed like assessment order, etc.)
- b) Copy of challan of tax payment;
- c) Copy of return / revised return (in case of unassessed period;
- d) Copy of withdrawal of appeal, if any

• Part Payment -

If trader or person pays part of the outstanding principal amount of tax, then in respect of only tax paid amount interest and penalty shall be waived and the balance tax which is not paid shall be recovered with interest and penalty.

- Statutory order against which payment is made should be passed on or before 31st May, 2015.

• Appeal Cases -

If trader is in appeal and if amount of principal tax out of outstanding dues is

paid as per assessment order then interest and penalty shall be waived under the scheme, subject to unconditional withdrawal of appeal.

• Non Filers of Return -

If return is not filed by trader and if he filed returns and pays total amount of tax during the amnesty period, then interest and penalty shall not be levied.

• Revised Return -

If trader has already furnished returns and by furnishing revised return he accepts additional tax liability and pays the total amount of tax then interest and penalty shall not be levied.

• Tax Already Paid -

If a trader or person has already paid total amount of tax as per returns before the coming into force of amnesty scheme, then interest or penalty shall not be levied on such late payment of tax.

- No refund shall be granted as result of this amnesty scheme, i.e. if interest or penalty or both are already paid, then no refund of same will be granted.

• ASSESSMENT -

There will be 100% assessment of traders under amnesty scheme.

Earlier, there was a proposal to do random assessment of 10% of traders under amnesty. Now such clause is amended w.e.f. 17/6/2015.

- *All the assessment under amnesty will be completed before 31st March, 2016. However, this date may be extended beyond 31st March 2016 on request of corporations.*

Prior to amendment, this clause read as under-

All the assessment under amnesty will be completed by the end of 31st December, 2015 and then there after there will be no tax, interest or penalty liability on the traders.

However, assessment of non amnesty traders/persons can be done after that





date as well. If such assessment results in any payment of tax, then such amount will be liable for payment of interest and penalty as per the provisions of law.

• Variation In Assessed Tax -

If there is 10% variation in tax liability at the time of the assessment compared to the return filed by the trader, then on such amount no interest or penalty will be levied.

• Other Points -

- For taking benefit of amnesty scheme, unregistered trader or person has to obtain registration first.

- Trader or person shall file all returns from the date of tax liability to 31st March, 2015 and pay tax accordingly.

Amnesty can not be applied for unless full tax upto 31/3/2015 is paid and all returns upto that date are filed.

Amnesty scheme for part period is not available.

- After availing benefits of the amnesty scheme, if any appeal, review application or writ petition is filed, then the benefits given under amnesty scheme shall be withdrawn.

- Separate applications (in prescribed form) are required to be submitted to Municipal commission for each year.

Applications should not be submitted to zonal offices of NMC, unless otherwise instructed.

- Such applications should be submitted along with required proofs like withdrawal of appeal, payments of tax, etc. on or before 31st July, 2015.

• Key Area Where Benefit of Amnesty Should be Taken -

- Various traders/persons have received notice in Form H under rule 33(7) regarding assessment.

While complying with this notice, if the trader comes across any act of omission of

the past, he can rectify the same by filing revised return and paying requisite amount of tax. Such revised return will be considered for levying of tax / interest / penalty, if any.

- Due to confusion, some dealers might not have paid tax in respect of goods imported into NMC limits and sold to places outside NMC limit. As per rule 32, such dealers have to pay tax and claim benefit @ 90% on tax paid. Effectively, they have to pay tax @ 10% of effective schedule rate. Now, such dealers can file revised return, paid proper tax and claim benefit under amnesty.

- In case of builders, in some cases, the map was sanctioned before 1/4/2013 and flats are sold after 1/4/2013. Builders may be under the impression that they are covered under lumpsum and do not discharge their liability. Some builders are under deemed presumption that they have discharged their liability at the time of execution of sale deed (@ 1% of sale value (levied u/s 149A of MMC Act, 1949) which is infact not LBT).

Such traders/builders can also get their things right by availing benefit of amnesty scheme.

- Temporary Dealers can also avail benefit of this scheme. As per rule 9(2)(c), any person doing business on temporary basis within NMC limit is required to obtain registration and discharge tax liability.

- Many traders, who have obtained registration under MVAT Act, 2002 after 1/4/2013 and have wrongly assumed that they are deemed registered under LBT rules can also avail benefits of amnesty scheme.

- If a trader has not intimated additional place of business to the LBT authorities, he should do so and file revised return and

also apply for amnesty so as to avoid penalty.

- Precaution should be taken by trader/dealer to confirm that he is not liable for any penalty u/s 148, 152J & 152L of MMC Act and u/r 48 or 49 of the rules. If so, he can take necessary remedial steps under amnesty scheme and apply for waiver of penalty.

- Special precaution should be taken by factors, brokers, commission agents, delcredre agents or other mercantile agents to ensure whether they have complied with the provisions of LBT Rules and relevant sections of MMC Act, 1949 and avail the benefit of this scheme, if required.

- Business persons are again advised to confirm whether they are covered in the definition of dealer as mentioned in section 2 of MMC Act, 1949 to whom LBT Rules are applicable. If so, unregistered persons can avail benefit of this amnesty scheme.

• Points to Ponder -

- Whether LBT return filed for FY 2013-14 can be revised now [i.e. beyond period of one month mentioned in rule 29(4)] to rectify the mistake/error done earlier by the dealer and avail benefit of amnesty scheme;

- Whether this scheme is of any benefit to the dealer on whom survey was conducted but proceedings are in progress;

- Due date of filing of return for FY 2014-15 u/r 29 (ii) is still 29th June, 2015 (within 90 days of the ending of Fiscal Year). Why is this date not synchronized with the amnesty period i.e. upto 31st July, 2015.

Does it mean that those dealers who wish to avail benefit of amnesty should get more time than those who are duly adhering with various time limits.

Organ Donation – With the advancement in medical skills and technology, needy patients may now find a second chance at life through organ transplantation, lighting up hope for patients and their family members. This is a sincere appeal to members and their family members to come forward for signing up organ donation and making your wish known to your family members. Please contact branch for details. Let's join hands to go the extra mile to support organ donation, show your love and care to patients in need.



Indirect Tax Updates

CA. Amit Agrawal

amitindirecttax@gmail.com



News :

Finance Act 2015 effective from 14th May, 2015.

National Litigation Policy, 2015 aims to suggest mechanism to reduce the Government litigation and to make Government as an Efficient and Responsible litigant: Minister for Law and Justice.

The Central and State Governments are not interested in imposing higher goods and service tax (GST) rates that could hurt people: FM.

Govt. promises incentive to States during GST transition phase.

RECENT CIRCULARS , CLARIFICATIONS & NOTIFICATIONS :

GOI, Ministry of Finance, TRU has issued instructions regarding post budget changes in service tax vide DOF No. 334/5/2015-TRU dated 19th May 2015.

Vide DOF 334/5/2015-TRU dated 30th April 2015 board has given clarifications on Post budget Central excise Notifications.

CBEC has issued clarifications regarding cenvat credit in Transit sale through dealer vide circular No.1003/10/2015/CX dated 05.05.2015.

CBEC has issued instructions regarding Non Filing of SLP before Supreme court in the issue of sanction of refunds citing their earlier instructions vide F.No 390/Misc/163/2010-JC dated 17.08.2011.

As a measure to reduce the export & import documentation CBEC vide Circular No.15/2015-Customs has dispensed with SDF form which an exporter was required to submit along with shipping bills for export of goods. Board has issued Notification No.46/2015- Customs (NT) dated 18.05.2015 to incorporate the aforementioned declaration in lieu of SDF form in the shipping bills itself.

Central Govt vide Notification No/ 14/2015-ST dated 19th May 2015 appoint the 1st Day of June 2015 as the date on which the provisions of clauses (a), (c) & (f)

of sec 107, Sec 108, sub sec (2), (3), (4) of sec 109, Sec 153 & sec 159 of the Finance Act, 2015 shall come into force.

Vide Notification No.14/2015-CE (NT) w.e.f 1st June 2015 the amount payable as per rule 6(3) of the CCR, 2004 for exempted services is enhanced to 7%.

Cenvat credit rules, 2004 rule 3(7) (b) has been amended vide Notification No. 12/2015-CE(NT) to allow the cenvat credit of EC & SHEC for inputs, Capital goods & input services received in the factory of the manufacturer of final products on or after the first day of March 2015 for payment of duty of excise leviable under the First schedule of the Excise tariff Act. CBEC still remains silent as far as what has to be done for accumulated cenvat credit of EC & SHEC as on 1st March 2015.

Excise duty exemptions presently available to ordinance factories & defence PSUs have been withdrawn. Refer to Notification No, 23/2015-CE dated 30.04.2015.

RECENT JUDICIAL PRONOUNCEMENTS:

Process of labelling or re-labelling of containers would amount to manufacture only if condition of repacking from bulk to retail is also satisfied - **CCE V Amritlal Chemaux Ltd - 2015 TIOL 130 SC CX.** (Editor's Note: Provision is amended and hence this ratio is no longer applicable).

Process of sterilizing syringes and needles does not amount to manufacture - **Servo Med Industries Pvt Ltd V CCE - 2015 TIOL 103 SC CX.**

Value of services to be provided post import cannot be loaded to assessable value for purpose of Customs duty - **CC V Hindalco Industries Ltd - 2015 TIOL 132 SC CUS.**

Cenvat credit on Housekeeping and Landscaping services held eligible as input service credit based on the ratio laid down by the Hon'ble High Court in the case of Millipore India that money spent to

maintain the factory premises in an eco-friendly manner, the tax paid on such services would form part of the cost of the final products and the same would fall within the ambit of "input services" - **CCE & ST V M/s Rane TRW Steering Systems Ltd - 2015 TIOL 1057 HC MAD CX.**

The amended provisions of mandatory penalty of 7.5% under Section 35F would apply to the adjudication order passed before the date of such amendment and the appeal of the appellant before the CESTAT would not be maintainable in absence of deposit of an amount equivalent to 7.5% of the confirmed amount of duty liability - **Premier Polyspin Pvt. Ltd. Vs UOI - 2015 TIOL 1265 HC AHM CX.**

The amendment made in Cenvat Credit Rules 2004 which came into force on 7.7.2009 was not clarificatory amendment as there is nothing to suggest in the Amending Act that amendment made in Explanation 2 was clarificatory in nature - **Mundra Ports and Special Economic Zone Ltd V Commissioner of Central Excise and Customs - 2015 TIOL 1288 HCAHM ST.**

When wilful suppression on part of assessee is proved, then department is empowered to impose simultaneous penalties under Section 76 & 78 - **CCE V Joe Transport - 2015 TIOL 1187 HC MAD ST.**

Department cannot initiate recovery proceedings without adjudication under Section 73 - **ICICI Bank Ltd V UOI - 2015 TIOL 1164 HC MUM ST.**

Failure to deposit collected tax does not attract penalties under Sections 76 and 78 especially when activity of appellant was not liable to service tax at all - **Ajay Kumar Gupta V CESTAT & Anr - 2015 - TIOL - 1239 HC P&H ST.**

In case of slump sale there is no requirement to reverse credit on inputs as there is no removal from factory - **CCE V Hindustan Lever Ltd - 2015 TIOL 966 CESTAT MUM.**





Rule 16 of Central Excise Rules does not provide for non avallment of credit on inputs used for goods received under said rule - **Hotline CPT Ltd V CCE - 2015 TIOL 798 CESTAT DEL.**

Freight and transit insurance are not includible in assessable value merely for reason that at the instance of the buyer, seller has taken transit insurance - **GSC Toughened Glass Pvt Ltd V CCE - 2015 TIOL 912 CESTAT DEL.**

Omission to take registration as input service distributor is only a procedural irregularity - **Alarsin V CCE - 2015 TIOL 766 CESTAT MUM.**

Self assessment not applicable to ISD since it neither provides any service nor pays any service tax as provider of output service - **SKF India Ltd V CCE - 2015 TIOL 914 CESTAT MUM.**

Course imparting skill to students in field of practical accounting, auditing etc is entitled

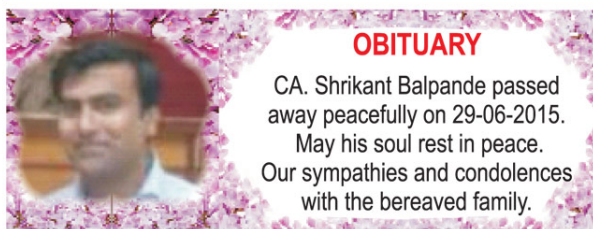
for exemption as vocational training under Notification No. 24/04 - **CCE vs ACT Careears Ltd - 2015 TIOL 965 CESTAT MUM.**

Service provider eligible for refund of service tax paid on services provided to SEZ when no amount towards service tax is collected for recipient - **SBI Capital Markets Ltd vs CCE - 2015 TIOL 816 CESTAT MUM.**

TAX COMPLIANCE CHART - JULY 2015

Contributed by - CA. Haresh Sarda

S.No.	Due Date	Tax Compliance
1	6th July	Payment of Excise for the Month/Quarter of June 2015 by NON-SSI/SSI
2	6th July	Payment of Service Tax for the Month /Quarter of June by COMPANIES/OTHERS
3	7th July	Payment of TDS/TCS for the Month of June 2015
4	10th July	Filing of Excise Return for the Month /Quarter of June 2015 for NON-SSI/SSI
5	15th July	Payment of Provident Fund for the Month of June 2015
6	15th July	Filing of TDS Return for the Quarter April to June 2015
7	20th July	Payment of Professional Tax for the Month of June 2015
8	20th July	Payment of Local Body Tax for the Month of June 2015
9	21st July	Payment of Employees State Insurance Act (ESIC) for the Month of June 2015
10	21st July	Payment of MVAT/CST for the Month / Quarter of June 2015
11	25th July	Filing of Provident Fund Return for the Month of June 2015
12	30th July	Filing of MVAT/CST Return for the Quarter April to June 2015
13	30th July	Filing of MVAT/CST Return for the Month of June 2015
14	30th July	Issuance of Form 16A For TDS for Quarter April to June 2015



OBITUARY

CA. Shrikant Balpande passed away peacefully on 29-06-2015. May his soul rest in peace. Our sympathies and condolences with the bereaved family.

Nagpur Branch of WIRC of ICAI

SCHOLARSHIP SCHEME

The Nagpur Branch of WIRC of ICAI is pleased to announce the starting of scholarship scheme "Late Smt. Sunita Devi Suresh Kumar Agrawal Scholarship" for CA Final Students as Merit-cum-need based scholarship, twice a year. The announcement will be released in the News Letter of Nagpur Branch, calling application for awarding the scholarship and will also be hosted on the website of the Branch. The students are requested to apply in prescribed Scholarship Application Form. The details of scholarship and the criteria applied for selection of application are as under :

1. SCHOLARSHIP AWARDED

Category	No. of Scholarship	FOR CA FINAL STUDENTS	
		Period of Scholarship (months)	Amount (pm)
Merit –Cum –Need Based	02	06	1000/-

2. ELIGIBILITY

In Case of Rank Holder from Nagpur Center Qualifying in CA IPCC Examination -

- Any Student
- Who qualifies CA IPCC Examination from Nagpur center
- Whose name appear in the Merit list of Rank holders
- And His/ Her parents total income is not more than Rs. 1,80,000/- per annum

is eligible to apply for award of Merit – Cum - Need based scholarship.

The student who would be selected for scholarship will be granted Rs. 1000/- p.m for 6 months. Total two scholarships will be awarded every year.

In Case of No Rank Holder from Nagpur Center Qualifying in CA IPCC Examination

- In case if there is no rank holder from Nagpur center, the scholarship would be given to the student who has secured the highest marks in the CA IPCC examination from the Nagpur center in aggregate & qualifies under other basic eligibility criteria as given in point 2 (a).

3. PROCUREMENT OF SCHOLARSHIP APPLICATION FORM

The application form to apply scholarship can be obtained from the Nagpur Branch Office or downloaded from the Nagpur Branch website.

4. SUBMISSION OF SCHOLARSHIP FORM

The duly completed scholarship form in the prescribed format should reach to the Branch Chairperson, before the last date i.e 10th August for May examination i.e October - March Term and 10th February for November Examination i.e. for the April – September Term.



Gold Monetization Scheme

CA. Aanchal Thacker
aanchal.thacker@gmail.com



WOMEN MEMBER

A viewpoint of Government, Common Man, Experts in field and yourself

Key Objectives of the scheme - The government was trying out all the methods to cut down the gold consumption in India, throughout these years. It has employed different methods like sharply hiking import duties and prodding public return the idle stock of gold lying in domestic households and temples back to circulation.

The government hopes to bring down the import of fresh stock that significantly adds to the current account deficit. India's gold demand was estimated to be around 840 tones in 2014, half of which was probably used for wedding purposes. In this backdrop, getting the dormant gold stock (estimated about 20,000 tonnes) back to the system is critical.

Finally the Central government came out with its much-awaited draft gold monetization scheme with an improved version of the old scheme presented in 1999, aiming to bring household and institutionally held gold within circulation, lending it to jewelers as raw material and bringing India's gold import down without hurting domestic demand.

India has nearly 25000 tone or about Rs.63 lakh crore worth gold. This is nearly 56% of the total goods and services produced. If channelized into the system, it can boost bank reserves and reduce imports

Brief idea of the scheme :

- The scheme exempts gold deposit from capital gains tax, income tax and wealth tax in order to unlock the value of this dormant asset held by households.
- To encourage the small depositors, the minimum deposit is pegged at **30 grams**.
- Under the scheme, a customer will have to get the jewelry tested at one of the **350 hallmarking centers** across the country.
- After a preliminary test to find the approximate amount of pure gold, the customer will be asked to fill up a bank KYC form and give his consent to melt the old gold.
- The gold is then subjected to fire assay

test which will ascertain its purity through melting.

- At this point the customer will have the option to either take back the melted gold or deposit it, should he choose the latter, collection centre will issue a certificate that mentions the amount and purity of deposited gold. (The customer will only take the certificate to the bank).
- The gold if transferred by the testing centers to the refiners (32 across the country), which will keep them in their warehouses for a fee from the banks.
- After the production of this certificate at bank, the banks will open a "Gold Savings Account" on producing the certificate and quantity of gold mentioned in the certificate will be credited to the account.

➤ There is also the facility to break the lock in period.

➤ Redemption can be given in the form of cash or gold, as decided at the commencement of the deposit.

Though several gold Monetization schemes have been launched in the past, they failed as they offered low interest rates to the investors in the range of 0.75 to 1 percent. Firstly, it would be a foolish thought to expect that someone will come to deposit the gold for a meager return of one percent, as in the old scheme which is one of the reasons why the old scheme miserably failed.

While bankers have the freedom to take a call on the rates they want to offer, the

smarter thinking is to offer a higher rate of interest to the depositor calculated on the rupee value of the gold based on the prevailing prices. On the same note, industry insiders feel that the interest rates to be offered, have to be attractive enough for citizens and institutions to bring their jewelry, gold coins and bars out.

While the gold deposit scheme of 1999 allowed a minimum deposit

of 200 grams of the yellow metal, the draft of the new scheme proposes to accept a minimum deposit of 30 grams, thereby widening the scope of the scheme and attract even the lower income category individuals to participate in the scheme and earn interest income on their gold holding.

Though the scheme awaits more clarity, financial planners are saying that gold investors should go for it.

The Scheme



1. PURITY TESTING
Individuals will be first required to visit one of the 350 hallmarking centers or purity testing centers, certified by the BIS to get their gold verified. The test will give an approximation of pure gold in the jewelry, bar or coin. After that, the customer will have to fill a bank KYC form and give his consent for melting.



2. FIRE ASSAY TEST
The gold, cleansed of dirt and other elements, is then weighed to get the net weight of jewelry (gold only). It is then melted. The customer can watch from the gallery. In case the customer does not agree with the test result, he can take back the gold in the form of a bar but will have to pay a fine to the centre.

3. A MINIMUM FEE HAS TO BE PAID
The testing (assaying) charge amounts to ₹ 200. Melting charges may range from ₹ 500 for up to 1000 grams of jewelry gold to up to ₹ 1,500 for 9999.9999 grams. A minimum of ₹ 1000 is also required to be paid for storage received



4. DEPOSITING GOLD
Those who agree to deposit the gold don't need to pay the fee as the bank pays it. The collection centre gives a certificate to the customer certifying the amount and purity of gold deposited. Based on the certificate, the bank will open a gold savings account and the customer's account will be credited with the quantity mentioned



in the certificate. The minimum tenure of the deposit is 1 year and can be rolled over in multiples of 1 year. The interest rates will be decided by banks. If the customer deposits 500 grams and the interest payable is 2 per cent then after 1 year he will have 510 grams of gold in his account. The customer can either seek gold or cash at the time of redemptions.

- Banks have been given the freedom to decide rate of interest. (Expert view on the same provided below)
- The principal and interest will be valued in gold For e.g. : " If a customer deposits 100 grams of gold and gets 1% interest, then on maturity he has a credit of 101 gms.
- For the customer, the tenure of the deposit will be 1 year and extensions can be made in multiples of it.





"It is possible to offer an interest rate of 4-6 per cent as banks can earn their revenue by further lending it to the jewelers, which is a big market," said a **senior official with a leading private sector bank**. He, however, added that the rates to be offered will also depend on the guidelines laid down by the Reserve Bank of India as it may put a limit on how much of the gold with the bank can be used for lending purposes.

There are others who agree to this and point that rates have to be comparable to savings bank rate.

"In terms of customer interest, only if the rates are slightly higher and are comparable to savings bank rates of around 4 per cent or more, it will generate interest and excitement as it will be comparable to a pre-tax return of around 6 per cent," said **Unnikrishnan, non-executive director, Manappuram Finance**.

The unanswered questions

❖ While the scheme talks of exemptions from taxes, it is silent on the amount of interest that banks will pay. Some experts point that as banks currently lease gold from overseas market at 1 per cent interest or even at lower rates, there has to be some incentive for them to offer higher rates to gold depositors in India. While bankers are agreeing that a higher interest rate offering is a possibility, it remains to be seen as to what rates are finally offered.

❖ "The government has incentivized banks by way of making the mobilized gold as part CRR/ SLR, but it would depend on the bank as to how much of the benefit it will pass to the depositor. Something like 4-6 per cent interest rates are required to entice investors," said **Chirag Mehta, Fund Manager-Commodities, Quantum AMC**.

❖ Another important aspect that has not been clarified is whether the customer will be allowed to bring only gold purchased from accounted money (tax-paid income) or even those purchased from unaccounted income. This may be a big issue as traditionally most of the gold purchased in India has been in cash and even the traditional jewelers in the past did not provide proper receipts to the buyer. So

there may be a lot of unaccounted gold in possession of individuals for which they may not be able to provide an answer. "If the government wants only gold bought from tax-paid income then I don't know how much it will succeed as most of the gold in India is bought from unaccounted income. It remains to be seen as to how they are going to be fair in this black vs white debate," said **Jamal Mecklai, CEO of Mecklai Financial Services**.

On the other hand some say that if the government comes with a policy of not asking any question on how the gold was purchased then it may lead to a situation where people may buy gold from their unaccounted money and deposit it with the bank within this scheme that may in fact lead to increased demand for gold.

Should you look forward to it? Ifs and buts Yes or No

Views & Suggestions in the market

✓ In most Indian households, especially in southern states, gold ornaments are passed on from generations to generations as a family asset, closer to their heart. Parting with gold, by selling or pledging, is perceived as a social ignominy. It is a desperate step taken by an average Indian household in cases of extreme distress. Even though the scheme allows individuals to bring their gold held in the form of jewelry, coins and bars, to be melted and deposited, many Indians especially women may not be willing to part with their gold jewelry. Why take women only, no one wants to see his long-preserved, family-inherited, emotionally-critical, piece of yellow metal lose its identity and 'feel' by melting it.

Hence, it would be unwise to expect households to actively participate in any schemes that involve 'melting' the long-preserved jewelry. The past record of the gold deposit schemes that have so far received lukewarm response is a proof for this.

✓ Thinking from a common man's view point considering jewelry part, interest rate that is coming from experts say 1% - 3% would fetch nothing as compared to making charges paid on that jewelry, when

purchased (if recent). The value from the deposit will be pure gold, if the depositor takes back the gold after a year's span to remake jewelry from that pure gold bars or coins how much making charge he will be again paying or what worth ornaments/ jewelry he would get in exchange for the value paid earlier for these gold.

✓ Nobody seems to be happy with the lower rate of interest being talked about (about 1 percent to 2 percent) and, finally, no one is particularly keen to produce any sort of invoices that confirms his ownership of the yellow metal. The rate can be revised periodically on the basis of the prevailing gold prices. For someone with excess gold and willingness to deposit it for investment, this is an equally attractive option just a bank fixed deposit (still, a one year bank FD yields up to 8-8.5 percent).

The government can offer a choice to the customer with respect to the melting of the ornament. A differential rate of interest can be offered on melted and non-melted gold. This can be done still not compromising on the purity assessment. Someone who isn't willing to melt his ornaments will have to settle with a lower rate of return.

With more negative there are few experts seeing positive in the scheme too

✓ Financial experts however see this as a good option to earn income from their idle gold. If banks offer anywhere between 4 and 6 per cent which is non-taxable.

✓ "I certainly think that people should go for it. While gold coins and bars should be deposited in the scheme, even women may look to deposit their jewelry that they do not generally wear," said Vishal Dhawan, founder, Plan Ahead Wealth Advisors.

✓ Experts feel that initially the investment part of gold (coins and bars) will get monetised and as people become comfortable they may even look to part with the consumption gold (jewelry).

✓ Some feel that while prices have not moved much over the last couple of years, gold investors may find it as a good option to at least earn some interest income by depositing it in the scheme

An initiative by Nagpur ICAI to encourage Women CA members to contribute articles on professional interest. So, ladies gear up and mail your articles to nagpur@icai.org under the subject **WMEC – NGP ICAI** Newsletter. As per ICAI initiative, to register for flexi working hours, upload your resume at www.womemportal.icai.org.



Credit Portfolio Management and Due Diligence

CA. Pranay Rajesh Satija



YOUNG MEMBER

Classification of assets, income recognition and provisioning, maintenance of quality of assets has become the core activity of a bank's credit portfolio. Banks should strengthen their due diligence, credit appraisal and post-sanction loan monitoring systems to minimize and mitigate the problem of increasing NPAs.

As per the data released by the Reserve Bank of India, gross NPA ratio increased to 4.45% in FY 2014-15 from 4.1% reported in FY 2013-14, which was as low as 3.1% in FY 2012-13. Similarly, net NPA rose to 2.36% in FY 2014-15 as compared to 2.2% in FY 2013-14.

The Reserve Bank of India has been laying considerable emphasis on ensuring adequate and timely credit at reasonable rates to different sectors of the economy. For achieving the objective of sustainable and inclusive economic growth, it is important to bring the under-served sectors/sections of society within the banking fold. Against this backdrop, several initiatives were taken, which include revising the priority sector norms to refocus direct agricultural lending by banks; setting up a new short-term refinance facility for on-lending to agriculture; and introducing measures to enhance the flow of credit to micro and small enterprises (MSEs).

A bank's lending policy is not merely profit motivated but has to also keep in mind the socioeconomic development of the country. The quality of a bank's assets will suffer if performances of small scale units are not carefully and regularly monitored and timely actions are not taken to help them out in the present scenario of cut-throat competition. Lending involves number of risks. In addition to the risk related to credit worthiness of the counter party, the banks are also exposed to interest rate, forex and country risks. Credit risk or default risk involves inability or unwillingness of a customer or counterpart to meet commitments in relation to lending, trading, hedging, settlement and other financial transactions. The credit risk of a bank's portfolio depends on both external and internal factors. The external factors are the state of the economy, wide swings in

commodity/equity prices, foreign exchange rates and interest rates, trade restrictions, economic sanctions, government policies, etc. The internal factors include deficiencies in loan policies/administration, Deficiencies in appraisal of borrower's financial position, Excessive dependence on collaterals and inadequate risk pricing, Absence of loan review mechanism and post-sanction surveillance, etc

Credit Portfolio Management

Credit Portfolio Management deals not only with pure credit risk management but has the mandate to optimize risk/return profile of the bank's credit portfolio. Working in credit portfolio is no doubt a good opportunity; however, the profile requires in-depth knowledge and expertise in credit matters. Lenders should ensure that there is proper assessment of credit application by borrowers. They should not use margin and security stipulation as a substitute for due diligence on credit worthiness of the borrower.

Following points are required to be taken care of while handling credit portfolio :

Customer Due Diligence :

The concept of customer due diligence begins with verifying customer's identity (in addition to KYC/AML/CFT compliance) and assessing the risk associated with that customer. Effective CDD policies, procedures, and process provide critical framework that enables the bank to comply with regulatory requirements and to report suspicious activity. Much of CDD information can be confirmed through an information reporting agency, banking reference, correspondence & telephonic conversations with the customer and visits to customer's place of business.

Pre-Sanction diligence /Credit Appraisal :

Credit Appraisal is a process of appraising the creditworthiness of applicant/borrower. A detailed study about the promoters is required to carry out to ensure experience in the line of business and capability to run the business. A detailed study about the technical aspects is required to determine the technical soundness of the project.

Financial viability of the project is to be done to ensure the project will generate sufficient surplus to repay the loan installment and interest. The sensitivity analysis helps in ascertaining project viability by assigning optimistic and pessimistic values to critical or sensitive elements and arriving at profitability of the project. While appraising a project or a loan proposal, all the data/information furnished by the borrower should be counter-checked and wherever possible, inter-firm and inter-industry comparisons should be made to establish their veracity.

Analysis of financial statements :

The assessment of financial risk involves appraisal of the financial strength of the borrower based on performance & financial indicators. The overall financial risk is assessed in terms of static ratios, future prospects and risk mitigation (collateral securities/financial standing). The basis data required for financial feasibility appraisal can be broadly grouped under the following heads:

1. Cost of the project including working capital
2. Cost of production & estimates of profitability
3. Cash flow estimates & sources of finance.

Audited profit & loss account and balance sheet along with Income Tax return, Sales Tax return should be obtained and analyzed. Officers should carefully go through the auditor's reports to find out adverse remarks, if any. Analysis of financial indicators and ratios (i.e. current ratio, debt equity ratio, DSCR, TOL/TNW, Interest Coverage ratio, etc.) should be done and examined on the prescribed guidelines of the bank.

Rate of interest and other charges :

Banks are permitted to determine their lending rates taking into account their cost of funds, transaction costs etc. and should also incorporate risk premium as considered reasonable and justified having regard to the internal rating of the borrowers with the approval of their Board. However, banks should ensure that the interest rates along with proposal processing charges,





documentation charges, mortgages charges etc. charged by them are transparent and known to the customers.

Valuation of properties :

Banks should have a Board-approved policy in place for valuation of properties including collaterals accepted for their exposures, as per extant RBI guidelines. The valuation should be done by professionally-qualified independent valuers having no direct or indirect interest. Officers may also be guided by the relevant Accounting Standards issued by the Institute of Chartered Accountants of India while studying the valuation report.

Title deeds & Title search :

The origin of the property is very important and safest to trace the marketable title of the property. As regards the period of limitation against the Government, documents covering a minimum period of 30 years must be checked. In order to conduct title search/title verification, following aspects need to be examined :

- (i) Legal capacity of the present owner of the property (whether capable of entering into a binding contract for sale or lease or for mortgaging the property);
- (ii) Nature of current owner's right over the property, and transferability;
- (iii) Source of right or title of current owner;
- (iv) Legality of the construction;
- (v) Encumbrances over the property; and
- (vi) Whether the property is a part of any acquisition process.

Registration with CERSAI :

The Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI), was incorporated for the purpose of operating and maintaining the Central Registry under provisions of the SARFAESI Act, 2002. Initially transactions relating to securitisation and reconstruction of financial assets and those relating to mortgage by deposit of title deeds to secure any loan or advance granted by banks and financial institutions are to be registered in the Central Registry. These records will be available for search by any lender or any other person desirous of dealing with the property,

preventing frauds involving multiple lending against the same security as well as fraudulent sale of property without disclosing the security interest over such property.

Stock statements / Book Debts :

Primary security includes the stocks and receivables of the customers on which a charge is created by the bank. Old stocks, obsolete & rejected goods should not be considered while calculating the drawing power. If in the view of the bank, the primary security is not adequate, or is risk-prone (i.e. subject to heavy fluctuations in prices, etc), the bank may require additional security from the borrower. Insurance coverage over security should be appropriate under bank clause.

End use of loans :

In cases of project financing, banks should seek to ensure end use of funds by, inter alia, obtaining certification from Chartered Accountants for the purpose. In case of short-term loans, such an approach ought to be supplemented by 'due diligence' on the part of lenders themselves by monitoring and ensuring end-use of funds through :

1. Regular inspection of borrower's assets charged as security.
2. Scrutiny of monthly/quarterly progress reports/operating statements.
3. Periodical scrutiny of borrower's books of accounts.
4. Periodical visits to the business units / factory or office of the borrowers.
5. System of periodical stock audit as per the credit policy of the banks.

Diversion of funds :

There should be a mechanism for proper monitoring of the end-use of the funds. Whenever diversion is observed, appropriate action including recalling of the loans, reduction of sanctioned limits, charging penal interest etc. for protecting the bank's interest should be taken. There should be proper vigilance over requests of their clients for cash withdrawals from their accounts for large amounts. Diversion of funds would be construed if, without specific consent/approval from the lender bank :

1. Short-term working capital limits/funds utilized for long-term purposes.
2. Deploying borrowed funds for purpose or creation of assets other than those for which the loan was sanctioned.
3. Routing funds through any bank other than the lender bank.
4. Investment in other companies by way of acquiring equities/debt instruments.
5. Transferring funds to the subsidiaries / group companies by whatever modalities.

Post-sanctions Monitoring :

The basic concept of post-sanctions monitoring is to ensure compliance with terms and conditions of sanctions, adequacy of credit on an ongoing basis depending on needs of the borrowers and to monitor the health of the unit/factory. This would help in detecting sign of weakness in the financial position of the borrower.

Exchange of information :

Banks need to strengthen their information back-up about the borrowers enjoying credit facilities from multiple banks. In case of consortium/multiple banking arrangements, banks should exchange information about the conduct of the borrower's accounts with other banks at least at quarterly intervals. Banks should always use credit reports available from Credit Information Companies i.e. CIBIL, Experian Credit Information Company of India Ltd, Equifax Credit Information Services Pvt. Ltd, etc.

Annual review :

For effective monitoring of advances, it is imperative for banks to undertake an exercise of review of the advances on a regular basis. The review should specifically attempt to make an assessment of requirements of the borrower based on latest data available, whether limits continue to be within need-based requirements and according to the bank's prescribed lending norms. The findings of reviews should be discussed with line managers/branch managers and corrective actions should be elicited for all deficiencies. Deficiencies that remain unresolved should be reported to top management.

An initiative by Nagpur ICAI to encourage Young CA members to contribute articles on professional interest, Young members are requested to mail the write-ups to nagpur@icai.org under the subject YMEC – NGPICA Newsletter. For more details on ICAI initiative to empower Young members, please Visit : www.ymec.in



An Idea Can Change Your Life

CA. Ipshita Gaurav Gupta



INTRODUCTION

As we all know a famous line that "an idea can change your life." It holds true in the case of auditors as well. A specialized auditing software of CAATs i.e "IDEA" has literally changed the way of performing audits in present era. It is an excellent tool for data analysis developed by using CAAT, in which an auditor doesn't need to be a programmer with years of intensive programming experience.

Benefits: Here are some of the benefits which are enumerated with the use of IDEA over MS-Excel.

- It's a menu driven function rather than command driven function in which one has to remember all those complicated formulas and syntax thereon.
- It has the ability to access a wide range of data files from different platforms.
- There is ease of data analysis.
- Ease in automation of tasks.
- Documentation is done and preserved on its own, which serves as an audit evidence.
- Simplicity in scheduling the automated tasks for continuous monitoring.
- At last, it is easy to learn and remember as well.

However apart from the benefits enumerated above, one need to have a particular feature for installing this software, but switching over to such an excellent tool like "IDEA", is beneficial to us in terms of both cost and time.

Who & Why ??

As far as my knowledge goes, this tool is essential for large scale audit analysis and for a firm which takes up the assignment of audit coupled with forensic accounting, detection of frauds i.e. where mostly investigation works are being carried out. This technique has 95% of chances of detecting fraud with just a blink of an eye and this saves a lot of time.

The key features of IDEA tool could be

enumerated in following points :

1. Statistics : The statistics is used for reconciling totals, obtaining a general understanding of the ranges of values in the database, and highlighting potential errors and areas of weakness to focus on subsequent task.

2. Sampling :

- a) To draw number of records with fixed interval for testing.
- b) To select a random sample of records for testing.
- c) To extract a random sample with a specified number records from each of series of bands.

3. Stratification : To stratify the data from a file into bands and getting the profile of the data. The data can be stratified based using the numeric, date or character field to select a random sample of records for testing.

4. Sorting : To create a new database in which its records are physically sorted in a specified order.

5. Duplicate Detection :

- a) To test validity of invoices
- b) To test for duplicate invoice numbers.

6. Gap Detection :

- a) To test for completeness.
- b) To test for gaps in the invoice number sequence.

7. Aging :

- a) To age a selected database from a particular date up to six specified intervals. These intervals can be days, months or years.
- b) To age outstanding debts at the yearend in order to determine provisions required against bad debts.

8. Data Extraction : To perform an extraction to accounts where the new credit card has been exceeded.

9. Benford's Law : To compare the data with the data pattern predicted by Benford's law analysis.

BENFORD'S LAW : It states that the digits

and digit sequences in a data set follow a predictable pattern. This law generates a database and optionally results output that you can analyze to identify possible errors potential fraud or other irregularities.

10. Consolidation of data :

- a) To summarize data and create a report based on many calculations.
- b) To define how your data is displayed & organised.

11. Summarisation : To total the sales transaction by invoice no. to produce a list of outstanding sales as well as to identify the serial number of invoice no. and the sales as per invoice no.

12. Reporting : To generate a report for the current active database.

So, we see that a range of activities and functions could be performed by IDEA with just a click on the mouse and it thus saves a lot of time as compared to command driven software. In MS-EXCEL the chances of committing errors are comparatively more than IDEA.

Conclusion : I would conclude by saying that as we have noticed in countless instances that a nominated CAATs Auditor is overburdened with day to day audit responsibilities with the recent changes in the Companies Act, which prevent him/her from devoting his physical and mental energies to effective implementation of the CAATs. They should be given free space & time to explore the CAATs fully to get utmost advantage out of its useful features and give their best opinion on their report. At the outset it may seem a bit costly for the organisation to install "IDEA", but it starts paying back within a short span of three to six months and with that you would also love to use this beautifully designed software of CAATs. Moreover, I believe that 5 to 10 years down the line, a number of organisations would switch over to IDEA and would be able to work with more efficiency and less stress resulting in reduction of frauds in our country.

An initiative by Nagpur ICAI to cover a write up on Information & Technology in the branch bulletin for the general benefit of members. CA members interested to contribute write up on above subject are requested to mail to nagpur@icai.org under the subject **IT Corner – NGP ICAI Newsletter**.





Meet The Entrepreneur

Mr. Sunil Raisoni

(Chairman, Raisoni Group of Institutions)

"If passion drives you, let reason hold the reins"

A fine Monday morning.....and we got an appointment with Mr. Sunil Raisoni, the pioneer of Raisoni Group of Institutions (RGI). We felt pleasantly fortunate to meet an affable and amiable Mr Sunil Raisoni, who strongly believes that providing quality education is an obligation towards society for an educational institute. The warm hospitality and "easy to talk" attitude of Mr. Raisoni made us feel instantly comfortable in the setting.

Born in a family of industrialists, based at Jalgaon, Mr. Sunil Raisoni had very clear ambition of starting his business. He is the personification of his philanthropist father and was largely influenced by him into taking up a challenge of providing quality education to underprivileged students. He has also been honoured as "Businessman of the year", by Nagpur

Chamber of Commerce and "Young Entrepreneurs Award" by Sarathi.

Today, RGI is the foremost name in the field of imparting quality and value based education. The Raisoni saga dates back to the year 1998, when Mr. Sunil Raisoni took over the Management of an engineering college. The fascinating environment of the college prompted him to venture into a totally new field. The initial two years were really tough for the management. The college was plagued with numerous problems. Mr. Raisoni solved all the problems with his experience and wisdom, and brought his college on to the track of success. He took 20 top officials of his college to Singapore, to broaden their vision. He also organised Shiv Khera's

training program "Blue print for success" for the college staff. This proved to be a turning point in the history of RGI. Since then there was no looking back and now RGI stands tall with approx 35 lac sq.ft. of state of the art infrastructural facilities, 300 acres of land, 25000 students, 400 staff and almost 7000 pass outs every year.

RGI provides educational facilities right from KG to PHD. The whole group has one combined Alumni Association. Employees' salary is released on the very first day of

Raisoni Group of Institutions is an icon in the field of education who rightly works towards producing "Achievers" by instilling this thought in the minds of its students –

"FOCUS.....on the outcome..... not the obstacles".

Interviewed by CA. Aastha Agrawal



to the situation until it is completely resolved.

Mr. Raisoni strongly recommended that kids should be given a choice to choose their profession. He also supported technological or web based medium of education, but was apprehensive about the lack of personal touch which is otherwise amply available in classroom teaching.

every month and the employee turnover ratio is less than even 2%. The RGI plans expansion with four more universities at Madhya Pradesh, Raipur, Amravati and Pune with more courses.

The group has its own in-house trainer's grid which conducts various training programmes for the staff. A new recruit has to compulsorily attend the initial training and orientation programme before actually conducting the classes.

On being asked about the system of education in CA course, although appreciative about the working of the Institute, Mr. Raisoni expressed his concern over increasing inclination of students towards coaching classes and therefore he suggested that some

Mr. Raisoni closed down his flourishing old business to get fully involved in the service of mankind via his prestigious educational institutions. He also quotes that he derives complete job satisfaction from his work and feels proud when any of his old student comes and meet him.

Raisoni Group of Institutions is an icon in the field of education who rightly works towards producing "Achievers" by instilling this thought in the minds of its students –

"FOCUS.....on the outcome..... not the obstacles".

Interviewed by CA. Aastha Agrawal





Revive' your 'Tree of Life'

Dr Rani Bhutada, RAWS



Life can be a tree; an apple tree for those at Red Apple Wellness Solutions (RAWS), green and lush, laden with fruits. If you take time to nurture the tree, it can flourish putting the blemish of diseases away.

Dis-ease comes to us through a toxic cocktail of genes, environment, mental makeup and life-style. It is first felt at the mental level trickling down to the systems (endocrinal, physiological, and nervous) before the full blown physical symptom.

Mind, body, emotions and spiritual planes need to be 'de-toxified' to root out the dis-ease. Or prevent it from taking root at all.

Revive integrates our body's natural systems subtly instead of the aggressive/invasive use of modern medicine to put our bodies on the path of healing and well being.

Complete detoxification can 'bring back the balance' of body and mind through system rejuvenation. RAWS offers 'Revive,' an intricately designed health regain programme handled by expert therapists and consultants. It's the

transformation of a person using a six-way detoxification of body on all planes.

It includes :

1. Pranik healing and Reiki therapy :

This first step involves scanning the 'Shat-Chakra' for blockages, cleansing and attuning them and re-establishing the balance and their respective functioning. A flowing energy (prana) equals flowering life.

2. Sujok and acupuncture therapy :

Taking a step further on the energy path, the seed and magnet therapy checks the energy flow through the meridians of the body and balances and atones them with the acu-needles atoning them. This aids the function of endocrinal glands and other vital organs.

3. Panchakarma therapy : As the energy starts flowing it's time for Ayurveda's panchakarma to balance bodily 'tridosha' or three humours - vata, pitta and kapha. Get the blend right by treating excess of the dosh with vaman, virechan, nasya, basti and raktamokshana to remove deep-rooted stress and toxins from the body.

4. Homoeopathy : Constitutional tendencies that you are born with or psycho-somatic diseases that you are not aware of, often is cause of dis-ease. Our homeopath will gently probe and ferret it out. And she will give you not bitter but sweet, tiny doses of medicine.

5. Diet & Nutrition therapy : Let food be thy medicine. You are what you eat or don't eat. Our dieticians take you on a journey from fasting to feasting, from vegetable and fruit juice therapy to herbal healing. Rectify the deficiencies, improve digestion, plough the kilos or put them on and bring back the glow.

6. Counseling : Thoughts manifest the life you have. Change in attitude, language, beliefs change mountains to molehills. Positive and constructive thoughts help to move away from disease, build healthy and long lives.

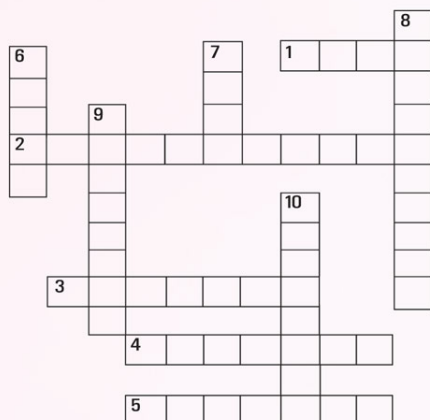
Grab the treasure of health and live life to its full.

RAWS says "Revive".



Brainstorming

ICAI Crossword



Across - 1. As per GMS, the tenure of the deposit for the customer will be 1 _____ and extensions can be made in multiples of it.

2. Process of sterilizing syringes and needles does not amount to _____.

3. In _____ the chances of committing errors are comparatively more than IDEA.

4. For taking benefit of _____ scheme, unregistered trader or person has to obtain registration first.

5. If a trader has not intimated additional place of business to the LBT authorities, he should do so and file _____ return and also apply for amnesty so as to avoid penalty.

Down - 6. In case of _____ sale there is no requirement to reverse credit on inputs as there is no removal from factory.

7. _____ is a specialised auditing software of CAATs.

8. Omission to take registration as input service distributor is only a _____ irregularity.

9. The GMS talks of exemptions from taxes, but, it is silent on the amount of _____.

10. IDEA provides ease of data _____.

Solution to Crossword May, 2015

Across - 2. Networking 4. Mind 6. Globally 8. NFRA

Down - 1. Audit 3. Emotion 5. Business 7. Freight

The clues for the crossword have been taken from the articles of the newsletter. Members successful in solving the crossword are required to mail their answers alongwith their names to nagpur@icai.org Name of winner will be published in the next news bulletin.



8 Days - 31st Batch of Certificate Course on Forensic Accounting & Fraud Detection inaugurated on 08-06-2015



Chief Guest - Mrs. Deepali Masikar (DCP)
EOW Crime Branch

Half Day Seminar on LBT on 20-06-2015



Chief Guest - Shri Milind Meshram
Asst. Commissioner LBT

Speaker - CA. Ashwini Agrawal
Past Chairman

Speaker - CA. Shailendra Jain

Exclusive Seminar on LLP on 27-06-2015



Inauguration of Seminar on LLP

Speaker - CA. Satish Shanbhag

Speaker - CA. Devendra Jain

Speaker - CA. Kailash Jogani

**Mudde ki Baat -
Black Money Bill on 13-06-2015**

Joint Program with VIA on 02-06-2015



Interactive Meet with Commissioner of TDS Shri Satish Goyal & Others

4 Days - DISA refresher Course from 13-06-2015 to 21-06-2015



Shri L.G. Bhute, Shri P. Narsikar

**Visit of Hon. CCM Nihar Jambusaria
on 11-06-15**



**Career Counselling program at
Chitnavis Centre on 13-06-2015 11-06-15**



International Yoga Day on 21-06-2015





2 Days - All Vidarbha Conclave on Professional Enrichment on 6th & 7th June 2015
Felicitation of Dignitaries



Shri S. K. Panda - Chief Commissioner Customs, Central Excise & Service Tax



Shri Ashish Chandan - Commissioner Customs, Central Excise & Service Tax



Shri Yogesh Agrawal - Addl. Commissioner Customs, Central Excise & Service Tax

Interactive Session with Officials on 07-06-2015



Shri S. K. Panda - Chief Commissioner Customs, Central Excise & Service Tax



Shri Ashish Chandan - Commissioner Customs, Central Excise & Service Tax



Shri Yogesh Agrawal - Addl. Commissioner Customs, Central Excise & Service Tax



Mr. Deshmukh, Superintendent, Central Excise

Day 2 Speakers



CA. J K Mittal, New Delhi



CA. S P Tulsian, Mumbai



CA. Gurunandan Savnal, Mumbai



Mr. Dasani, Superintendent, Central Excise

Inaugural Ceremony



Mohd. Lakkad Shah proposing vote of thanks during Inaugural of the Conclave



Special Moment with Dignitaries



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