E - Bulletin

November 2014 Issue

The Institute of Cost Accountants of India

(Statutory body under an Act of Parliament)

Southern India Regional Council

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SIRC

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA (erstwhile The Institute of Cost and Works Accountants of India) was first established in 1944 as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy.

On 28 May 1959, the Institute was established by a special Act of Parliament, namely, the Cost and Works Accountants Act 1959 as a statutory professional body for the regulation of the profession of cost and management accountancy.

It has since been continuously contributing to the growth of the industrial and economic climate of the country.

The Institute of Cost Accountants of India is the only recognised statutory professional organisation and licensing body in India specialising exclusively in Cost and Management Accountancy

MISSION STATEMENT

The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.

VISION STATEMENT

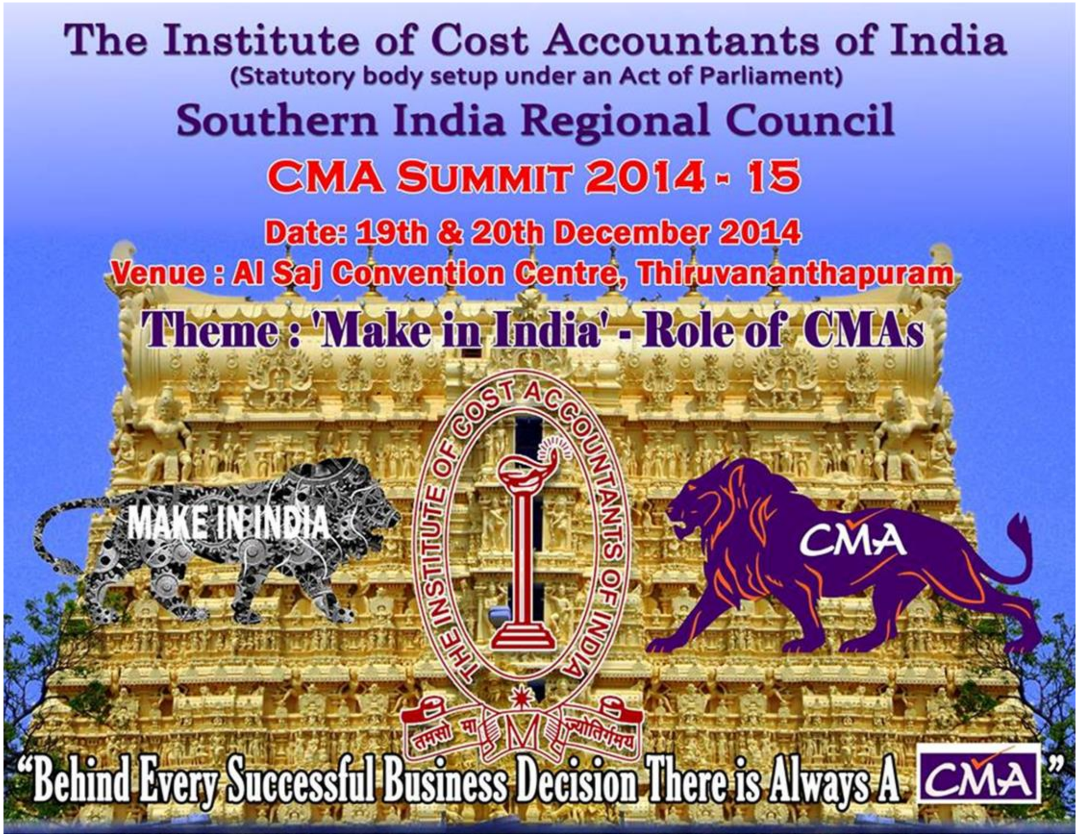
The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally

IDEALS THE INSTITUTE STANDS FOR

- to develop the Cost and Management Accountancy profession
- to develop the body of members and properly equip them for functions
- to ensure sound professional ethics
- to keep abreast of new developments

Behind every successful business decision, there is always a CMA

Inside



The Institute of Cost Accountants of India
(Statutory body setup under an Act of Parliament)
Southern India Regional Council
CMA SUMMIT 2014 - 15
Date: 19th & 20th December 2014
Venue : Al Saj Convention Centre, Thiruvananthapuram
Theme : 'Make in India' - Role of CMAs
MAKE IN INDIA
CMA
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
"Behind Every Successful Business Decision There is Always A CMA"

"Less Time More Work & Less Talk More Action" – HP

CMA H Padmanabhan

Chairman, ICAI-SIRC

Dear Members and Friends,

Good wishes and good health to you.

It gives us immense pleasure to bring before you the second edition of the E Bulletin with yet another eventful period full of professional and student related activities. This could happen only with your wishes, prayers and blessings.

Dear CMA Family Members, before we ponder further, let us have the privilege of informing you through this E Bulletin edition the conduct of the ICAI-SIRC Regional Cost Convention which we have named it as **"CMA SUMMIT 2014-15 with the Theme: Make in India-Role of CMAs".** The ICAI-SIRC CMA SUMMIT 2014-15 is scheduled to be conducted at Al Saj Convention Centre, Kazhakuttam, Trivandrum, Kerala on 19th and 20th December 2014.

WE WELCOME ONE AND ALL FOR THE ICAI-SIRC Annual Family Function and request you to be with us to show our strength and unity.

We are expecting for the CMA SUMMIT 2014-15 the august presence of our beloved Chief Minister of Government of Kerala, Ministers of Govt. of Kerala, MP, Additional Secretary-MCA, Advisor (Cost) Cost Audit Branch, Regional Director-MCA Southern Region. In Technical Sessions we will have the gracious presence of Chairmen, Rubber Board, Spices Board, Kerala State Electricity Board, Energy Management Centre Head, Officials' from ISRO/VSSC, CFO-Cochin International Airport Authority, Ayurveda Expert and Print-Media Expert to be chaired by eminent renowned professionals with an Expert panel discussion in the beginning of the CMA SUMMIT by President, ICAI, former President ICAI & SAFA and team.

We are happy to share with you the enormous activities that took place with your support and cooperation. We were able to implement the ICAI-SIRC ACTION PLAN 2014-15 for the benefit of the members and students.

We witnessed the conduct of the following MEGA EVENTS:

1. ICAI-SIRC Telugu Nadu CMA Students Convention organised by the Visakhapatnam Chapter and Ukkunagaram Chapter on 18th September 2014 involving the students fraternity of Andhra Pradesh at Visakhapatnam.

2. ICAI-SIRC Telugu Nadu CMA CONVENTION organised by the Visakhapatnam Chapter and Ukkunagaram Chapter on 19th and 20th of September 2014 at Visakhapatnam;

3. ICAI-SIRC Tamil Nadu COSMA Students Convention organised by the Coimbatore Chapter of Cost Accountants on 20th September 2014 involving the students fraternity of Tamil Nadu at Coimbatore;

4. ICAI-SIRC Kerala CMA Conclave for the membership along with a Seminar organised by Kottayam Chapter of Cost Accountants on 27th September 2014 at Kottayam;

5. ICAI-SIRC Kerala CMA Students Convention organised by the Cochin Chapter of Cost Accountants on 25th October 2014 involving students fraternity of Kerala at Cochin;

6. Joint Programs with ICSI including one day seminar at Chennai.

7. Professional Development Programs thrice in a week during the month of October 2014 too including programs at a place other than CMA Bhawan Egmore, that is in T Nagar to suit the logistics point of view of the members in those area;

8. ICAI-SIRC Tamil Nadu CMA Convention on 14th and 15th November 2014 at Chennai;

9. Investors Awareness Program as per the requirement of MCA;

We are pleased to place on record our sincere appreciation and thanks for the efforts put in by the TEAM ICAI-SIRC the Viskhapatnam, Ukkunagaram, Coimbatore, Kottayam and Cochin Chapters of Cost Accountants without which such successful and memorable activities could not have happened. Visakhapatnam Chapter of Cost Accountants along with Ukkunagaram Chapter of Cost Accountants which involved all the Chapters of ICAI-SIRC in Andhra Pradesh and Telangana needs special appreciation for the visibility, mileage and publicity they had given to the ICAI in visual and print media. Coimbatore Chapter of Cost Accountants excelled in their organising capacity and ensured involvement of Industrialists, top and eminent personalities in inaugural and valedictory function for the profession and students fraternity to benefit. They also ensured huge participation of students from all Chapters, Colleges and extension centres of the ICAI. Kottayam Chapter of Cost Accountants ensured the conduct of very useful Seminar followed by CMA Conclave giving due coverage in all print media in the State.

We are pleased to place on record here that the Cochin Chapter of Cost Accountants of ICAI-SIRC for their excellent execution of things in Students Fraternity Convention in a professional and effective manner. Cochin Chapter have been given the august responsibility of conducting the Grand Finale of the CMA Students Convention of Southern Region in Cochin in the month of February 2015. This is especially for the TEAM of CMAs in the committee and organising team of students who strived hard and proven their performance by their skill and ability of professional way of organising things.

The TEAM ICAI-SIRC could meanwhile comply with the time to time directions of ICAI HQ on all activities that were to be performed including that of Government of India directions, viz., Swachh Bharat Abhiyaan. The same was celebrated by all the Chapters under Southern Region.

We once again thank all the members, student fraternity, the ICAI HQ, the professionals who found time to associate and be with us for the successful conduct of various important professional activities of ICAI-SIRC.

We once again, WELCOME ONE AND ALL for the CMA SUMMIT 2014-15, with the Theme: MAKE IN INDIA – Role of CMAs to be held on 19th and 20th December 2014 at Trivandrum, Kerala. WE ARE EAGER TO MEET YOU ALL IN TRIVANDRUM in person to ensure the successful conduct of our CMA Family Function.

With affection and respect always,

Your CMA H Padmanabhan
Chairman, ICAI-SIRC

Please contact us for anything related to the profession
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pappaniob@gmail.com

ECONOMY UPDATES

CMA Dr. M. GOVINDARAJAN

Company Law

Notification No. GSR 772(E), dated 03.11.2014 – Amendment to Company Law Board (Fees on applications and petitions) Rules, 1991 – The Notification inserts in the Schedule after the item No. 33 the following entries:

34. Section 2(41) of the Companies Act, 2013 – Allowing any period other than April to March as financial year – Fees Rs.5,000/-;

35. Sections 58 and 59 of the Companies Act, 2013 – Rectification of Register of Members – Rs.500/-

36. Section 73(4) of the Companies Act, 2013 read with Section 76 – Directing the company to pay the sum due or for any loss or damage incurred as a result of such non payment – Rs.100/-;

37. Section 74(2) of the Companies Act, 2013 – Allow further time as considered reasonable to the company to repay the deposit – Rs.5,000/-

General Circular 42/2014, dated 12.11.2014 – Clarification relating to Companies (Cost Records and Audit) Rules, 2014 – The Ministry of Corporate Affairs clarified by that considering the delay in the availability of Form –CRA -2 on the MCA website, the last date of filing of the said has been extended to 31.01.2015 without any penalty. It is also clarified that it is not required to file Form CRA-2 for the financial year 2014-15 if the companies already filed Form 23-C.

Circular No. 43/2014, dated 13.11.2014 – Applicability of Chapter III of Companies Act, 2013 to FCCB and FCB – The Ministry of Corporate Affairs clarified that unless otherwise provided in **Issue of Foreign Currency Convertible Bonds and Ordinarv Shares (Through Depository Receipts Mechanism) Scheme, 1993 (Scheme)** or the directions/regulations issued by Reserve Bank of India, provisions of Chapter III of the Act shall not apply to an issue of a FCCB or FCB made exclusively to persons resident outside India in accordance with the above said regulations.

General Circular 44/2014, dated 14.11.2014 – The Ministry of Corporate Affairs has extended the Company Law Settlement Scheme, 2014 up to 31.12.2014.

Central Excise

Notification No. 21/2014-CE, dated 11.11.2014 – Seeks to exempt central excise duty on bunker fuels, namely IFO 180 CST falling under Chapter 27 of the Central Excise Tariff for use in Indian Flag vessels carrying Export-Import (EXIM) containers and empties.

Notification No. 22/2014, dated 12.11.2014 - According to this Notification basic excise duty on unbranded petrol will be Rs.2.70 a litre from Rs.1.20 per litre; on branded petrol the basic excise duty has been raised to Rs.3.85 a litre from Rs.2.35;

For unbranded diesel the basic excise duty will be Rs.2.96 a litre from Rs.1.46 and for branded diesel it has been raised to Rs.5.25 a litre from Rs.3.75.

Notification No. 23/2014, dated 21.11.2014 – Exemption for the Intensified Malaria Control Project Funded by Global Fund to fight AIDS, TB and Malaria – The Government grants exemption from the whole of the excise duty for the following drugs-

- Anti-Malarial Drugs –
  - Artemisinin based Combination Therapy(ACT) for adults and pediatric use (Artemether 20mg + Lumefantrine 120 mg co-formulated tablet);
  - Artesunate Injection Kit (Injectable Artemisinin Derivatives);
- Diagnostics and Medical Products-
  - Bivalent Rapid Diagnostic Test Kit (Pf and Pv specific);
  - Long Lasting Insecticidal Nets (LLIN)

Subject to the condition that the manufacturer shall produce at the time of clearance of the said goods, before the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise having jurisdiction, as the case may be, a certificate from an officer not below the rank of Deputy Secretary to the Government of India in the Ministry of Health and Family Welfare to the effect that the said goods are required for the Intensified Malaria Control Project (IMCP)-II under the National Vector Borne Disease Control Programme (NVBDCP), funded by Global Fund to fight AIDS, TB and Malaria (GFATM). This exemption is available up to 30.09.2015.

Circular No. 988/12/2014-CX, dated 20.10.2014 – Determination of Place of removal – It has been clarified that the place where sale has taken place or when the property in goods passes from the seller to the buyer is the relevant consideration to determine the place of removal

F. No. 206/05/2014-CX.6, dated 03.11.2014 - Splitting up of rebate claims to avoid pre-audit - Instances have been brought to the notice of the Board where the assesses have submitted rebateclaims by splitting up the amounts of rebate claims so as to keep each individual claim below Rs. 5 lakhs to avoid pre-audit.

2. Rebate sanctioning authorities may note that they may order pre-audit by clubbing such claims where such claims are artificially split and there is need for pre-audit. Such exercise of powers shall be discretionary and used more as an exception than rule.

Circular No.: 989/13/2014-CX.3, dated 07.11.2014 - Excisability of Odoriferous compound/agarbathi mix arising during the course of manufacture of agarbathi Attention is invited to Board's circular no. 495/61/99-CX.3 dated 22.11.1999 (issued from F. No.103/6/98-CX.3) regarding the above subject. It was clarified therein that 'Odoriferous Compound' is normally used in the manufacture of Agarbathis in a continuous manner. The formula of preparation of such compounds is kept a secret. Such odoriferous substances which are not capable of being bought and sold in the market in normal course of trade are not excisable products.

2. It has been reported that some manufacturers of such odoriferous compounds have claimed non-excisability on the ground that such compounds are a trade secret, not sold in the market and hence not excisable. This is despite the fact that such compounds have shelf life and are capable of being marketed as a distinct identifiable commodity.

3. It may be noted that Section 2(d) of the Central Excise Act, 1944 has been amended in 2008 to insert a deeming fiction regarding marketability. Specific cases have been detected, where intermediate masala mix has been found to be actually bought and sold. It is therefore clarified that Board's Circular No. 495/61/1999-CX.3 dated 22.11.1999 is applicable only to such intermediate compound or odoriferous compounds as are not capable of being bought and sold. In cases where on the basis of evidence it is established that such intermediate compounds are capable of being marketed, the same will be excisable, irrespective of whether the compound is actually marketed or not.

Circular No. 990/14/2014-CX(8), dated 19.11.2014 – Issues clarification regarding availment of CENVAT credit after 6 months - It has been clarified that the purpose of the amendment made by Notification No. 21/2014-CE (NT) dated 11.07.2014 is to ensure that after the issue of a document under sub-rule (1) of Rule 9, credit is taken for the first time within six months of the issue of the document. Once this conditionis met, the limitation has no further application. It is, therefore, clarified that in each of the three situations described above pertaining to Rule 4(7), Rule 3(5B) or Rule 4(5) (a) of CCR, 2004, the limitation of six months would apply when the credit is taken for the first time on an eligible document. It would not apply for taking re-credit of amount reversed, after meeting the conditions prescribed in these rules

Customs

Notification No. 32/2014-Customs, dated 21.11.2014 - Exemption for the Intensified Malaria Control Project Funded by Global Fund to fight AIDS, TB and Malaria – The Government grants exemption from the whole of the customs duty duty for the following drugs-

- Anti-Malarial Drugs –
  - Artemisinin based Combination Therapy(ACT) for adults and pediatric use (Artemether 20mg + Lumefantrine 120 mg co-formulated tablet);
  - Artesunate Injection Kit (Injectable Artemisinin Derivatives);
- Diagnostics and Medical Products-
  - Bivalent Rapid Diagnostic Test Kit (Pf and Pv specific);
  - Long Lasting Insecticidal Nets (LLIN)

Subject to the condition that the manufacturer shall produce at the time of clearance of the said goods, before the Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise having jurisdiction, as the case may be, a certificate from an officer not below the rank of Deputy Secretary to the Government of India in the Ministry of Health and Family Welfare to the effect that the said goods are required for the Intensified Malaria Control Project (IMCP)-II under the National Vector Borne Disease Control Programme (NVBDCP), funded by Global Fund to fight AIDS, TB and Malaria (GFATM). This exemption is available up to 30.09.2015.

Notification No. 44/2014- Customs (ADD), dated 21.11.2014 – Seeks to levy of anti dumping duty on imports of diclofenac sodium originating in or exported from Peoples Republic of China for a period of five years. The duty rate is fixed as 2715 US$ per metric ton.

Notification No. 45/2014-Customs (ADD), dated 21.11.2014 – Seeks to levy of anti dumping duty on imports of Digital Versatile Discs Recordable (DVD-R) and DVD-RW). Originating in or exported from Peoples Republic of China, Hong Kong and Chinese Taipei for a period of five years.

Notification No. 108/2014- Customs (NT), dated 14.11.2014 – Seeks to amend Notification No. 36/2001/Customs-NT, dated 03.08.2001. In the said Notification Table-1, Table – 2 and Table – 3 are substituted.

Notification No. 109/2014-Customs (NT), dated 17.11.2014 – Seeks to amend Rule 7(1) of Customs, Central Excise duties and Service Tax Drawback Rules, 1995. After amendment Rule 7(1) reads as –

Where, in respect of any goods, the manufacturer or exporter finds that the amount or rate of drawback determined under rule 3 or, as the case may be, revised under rule 4, for the class of goods is less than four-fifth of the duties or taxes paid on the materials or components or input services used in the production or manufacture of the said goods**,** [1]**he may, except where a claim for drawback under rule 3 or rule 4 has been made, within three months** from the date relevant for the applicability of the amount or rate of drawback in terms of sub-rule (3) of rule 5, make an application in writing to the Commissioner of Central Excise or the Commissioner of Customs and Central Excise having jurisdiction over the manufacturing unit, of the manufacturer or, of the supporting manufacturer, as the case may be, for determination of the amount or rate of drawback thereof stating all relevant facts including the proportion in which the materials or components or input services are used in the production or manufacture of goods and the duties or taxes paid on such materials or components or input services.

1. Being amended

Notification No. 110/2014-Customs (NT), dated 17.11.2014 – Notifying All India Rates (AIR) of duty draw back with effect from 22.11.2014.

Circular No. 10/2014-Customs, dated 17.10.2014 – It has been clarified that the technical grade/ material shall not be insisted upon with each imported consignment of formulation once such technical grade/ material has been supplied for the purpose of analysis and scrutiny prior to the registration. Further, each consignment of formulation which is imported should be verified and tested so that it matches with the technical grade material regarding specification and quality.

Circular No. 12/2014-Customs, dated 17.11.2014 – Discussed the procedure to be followed by all Custom Houses while valuation/Assessment practice in respect of export of iron ore.

Circular No. 11/2014-Customs, dated 14.11.2014 – discussed the method of calculation of safe guard duty leviable vide Notification No. 4/2012-Customs (SG), dated 05.10.2012 on import of carbon black under Advance Authorization scheme.

Income Tax

Notification No. 61/2014, dated 10.11.2014 – Income Tax (10th Amendment) Rules, 2014 – seeks to amend Rule 2C, 2CA, 11AA and Forms 56 and 56D.

Notification No. 63/2014, dated 13.11.2014 - The Central Government made amendments to the Bank Term Deposit Scheme, 2006 by which it enhances the term deposit limit from Rs. 1 lakh to Rs.1.5 lakhs.

Instruction No. Order No. 13/FT & TR/2014, dated 10.11.2014 - Constitution Dispute Resolution Panel at Chennai

The Central Board of Direct Taxes hereby constitutes the **Dispute Resolution Panel at Chennai** comprising of three Commissioners of Income Tax as Members of the said Panel with a Reserve Member in such Panel in accordance with Rule 3 (3) of the Income Tax (Dispute Resolution Panel) Rules, 2009 as under Members of Panel:

- **Commissioner of Income-tax-II, Chennai;**
- **Director of Income-tax (TP). Bangalore;**
- **,Commissioner of Income Tax (A)-II, Chennai**

Reserve Member of Panel

- **Commissioner of Income Tax-X, Channel**

The Members of DRP shall perform such duties in addition to their regular duties. This order will be effective from 11-11-2014

By:

CMA Dr. M. Govindarajan

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ICAI – SIRC PD & Other Activities for October 2014

2nd October, 2014

'Clean India Campaign (SWACHH BHARAT ABHIYAN)'

On 2nd October, 2014 ICAI – SIRC organised 'Clean India Campaign (Swachh Bharat Abhiyan)' as per the directive of Prime Minister of India Shri M. Narendra Modi. The Campaign was commenced at 9.00 a.m. at the premises of SIRC in which members, students and staff of SIRC took part and cleaned the premises. An oath was taken by all participants to ensure Clean India by involving them in such healthy programmes of Govt. of India.

4th October, 2014

PD Meeting on 'E-filing of Income Tax Returns for Salaried Class - Precautions to be taken'

A Professional Development on 'E-filing of Income Tax Returns for Salaried Class - Precautions to be taken' was organised on 4th October, 2014 by ICAI – SIRC at its premises. The Main Speaker was Shri P Balaji Rao, Chartered Accountant, Chennai. CMA Rajesh Sai Iyer introduced the speaker. The Speaker in his address elaborated the procedures to be adopted while filing Income Tax Returns through online. He also spoke on the need to submit the IT Forms well in time to avoid last hour rush, to maintain confidentiality of tax data when the process is done through agents, submission of ITR – V Form before the prescribed last date and to avoid mistakes while filling the forms. During the Interaction session, members' queries were replied by the speaker.

7th October, 2014

PD Programme on 'Joint Ventures'

ICAI – SIRC organised a Professional Development Programme on 'Joint Ventures' at its premises on 7th October, 2014. CMA H.Padmanabhan, Chairman, ICAI – SIRC delivered Presidential Address. CMA V.G. Selvaraja introduced the Main Speaker, Mrs Usha Balasubramanian, Chennai.

The Speaker in her address elaborated on the strategies to be followed for a successful 'Joint Venture' 'Advantages of Joint Ventures', 'Tax Aspects of Joint Ventures' 'Risks & Legal Implications involved in a Joint Venture' etc. She also highlighted the effective role that can be played by Cost and Management Accountant in making Joint Venture a successful one.

11-10-14

PD Meet on 'Stochastic Processes and Applications to Mathematical Finance'

ICAI – SIRC organised a Professional Development Meet on 11th October, 2014 at its premises on the topic 'Stochastic Processes and Applications to Mathematical Finance'. The Main Speaker Mr G. Somasundara Ori, Assistant Professor, Department of Mathematics, D G Vaishnav College, Chennai in his address defined the characteristics of Stochastic Processes and Applications to Mathematical Finance. He also explained on 'Statistics of Stochastic Processes', 'Basic Functional of the Risk Theory' and 'Advantages of Stochastic Process in Mathematical Finance'. Earlier, CMA M. Kesavamoorthy introduced the speaker.

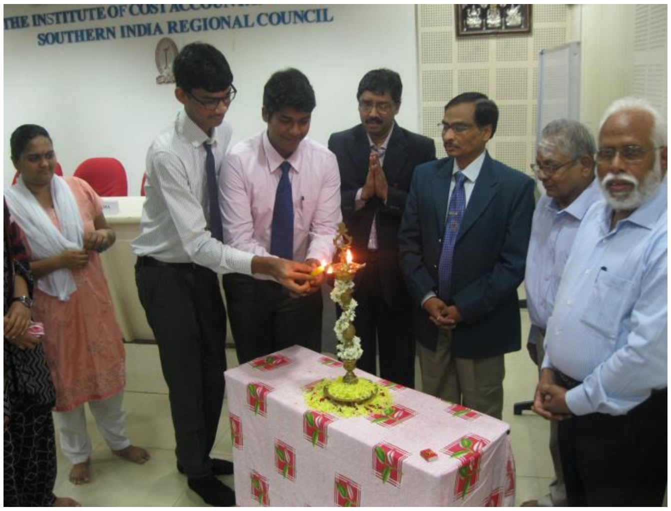
13-10-14

PD Meet on 'Employee Stock Options'

CMA Suresh Balakrishnan, Group Company Secretary and Head Legal & Compliance, CSS Corporation, Chennai was the main speaker for a Professional Development Meet organised by ICAI – SIRC at T. Nagar, Chennai on 13th October, 2014. CMA Prof. V.M.Ponniah introduced the speaker. The Speaker in his address elaborated on the 'Objectives and Features of 'Employee Stock Options', 'Valuation and Accounting Treatment for Employee Stock Options', and 'Legal Issues in Employee Stock Options' which were well received by the members attended the meet.

17^{th} and 18^{th} October, 2014

Campus Placement Programme

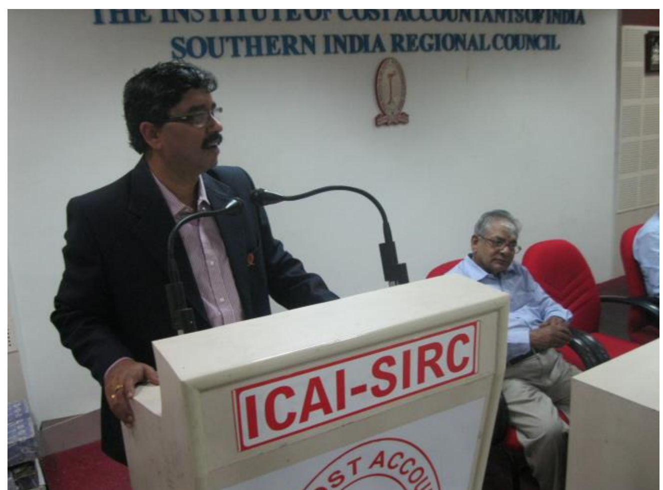


ICAI organised Campus Placement Programme for its Southern Region candidates who have passed CMA Final in June 2014 batch on 17^{th} and 18^{th} October, 2014 at Chennai. The Programme was held at the ICAI – SIRC Premises itself. The following Corporates participated in the programme and selected candidates to their requirement.

- Michelin India Private Ltd
- Schneider Electric
- Ford Global Business Services
- ITC Limited
- Wipro Technologies
- Tata Consultancy Services
- Sundaram Clayton
- Visteon Automotive Systems India Pvt Ltd.,
- Flipkart
- Lucas TVS
- Honey Well Technology Solutions

ICAI – SIRC this time in a unique way organised Orientation Programme for all candidates on 9^{th}, 10^{th} and 16^{th} October, 2014 respectively to equip the candidates with necessary inputs on 'Soft Skills', 'Interview Techniques', 'Group Discussions' and Personality Development in which faculty and professionals with expertise in costing, accounts, taxation, and HR handled the sessions.

Shri. J D Sharma, Officer Director, Indian Overseas Bank was the Chief Guest of the Campus Placement Program. In his inaugural address he shared valuable tips, personality effectiveness techniques in facing the interview. Corporates present for the Campus Placement presented their company profiles on 17^{th} October, 2014 and the main campus placement was conducted on 18^{th} October, 2014. M/s ITC Limited completed their interview process on 17^{th} October, 2014 itself while other corporates completed their entire process on 18^{th} October, 2014. CMA H Padmanabhan, Chairman, ICAI-SIRC addressed the participants and the role they can play to make the concept, idea and steps taken by the Government of India in Make in India Programme. He highlighted the Role of CMAs in ensuring compliance of the Make in India concept. He also thanked the Corporates for their active participation and evincing interest in choosing CMAs who can contribute to their requirements and be part of Make in India concept of Government of India.



25th October, 2014

PD Meet on 'Digital Enterprise'

ICAI – SIRC organised a PD Meet on 'Digital Enterprise' at its premises on 25th October, 2014. Shri T D Dhandapani, Group Chief Information Officer, TVS Motor Company Ltd, Chennai was the main speaker. CMA V. Srinivasan introduced the speaker. The speaker in his lucid presentation explained the members on how to develop a Digital Enterprise Capability Maturity Framework, toolset, benchmark database etc. and to facilitate organisational decision-making. He also briefed the role that can be played by Cost and Management Accountants in the Digital Enterprise Framework.

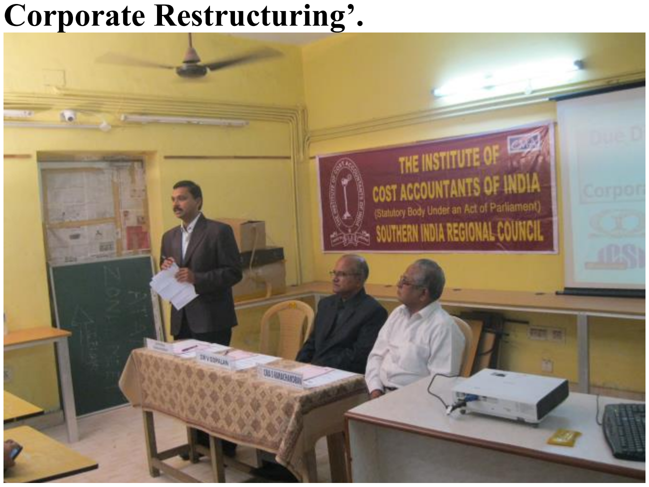
28th October, 2014

PD Meet on "Audit Analytics – How Analytics can transform an Audit"

ICAI – SIRC organised a Professional Development Programme on the topic 'Audit Analytics – How Analytics can transform an Audit' at its premises on 28th October, 2014. Shri Upendra Sai, Senior Manager, Advisory Services, Ernst & Young LLP, Chennai was the main speaker. CMA S. Nagarajan introduced the Speaker to the participants. In his address, he explained the participants how analytics can transform an audit with suitable examples and how the enterprises can gain significant long term benefit by using audit analytics & the key uses of Advanced Audit Analytics.

30th October, 2014

PD Meet jointly organised by ICAI – SIRC & ICSI – SIRC on 'Due Diligence Process in Corporate Restructuring'.



ICAI – SIRC organised a Joint PD Meeting with ICSI – SIRC on 30th October, 2014 at T. Nagar, Chennai. Dr V Gopalan, Management Consultant, Chennai was the main speaker and he addressed on the topic 'Due Diligence Process in Corporate Restructuring'. In his address he elaborated on the scope and the types of Due Diligence Process in Corporate Restructuring. He also briefed about the factors to be kept in mind while indulging in the due diligence process and the legal issues involved in it. While concluding, the speaker outlined the role that can be played by CMAs to restructure Corporates through due diligence process. Earlier, CS Dr. Baiju Ramachandran, Chairman, ICSI – SIRC welcomed the participants and introduced the main speaker.

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ICAI – SIRC COACHING & OTHER ACTIVITIES for October 2014

- On 5th October, 2014 ICAI – SIRC organised a Student Development Programme at its premises, in which CMA S. Natarajan addressed the students on the topic 'Management Accounting'.
- An Essay competition for students of schools and colleges in entire Southern States and Union Territory was conducted by the ICAI-SIRC as part of awareness program of the profession among the student fraternity. The chance was given to students of 7000 schools and colleges in Southern India. A very good number of students, more than 600 numbers participated in the same.
- HoD's meet at Tiruchirappalli and in Chennai were conducted as part of bringing in more awareness of the ICAI-CMA Course, with an idea to reach the un-reach.
- The ICAI-GoK-ASAP-CAT meetings were attended by the Chairman, ICAI-SIRC twice on Institute initiative to conduct the third batch of the GoK ASAP.
- Representing ICAI-SIRC, CMA J Murugesan, Chairman, Chapter Coordination Committee addressed two career counseling programs in and around Tiruchirappalli.
- CMA Dr. Mayil Murugan, Chairman, Students Facilities Committee, ICAI-SIRC addressed HoDs meet in Tiruchirappalli and Chennai. He also addressed the students fraternity in Madurai, Chennai and Tiruchirappalli.
- CMA Ch Venkateswaralu, Vice Chairman, ICAI-SIRC coordinated the activities of HCCA and visited Universities to promote CMA Profession among student fraternity.
- CMA K Sanyasi Rao, Treasurer, ICAI-SIRC was instrumental in arranging student specific program in Ukkunagaram and Visakhapatnam on CMA Target Success.

ICAI-SIRC SNAP SHOTS

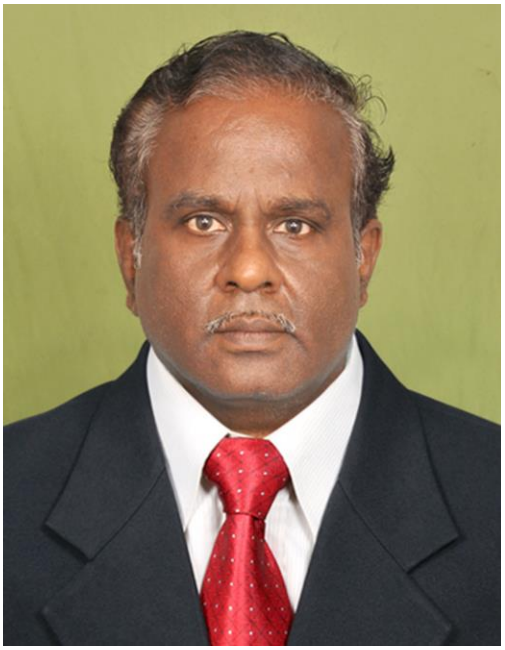
Tamil Nadu Students State Level Convention 'COSMA FEST - 2014' at Coimbatore

Telugu Nadu CMA Students Conclave at Viaskhapatnam

SWACH BHARAT ABHIYAAN ICAI - SIRC

KERALA CMA Students Convention at COCHIN

EXCISABILITY OF ALUMINIUM DROSS AND SKIMMING



CMA Dr. M. GOVINDARAJAN

Excisability of goods

Before 10.05.2008 the term 'goods' has been defined under Section 2(d) of the Central Excise Act, 1944 ('Act' for short) as goods specified in the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) as being subject to a duty of excise and includes salt.

Section 2(f) of the Act defines the term 'manufacture' which includes any process-

- incidental or ancillary to the completion of a manufactured product;
- which is specified in relation to any goods in the Section or Chapter notes of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) as amounting to manufacture; or
- which, in relation to the goods specified in Third Schedule involves packing or re-packing of such goods in a unit container or labeling or re-labeling of containers including the declaration or alteration of retail sale price on it or adoption of any other treatment on the goods to render the product marketable to the consumer, and

the word "manufacturer" shall be construed accordingly and shall include not only a person who employs hired labor in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account.

On combined reading of Section 2(d) and Section 2(f) of the Act for excisability the following two conditions are to be met:

- the goods shall be emerged from the activity of the manufacture;
- the goods so manufactured shall have the marketability.

Issue to be discussed

The issue to be discussed in this article is whether the Aluminium dross and skimming that emerged during the course of manufacturing as by product are liable for excise duty with reference to decided case laws.

Dross and skimmings are not manufactured goods and hence not liable to excise duty. The said view has been confirmed in the following decisions:

- Indian Aluminium Company Limited & another V. A.K. Bandyopadhyay & Others' – 1980 (6) ELT 146 affirmed by the Supreme Court in 1995 (77) ELT 268 (SC);
- Commissioner of Central Excise V. Indian Aluminium Company Limited' – 2006 (203) ELT 3 (SC);

- Indian Aluminium Company Limited and another V. Collector of Central Excise, Bangalore' – 1987 (31) ELT 158 affirmed by Supreme Court in 1999 (11) ELT A200 (SC);
- Commissioner of Central Excise, Patna V. Tata Iron & Steel Co. Limited' – 2004 (165) ELT 386 (SC);
- Indian Aluminium Company Limited V. Commissioner of Central Excise' – 2002 (53) RLT 219 affirmed by Kolkata High Court in 2012-TIOL-1081-HC-KOL;
- Shri Ram Agro Chemicals (P) Limited V. Union of India' – 2009 (234) ELT 218 (P&H).

Amendment in Section 2(d)

Section 2(d) of the Act was amended vide Finance Act, 2008. An explanation has been inserted to this section which reads as follows:

"Explanation.— For the purposes of this clause, "goods" includes any article, material or substance which is capable of being bought and sold for a consideration and such goods shall be deemed to be marketable."

Explanatory notes to clause 73 of Finance Bill, 2008 clarified that the explanation to Section 2(d) was inserted to overcome certain adverse judicial decisions with regard to marketability of waste products. This amendment made with effect from 10.05.2008.

Case law

In **'Hindalco Industries Limited V. Commissioner of Central Excise, Belapur, Mumbai – III' – 2014 (308) ELT 472 (Tri. LB)** the appellant is a manufacturer of aluminium sheets and coils falling under CETH 7607 11 90 of the Central Excise Tariff. The major raw material required for manufacture of aluminium sheets/coils is aluminium ingots. In the course of manufacture of aluminium sheets/coils, aluminium dross/skimmings emerge as by products. The appellants sell these by products on a regular basis.

The Department was of the view that aluminium dross and skimmings would merit classification under CETH 2620 40 10 of the Central Excise Tariff Act and is liable to duty accordingly for the period on or after 10.05.2008 and confirmed the duty demands. The matter was taken to Tribunal. In this regard there were two cases already by two benches of the Tribunal in a different way as noted below:

- In 'Bhushan Steel Limited V. Commissioner of Central Excise' – 2012 (284) ELT 713 (Tri. Mum) it was held that in respect of zinc dross which arose as a by product during galvanization of cold rolled coils held that zinc dross is not a manufactured product and therefore not liable to excise duty even after the amendment made to Section 2(d) with effect from 10.05.2008;
- In 'KEC International Limited V. Commissioner of Central Excise, Jaipur' – 2012 (283) ELT 428 (Tri. Del) held that as per Explanation to Section 2(d) zinc dross and ash are deemed to be marketable and even in the HSN Explanatory Notes, zinc dross is specifically mentioned as a tradable item and consequently it was held that zinc dross is an excisable product liable to excise duty.

In view of the conflicting decisions taken by two benches a reference was made the Larger Bench.

Before the Larger Bench the appellant submitted the following:

- Dross and skimmings are not manufactured goods and not liable to excise duty;
- The Explanation was inserted in Section 2(d) in order to clarify that the goods which can be bought and sold in the market are deemed to be marketable;

- The said goods are not marketable in law even though they are bought and sold;
- For goods to be excisable two conditions need to satisfied, that is, goods should be manufactured and they should be marketable;
- The explanation deals with only the marketability aspect and does not say that even non manufactured goods are deemed to be manufactured goods;
- The Allahabad High Court in 'Balrampur Chini Mills Limited V. Union of India' – 2014 (300) ELT 372 (All) has held that the explanation inserted with effect from 10.05.2008 does not deem non manufactured goods as manufactured goods and in the said order the CBE&C circular No. 904/24/2009-CD, dated 28.09.2009 which clarified that bagasse, aluminium dross and skimmings are liable to excise duty with effect from 10.5.2008 was quashed;
- In 'KEC International Limited' (supra) the Tribunal did not deal with Section 2(f) which defines 'manufacture' and other binding decisions in this regard.

The Department put forth the following submissions before the Larger Bench:

- The various decisions of the Supreme Court relied upon by the appellant were rendered much before 10.05.2008 and had no occasion to consider the effect of explanation and consequently the appellant's reliance on the said judgment is of no avail;
- In 'KEC International Limited' (Supra) the Tribunal considered the effect of the amendment to Section 2(d) and held that zinc dross and ash are marketable and liable to excise duty;
- When a product emerges as a by product in the course of manufacture of some other product, that by product cannot be treated as a waste just because it is an unintended product arising in the course of manufacture of intended final product;
- The by product would be waste only if it is of no value or negligible value, something which the manufacturer would want to get rid of;
- Aluminium dross and skimmings emerge as by products during the course of manufacture of aluminium sheets/coils from aluminium ingots;
- These dross and skippings have a substantial commercial value and cannot be treated as waste;
- These are capable of being bought and sold for a consideration and hence they are marketable;
- Thus aluminium dross and skippings satisfy the twin tests of manufacture and marketability.

The Tribunal considered the arguments of both sides. The Larger Bench held that nobody deliberately manufactures waste and scrap which emerge as a byproduct. Both the Central Excise and Customs Tariffs provide for separate headings/sub-headings in respect of waste and scrap of various materials such as plastics, rubber, paper, textile, iron and steel, non ferrous metals, glass and glassware, precious metals and so on. Therefore the tariff recognizes waste and scrap as a distinct and different commodity and seeks to impose a tax on waste and scrap either when it is traded or when it is manufactured by way of excise duty. The intent of the legislature is very clear. Therefore a specific entry created for the purpose of levy of duty cannot be merely wished away or brushed aside, by holding that waste and scrap are not manufactured goods. It is a settled principle in taxation that no part of the law should be interpreted in such a way so as to make it non effective or odious. In view of explanation to Section 2(d), the twin tests of manufacture and marketability are clearly satisfied in the case of dross and skimmings. In the factual and legal matrix discussed as above the Tribunal answered the reference made to them as – "Aluminium dross and skimmings and similar non ferrous metal dross and skimmings which arise as a by product in the process of manufacture of aluminium/non ferrous metal products are manufactured goods and hence excisable with effect from 10.5.2008 in view of the explanation added to Section 2(d) of Central Excise Act, 1944".

Thus it can be concluded that Aluminium dross and skimmings are liable to excise duty with effect from 10.05.2008.

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ICAI – SIRC PD & Other Activities for November 2014

5th November, 2014

PD Meet on 'Opportunities for Professionals in P.F. matters'

ICAI – SIRC organised a Professional Development Meet on 5th November, 2014 at its premises.

Shri K. Rajagopalan, Retd. Grade I PF Commissioner, Chennai was the main speaker. In his address he briefed the participants on the opportunities for CMA Professionals as 'Consultants' in the domain of 'Provident Fund' and 'Gratuity'. Earlier, CMA S. Natarajan introduced the speaker.

8th November, 2014

PD Meet on 'Professional Excellence'

A Professional Development Meet was organised by ICAI – SIRC on the topic 'Professional Excellence' on 8th November, 2014 at its premises. Dr S Selvam, National Professor of Eminence IIT, New Delhi was the main speaker. CMA Smt. S. Sai Sundari while introducing the speaker. The Speaker in his lucid address defined the methodology to be adopted for attaining 'Professional Excellence' with special reference to CMAs, which is the need of the hour. During the interaction session, the speaker clarified the queries raised by the participants very effectively which was well appreciated.

12th November, 2014

PD Meet on 'Taxation of Deemed Dividends & Gifts'

'Taxation of Deemed Dividends & Gifts' was the topic for the Professional Development Meet organised by ICAI – SIRC on 12th November, 2014 at its premises. Shri. K Sudarshan Consultant-Direct & International Tax, Chennai was the main speaker. In his address, the speaker touched upon the legal impact on taxation of Deemed Dividends and Gifts in the current scenario in the Income Tax Act. Earlier, CMA H.Padmanabhan, Chairman, ICAI – SIRC introduced the speaker to the participants and CMA S. Chandrasekaran proposed vote of thanks

14th & 15th November, 2014

Tamil Nadu CMA Convention - 2014

ICAI – SIRC organised a Two Day Tamil Nadu CMA Convention - 2014 titled 'Role of CMAs in Strategic Planning for Infrastructure Development in Tamil Nadu' on 14th and 15th November, 2014 at E Hotel, Express Avenue, Anna Salai, Chennai. The Convention was inaugurated by the Chief Guest Sridhar Parmarthi, Registrar of Companies, Chennai. The Chief Guest in his vivid address congratulated the Cost and Management Accountants for their contribution and dynamism and wished that the two day deliberations on the 'Infrastructure Development in Tamilnadu' will pave new way for development of infrastructure in Tamil Nadu. He also highlighted the need for savings and the awareness to be created in the minds of investors so that their investment will be safe and secure. He appreciated the Institute for supporting the various activities of the Ministry of Corporate Affairs. Earlier, CMA Dr. A. Mayil Murugan, Regional Council Member, SIRC welcomed the distinguished gathering. CMA S. Ramachandan, Chairman, Convention Committee presided over the TN CMA Convention and addressed.

CMA H. Padmanabhan, Chairman of ICAI – SIRC while unfolding the theme of the Convention, lauded the efforts of Tamil Nadu State Government in bringing out the Vision – 2023 Document to put Tamil Nadu in the forefront of industrial development. He highlighted the Cost and Management Accountants significant role can involve in this process and explained the reason for choosing this theme for the Tamil Nadu CMA Convention – 2014. He mentioned about the trend setting 'CMA Summit 2014' which will be held on 19th and 20th December, 2014 at Trivandrum, Kerala. The Theme of the Convention has been aptly chosen as 'Make in India – Role of CMAs'. Since 'MAKE IN INDIA' is the Mission Programme of the new government, he envisaged that Cost and Management Accountants can play a significant role in this domain.

He also envisaged the importance of Investment and the Government of India initiative to inculcate the habits of investments in the mindset of Rural India in particular and various avenues before an investor in Rural, Banking, Insurance, Capital Market, Real Estate, Asset acquiring in different forms and the encouragement given to Professional Bodies to carry out the implementation part of Government of India directives.

Dr. S. Balasubramanian, Chairman, City Union Bank in his address as 'Guest of Honour' spoke on the importance of Investment Awareness, the initiative by MCA and added that India by 2020 may touch 14% GDP which is already in the path way to economic liberation and soon will become a major force in the world thus competing with the advanced nations. He discussed about the need for reduction in the import and at the same time enhancing the export to a great extent so as to raise India as a vibrant nation.

Shri P.K. Ranganathan, Vice-President, Internal Audit, Ashok Leyland Ltd., Chennai rendered Key Note Address. In his address, he underscored the need for infrastructure development and said that the Cost and Management Accountants can play a vital role in this key sector through their strategic planning. CMA J. Murugesan, RCM, ICAI – SIRC proposed vote of thanks.

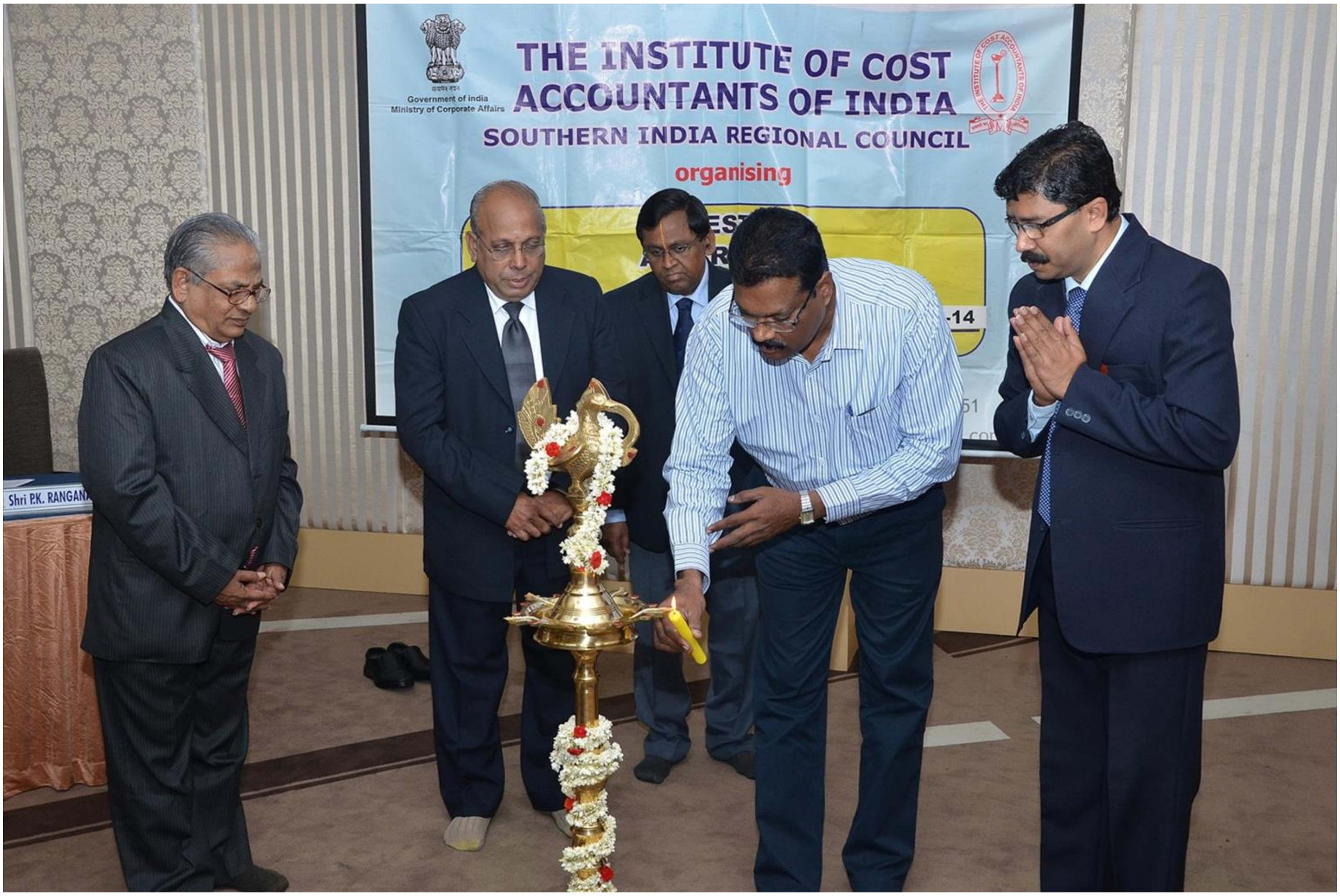
The Two Day Convention was divided into 5 Technical Sessions as detailed below:

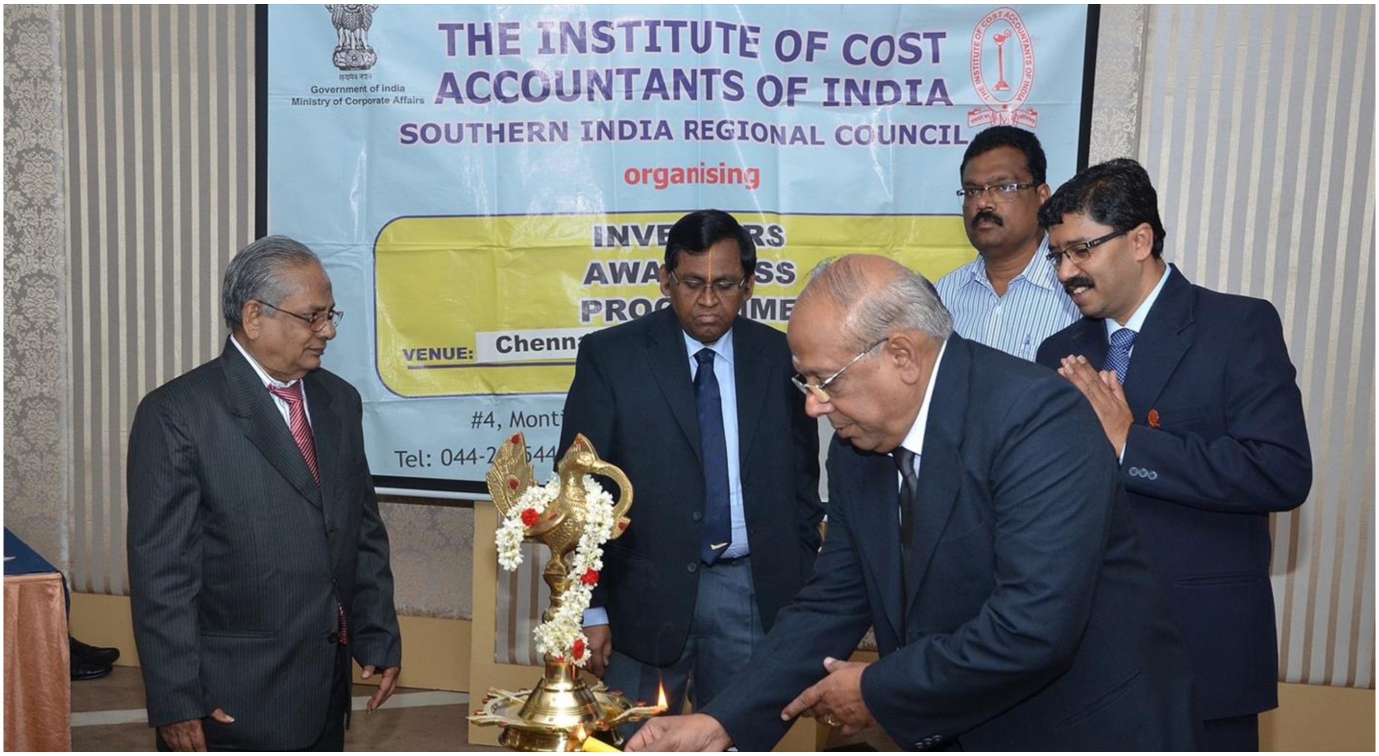
Date	Technical Session	Chairman	Speakers
14-11-14	Technical Session 1: Economic Prosperity & Inclusive Growth	CMA Dr. V. Gopalan, Director, Janhar Consultants, Chennai.	CMA Manivannan R Rajan, Cost Accountant, Chennai Shri Ramesh Subramanian Adjunct Faculty, IFMR, Chennai
	Technical Session 2: Health For All at Affordable Cost	CMA S. Bhargava, DGM – Costing, Apollo Hospitals, Chennai.	Dr. M. Satyajit, Dy. Director, Sundaram Medical Foundation, Chennai. Dr. A. Eugin P. Fernando Principal Apollo Institute of Hospital Management, Chennai
15-11-14	Technical Session 3: Knowledge Hub and Innovation Capital of India & Creating Conducive Environment for Human Development	Shri S. Subramanian Chairman (Consulting), Indian Institute of Materials Management, Chennai	CMA Dr. S. Sudharsanam Professor, DB Jain College, Chennai. Dr. B. Kothandaraman, Professor, Anna University, Chennai.
	Technical Session 4: Protecting Against Vulnerability & Improving the Quality of Institutions and Governance	Shri R. Poornalingam, I.A.S., (Retd.,) Chennai	CMA P. Venkatasubramanian Cost Accountant, Chennai Shri I. Ramachandran Chairman, Chennai Global Services, Chennai
	Technical Session 5: World Class Infrastructure & Healthy Investment Climate	CMA S.A. Murali Prasad, Director, SAM Consultancy Services, Chennai.	Shri V. Shenbagaraman Asst. Vice President M/s IL & FS Urban Infrastructure Managers Pvt Ltd., Chennai CMA R. Vasudevan Cost Accountant & MSME Consultant, Chennai

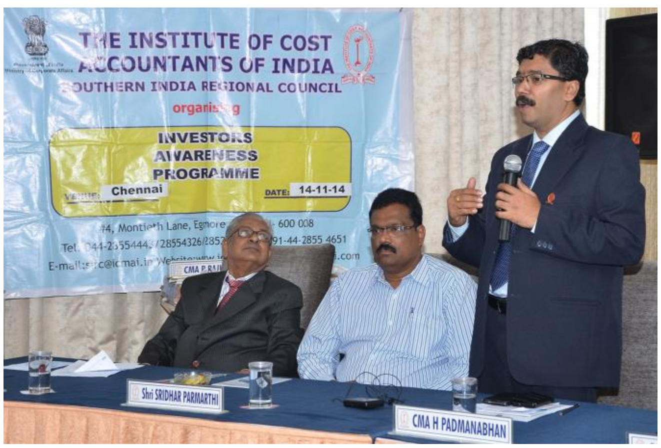
Valedictory Function of TN CMA Convention:
Shri K Suresh, President & CEO, India Cements Capital Ltd & Director – India Cements Inverstment Services Ltd was the Chief Guest while CMA M. Gopalakrishnan, Former President & Central Council Member, ICAI was the Guest of Honour. The Session was presided over by CMA Ch. Venkateswarlu, Advisor Convention Committee. The various technical sessions presented by the speakers in the form of CD was released by the Chief Guest and handed over to the CMA H Padmanabhan, Chairman, ICAI-SIRC.

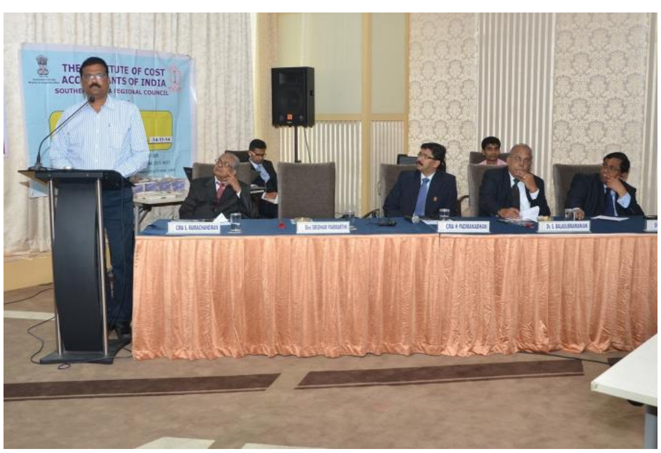
Earlier, the LOGO for the ensuing ICAI-SIRC Regional Cost Convention to be held on 19th and 20th December, 2014 was unveiled by CMA M. Gopalakrishnan, Former President ICAI.

TN CMA Convention - Snapshots




THE INSTITUTE OF COST
ACCOUNTANTS OF INDIA
SOUTHERN INDIA REGIONAL COUNCIL
organising
Government of India
Ministry of Corporate Affairs


INVESTORS
AWARENESS
PROGRAMME
Chennai
DATE: 14-11-14
Shri SRIDHAR PARMARTHI
CMA H PADMANABHAN

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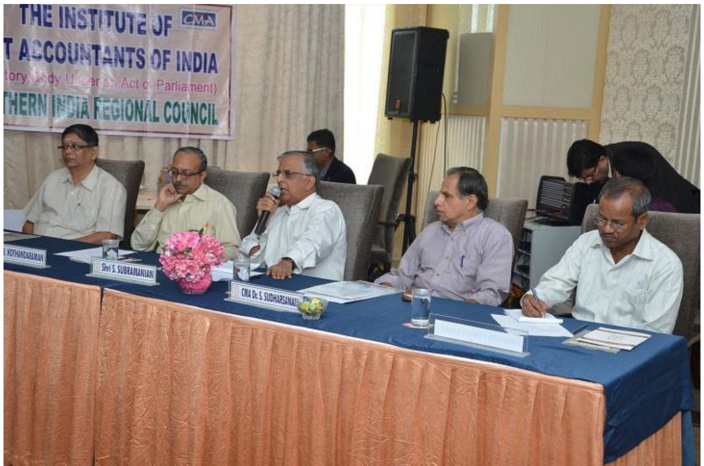
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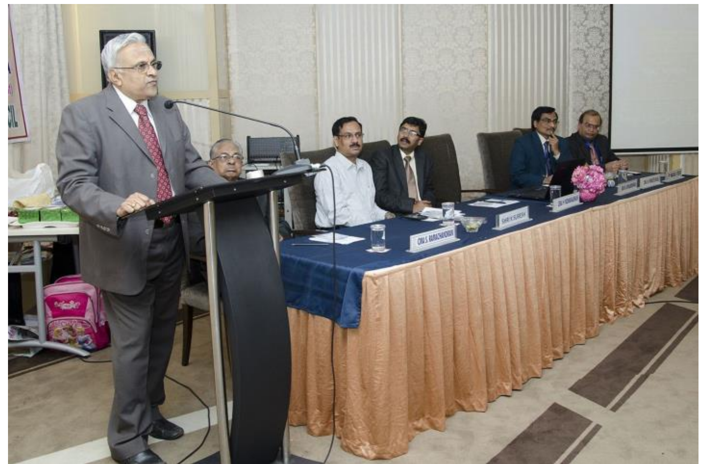

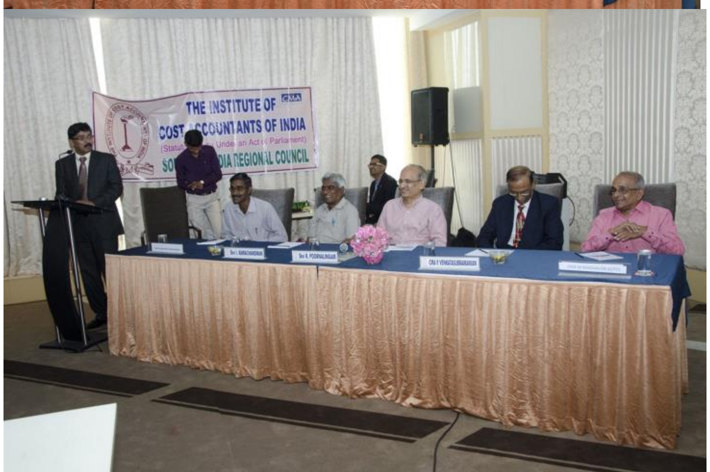
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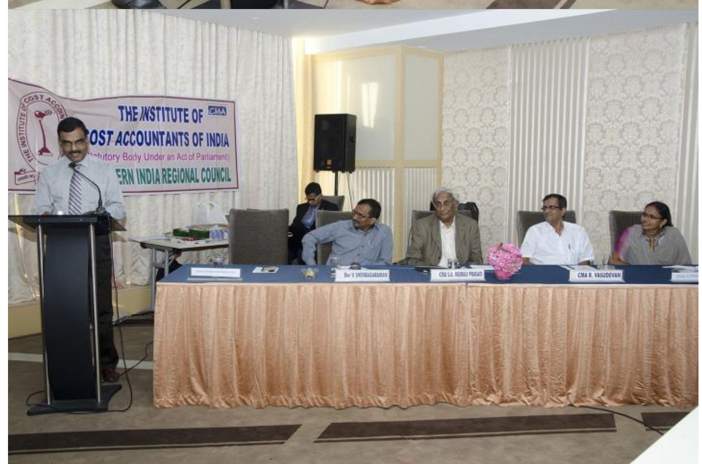
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CMA R. VASUDEVAN


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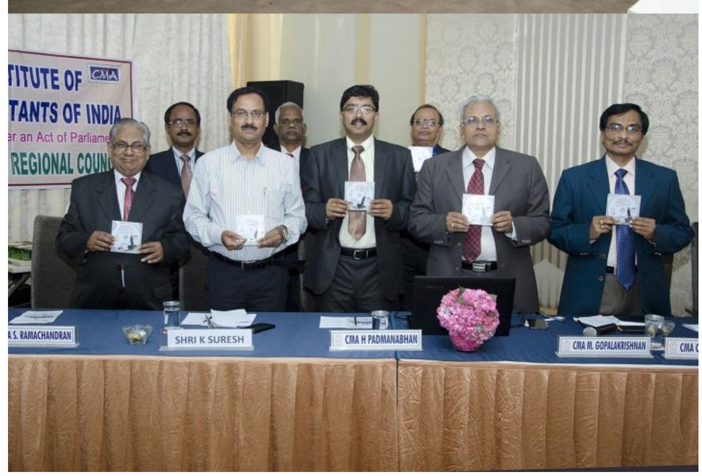
CMA S. BHARGAVA
Dr. M. SATYAJIT


CMA
SHRI K SURESH
CMA H PADMANABHAN
CMA M. GOPALAKRISHNAN


CMA H PADMANABHAN

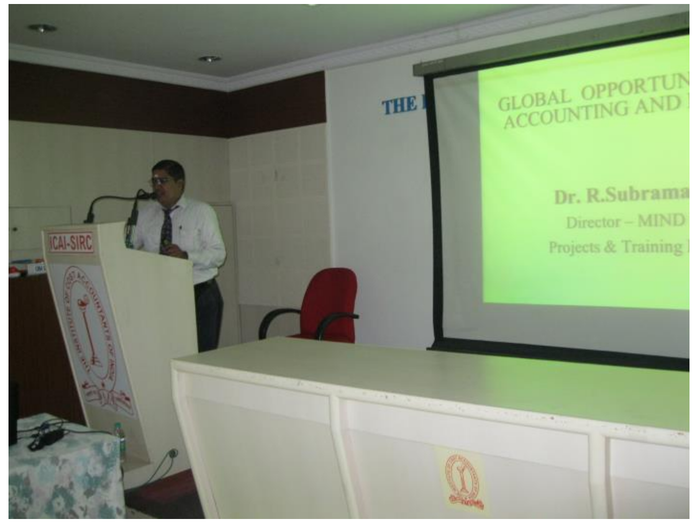
18th November, 2014

PD Meet on 'Independent Directors under Companies Act 2013 - A primer'

A Professional Development Meet on 'Independent Directors under Companies Act 2013 - A primer' was organised by ICAI – SIRC on 18th November, 2014 at T. Nagar, Chennai. The Main Speaker was Shri Jayanth Viswanathan, Company Secretary, CSS Corp, Chennai. CMA R. Srinivasan introduced the speaker to the audience. The speaker in his address briefed on 'Concept of appointing Independent Director', Code of Conduct, Functions and Duties of an Independent Director' under New Companies Act. He also outlined the role that can be played by a Cost & Management Accountant' as an 'Independent Director' in a reputed corporates. CMA Prof. V.M. Ponnaiah proposed vote of thanks.

22nd November 2014

PD Meet on 'Global Opportunities for Finance Professionals'



As part of Action Plan of ICAI-SIRC a PD Program was conducted at CMA Bhawan, ICAI-SIRC Egmore Chennai. Shri. R Subramanian, M Com, M Phil, MA, MBA, Phd CMA (USA), Director, MIND BIZ Projects & Training Pvt Ltd Chennai was the main speaker. He stressed the importance of financial professionals and their importance in Global Finance and related matters. The participant's interactive session was effective and experience sharing was the highlight of the program.

ICAI – SIRC COACHING & OTHER ACTIVITIES for November 2014

- ICAI-SIRC as per the Students Action Plan program with the support of service minded faculty members arranged special discussions and motivational programs at various places.

- CMA H Padmanabhan, Chairman, ICAI-SIRC attended as Guest of Honor in the meeting of GoK-ASAP along with ADB officials and discussed on Govt of India ASAP project and the role of ICAI-CMAs. It was also decided to conduct student specific competition for ICAI-CAT-GoK-ASAP students. It was also decided that the certificates for passed out students and competition winners be provided with Ever Rolling Trophy with ICAI-GoK-ASAP Emblem in it. The function will be on 20th December 2014 at Trivandrum with ICAI representatives, GoK officials and Ministers participation.

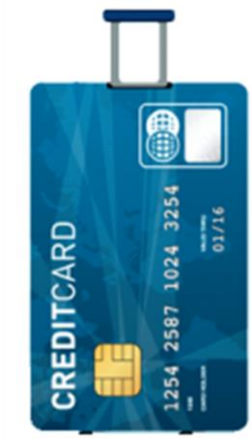
- The ICAI-CAT partners meet including all Chapters in Kerala was held at Cochin with the participation of CMA T C A Srinivasaprasad, Chairman, ICAI-CAT, CMA Gurumurthy, Director, ICAI-CAT and CMA H Padmanabhan, Chairman, ICAI-SIRC also the Chairman, ICAI-SBAT Kerala.

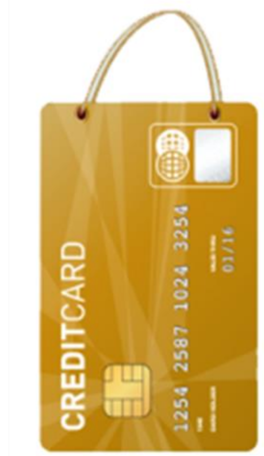
- The HoDs meet held at CMA Bhawan, ICAI-SIRC was inaugurated by former President, ICAI, CMA M Gopalakrishnan and chaired by CMA H Padmanabhan, Chairman, ICAI-SIRC. The meeting was attended by 20 college and University representatives which paved way for the introduction of CMA Support Center at all places. CMA Ch Venkatewaralu, Vice Chairman, CMA Dr. A Mayil Murugan, Chairman, Students Facilities Committee and CMA J Murugesan, RCM, ICAI-SIRC attended and addressed the gathering. The HoDs and Principal of Colleges spoke on the occasion and clarified their doubts.

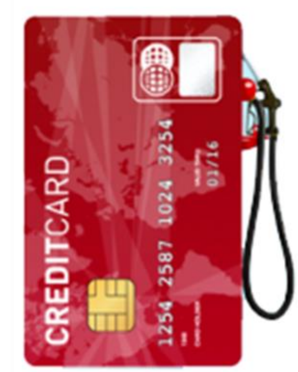
- ICAI-SIRC is arranging CMA Target Success program under the Mentor Incubation Group scheme devised as per the Action Plan 2014-15 for the students for the forthcoming examination in December. The Chairman, ICAI-SIRC and team thank the faculty members for sharing their concern, experience and efforts taken to associate with the ICAI-SIRC Students Development Programs.

- CMA Dr. A Mayil Murugan, RCM ICAI-SIRC visited and addressed the HoDs and Students in Mother Teresa University, Kodaikanal on 25th November 2014.

kNOw MORE PLASTIC MONEY





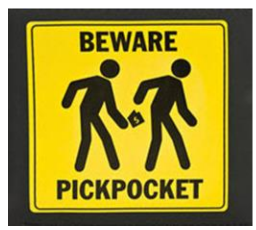


CMA Jagadish A D
Practising Cost Accountant
Thrissur

Normally we enter into a crowded market for shopping we can see several types of warning boards like Beware of pickpocketing or please take care of your personal belongings etc.. Likewise in online shopping and online payment and card payment (Credit Card/Debit Card) we need to take care of Such Frauds. They are :-

Phishing

Phishing is the attempt to acquire sensitive information such as usernames, passwords, and credit card details (and sometimes, indirectly, money) by masquerading as a trustworthy entity in an electronic communication. Communications purporting to be from popular social web sites, auction sites, banks, online payment processors or IT administrators are commonly used to lure unsuspecting public. These are emails sent by fraudsters pretending to be from your bank and asking you to log on to a website to enter your personal details. The consequences



are that your login details are stored and then used by criminals to access your account. Phishing emails may contain links to websites that are infected with malware. Phishing is a continual threat that keeps growing to this day. Phishing is typically carried out by email spoofing or instant messaging and it often directs users to enter details at a fake website whose look and feel are almost identical to the legitimate one.
The risk grows even larger in social media such as **Facebook, Twitter, Myspace** etc. Hackers commonly use these sites to attack persons using these media sites in their workplace, homes, or public in order to take personal and security information that can affect the user and the company (if in a workplace environment). Phishing is used to portray trust in the user since you can usually not tell that the site or program being visited/ used is not real, and when this occurs is when the hacker has the chance

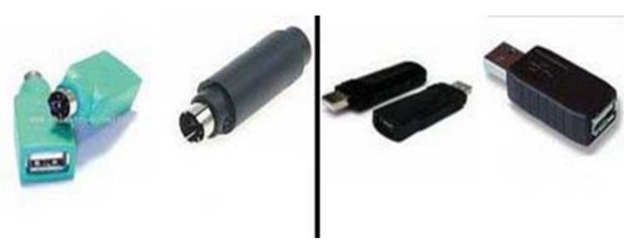
to access the personal information such as passwords, usernames, security codes, and credit card numbers among other things.

Email spoofing

Email spoofing is the creation of email messages with a forged sender address - something which is simple to do because the core protocols do no authentication. Spam and phishing emails typically use such spoofing to mislead the recipient about the origin of the message.

Keystroke logging

Keystroke logging, often referred to as keylogging or keyboard capturing, is the action of recording (or logging) the keys struck on a keyboard, typically in a covert manner so that the person using the keyboard is unaware that their actions are being monitored. There are numerous keylogging methods, ranging from hardware and software-based approaches to acoustic analysis. It is easy for fraudsters to hack your internet banking password by capturing your keystrokes on your keyboard. This is possible through couple of programmes called 'Spy Ware' and 'Trojan Programmes', which are primarily designed to capture these strokes.



Hardware Keylogging Devices

How do these software get installed?

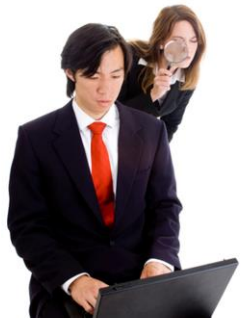
These software are often installed, mainly through downloads, in the computer system to capture confidential user data without your knowledge. Then this software reports the relevant information — in such cases internet banking passwords — to the creator of the software or to one or more third parties. Experts say these software often get downloaded by the victim's PC through some free downloads or MP3 or even movie downloads.

How does virtual keypad help?

Virtual keypad is an online application, which substitutes the actual physical keyboard with a mouse. When you click on the virtual keyboard option at the time of net banking, the monitor flashes a keyboard on your screen. You have to use the mouse to click on the relevant keys to sign into your net banking ID. Banks have come with what's called 'Virtual Keyboard' to protect your account or card information and password (IPINs) from such fraudsters' hands.

Shoulder surfing

In computer security, shoulder surfing refers to using direct observation techniques, such as looking over someone's shoulder, to get information. Shoulder surfing is using direct observation techniques, such as looking over someone's shoulder, to get information. Shoulder surfing is an effective way to get information in crowded places because it's relatively easy to stand next to someone and watch as they fill out a form, enter a PIN number at an ATM machine, or use a calling card at a public pay phone. Shoulder surfing can also be done long distance with the aid of binoculars or other vision-enhancing devices (Powerful Cameras). To prevent shoulder surfing, experts recommend that you shield paperwork or your keypad from view by using your body or cupping your hand.



Shoulder surfing

Card skimming

Card skimming is the illegal copying of information from the magnetic strip of a credit or ATM card. It is a more direct version of a phishing scam.

How Does Card Skimming Work? It involves swiping your debit or credit card through a card reader that has been illegitimately set up to record information from your card's magnetic stripe. Skimming devices are usually installed on machines like ATMs and handheld pinpads, but also come as standalone, portable versions that are small enough to fit inside your pocket.

The scammers try to steal your details so they can access your accounts. Once scammers have skimmed your card, they can create a fake or 'cloned' card with your details on it. The scammer is then able to run up charges on your account.

Skimming devices are readily available on the Internet from websites such as **eBay** for as little as **$50 (₹ 3000 approx)**. These devices are usually disguised under the name of a " card reader "

ATM Skimming

Pinpad Skimming

because they can also serve legitimate purposes.

Standalone Skimming Device

Skimming at restaurants and Petrol Stations also happens frequently, especially since customers often leave their credit card for the server to pick up, process, and return a few minutes later. In these cases, a portable card reader is perfect because it is small enough to fit in the server's pockets or apron.

Protect Yourself from Card Skimming

It is very difficult for victims to know how, when, and where their cards were skimmed. Your card's details may have been skimmed months or years prior to you discovering any fraudulent transactions on your statements. Although debit and credit card companies can often perform data mining to find which retail establishments multiple victims have commonly used their cards at, at that point, it is often too late for the victim.

Card skimming may be sophisticated, but there are still some basic things you can do to protect yourself:

- Cover your keypad. Always use your hand and body to cover your keypad when operating a handheld pinpad or a payment processing machine like an ATM — even when alone. This will prevent shoulder surfers and pinhole cameras from observing your PIN number.

- Watch your card. If you must hand your debit or credit card to an employee, don't take your eyes off of it. It only takes a second for your card to be swiped while you look the other way.

- Pay up front. When eating at restaurants, ask to pay at the terminal instead of giving your credit card to a server for processing.

- Avoid Usage in Foreign countries especially Thailand, China, Malaysia, Singapore etc…

- Review your statements. View your bank and card statements on a regular basis. Watch for suspicious charges.

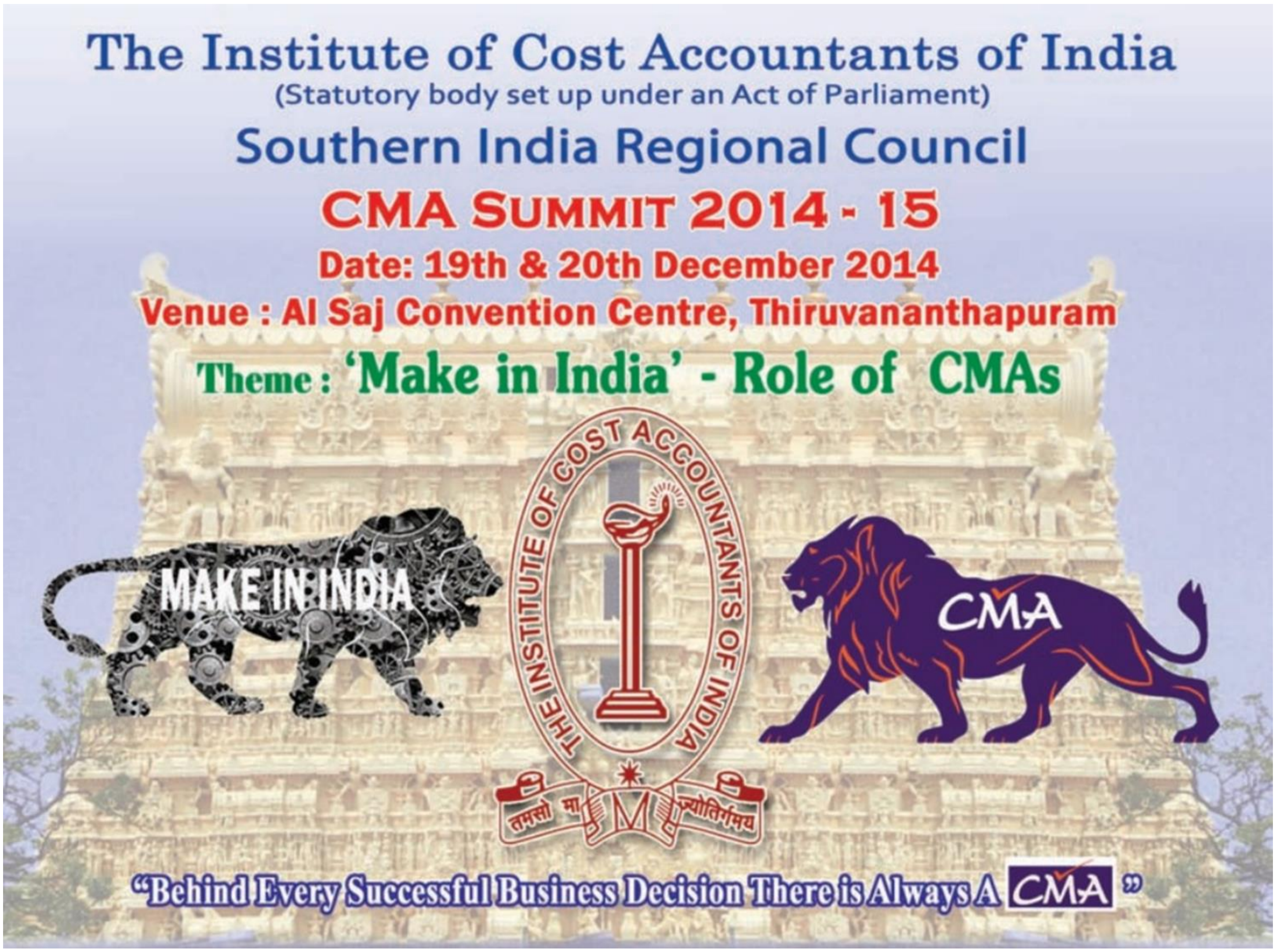
- Notify someone. If you spot a suspicious pinpad or payment processing machine, notify someone immediately. If you are using a bank's ATM notify the bank customer care. Otherwise, notify the local police.

By
CMA Jagadish A D
M.Com, MBA, MFT, MHRM, ACMA
jagathishmanavalan@gmail.com

ICAI-SIRC RCC 2014 'CMA SUMMIT' Brochure Launch

LOGO for ICAI-SIRC Regional Cost Convention to be held on 19th and 20th December, 2014

Cover Page



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Page - 1

Dear Brothers and Sisters,

We are pleased to reach you and your dear ones with good wishes and good health to you, requesting you to be part of our Family Function **CMA SUMMIT 2014-15** at Trivandrum-Thiruvananthapuram.

Trivandrum, now known as Thiruvananthapuram, literally translates into the "Abode of Lord Anantha Padmanabha" with Spiritual Heritage, Tourism, Service and Allied Activities. Thiruvananthapuram, The State Capital of Kerala, the State of Arts, GOD's OWN COUNTRY with delight and pleasure WELCOMES YOU to the Regional Cost Convention of The Institute of Cost Accountants of India, Southern India Regional Council to be held on **19th and 20th (Friday and Saturday) December 2014.** Together let us celebrate this Family Function making it an effective and memorable one.

The Theme of the Summit is - **'Make in India' - The Role of CMAs** - "The 'Make in India' campaign is a phenomenal initiative which leads India in a new direction by establishing a robust ecosystem for research and development growth. This initiative for manufacturing is accelerated by an increasing adoption of technology and increasing relevance of lean methodologies." Indian government is targeting investment in nearly two dozen sectors which are as diverse as automobiles, civil aviation, defence, railways, tourism, hospitality and wellness. Special emphasis is being given on FDI, manufacturing policy, industrial corridors and intellectual property rights. The initiative is one of the several steps which government has announced in order to improve ease of doing business in India and attract investments to boost manufacturing in the country.

The Institute of Cost Accountants of India pursues the vision of cost competitiveness, cost management, efficient use of resources and structured approach to cost accounting as the key drivers of the profession. In today's world, the profession of conventional accounting and auditing has taken a back seat and cost and management accountants increasingly contributing towards the management of scarce resources like funds, land and apply strategic decisions.

CMAs need to play a key role to make this "Make in India" into Reality. CMAs are competent to play in this movement as a strategy planner, a strategy creator, a strategy advisor, and a strategy implementer. This Summit brings an element of fresh thinking and ideas for taking the profession forward in the face of new opportunities and threats. We are sure that participation in this mega summit is certain to add definite value in achieving the goals set for ourselves and our Country.

Looking forward to your co-operation and active participation & wishing you a very prosperous & eventful New Year 2015.

With affection and good health to you,

CMA H. Padmanabhan
Chairman, Summit Team

Together LET US GO AHEAD

Page - 2

Key Takeaways

Panel Discussion on Professional Development :

The Panel comprising CMA Dr. A S Durgaprasad - President ICAI, Shri M.J. Joseph, Additional Secretary, MCA, Shri R Asokan - Advisor (Cost) - Cost Audit Branch, Shri J D Sharma, Officer Director, Indian Overseas Bank, CMA V. Kalyanaraman, Former President ICAI and SAFA, CMA Jugal Kishore Puri, Former President ICAI, Chief Advisor, Cost Govt. of India (Retd.) will emphasize the contents of Cost Records and Cost Audit Rules, 2014, Recommendations of Expert Committee to MCA, Presentation submitted to MCA and Cost Audit - Latest developments.

Technical Session : I - Roads/Railways/Ports/Aviation/Aero Space

India has the second largest road network in the world at 4.7 million km. This network transports more than 60 per cent of all goods in the country and 85 per cent of India's total passenger traffic. Road activity has gradually increased over the years with the improvement in connectivity between cities, towns and villages in the country.

Indian Railways is an Indian state owned enterprise operated by Government of India. It is one of the world's largest networks providing rail service at lowest tariffs to the public when compared to other modes in surface transport. Airline industry in India is one of the fastest growing aviation industries with tremendous cost competition and pricing issues in the world.

India has become a notable player in Launch Vehicle Technology with competitive pricing and high reliability. Mangalyan has been launched successfully with the budget less than a Hollywood movie. Induction of various Cost and Management techniques related to service sectors will not only enhance the efficiency and performance but also helps for the cost control/cost reduction in this sector.

Technical Session : II - Renewable Energy/Gas/Petroleum

India has a vast supply of renewable energy resources, and it has one of the largest programs in the world for deploying renewable energy products and systems environment. Costing techniques are directed towards ascertaining the cost of energy and environmental impact.

"Behind Every Successful Business Decision There is Always A CMA"

Page - 3

Technical Session : III - Agro/Food Processing/Leather/Textiles/Garments

Agro processing is a set of techno-economic activities, apply to all the produces, originating from agricultural farm and forests for their conservation, handling and value-addition to make them usable as food.

Indian Leather Industry has developed to a large extent and is the second largest producer next to China. The cost management techniques are expected to result in gains in terms of productivity, right-sizing of capacity, cost-cutting, and design-development.

In Textile and Clothing (T&C) Industry, there are lot of issues in textile sector like labour problems, power cuts, technological obsolescence, etc., Lean production systems can be better adopted in this sector for effective cost management.

Technical Session : IV - Energy Audit, Energy Savings in Regulatory Sector in Electricity, Coal, etc.

An energy audit vis-à-vis its role in Make in India is a preliminary activity towards instituting energy efficiency programs in an establishment.

Technical Session : V - Health Care, Hospitality, Tourism, Media & Entertainment

Costing for a health care clinical establishment is important from the point of view of pricing and understanding the surplus generated. Hence, costing for a clinical establishment is an absolute necessity for effectively managing costs and improving financial health.

The media and entertainment industry in India consists of many different segments under its folds such as television, print,animation and films. This sector has attracted huge investments involving tight project schedules with budgetary controls. CMAs can play a vital role in this sector.

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Page - 4

Day - 1 : 19th December, 2014 (Friday)

Morning Session	
08.30 am	Registration
09.30 am - 01.15 pm	Inauguration Panel Discussion on Professional Development
Afternoon Session	
02.00 pm - 05.00 pm	Technical Session - I - Roads / Railways / Ports / Aviation / Aero Space Technical Session - II - Renewable Energy / Gas / Petroleum
Evening Session	
06.00 - 08.00 pm	Cultural Programme followed by Dinner

Day - 2 : 20th December, 2014 (Saturday)

Morning Session	
10.00 am - 01.15 pm	Technical Session - III - Agro / Food Processing / Leather Textiles / Garments Technical Session - IV - Energy Audit / Energy Savings in Regulatory Sector in Electricity / Coal etc.,
Afternoon Session	
02.00 pm - 3.45 pm	Technical Session - V - Health Care / Hospitality / Tourism / Media / Entertainment
03.45 pm - 04.30 pm	Valedictory Session

CEP Credit : 6 Hours

DELEGATE FEE

Particulars	Fees (₹)
Corporate Delegates	3000
Members/Practicing Members	2000
Students	1000
Spouse	1500
Foreign Delegates	US $ 200

Must See Destinations

Sree Padmanabhaswamy Temple
Kovalam Beach
Ponmudi Hills

Traditional Art Forms of Kerala

Kathakali
Ottamthullal
Mohiniyattam
Pulikali
Chakyar koothu
Koodiyattam

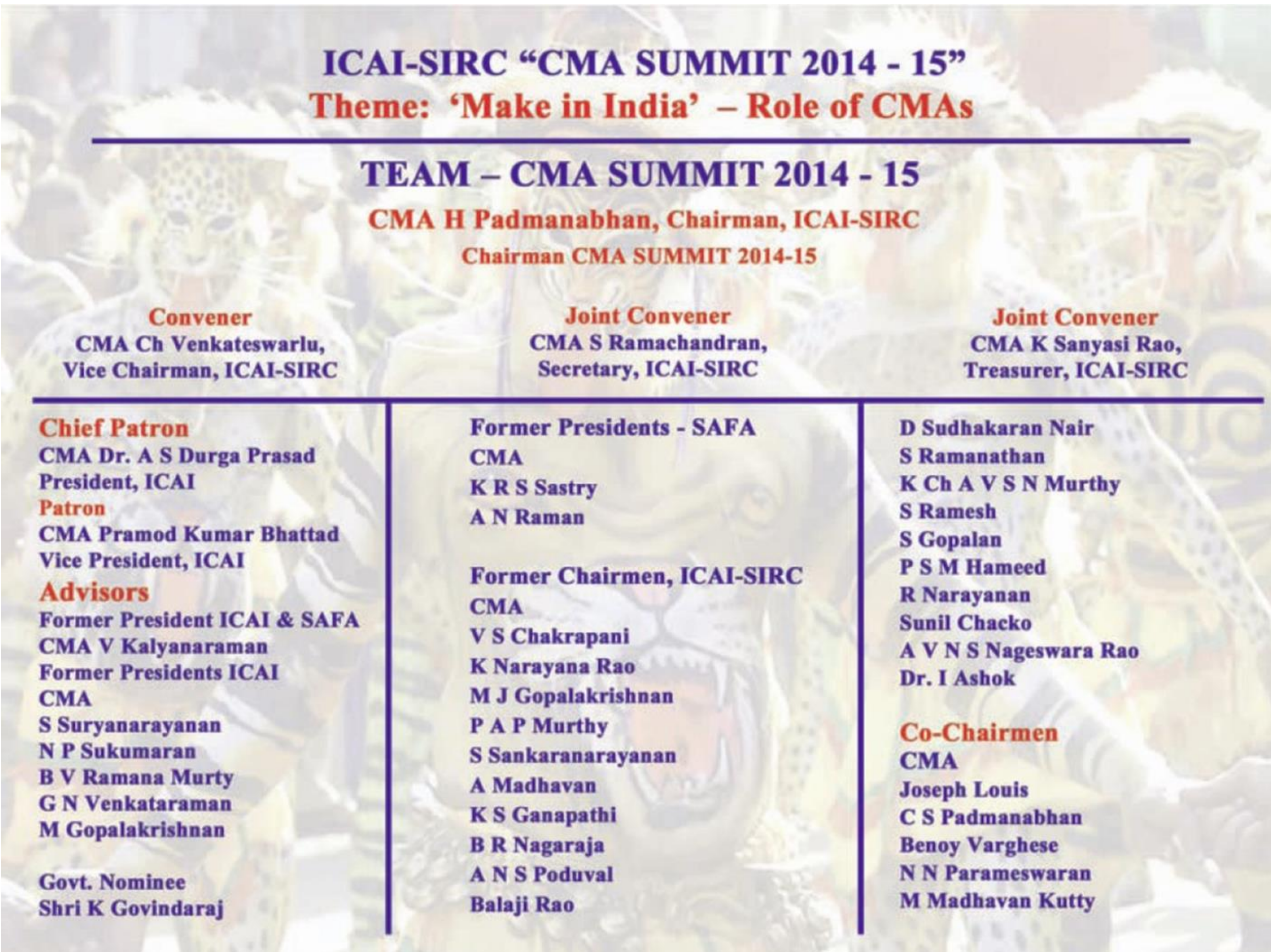
Contact Details

SOUTHERN INDIA REGIONAL COUNCIL
The Institute of Cost Accountants of India
CMA Bhawan, 4, Montieth Lane,
Egmore, Chennai - 600 008
Ph : 044-28554443,28554326, Fax : 91- 044- 28554651
Email:sirc@icmai.in, Website: http://sircoficmai.in

Trivandrum Chapter of Cost Accountants
CMA Bhawan, T.C. 31/677/00, VJ Lane
Vellayambalam,
Thiruvananthapuram, Pin - 695 010
Phone - 0471-2723579, 2724201
Email - trivandrum@icmai.in

Cheque / DD should be drawn in favour of : INSITITUTE OF COST ACCOUNTANTS OF INDIA - TRIVANDRUM.
Bank : Indian Overseas Bank, Branch : Sasthamangalam
Account No. : 26840 10000 00125 IFSC Code : IOBA 0002684

Page - 5



ICAI-SIRC "CMA SUMMIT 2014 - 15"

Theme: 'Make in India' – Role of CMAs

TEAM – CMA SUMMIT 2014 - 15

CMA H Padmanabhan, Chairman, ICAI-SIRC
Chairman CMA SUMMIT 2014-15

Convener
CMA Ch Venkateswarlu,
Vice Chairman, ICAI-SIRC

Joint Convener
CMA S Ramachandran,
Secretary, ICAI-SIRC

Joint Convener
CMA K Sanyasi Rao,
Treasurer, ICAI-SIRC

Chief Patron
CMA Dr. A S Durga Prasad
President, ICAI

Patron
CMA Pramod Kumar Bhattad
Vice President, ICAI

Advisors
Former President ICAI & SAFA
CMA V Kalyanaraman
Former Presidents ICAI
CMA
S Suryanarayanan
N P Sukumaran
B V Ramana Murty
G N Venkataraman
M Gopalakrishnan

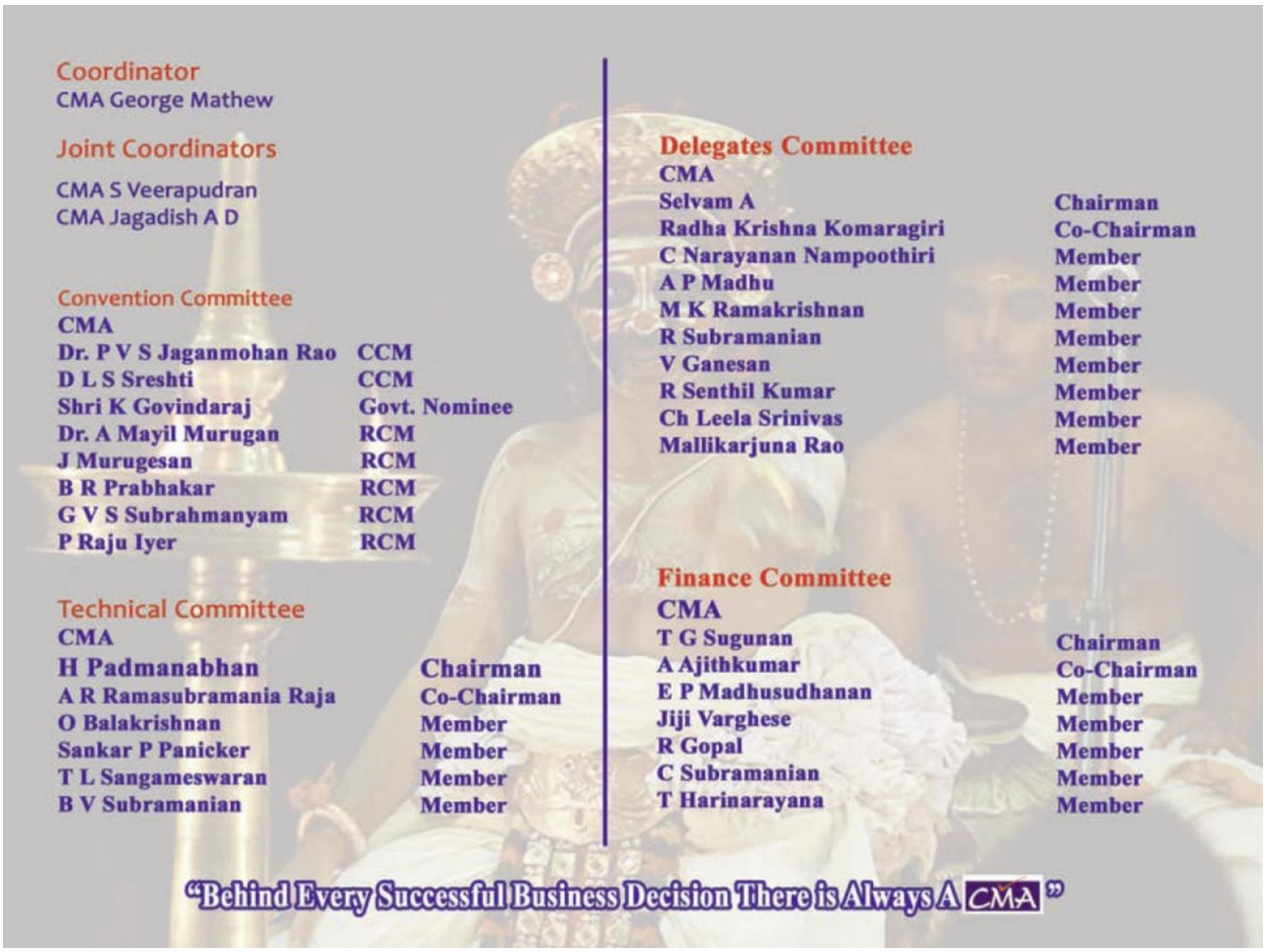
Govt. Nominee
Shri K Govindaraj

Former Presidents - SAFA
CMA
K R S Sastry
A N Raman

Former Chairmen, ICAI-SIRC
CMA
V S Chakrapani
K Narayana Rao
M J Gopalakrishnan
P A P Murthy
S Sankaranarayanan
A Madhavan
K S Ganapathi
B R Nagaraja
A N S Poduval
Balaji Rao
D Sudhakaran Nair
S Ramanathan
K Ch A V S N Murthy
S Ramesh
S Gopalan
P S M Hameed
R Narayanan
Sunil Chacko
A V N S Nageswara Rao
Dr. I Ashok

Co-Chairmen
CMA
Joseph Louis
C S Padmanabhan
Benoy Varghese
N N Parameswaran
M Madhavan Kutty

Page - 6



Coordinator
CMA George Mathew

Joint Coordinators
CMA S Veerapudran
CMA Jagadish A D

Convention Committee
CMA

Dr. P V S Jaganmohan Rao	CCM
D L S Sreshti	CCM
Shri K Govindaraj	Govt. Nominee
Dr. A Mayil Murugan	RCM
J Murugesan	RCM
B R Prabhakar	RCM
G V S Subrahmanyam	RCM
P Raju Iyer	RCM

Technical Committee
CMA

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A R Ramasubramania Raja	Co-Chairman
O Balakrishnan	Member
Sankar P Panicker	Member
T L Sangameswaran	Member
B V Subramanian	Member

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CMA

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Radha Krishna Komaragiri	Co-Chairman
C Narayanan Nampoothiri	Member
A P Madhu	Member
M K Ramakrishnan	Member
R Subramanian	Member
V Ganesan	Member
R Senthil Kumar	Member
Ch Leela Srinivas	Member
Mallikarjuna Rao	Member

Finance Committee
CMA

T G Sugunan	Chairman
A Ajithkumar	Co-Chairman
E P Madhusudhanan	Member
Jiji Varghese	Member
R Gopal	Member
C Subramanian	Member
T Harinarayana	Member

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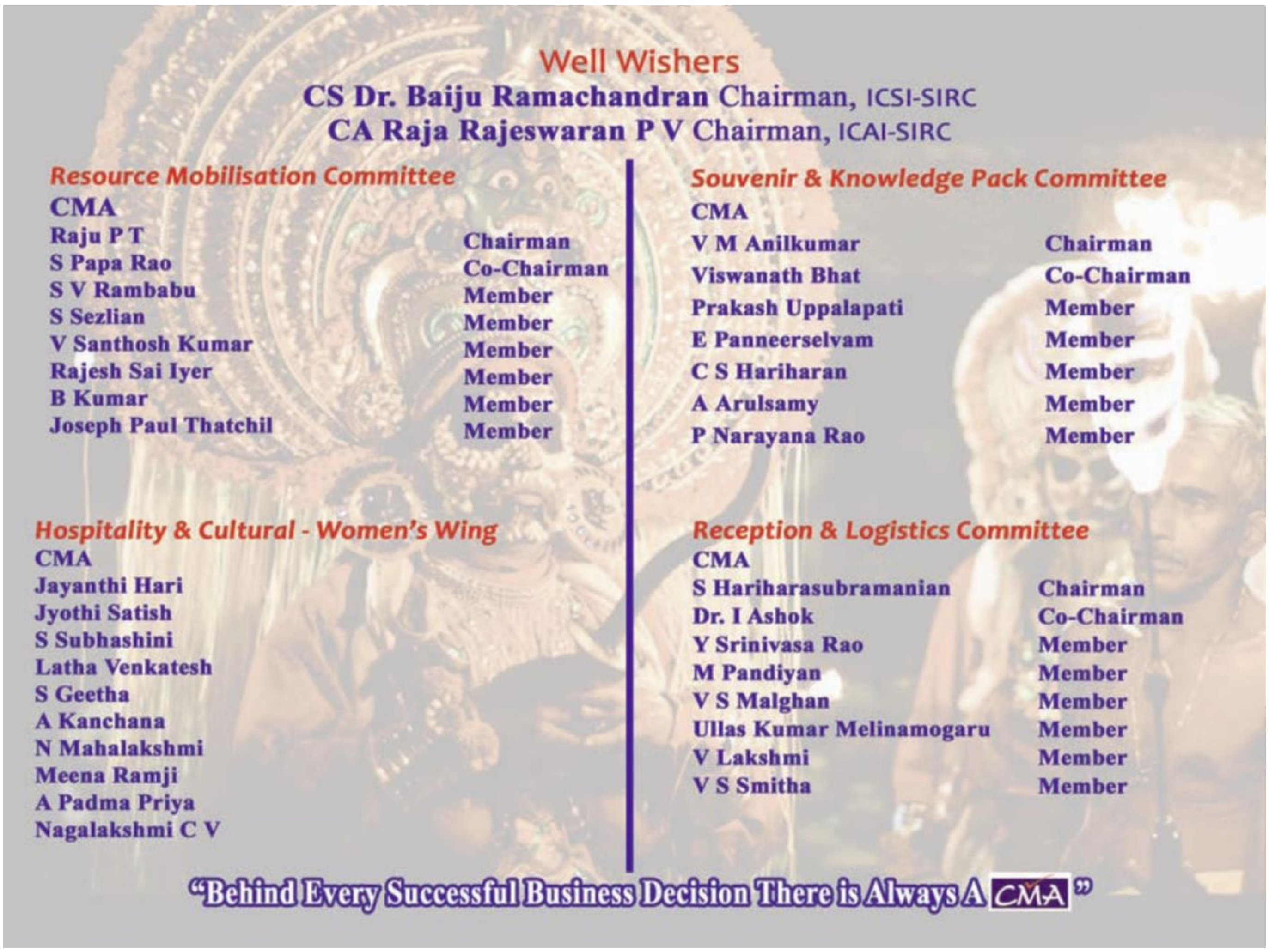
Page - 7



Well Wishers
CS Dr. Baiju Ramachandran Chairman, ICSI-SIRC
CA Raja Rajeswaran P V Chairman, ICAI-SIRC
Resource Mobilisation Committee
CMA
Raju P T Chairman
S Papa Rao Co-Chairman
S V Rambabu Member
S Sezlian Member
V Santhosh Kumar Member
Rajesh Sai Iyer Member
B Kumar Member
Joseph Paul Thatchil Member
Souvenir & Knowledge Pack Committee
CMA
V M Anilkumar Chairman
Viswanath Bhat Co-Chairman
Prakash Uppalapati Member
E Panneerselvam Member
C S Hariharan Member
A Arulsamy Member
P Narayana Rao Member
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Jyothi Satish
S Subhashini
Latha Venkatesh
S Geetha
A Kanchana
N Mahalakshmi
Meena Ramji
A Padma Priya
Nagalakshmi C V
Reception & Logistics Committee
CMA
S Hariharasubramanian Chairman
Dr. I Ashok Co-Chairman
Y Srinivasa Rao Member
M Pandiyan Member
V S Malghan Member
Ullas Kumar Melinamogaru Member
V Lakshmi Member
V S Smitha Member
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Delegate Registration Form

Southern India Regional Council of ICAI

CMA SUMMIT 2014 - 15

Date: 19th & 20th December 2014

Venue : Al Saj Convention Centre, Thiruvananthapuram

Theme : 'Make in India' - Role of CMAs

CMA

Dear Sir/Madam,

We invite you / your corporate to register / sponsor delegates for the CMA Summit 2014-15 to be held on 19th and 20th December, 2014 at **Al Saj Convention Centre,** Thiruvananthapuram, Kerala in association with Trivandrum Chapter of Cost Accountants.

Participants

Corporate Directors, CFOs, Cost and Management Accountants and other Senior Management Executives in the Corporate Sector, Practicing Professionals in Secretarial, Financial, Legal and Management Discipline, Researchers, Academicians and Students would benefit from participation in the Summit.

DELEGATE FEE

Particulars	Fees (₹)
Corporate Delegates	3000
Members/Practicing Members	2000
Students	1000
Spouse	1500
Foreign Delegates	US $ 200

Delegate Registration Form

The Chairman,
CMA SUMMIT 2014 - 15
Trivandrum Chapter of Cost Accountants
CMA Bhawan, T.C. 31/677/00, VJ Lane Vellayambalam,
Thiruvananthapuram, Pin - 695 010

CORPORATE'S NAME :____________________

Delegate's Name with Designation

1)____________________

2)____________________

3)____________________

4)____________________

Delegate's Contact Details with e-mail

1)____________________

2)____________________

3)____________________

4)____________________

Cheque / DD should be drawn in favour of : INSITITUTE OF COST ACCOUNTANTS OF INDIA - TRIVANDRUM.
Bank : Indian Overseas Bank, Branch : Sasthamangalam
Account No. : 26840 10000 00125 IFSC Code : IOBA 0002684

Sponsorship Form

Southern India Regional Council of ICAI

CMA SUMMIT 2014 - 15

Date: 19th & 20th December 2014

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Sponsorship Form

The Chairman,
CMA SUMMIT 2014 - 15
Trivandrum Chapter of Cost Accountants, CMA Bhawan, T.C. 31/677/00,
VJ Lane Vellayambalam, Thiruvananthapuram, Pin - 695 010

We wish to Sponsor____________________ for the CMA SUMMIT 2014-15

A crossed Cheque/DD No.__________ Dated__________ for ₹ __________

Name of the Organisation ____________________ Signature__________

Nature of Business____________________ Name__________

Address____________________ Designation__________

____

Telephone No.__________ Mobile No.__________ e-mail__________

Rates of Sponsorship	₹		₹
Platinum Sponsorship	3,00,000	Lunch (Co-Sponsor)	75,000
Gold Sponsorship	2,00,000	Mementoes (Co-Sponsor)	75,000
Silver Sponsorship	1,50,000	Hi Tea (Co-Sponsor)	50,000
Dinner (Co-Sponsor)	1,00,000	Convention Kit (Co-Sponsor)	50,000
Cultural Event	75,000	Stall	50,000

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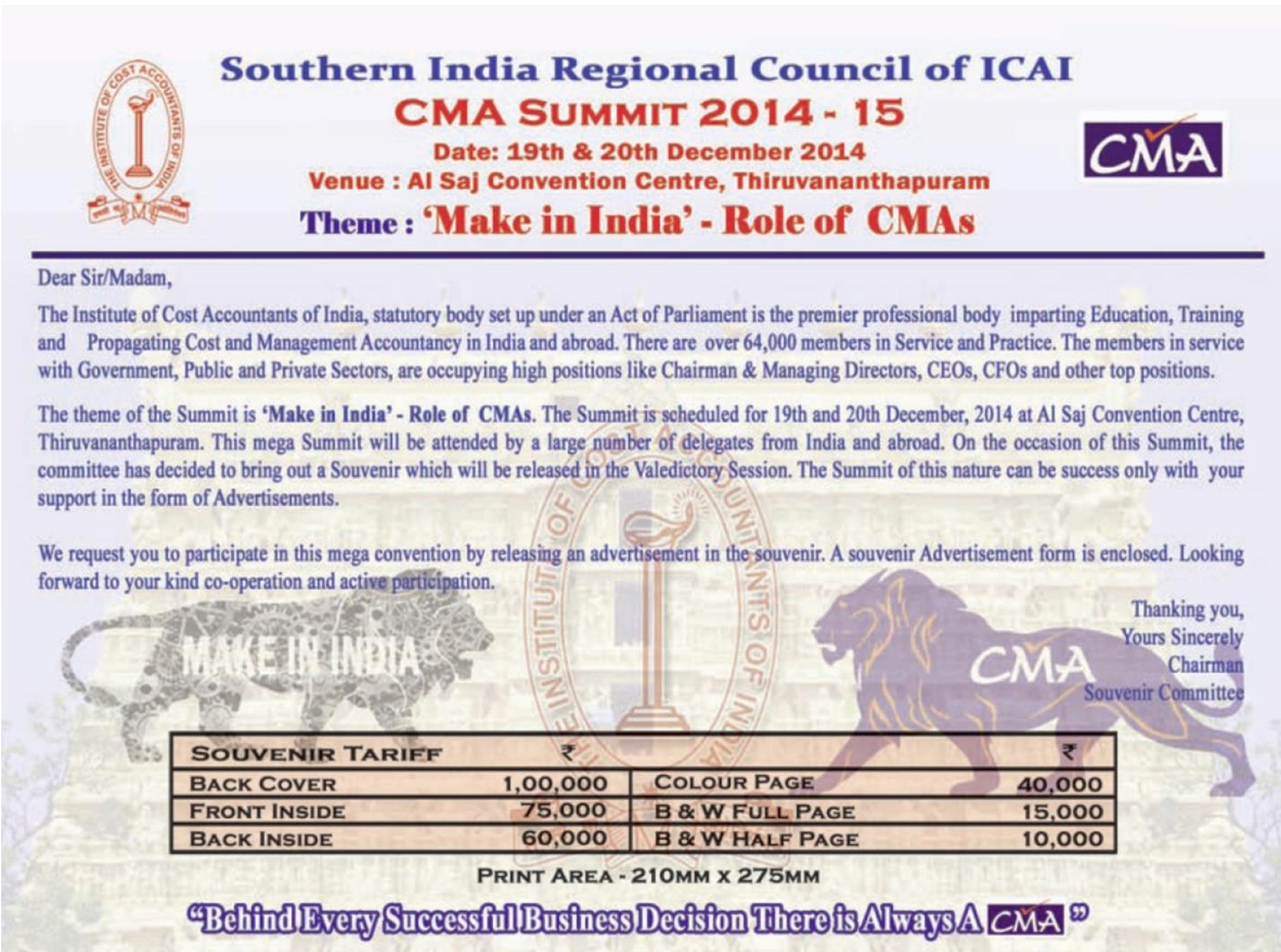
Souvenir Advertisement Form



Southern India Regional Council of ICAI

CMA SUMMIT 2014 - 15

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Venue : Al Saj Convention Centre, Thiruvananthapuram

Theme : 'Make in India' - Role of CMAs

Dear Sir/Madam,

The Institute of Cost Accountants of India, statutory body set up under an Act of Parliament is the premier professional body imparting Education, Training and Propagating Cost and Management Accountancy in India and abroad. There are over 64,000 members in Service and Practice. The members in service with Government, Public and Private Sectors, are occupying high positions like Chairman & Managing Directors, CEOs, CFOs and other top positions.

The theme of the Summit is **'Make in India' - Role of CMAs**. The Summit is scheduled for 19th and 20th December, 2014 at Al Saj Convention Centre, Thiruvananthapuram. This mega Summit will be attended by a large number of delegates from India and abroad. On the occasion of this Summit, the committee has decided to bring out a Souvenir which will be released in the Valedictory Session. The Summit of this nature can be success only with your support in the form of Advertisements.

We request you to participate in this mega convention by releasing an advertisement in the souvenir. A souvenir Advertisement form is enclosed. Looking forward to your kind co-operation and active participation.

Thanking you,
Yours Sincerely
Chairman
Souvenir Committee

Souvenir Tariff	₹		₹
Back Cover	1,00,000	Colour Page	40,000
Front Inside	75,000	B & W Full Page	15,000
Back Inside	60,000	B & W Half Page	10,000

Print Area - 210mm x 275mm

"Behind Every Successful Business Decision There is Always A CMA"

Souvenir Advertisement Form

Southern India Regional Council of ICAI

CMA SUMMIT 2014 - 15

Date: 19th & 20th December 2014

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Souvenir Advertisement Form

The Chairman,
CMA SUMMIT 2014 - 15
Trivandrum Chapter of Cost Accountants, CMA Bhawan, T.C. 31/677/00,
VJ Lane, Vellayambalam, Thiruvananthapuram, Pin - 695 010

Please Book a*____________________Space in the CMA SUMMIT 2014-15 Souvenir

A crossed Cheque/DD No.____________Dated____________for ₹ ____________

Name of the Organisation ____________________ Signature____________

Nature of Business____________________ Name____________

Address____________________ Designation____________

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Telephone No.____________Mobile No.____________e-mail____________

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