



HYDERABAD BRANCH OF SIRC NEWSLETTER

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www.icaihyd.org

hyderabad@icai.org

- ☐ E TDS Returns, Legal & Procedural issues
- ☐ TDS on Payments to Non Residents
- ☐ FEMA Out Bound Investment Policy & Procedures
- ☐ Seminar on Non Profit Organisations

Institute of Chartered Accountants of India
(A statutory Body Established Under an Act of Parliament)

SEMINAR ON BANK AUDIT



Felicitation to President and Vice President of ICAI at Bank Audit Seminar



**Hyderabad Branch of SIRC of
The Institute of Chartered Accountants of India
Celebrating Golden Jubilee Year 2011-12**



Shri A.K.Basu, CCIT at Inauguration of Seminar on Union Budget 2011



Speaker CA M.R.Vikram - Seminar on Union Budget 2011



Speaker CA .R. Raghavan, Advocate - Seminar on Union Budget 2011



Speaker CA P.V.S.S. Prasad - Seminar on Union Budget 2011



Speaker CA . T.S. Ajai - Seminar on Union Budget 2011



Speaker Mr.CHAKRANARAYAN, ROC Speaker Mr. Nanda Kumar, AROC
CPE Seminar on Easy Exit Scheme, 2010



Dear Professional colleagues,

WISH YOU ALL a happy Telugu New Year. I thank the President CA G.Ramaswamy and Vice President CA Jaydeep Naredra Shah for accepting our invitation to be our Chief Guest and Guest of Honour for the Bank Audit Seminar after taking over charge of their office. I thank all the members for making the Budget and Bank Audit seminars a grand success.

By the time you receive this newsletter you may be planning for conducting the Bank Audits. In this context I feel it as my duty to remind you the remarks made by Our President CA G.Ramaswamy during the recent Bank Audit Seminar, that the RBI and Banks are stressing the need to improve the quality and give value addition to our services. RBI and Banks felt that the Statutory Branch Audit should be limited to selected Branches. At the same time the Apex Bank felt the requirement of Concurrent audit to be done by the Chartered Accountants. In this regard a working group was formed on representation from our Institute to finalise the scope of Concurrent audit in financial and non financial areas.

As Partners in Nation Building, let us discharge our duties diligently to maintain our morals high with true spirit of Chartered Accountancy. Needless to mention that it is also our social responsibility towards one and all. Banking Sector is the backbone of the Nation and because of the prudent and strong Banking Industry, we are insulated from prolonged economic recession that hit major parts of the World. As pointed out by our President, the reduction in Bank Branch Audit would be substituted by the Concurrent Audits.

I am happy to inform you that our Hyderabad Branch is entering into 50th year and we will be celebrating the Golden Jubilee Year celebrations during this year 2011-12. I am deeply honoured to be the 35th Chairman of this Branch in the Golden Jubilee Year coinciding my 50th Birthday. As our members are busy with the Bank Audit we are planning to conduct Golden Jubilee Year Celebrations in the month of August to get more participation of the members. I request all the members to give their ideas, suggestions, active support and participation in designing the program for the Golden Jubilee Year Celebrations and make the event a grand success. Members interested may give their names for volunteering the events of the Golden Jubilee Celebrations.

Your attention is drawn to our Hyderabad Branch Website www.icaityd.org wherein as a matter of policy we have started uploading the resource material/ Power Point Presentations that were made in the seminar by the resource persons immediately after completion of the seminar. Members are

requested to avail the facility.

I request all the Members who are interested to donate blood to the needy persons to give their details to the Branch through mail. Please note we are upgrading the website so as to enable you to feed all the above details by sitting in your office. I acknowledge my sincere thanks to the members who came forward to donate their blood in response to SMS given by Branch to the Member's Mother Heart surgery.

I urge all the Members to give their support, help in identifying and acquiring the land for the new Branch premises by using their good offices and contacts. I need your co-operation in raising the funds for the above good cause to meet the requirements of the members and student community at large.

As informed in the earlier newsletter, we have started crash courses for IPCC/PCC and Final in our Branch Premises for the coming exams under the initiatives of CA Murali Krishna Nagabhirava, Chairman-SICASA- Hyderabad Branch. The details of the classes were uploaded in our Hyderabad Branch website in students column. We would like to conduct the classes regularly. But the Premises became a constraint. I appeal to the members to help in getting premises or schools to expand the student activities. We would like to start CPT classes after availability of Premises. We also gave advertisement for the premises on lease in and around the areas of Red Hills, Hyderabad.

I once again request the members to send articles for newsletter, to come forward to give suggestions to improve the quality of services offered by the branch. I would appreciate the Members for their feed back. I invite the Members to advise on selecting the topics which should be useful to all the Members at large. I invite the participation of the members on the topics of professional interest and address the same to editor's desk before 25th of every month. This cutoff date is envisaged to see that the newsletter reach the members desk by 1st of the next month.

I strongly believe that health is wealth. Let us take care of our health and our family members health. With the help of the good health we can have a happy Professional and personal life. So, I urge the members to take care of their health. Please balance the personal life with professional life.

Wishing once again each one of you and your family members a happy Ugadi and Sreerama Navami.

Your's sincerely,

CA . Adusumilli Venkateswara Rao

Place : Hyderabad
Date : 31.03.2011

Chairman
chairman@icaityd.org

E TDS RETURNS, LEGAL & PROCEDURAL ISSUES

Day & Date	: Friday, 22nd April 2011	CPE CREDIT 3 HOURS
Time	: 5.00 p.m to 8.00 p.m	
Venue	: Parvataneni Brahmayya Memorial Hall, Branch Premises, Hyderabad	
Speaker	: CA Pankaj Trivedi, CA Sharad Sinha	
Delegate Fee	: ₹ 100/-	

SEMINAR ON NON PROFIT ORGANISATIONS

Day & Date	: Friday, 29th April, 2011	CPE CREDIT 6 HOURS
Time	: 9.30am to 5.30pm	
Venue	: K.L.N. Prasad Auditorium, FAPCCI Building, Red Hills, Hyderabad.	
Registration	: 9.00 a.m to 9.30 a.m	
Inauguration	: 9.30 a.m to 10.00 a.m	
Technical Session - I	: 10.00 a.m to 11.00 a.m	
Topic	: Mode of formation and the laws Governing NPOs	
Speaker	: CA E. Phalguna Kumar, Tirupati	
TEA BREAK	: 11.00 a.m to 11.15 a.m	
Technical Session - II	: 11.15a.m to 1.15p.m	
Topic	: Mode of formation and the laws Governing NPOs	
Speaker	: CA E. Phalguna Kumar, Tirupati	
LUNCH	: 1.15p.m to 2.00p.m	
Technical Session - III	: 2.00p.m. to 03.30p.m	
Topic	: Issues in Taxation of NPOs	
Speaker	: CA Gautam Nayak, Mumbai	
TEA BREAK	: 3.30p.m to 3.45p.m	
Technical Session - IV	: 3.45pm to 5.15p.m	
Topic	: Issues in Taxation of NPOs	
Speaker	: CA Gautam Nayak, Mumbai	
Delegate Fee	: ₹ 600/-	

TDS ON PAYMENTS TO NON RESIDENTS

Day & Date	: Saturday, 23rd April 2011	CPE CREDIT 2 HOURS
Time	: 5.30 p.m to 7.30 p.m	
Venue	: Parvataneni Brahmayya Memorial Hall, Branch Premises, Hyderabad	
Speaker	: CA Chandra Sekhar Gokhale	
Delegate Fee	: ₹ 100/-	

FEMA OUT BOUND INVESTMENT POLICY & PROCEDURES

Day & Date	: Monday, 25th April 2011	CPE CREDIT 2 HOURS
Time	: 5.30 p.m to 7.30 p.m	
Venue	: Parvataneni Brahmayya Memorial Hall, Branch Premises, Hyderabad	
Speaker	: CA D. Murali Krishna	
Delegate Fee	: ₹ 100/-	

Commencement of Registration for the Certificate Course on International Taxation - Hyderabad

Dear Members,

We are pleased to announce that the Committee on International Taxation of ICAI has decided to commence the next Batch of Certificate Course on International Taxation in Hyderabad tentatively from Saturday 30th April, 2011.

Relevant details are given on the website: www.icai.org

Eminent, Expert and Learned Speakers drawn from all over India will give value addition to this Certificate Course.

It may be noted that due to limitation of seats, the registration will be on 'first come first serve' basis.

Interested members are requested to kindly contact following for registration:

National Course Coordinator,
Certificate Course on International Taxation,
 1st Floor, A-29, Sector 62,
 Ph. No. 0120-3045923 Mobile No. 09310532063
 Noida - 201301 E-Mail: citax@icai.org
 Ph. No. 0120-3045923 Mobile No. 09310532063

FLASH NEWS

CAs can pay Service Tax on receipt basis as per circular No. 25-2011

Activities held in the Month of March 2011

Sl.No	Date of the Program	Name of the Program	CPEhrs
1	2/3/2011	Seminar on Union Budget 2011 Clause by Clause	6hrs
2	9/3/2011	Seminar on Easy Exit Scheme 2011	2hrs
4	10/3/2011	Cpe Teleconference on "Clause by Clause Analysis on Finance bill 2011"	2hrs
3	16/3/11	Seminar on Bank Audit	6hrs
4	18/3/2011	Seminar on Role of CA's - Liquidation	2hrs
5	19/3/11	Hands on Use of Excel in Bank Audit	2hrs
6	22/3/11	Hands on Use of Excel in Bank Audit	2hrs
7	22/3/11	CPE Teleconference on Service Tax	2hrs
8	24/3/11	Hands on Use of Excel in Bank Audit	2hrs
9	25/3/11	Use of Excel in Bank Audit	3hrs
10	29/3/11	CPE Teleconference on Bank Audit	2hrs
		Total	31 hrs

CPE hours requirements for various categories of members of the Institute for the Block period of 3 years (01-01-2011 to 31-12-2013)

- ❖ **All the members who are holding Certificate of Practice (except those members who are residing abroad), unless exempted, are required to:**
 - a) Complete at least 90 CPE credit hours in each rolling three-year period of which 60 CPE credit hours should be of structured learning.
 - b) Complete minimum 20 CPE credit hours of structured learning in each year.
- ❖ **All the members who are not holding Certificate of Practice or are residing abroad (whether holding Certificate of Practice or not), unless exempted, are required to:**
 - (a) Complete at least 45 CPE credit hours of structured/ unstructured learning in each rolling three-year period
 - (b) Complete minimum 10 CPE credit hours of structured/unstructured learning in each year.
- ❖ **All the members (above 60 years of age) who are holding Certificate of Practice, unless exempted, are required to:**
 - a) Complete at least 70 CPE credit hours (structured/ unstructured) in each rolling three-year period.
 - b) Complete minimum 10 CPE credit hours of structured/ unstructured in the first year i.e. 2011
 - c) Complete minimum 20 CPE credit hours of structured/ unstructured in the second and third year i.e. 2012 & 2013.
- ❖ **All the members (above 60 years of age) who are not holding Certificate of Practice are required to:**
 - a) Complete at least 35 CPE credit hours (structured/ unstructured) in each rolling three-year period.
 - b) Complete minimum 5 CPE credit hours of structured/ unstructured in the first year i.e. 2011
 - c) Complete minimum 10 CPE credit hours of structured/ unstructured in the second and third year i.e. 2012 & 2013.

CPE ADVISORY

8. Unstructured CPE Learning Activities

8.A Introduction

8.A.01 The CPE learning activities, which are eligible for CPE Credits are divided into Structured and Unstructured Learning Activities (ULAs). This Advisory is meant as guidance and direction to the members who want to avail CPE Credits through ULAs

8.A.02 As per the Statement on CPE, the indicative list of Unstructured CPE Learning Activities that are eligible for CPE Credit is as follows:

- Web-based learning modules (e-learning)
- *e-learning is "instructional content or learning experiences delivered or enabled by electronic technology". Electronic technology encompasses everything from Computer-Based Training (CBT), to compact disks (CDs), to Web-based applications."*
- Self-learning modules and courses (use of audiotapes, videotapes, correspondence courses, computer based learning programmes)
- Reading and individual home study
- Reading and Individual Home Study may constitute reading articles in the Journal, 'The Chartered Accountant' of the Institute, reading technical, professional, financial or business literature.
- Group or bilateral discussion on technical issues
- Acting as visiting faculty or guest faculty at the various Universities / Management Institutions / Institutions of National Importance
- Participation in CPE Teleconferencing Programmes without the supervision of the POU
- Providing solutions to questionnaires / puzzles available on Web / Professional Journals
- Internal Training Programmes being organised by firms of Chartered Accountants having seven or more partners

8.A.03 The Members would be required to fulfill the documentation requirements as mentioned in this advisory, to avail respective CPE Credits. The Members would also be required to maintain and retain proper records of ULAs undertaken by them, i.e. Type of unstructured activity, topic, date and the number of CPE hours requested by them.

8.A.04 The members are required to submit a Self-Declaration Form to the concerned Decentralized

Office once in a year to avail the CPE Hours Credit for the ULAs undergone by them.

8.B Basic Components of Unstructured Learning Activities (ULAs)

8.B.01 The members are advised to devote time to ULAs in continuity so as to maximize the benefits of learning activities.

8.B.02 The topics studied should be of relevance to the work profile of member/s and/or Chartered Accountancy Profession. The indicative list of topics is given in the CPE Calendar, which is announced by the CPE Committee every year.

8.B.03 The study material used for ULAs like Self-Learning Modules / Courses and Individual home study etc., should be of adequate standards and comprehensive in nature.

8.C Self-Declaration Form

8.C.01 The Self Declaration Form has to be completely filled in and signed by the members.

8.C.02 The Members are required to indicate the time devoted to the ULAs in the areas that are related or relevant to the profession, in the Self Declaration Form.

8.C.03 A blank Self-Declaration Form would be sent to the members along with the Membership Fee Circular. The same could also be downloaded by the members from the CPE Portal.

8.D Submission of Self-Declaration Form by the member

8.D.01 The members are required to submit their Self-declaration in the form enclosed as **Annexure-I**, once in a year before 31st May, to avail the CPE Hours Credit for the ULAs undergone by them in the previous year. These forms would have to be submitted to the concerned Decentralized Offices. The members could also submit the same to the Sub-Decentralized Offices for onward submission to the concerned Decentralized Offices.

8.E Monitoring and Recording of CPE Credit Hours of Unstructured Learning Activities (ULAs)

8.E.01 The Decentralized Offices of the Institute are entrusted with the task of monitoring and recording the CPE hours Credit for the ULAs. On the basis of Self Declaration submitted by the Members, the concerned Decentralized Offices would enter the CPE Hours Credit on the CPE Portal under the Head 'Unstructured Learning Activities (ULAs)'. The necessary provision for recording the CPE Hours for the ULAs has been provided on the CPE Portal.

(Contd...)



Annexure I
Self-Declaration Form to avail CPE Hours Credit for Unstructured Learning Activities
For the Calendar Year 2010

Name:

Membership No.:

Address:

Contact No.

E-mail id:

Details of Unstructured Learning Activities Undergone

Type of ULAs	Particulars	Details		
		Topic	Date	Requested CPE hours
Web-based	Web-based Learning modules			
Self-learning	Self-learning Modules and Courses (1) Audiotapes / video-tapes. (2) Correspondence courses. (3) Computer based learning programmes			
Home study	Reading and Individual Home Study			
Discussion on Technical Issues	Group or Bilateral Discussion on Technical Issues			
Acting as Faculty	Acting as visiting faculty or guest faculty at various Universities / Management Institutions / Institutions of National Importance			
Teleconferencing Programmes	Participation in CPE Teleconferencing Programmes without supervision of the POU			

(Contd...)



Questionnaires/ Journals	Providing solutions to questionnaires / puzzles available on Web / Professional Journals			
Internal Training Programmes	Internal Training Programmes being organised by firms of Chartered Accountants with seven or more partners			
Total CPE Hours requested				

Undertaking

I, _____, (name of the Member) hereby declare that I have undergone the unstructured learning activities as indicated by me in this form above.

I also confirm that the information given by me for claiming CPE credit hours for each unstructured activity is correct.

Place:

Signature of the Member

Date:

Note: Members may annex a separate sheet if the given format is not sufficient for filling in complete details. ■

SALES TAX COURT

Compiled by: **CA Satish Saraf**

Deferment of Proceedings:

Recording of reasons is a non-derogable obligation in exercise of any statutory power and any order bereft of reasons invites invalidation.

Johnson Lifts Private Limited V. State of Andhra Pradesh & Others (2010) 50 APSTJ 153 (APHC)

Cause of Action:

In tax matters, cause of action will arise for the party soon after the return is filed because after filing of return, the assessing authority may or may not accept the return.

G M Motors & Others V. State of Andhra Pradesh (2010) 150 APRTJ 47 (STAT, Hyd)

VAT Registration Certificate & Input Tax Credit:

On an assumption that the registration certificate issued by the authority under APVAT Act is cancelled and without making proper enquiries thereon, it cannot be concluded that the dealer has indulged in fraud by utilizing the cancelled Registration Certificate of VAT.

Input Tax Credit cannot be restricted on the assumption that the VAT Registration Certificate of the dealer is cancelled, though in fact, it is in existence.

Yellanki Rajesham V. State of Andhra Pradesh (2010) 150 APSTJ 149 (STAT, Hyd)

(Contd...)

Rectification of arithmetical mistake:

Rule 14(1) of the CST (AP) Rules, 1957 enables an assessing authority to rectify any arithmetical mistakes apparent from the record within a period of 4 years from the date of the order passed by him. The said rule does not empower the assessing authority to pass revised assessment order under the guise of rectifying the mistake. In the guise of questioning such rectification orders, the dealer cannot be permitted to canvass on the issues other than the arithmetical mistakes.

Krupp Industries V. State of Andhra Pradesh (2010) 150 APSTJ 142 (STAT, Hyd)

Principles of Natural Justice:

The Authority for clarification and Advance Ruling should

assign reasons in justification of its conclusions while giving the ruling. Principle of Natural Justice requires recording of reasons of the findings/conclusions recorded by the quasi judicial authority. Reasons are very much necessary to justify the conclusions. If such reasons are not given in any quasi judicial orders, it indicates non application of mind by such quasi judicial authority. Further when orders devoid of reasons are challenged before a higher forum, then the superior authority will not have the advantage to examine the correctness of the conclusions reached by the lower authorities.

Jyothirmayi Neem Products V. State of Andhra Pradesh (2010) 150 APSTJ 109 (STAT, Vizag). ■

IMPORTANT ANNOUNCEMENT

Dated 25th February, 2011

ATTENTION OF MEMBERS

Kind attention of Members is invited to the revised schedule of Membership and related fee **effective from 01st April, 2011** as given below: -

Particulars of Fees	Revised Fee (Rupees)
Membership Fee	
Entrance Fee	1200
Fellow Admission Fee	1800
Annual membership Fee	
Associate Fee	800
Fellow Fee	2200
Certificate of Practice Fee	2000
Restoration Fee	1200

Members who are senior citizens i.e. have attained the age of 65 years as on 1st April of the relevant year will be required to pay the fees at lower rates which is as under: -

Particular of Fees	Revised Fee (Rupees)
Annual membership Fee	
Associate Fee	600
Fellow Fee	1600
Certificate of Practice Fee	1500

Members are requested to remit fee for membership / Certificate of Practice / Fellow membership at the prescribed amount as applicable to them.

Sd/ -
(T. Karthikeyan)
Secretary

Members can pay their fee on line by clicking online payments link on the homepage of www.icai.org



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for professionals

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financial solutions for your
profession and business needs.

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Enquire now!**

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- ActiveMoney (2-way Sweep)
- E - Tax Payment Facility
- Bill Pay
- Credit Access (Overdraft Facility)

**For details contact
Praveen Gangula @ 09966239814**

Conditions apply.

Kotak Mahindra Bank Ltd.



CA.G. Ramaswamy, President-ICAI
Seminar on Bank Branch Audit



CA.Jaydeep Narendra Shah, Vice-President-ICAI
Seminar on Bank Branch Audit



Speaker **CA. Atul C Bheda**
Seminar on Bank Branch Audit



Speaker **CA Vipul Choksi** Speaker **CA Dr. Mitil Chokshi**
Seminar on Bank Branch Audit



Speaker **Sri D.Vijaya Bhaskar, OL**
Role of CA's - Liquidation



Speaker **CA. D.Premnath**
Use of Excel in Bank Audit

CPE HOURS OF PROGRAMME CONDUCTED BY THE HYDERABAD BRANCH :

[illegible]



First Batch of Certificate of Valuation course held at Hyderabad

Second Batch of Certificate of Valuation course starts at COE, Hyderabad in May 2011. Course Fee ₹ 20,000/-



64th GMCS Batch

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The views expressed by contributors in this Newsletter do not necessarily reflect the opinion of the Branch or the Institute

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