Electronic filing of service tax return made mandatory for all assessees with effect from 01-10-2011.

The relevant notification given below :

NOTIFICATION NO 43/2011 ST., Dated : August 25, 2011

G.S.R. 642 (E).- In exercise of the powers conferred by sub-section (1) read with sub-section (2) of section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the Service Tax Rules, 1994, namely :

1. (1) These rules may be called the Service Tax (Fourth Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of October, 2011.2.
2. In the Service Tax Rules, 1994, in rule 7, —
(a) in sub-rule (2), the proviso shall be omitted;
(b) after sub-rule (2) as so amended, the following sub-rule shall be inserted, namely :-
(3) Every assessee shall submit the half-yearly return electronically
F. No. 137/99/2011 Service Tax

(Deepankar Aron)
Director (Service Tax)

Note.- The principal rules were notified vide notification No. 2/1994 Service Tax dated the 28th June 1994, published in the Gazette of India, Extraordinary, Part II, section 3, Sub-section (i), vide number G.S.R. 546(E), dated the 28th June, 1994 and were last amended by notification No. 35/2011 - Service Tax, dated the 25th April, 2011, vide number G.S.R. 343 (E), dated the 25th April, 2011.

You said it, we did it !!!

Dear Sir,

Recently our Institute had given awards to various corporate business houses for excellence in cost management. This is very positive step in recognizing importance of cost management in the companies.

However, our students and members are may not be aware of the cost management practices implemented by these award winner companies due to which they won this prestigious award.

I request you to check the feasibility of discussing such award winning cost management practices implemented by these companies in our journal "The Management Accountant" to help members and students to update their knowledge, gain ideas for cost management and also help them replicate such good practices in their organisations.

I think this will also help members and students

To do value addition to the company they are working.

To earn and establish reputation for brand CMA

To recognize distinctive space for CMA in corporate culture

Thanking you in advance for your kind consideration of this suggestion

Regards

CMA Prashant Dahivalkar

M : 28526

Dear Member,

We thank you for providing your valuable inputs. We look forward to receiving more of such inputs from our dear members.

Editor - 'The Management Accountant'

Best Cost Management Practices Adopted

Our esteemed readers are perhaps aware that "ICWAI 8th National award for Excellence in Cost Management – 2010" was organized at Vigyan Bhawan, New Delhi on 18th July 2011 to recognize the qualitative cost management practices adopted by the industry. The award has successfully propagated the potentials of the tools and techniques of cost and management accountancy in the challenging global economic environment which is fiercely competitive and ever changing.

ICWAI 8th National Awards for Excellence in Cost Management 2010
(Awards Recipients)

Category I :	**Private-Manufacturing : Organisation (Large)** 1. LG Electronics India Pvt. Ltd. 2 HV Axles Limited 3 Amara Raja Batteries Ltd.	 First Second Third
Category II :	**Private-Manufacturing : Organisation (Medium)** 4 WABCO - TVS (India) Ltd. 5 PME Power Solutions (India) Ltd.	 First Second
Category III :	**Private-Manufacturing : Units (Large)** 6 Shree Cement Ltd. Unit : Beawar	 First
Category IV :	**Private-Manufacturing : Units (Medium)** 7 Greaves Cotton Limited, Light Engines Unit-II	 First
Category V :	**Private-Manufacturing : (Small)** 8 Jenburkt Pharmaceuticals Ltd	 First
Category VI :	**Public Manufacturing : Organisation (Large)** 9 National Fertilizers Limited 10 Steel Authority of India Ltd.	 First Second
Category VII :	**Public Manufacturing : Organisation (Medium)** 11 Gujarat Alkalies and Chemicals Ltd.	 First
Category VIII :	**Public-Manufacturing : Unit (Large)** 12 Bharat Heavy Electricals Limited, Unit : Tiruchirappalli 13 Oil and Natural Gas Corporation Limited, Unit : Ankleshwar 14 Bharat Heavy Electricals Limited Unit : Boiler Auxiliaries Plant, Ranipet	 First Second Third
Category IX :	**Public-Manufacturing : Unit (Medium)** 15 GAIL (India) Ltd, Unit : KG Basin, Rajahmundry 16 GAIL (India) Ltd, Unit : Vizag-Secundrabad 17 Bharat Heavy Electricals Limited, Unit : Jhansi	 First Second Third
Category X :	**Private-Service Sector (Large)** 18 ICICI Prudential Life Insurance Company Limited 19 BSES Yamuna Power Limited	 First Second
Caterogy XI :	**Private-Service Sector (Medium)** 20 Yamuna Power and Infrastructure Limited 21 B. E. Billimoria & Co. Limited	 First Second
Category XII :	**Public-Service Sector (Large)** 22 Engineers India Limited 23 Paschim Gujarat Vij Company Ltd.	 First Second
Category XIII :	**Public-Service Sector (Medium)** 24 RITES Limited 25 Transmission Corporation of Andhra Pradesh Limited	 First Second

In the category of Private – Manufacturing Organization (Large) **LG Electronics India Pvt. Ltd** bagged the first prize. LG practices a Cost Management system which challenges to achieve optimum cost structure and control. Some of the initiatives taken are briefly highlighted below:

- Budgetary Control System
- Cost Variance Analysis
- Inter Plant Cost Comparison
- Product wise and Model wise profitability monitoring
- Global Benchmarking
- Cost Innovation Drives
- Research & Development
- Costing Systems
- Global ERP (Networking all 80 subsidiaries of the LGE, Korea)

In the category of Public Manufacturing Organization, (Large) **National Fertilizers Ltd** bagged the first prize. NFL has been benchmarking its cost with that of designed norms of the plant and machinery previous best efficiencies achieved as well as cost standards as per the industry norms. NFL, has in place an elaborate Management Information System to monitor the performance of each manufacturing unit in terms of production, productivity and profitability which includes assessment of product wise profitability, claims outstanding with ageing, expenditure on Repairs & Maintenance of plant, cost sheets of various products with variance analysis as compared to budget. They have also identified the key areas of cost reduction and cost control where the thrust areas are energy consumption and conservation, capacity utilization and reduction in operating expenditure and optimizing the product mix to maximize profitability.

In the category of Private – Manufacturing Organization (Medium) **WABCO-TVS (India) Ltd** bagged the first prize. WABCO-TVS (India) Ltd follows cost management practices in their various departments like; Sales, Finance, IT & General Management. Cost centre planning is given due importance in the organization and the expenses are tracked to the cost centre level. For cost reduction, effective management of costs is being followed keeping the ultimate target of customer satisfaction. The company is enjoying a very high market share in the industry, adopting various cost reduction measure.

In the category of Public Manufacturing Organization (Medium) **Gujarat Alkalies and Chemicals Ltd** was awarded the first prize. Gujarat Alkalies and Chemicals Ltd., the largest producer of caustic soda in India has taken rigorous measures to improve the Cost Management and reporting processes to achieve the increased quality, accountability, audit ability, efficiency and ultimately, regulatory compliance and governance for better production, productivity and profitability. The organization believes that the increased scrutiny of the financial and cost records as a key internal control process, provides assurance over the internal controls to govern the entire gamut of Cost Management process. Harmonized system of maintenance of cost records maintains the authenticity with anti-dumping cost verification and audit process, as a valuable enabler to the company.

The details of cost management practices followed by other companies will be discussed in subsequent issues.

NOTIFICATION

The Examination Committee of the Council of ICWAI at its 278th meeting decided to open new examination center at (a) Nellore (Center code 229)

While selling the existing Examination Application forms the Chapters and Regions are requested to inform the students accordingly.

C Bose

Sr. Director-Examinations