guwahati@icai

E-Newsletter of the Guwahati Branch of EIRC of ICAI

Volume VII, Issue 2, April 2013

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Editorial Board

Write to Editor

'Information is Power' and our ever-evolving profession needs more and more of that today than ever before. Do you have any relevant points to make, experiences to share, and views to spread among the CA fraternity? If yes, e-mail us at newsguwahati.icai@gmail.com.

Chairperson's Message ...

My dear esteemed professional colleagues & students,

The month of April ushers in with celebrations of Rongali Bihu and traditional New Year for different cultures - Poila Baisakh, Baisakhi, Ugadi, to name a few. I would like to begin by extending my warm wishes on this auspicious occasion.

On 8th April, I along with the Managing Committee members, had attended the Orientation Programme held at Kolkata and had got a chance to interact with the President, Vice- President, Office bearers and officials of the EIRC. We discussed at length many issues relating to profession in general and Guwahati Branch in particular. It gives me immense pride in informing that the works undertaken by our Branch in the last few months were applauded by the members present at the Orientation Programme.

In the CPE front, the details of the programs held are separately mentioned in the Branch Activities column of the Newsletter. Attending CPE Programs is always a different professional experience, so I request the members, especially the young Chartered Accountants, to attend the CPE Programs in large numbers. We are trying to groom new speakers from within our region by giving opportunity to young professionals to deliver addresses in CPE Programs. Being a lady myself, my request to all the female members of the Branch is to actively participate in the Branch activities.

A little endeavor in the right direction can make a big difference. The CA Benevolent fund is utilized for the benefits of the needy members of our profession and their family. We earnestly request the members of our noble profession to make a generous contribution to this Fund. I also take this opportunity to request you all to serve the society by offering a helping hand in uplifting the downtrodden people and raising voices against the vices prevailing in the society.

To survive with excellence in the competitive environment of today, our Institute is exploring new opportunities and so are we. We are planning to approach government and semi-government organizations for empanelment of auditors to enable the local firms to gain further professional opportunities. It has also been observed that in this modern era of technological developments and plethora of new legislations, the charm of the conventional areas of practice is decreasing. We all need to focus on the new avenues / areas of practice.

I feel immense pleasure to announce that the long awaited Branch Library is now complete and will become functional shortly to help members and students. The updating of Branch website www.icaiguwahati.org is progressing in full swing and we are striving to make it more user friendly and informative. I request you all to regularly visit the branch website for latest updates.

In view of the increasing number of students in the region, we are planning to increase the students' activities like Industrial Visits, Educational Tours, Debates, Quiz, Elocution contest, etc. The students are recommended to take active part in such activities and to register their email ids and mobile numbers to get regular updates relating to such forthcoming programs.

I firmly believe that only with your valuable inputs and suggestions, I can function to my optimum. Hence, I urge upon you to be more forthcoming in this regard. Do send your e-mails on the branch mail id icai.guwahati@gmail.com.

So friends, this is the time for Action, as we all know "Actions Speak Louder Than Words." Let me conclude by wishing you all a very Happy and Prosperous Financial Year 2013-14.

– CA. Kaberi Bhuyan

AGE FACTOR FOR SENIOR MEMBERS OF ICAI REDUCED

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
NOTIFICATION
New Delhi, the 28th March, 2013
(CHARTERED ACCOUNTANTS)

No. 1-CA (7)/146/2013 --- In partial modification of Notifications No. 1 - CA (7)/140/2011 and 1-CA (7)/141/2011 both dated 25th February, 2011 published in Part III, Section 4 of the Gazette of India, Extraordinary dated 25th February, 2011, the Council of the Institution has decided to reduce the age from 65 years to 60 years for treating a member as Senior Citizen for the purpose of payment of annual membership fee and certificate of practice fee. Accordingly, for the words and figure "age of 65 years" appearing in the proviso of both the aforesaid Notifications, the words and figure "age of 60 years" have been substituted.

T. KARTHIKEYAN, Secy.
[ADVT. – III/4/Exty./104/12]

readers write

Dear Mr. Sarda,

Thank you for sending me a copy of the e-newsletter of the Guwahati branch of the ICAI.

The e-newsletter definitely has an elegant look and the professional touch is eminently seen in its lay-out, more so in the informative articles.

The message of the Chairperson was really gracious in tone and it felt good to know that the Guwahati branch of ICAI is being led forward by Kaberi Bhuyan, a woman of great caliber. I wish her God's blessings and success in leading the Guwahati branch to the heights of greater glory.

Your editorial was pithy and relevant; my congratulations to you. While perusing the pages of the e-newsletter I did get the impression that I am back in Guwahati! Thank you and God bless you in your editorial career. Let the great work continue with full steam ahead. Excelsior!

With good wishes always,

Joseph Kadaprayil FCA

Nebraska

USA

PS: With so many informative photos on display, shouldn't the caption read PHOTOS SPEAK rather than Photo Speaks?

Editor's Desk...

Dear colleagues and student friends,

Greetings!

I, on behalf of all the members of the managing committee, wish you all a very happy and successful new financial year!

The response to the first issue of our newsletter for the year 2013-14 has been overwhelming. Our heartfelt compliments to each and every member of our branch.We believe that the newsletter is a significant tool for instilling a sense of belonging in all our colleagues, and it is with great pleasure that we present the next edition.

This last month, the members of our fraternity were busy with their Bank Audits professionally and with the joyous festival of Rongali Bihu on the personal front. It's a matter of great pride for us that during this festive season, the Assamese 'GAMOSA', ever so close to our hearts, etched its name in the Guinness Book of World Records (details inside).

The members of the managing committee had an opportunity to meet our hon'ble President CA. Subodh Kumar Agrawal and Vice-President CA. K. Raghu during the orientation programme held at the EIRC office in Kolkata on April 8, 2013. Grabbing the opportunity, our chairperson raised many pertinent issues relating to our Branch before the top leaders. Her suggestions and solemn concern towards branch and the profession were universally applauded.

Readers' response to the new crossword puzzle column has been encouraging and as promised, we are publishing the names of correct entries at the last page of this bulletin.To make the newsletter more reader friendly, we are introducing a new column "Readers Write" from this issue onwards, where one of the selected letters from our readers will be published. Your comments and suggestions are very welcome. Moreover, if you have any articles to contribute for the subsequent issues, however big or small, please do contact the editor at newsguwahati.icai@gmail.com or icai.guwahati@gmail.com.

We look forward to continue this productive channel of information exchange throughout the CA community. The future success of the newsletter depends on your comments, contributions and ideas. We do encourage all of you to try your best to enrich the forthcoming "guwahati@icai" newsletters.

Happy Reading!!

– CA. K P Sarda

"Next only to Kashmir, Assam is the most beautiful place in India"

-Swami Vivekananda (1898)

REVISED RATE OF WAGES

NOTIFICATION

NO.ACL.43/2004/ Dated Guwahati, the 1st March, 2013

In exercise of the power conferred by Sub-Clause (b) Clause (v) of sub-rule (2) of Rule 25 of the Contract Labour (Regulation and Abolition) Assam Rules,1971, I Shri A. Baruah, IAS, Labour Commissioner, Assam in supersession of this office Notification No.ACL.3/2004/15111 dated 14th December, 2010 do hereby revise the rate of wages, holidays,hours of work and conditions of service of skilled and unskilled workmen employed by and through the contractors as mentioned under the schedule below in cases which are not covered under the Minimum Wages Act, 1948 and where the workmen employed by the contractors donot perform the same or similar kind of work as the workmen directly employed by the Principle Employer of the Establishment.

SCHEDULE

Categories of Workmen :	Rate of Wages :
(A) Skilled Workmen (I.T.I Certificate Holder)	**Rs. 227.00**
(B) Skilled Workmen (Other than I.T.I. Certificate Holder)	**Rs. 175.00**
(C) Unskilled Workmen	**Rs. 169.00**

Holidays, hours of work and conditions of services of contract workers as required under sub-rule (2) of rule 25 of the Contract Labour (R & A) Assam Rules, 1971 shall be as under

Wages For piece work : Piece rate of wages shall be fixed in such a manner that no unskilled workmen gets less than **Rs. 169.00** per day and no (B) and (A) categories of skilled workmen get less than **Rs. 175.00** and **Rs. 227.00** respectively for working for a minimum 8 (eight) hours a day.

Overtime Wages : At twice the ordinary rate of wages for every work in excess of 8 (eight) hours a day and 48 (forty eight) hours a week (normal).

Weekly Day of Rest : A day of rest every week with pay for working for a continuous period not less than 6 (six) days in a week

Explanation : Week means 7 (seven) days commencing from Sunday

Other Conditions of Service :

Paid Holidays : Paid holiday shall be granted to every workmen on 26th January, 1st May, 15th August and 2nd October.

Festival Holidays : Every Workmen shall be allowed leave of absence with full wages for the number of days he may select not exceeding 7 (seven) days in number in any one calendar year for the purpose of attending ceremonies for performing functions or duties connected with or enjoyed by his religion.

Annual Leave with Wages : One day for every 20 (twenty) days of work performed in a Calendar year.

Leave Travel Concession : 25 (twenty five) days average wages earned during the month preceding the Calendar Month in which the leave is availed and shall be payable once in every alternate year.

This will come into force with immediate effect.

(A. Baruah, IAS)
Labour Commissioner, Assam
Guwahati – 16

*(**Courtesy**: CA. Sushil Kr. Agarwal)*

DELHI HC RELIEF TO CAs

Service Provided by Chartered Accountants prior to April 1, 2012 but payment received thereafter: Effective rate of Tax -

The Delhi High Court has in the case DELHI CHARTERED ACCOUNTANTS SOCIETY (REGD.) v. UNION OF INDIA AND OTHERS [2013] 58 VST 246 (Delhi), ruled in favour of Chartered Accountants in the matter of applicable tax rate on service provided and billed prior to April 1, 2012, payment for which is received after that date. The summary of the judgment is as follows-

On the question what would be the rate of tax applicable where the service was provided and the invoice was issued by the chartered accountants prior to April 1, 2012 when rate of service tax was enhanced from 10 per cent to 12 per cent but the payment was received thereafter:

Held, that a comparison of rule 7 of the Point of Taxation Rules 2011, as it existed both before and from April 1, 2012 would show the reference to individuals or proprietary firms or partnership firms providing taxable services referred to in sub-clauses (g), (p), (q), (s), (t), (u), (za) and (zzzzm) of clause (105) of section 65 of the Finance Act, 1994 in clause (c) of the old rule did not find any mention in the new rule. Thus the new rule 7 with effect from April 1, 2012 did not provide for the determination of point of taxation in respect of services rendered by chartered accountants. The Circulars No. 158/9/2012-ST dated May 8, 2012 and Circular No. 154/5/2012-ST dated March 28, 2012 proceeded on the erroneous basis that rule 7 inserted with effect from April 1, 2012 covered the services rendered by chartered accountants. Circular No. 154 when it stated that the invoices issued on or before March 31, 2012 would continue to be governed by rule 7 as it stood before April 1, 2012 was erroneous because on and from April 1, 2012, the old rule was no longer in existence, having replaced by new rule 7. Circular No. 158, insofar as it stated in the case of the eight specified services (which includes the services of chartered accountants), if the payment was received or made, as the case may be, on or after April 1, 2012, the service tax was to be paid at 12 per cent was again without any statutory basis.

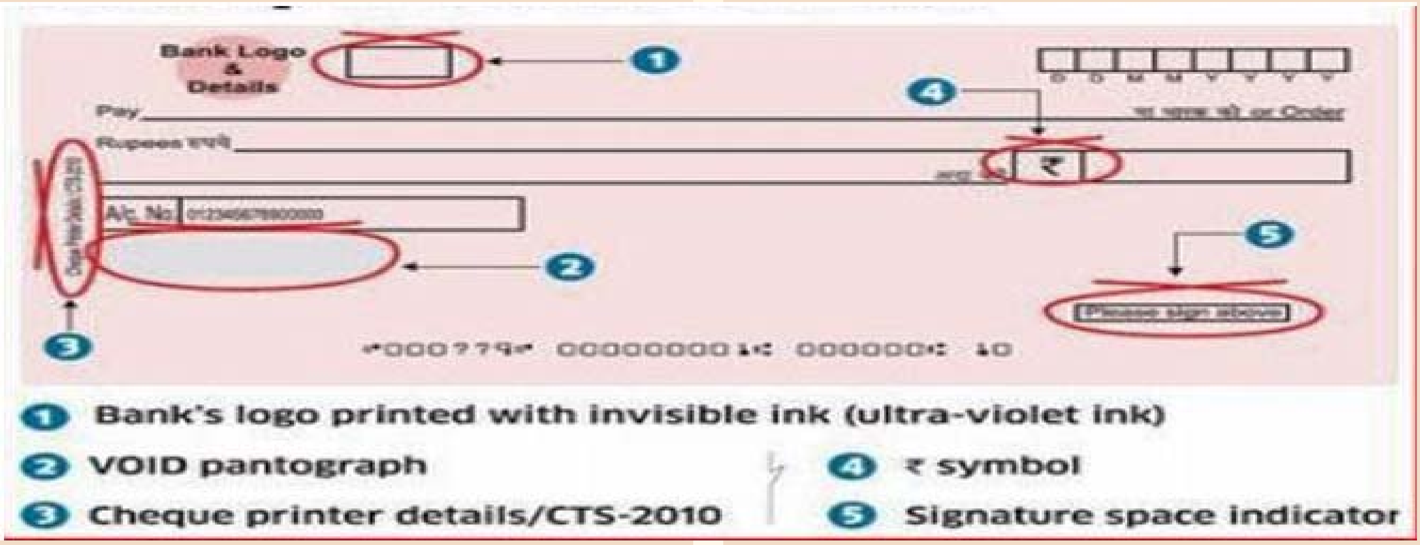
Held also, that rule 4 of the point of Taxation Rules, 2011 which continued even after April 1, 2012 applied notwithstanding anything contained in rule 3 and provided the answer to reckon with section 66B. According to rule 4, whenever there was a change in the effective rate of tax in respect of a service, the point of taxation would be determined in the manner set out in the rule. The case of the petitioner was covered by sub-clause (ii) of clause (a) of rule 4 which provided that where the taxable service had been provided and the invoice was issued before April 1, 2012, but the payment was received after April 1, 2012, then the date of issuance of invoice would be deemed to be when the services of the chartered accountants were actually rendered and consequently the point of taxation. Thus the rate of tax would be 10 percent and not 12 percent. The circulars in question had not taken note of this aspect, and had proceeded on the erroneous assumption that the old rule 7 continued to govern the case notwithstanding the introduction of the new rule 7 which did not provide for the contingency that has arisen in the present case. The Point of Taxation Rules, 2011 had been notified in exercise of the powers conferred upon the Central Government under clause (a) and clause (hhh) of sub-section (2) of section 94 of the Finance Act, 1994 and they were also required to be placed before both the houses of parliament under sub-section (4) of section 94. They thus had the force of law. The circulars had to be in conformity with the Act and the Rules. Therefore the Circular No. 158/9/2012-ST dated May 8, 2012 and Circular No. 154/5/2012-ST dated March 28, 2012 were quashed as being contrary to the Finance Act, 1994 and the Point of Taxation Rules, 2011.

It is well-settled that a circular which is contrary to the Act and the Rules cannot be enforced.

For full text of the judgment, please visit http://indiankanoon.org/doc/105716244/

*(**Courtesy**: CA. Manoj Nahata)*

IS YOUR CHEQUE BOOK CTS COMPLIANT?



Your old cheque leaves may not be valid after July 31, 2013, as the RBI has instructed all banks to implement the Cheque Truncation System (CTS) across the country. This calls for your immediate action to make sure that your cheque book is CTS compliant. If you have any unused cheque leaves with you, these must be surrendered in your bank. Another critical area to take note of is that you must exchange any old post-dated cheques you may have given to anyone, which are dated after August 1, 2013, with new CTS-compliant cheques immediately. These may include post-dated cheques given for your home loan or auto loan too.

Reserve Bank of India has prescribed new guidelines on standardization of security features of cheques, referred to as **CTS-2010**. These features are aimed at enhancing customer safety and facilitating easier processing. RBI has advised Banks to withdraw non-CTS-2010 standards cheques in circulation before July 31, 2013 and replace them with CTS-2010 standards cheques.

Cheque Truncation System (CTS) or Image-based Clearing System (ICS), in India, is a project undertaken by the Reserve Bank of India – RBI, for faster clearing of cheques.CTS is basically an online image-based cheque clearing system where cheque images and Magnetic Ink Character Recognition (MICR) data are captured at the collecting bank branch and transmitted electronically.

Truncation means, stopping the flow of the physical cheques issued by a drawer to the drawee branch. The physical instrument is truncated at some point en route to the drawee branch and an electronic image of the cheque is sent to the drawee branch along with the relevant information like the MICR fields, date of presentation, presenting banks etc.

BENEFITS OF CTS CHEQUE

Normally, when you issue a cheque to someone, he presents the cheque in his bank to get the credit. The cheque then moves physically from his bank to your bank which involves a lot of time and risk. RBI recognised the disadvantages of this old system and brought about CTS, where instead of the physical movement of the cheque, an electronic image of the cheque is transmitted to the drawee branch. The presenting bank (which is the bank of the person to whom you had issued the cheque to) retains the physical cheque. Along with the electronic image, certain key relevant information is also transmitted, such as date of presentation, presenting bank details, data on the MICR band.

The Benefits of CTS could be summarized as follows:

1. Speedy Clearance of Cheque resulting in time saving.
2. Superior verification and reconciliation process.
3. No geographical restriction as to jurisdiction.
4. Operational efficiency for banks and customers alike.
5. Reduction in operational risk & risk associated with paper clearing.
6. The scope for committing fraud is greatly reduced.

FEATURES OF CTS CHEQUES

The CTS-2010 is not just a change in the process of cheque clearing. The change in the system is apparent even on the cheque leaf you use. A CTS compliant cheque leaf is different from a normal cheque leaf you currently use, and has certain distinct features.

Cheque printer details: This is printed on the extreme left hand side of the cheque. The printer details along with the words 'CTS-2010' is mentioned along the area where you tear off the leaf from the cheque book.

Rupee symbol: The new symbol of the Indian rupee is printed beside the area where the amount in figures needs to be written.

Details of the bank and its logo: The bank details and its logo are printed on the face of the cheque. However, it is printed in invisible ink.

Signature space indicator: The words 'please sign above' are mentioned indicating the space where you will need to sign the cheque.

VOID pantograph: This is a wavelike design, which is visible to the naked eye and seen below the area where the account number is printed.

To identify that the new cheque book is CTS-2010 compliant, please look for the letters "CTS-2010" printed vertically on the cheque leaf, near the perforation on the left side of the cheque as above:

If the letters "CTS-2010" are present here, your cheque book is CTS-2010 compliant.

*To ensure fraud-free cheque clearance, RBI has advised that customers should preferably use **dark coloured ink** while **writing** cheques and you should **avoid any alterations or corrections** thereon. For any change in the payee's name, amount in figures or in words, **fresh cheque leaves** should be used by customers, as this will facilitate smooth passage through image based clearing system.*

*(**Compiled by** CA. Anjani Kr. Mundhra)*

EXEMPTION HAS BEEN GRANTED TO PROMOTE BAMBOO BASED INDUSTRY

No. FTX.55/2005/82:- In exercise of the powers conferred by of section 54 of the Assam Value Added Tax Act, 2003 (Assam Act VIII of 2005), The Governor of Assam having considered it necessary in the public interest so to do, hereby exempts the dealers shown in Column (1) of the Table from the liability to pay tax in respect of goods mentioned in Column (2) subject to the restrictions and conditions specified in Column (3) of the said table.

Table

Dealer	Class of Goods	Restrictions and Conditions subject to which exemption is granted.
(1)	(2)	(3)
1. Small scale bamboo based Industries. 2. Medium Scale bamboo based Industries	Bamboo based products namely ;- treated bamboo poles, bamboo slivers, bamboo stripes, bamboo sticks, flatten bamboo, bamboo dust, bamboo charcoal, bamboo vinegar, bamboo active carbon, bamboo based boards/panels/lumber/beams and other engineered bamboo, bamboo veneers, bamboo blinds, bamboo mats, paper impregnated bamboo boards, bamboo composites, bamboo furniture, bamboo shoot of different kinds and its products, bamboo ready to use housing, gazebos, bamboo juices, bamboo fibre, bamboo rhizomes handicraft products and other daily use bamboo products such as bamboo spoons, ice cream sticks, match sticks, chop sticks, tooth picks, toys, brooms, pencils, bamboo utilities, like basket, table lamp stand, magazine rack, tray, candle stand, dhoop stand, pen stand and photo frame.	1. The main raw materials for the items manufactured by the industries shall be bamboo or its products. 2. The items mentioned in the column (2) shall be exempted under the Act upto the level of retail sale.

Explanation:- For the purpose of this Notification "Small Scale Bamboo based Industries" means an industrial unit having an investment in plant and machinery upto a limit of Rs.1 .00 crore and use bamboo as its main raw materials and "Medium Scale based Industries" means an industrial unit having an investment in plant and machinery upto a limit of Rs.5.00 crores and use bamboo as its main raw materials.

This notification shall be deemed to have come into force on 1st April, 2012 and shall be valid upto 31st March, 2014.

*(**Courtesy**: CA. Bikash Agarwala)*

NOTIFICATION FOR ELIGIBILITY TEST (ET)

Post Qualification Course on Information Systems Audit (ISA) on Saturday the 11th May, 2013

Last Date for Online Form Submission 30th April, 2013 till 5:30 PM

1. The next Eligibility Test for ISA PQC is scheduled to be held on Saturday the 11th May, 2013 from 08.00 a.m. to 12.00 p.m. A detailed notification giving list of centers would be hosted on Committee Portal at http://cit.icai.org by 16th April, 2013.
2. A list of candidates, who have completed ISA Professional Training from 1st October 2012 to 31st March 2013, would also be hosted by 15th April 2012. In case you do not find your name in the list, kindly forward your request giving requisite details (ISA No, Membership No., Name, ISA PT Date and City) to isa@icai.org, by 25th April 2013.
3. Candidates desirous of taking this ISA ET have to submit the Online ISA ET Form (by giving their ISA No. and password) that would be available on the Committee Portal at http://cit.icai.org from 15th to 30th April, 2013.
4. Candidates filling form B or C (2nd or subsequent attempt) have to ensure that their ISA ET Fee of Rs. 500/- (Rupees five hundred only) reaches the following address by the aforementioned last date through Demand Draft/ Pay Order in favour of "The Secretary, ICAI", payable at Delhi.

The Secretary
Committee on Information Technology
The Institute of Chartered Accountants of India
5th Floor, Hostel Block, ICAI Bhawan, A-29, Sector-62
Noida - 201309, India, Phone: 0120 3045 961, Fax: 0120 3045 989
E-mail ID: isa@icai.in

5. Applications received after the aforementioned last date would not be entertained under any circumstances and candidates would have to take the ISA ET in Nov, 2013 attempt.
6. Result of ISA Eligibility Test on 11th May, 2013 would be announced by 5.00 P.M. on Tuesday the 21st May, 2013.

BOOST TO REAL ESTATE SECTOR

Hon'ble Chief Minister of Assam had proposed in the Budget 2013 to reduce stamp duty and registration fees on property transfer. **The budget reduced the rate of stamp duty and registration fees from a total of 13.5 per cent to 3 per cent in case of women registrants and from 14.5 per cent to 5 per cent in case of men.**

"Reduction of stamp duty and registration fees on property transfer is most welcome and timely step giving a big fillip to real estate sector and a good move to provide affordable housing to the people of the state,"

SERVICE TAX UPDATES

CBEC vide **Order No. 02/2013-ST dated 12-04-2013** has extended the date of submission of Service Tax Return (Form ST-3) for the period July 2012 to September 2012 from 15th April, 2013 to 30st April, 2013.

CBEC vide **Order No. 03/2013-ST dated 23-04-2013** has extended the date of submission of Service Tax Return (Form ST-3) for the period October 2012 to March 2013 from 25th April, 2013 to 31st August, 2013.

Further, the Form ST-3, for the period from October 2012 to March 2013, is expected to be available on ACES around 31st of July, 2013.

Orientation Programme at EIRC Office, Kolkata on 8th April, 2013:

An Orientation Programme for all elected members of the newly constituted Managing Committee of Branches of EIRC was held on Monday, the 8th April, 2013 from 9.00 AM to 1.00 PM at EIRC Office, Kolkata.

The meeting was presided over by Hon'ble President of ICAI, CA. Subodh Kr. Agrawal. Hon'ble Vice-President of ICAI CA. K. Raghu also addressed the members of the Managing Committee. All Central Council Members from Eastern Region along with all Regional Council Members and Senior Officers of Kolkata Office were also present in the meeting.

The orientation programme was a great success and was highlighted by a number of developments proposed to be undertaken in all the branches of the eastern region. A special emphasis was given in the programme for the development of our Guwahati Branch.

CPE Programmes:

A 2 Hour CPE workshop was held on Saturday, the 20th day of April 2013 in our branch auditorium on **"State Taxes"**. Rising speakers like CA. Akash Kumar Khetawat & CA. Raginee Goyal, both from Guwahati, presented their deliberations on the given topics relating to Local State Taxes. The programme was a great success and attended by around 50 members of our fraternity.

This programme was held especially keeping in mind the interest of the young chartered accountants. This was an innovative idea of our chairperson and CPE Committee chairman to organize such programmes to discuss and resolve the day to day problems faced by the young practitioners in their practice and groom young speakers from the region.

In addition to this, arrangements were also made for viewing of teleconferencing programme on the following dates –

Date	Topic	Faculty
05/04/2013	FEMA and Revised Schedule VI	CA. Anil Sharma & CA. Gurmeet Grewal
17/04/2013	Redefining the Role of CAs to become a Global Solution Provider	CA. Mitil Chokshi

Branch Activities

Forthcoming CPE Programmes :

At Guwahati :

Date/Day	Subject	Speakers	CPE Hours*
27/04/2013 (Saturday)	Transactions in Real Estate and its implication in Income Tax, Indirect Taxes & Legal Matters	CA. Ashok Pansari Dr. S S Harlalka CA. S S Gupta, Kolkata CA. Vivek Jalan	4 Hours
11/05/2013 (Saturday)	i) Composition Schemes under VAT ii) Presumptive Income under the Income tax Act, 1961	CA. Parbesh Agarwal CA. Chetan Gangwal	3 Hours

*Subject to approval

Teleconferencing Programme:

Date/Day	Topic	Faculty
26/04/2013 (Friday)	Taxation of Charitable Trust in NGO and NPO & Practical Aspects of Charitable Organisation in the Income Tax Act.	Dr. N. Suresh CA. Ranjan Chopra

A CPE **Programme on Investor Awareness** is also scheduled to be held in the month of May 2013. The details of the programme will be circulated amongst the members at the appropriate time.

At Jorhat :

Date/Day	Subject	Speakers	CPE Hours
19/05/2013 (Sunday)	Company Audit & Reporting Service Tax HUF	CA. Debashis Mitra CA. Sushil Goyal, Kolkata CA. Sharad Agarwalla	6

At Tinsukia Chapter :

Date/Day	Subject	Speakers	CPE Hours
28/04/2013 (Sunday)	Direct & Indirect Tax Proposals in Union Budget 2013 – an analysis	CA. Khusboo Agarwal CA. Indraneel Bhattacharjee CA. Sanjay Mody	6

Student Activities:

EICASA Guwahati has proposed to organize the following student activities:

1. INDUSTRIAL VISIT : Proposed on 26th April 2013

2. QUIZ/ELOCUTION CONTEST: Proposed on 28th April 2013

In addition to above, EICASA Guwahati is also planning for a Study Circle Meet & more Industrial Visits in the month of May, 2013. The dates will be announced in due course.

ISA Eligibility Test:

We are also pleased to announce that necessary arrangements were made for holding of ISA Eligibility Test on Saturday, the 11th May 2013 at ICAI Bhawan, Guwahati for the larger benefit of our members.

Assamese 'GAMOSA' enters in the Guinness Book of World Records...

The Assamese 'GAMOSA' on Monday (8th April 2013) etched its name in the Guinness Book of World Records with weavers from the state creating a 1.5 km long motif depicting the traditional towel.

An initiative of Assam Police constable Abhijeet Baruah, himself a multiple record holder, the effort was endorsed by officials of the Guinness Records at the lawns of India Gate in New Delhi as the longest handmade towel.

GAMOSA (with red motifs is not just a mere towel 'something to wipe the body with' (Ga = body, mosa = to wipe) as it literally means) but an integral part, and symbolizes the pride, identity, life and culture of the Assamese society.

"Our aim was to let the world know the significance of our GAMOSA. So this GAMOSA (1.5 km long and 26 inches wide) was woven in Assam containing a complete overview of our state, our culture and society," Baruah said.

The GAMOSA had images of Assam's luminaries like Bhupen Hazarika, Jyoti Prasad Agarwala and Bishnu Rabha.

The earlier record was a 101 mt long sheet of silk woven by an Indonesian trio in 2010.

*(**Source:** Indian Television)*

Companies Bill 2012 – A Bird's Eye View

Need to Replace Companies Act, 1956

- In view of changes in the national and international economic environment and expansion and growth of economy of our Country.
- Consultation with various bodies & J.J. Irani Committee

Companies Act, 1956

- It was introduced on 1st April, 1956.
- It has 658 Sections and 15 Schedules.
- It extends to the whole of India (Sikkim has its own Companies Act).

Companies Bill, 2012

- As passed by the Lok-Sabha on 18th December, 2012 and yet to be passed by the Rajya Sabha.
- The Bill has 470 Clauses, 29 chapters and 7 Schedules.
- It applies to the whole of India.

Some Quick Bites

- Financial Year (1st April to 31st March)
- Private Limited Company: Number of members increased (from 50 to 200)
- Concept of small companies, associate companies (definition clause)
- Concept of dormant companies (clause 455)
- Ambit of 'Officer in Default' widened
- Merger of Indian Co. with Foreign Co. (such countries as may be notified by the Central Govt.)
- And Vice-versa

KMP (Key Managerial Personnel)

- The MD or CEO or Manager and in their absence WTD
- The Company Secretary and The CFO
- Appointment to be made by the Board
- No Escape clause
- Every Company belonging to such class(es) as may be prescribed shall have a whole time KMP – Clause 203(1)
- A KMP shall not hold office in more than 1 company except in its subsidiary company at the same time
- But a Company may appoint as its MD if he is the MD or manager of one other company (other conditions to be fulfilled)
- If the office of KMP is vacated, the vacancy to be filled up within a period of six months
- A KMP may be a director of any Company with the permission of the Board

One Person Company

- Promote Entrepreneurship
- Other than a public limited Company
- MOA have to mention successor
- May have one or more directors
- Less cumbersome
- Restriction on number of members (not exceeding 100)
- Option to dispense with AGM
- Financial Statement may not include cash flow statement
- At least one meeting of the Board of Directors to be conducted in each half of a calendar year and the gap between the two meetings should not be less than 90 days (This also applicable to small and dormant companies)
- The above requirement shall not apply to OPC in which there is only one director on its Board of Directors.

MOA and AOA

- Only objects for which company is incorporated along with matters considered necessary for its furtherance shall be mentioned. The Company cannot provide for other objects clause.
- Articles of Association of the Company may contain provisions with respect to entrenchment whereby the specified provisions of the article can be altered only if the more restrictive conditions or procedures as compared to those applicable in case of special resolution have been met with.

Registered Office

- Only communication address may be given at the time of incorporation.
- Registered office address is required to be intimated within 30 days of its incorporation.
- Notice of every change of the situation of the registered office shall be given to the Registrar within 15 days of the change, who shall record the same.

Accounts of Companies

- Permit for the first time maintenance of books of account and other books , paper, minutes in electronic mode.
- Compulsory consolidation of accounts of Holding Company and its Subsidiaries including Joint Venture and Associate Companies.
- The Bill provides for provisions relating to re-opening of books of accounts or re-casting of financial statements of the Company.
- The Directors responsibility statement in case of listed company shall also include additional statement related to internal finance control and compliance of all applicable laws.

Audit & Auditors

- Individual or Audit Firm for a period of 5 years and block of 5 years thereafter
- For Listed Companies and other prescribed class of companies – Compulsory rotation in 5 years (individual)/ 10 years (firm)
- In addition to accounting standards, auditing standards also being made compulsory
- Not to render certain services

Directors

- At least 1 woman director in such class or classes of Companies as may be prescribed.
- At least 1 director shall be a person - stayed in India for a total period of not less than 182 days in the previous calendar year.
- Listed public company shall have at least 1/3 of the total number of directors as independent directors.
- Term of 5 years + 5 years and then cooling period of 3 years.
- Maximum limit of directors has been increased to 15 from 12. More directors can be added by passing of special resolution without getting the approval of Central Government, as earlier required.
- Cannot become directors in more than 20 Companies instead of 15. Out of this 20, he cannot be director of more than 10 public Companies.
- Resignation of Directors – A formal clause introduced.
- Definition of Independent Directors (ID) in the Bill (clause 149)
- Like 274(1)(g) is laid in the beginning of each year, every ID to give a declaration of meeting the criteria of independence.

NFRA & NCLT

- NFRA (National Financial Reporting Authority) will recommend accounting and auditing standards, currently the domain of ICAI.
- In the Satyam accounting fraud, the partners of audit firms were made liable for wrongdoing and not the firm. This could change. NFRA can take action against the audit firm.
- NCLT (National Company Law Tribunal) to replace the CLB.
- NCLT will have to complete proceedings in 3 months.

Wait and Watch!!

- "The challenge is not to introduce new provisions, but the implementation"
- The devil lies in the details…….details are yet to be received in the public domain
- The aim is not to impose 'inspector raj'. It is to make India an attractive and safe investment destination.

*(**Source:** CS Mamta Binani's presentation at ICAI Bhawan, Guwahati)*

Take a Break !!

Office Yoga .....

De-stress yourself at your workplace with yoga

Doing yoga in the office can be fun, innovative and relaxing with many long term benefits. Prolonged work on the computer strain the neck, shoulders and back muscles, which leads to tension and stiffness unless attended to properly, it would impact your ability to function effectively at the workplace, affecting your overall quality of life. Office yoga comprises of a sequence of simple exercises you can perform quite unobtrusively at your desk, at any time of the day.

Making office yoga exercise a part of your routine can work wonders as they wipe away body pain, fatigue and tension and increase the overall muscle strength and flexibility, keeping you fresh and revitalized through the day. The exercise don't demand much time, can be done in spurts through out the day sparing you from unnecessary discomfort in the long run.

Suggestion: If you are wearing tight uncomfortable footwear remove them before starting the stretches. You may also wish to loosen your tie and belt.

Here are few office yoga exercises you should try for a start:-

Neck Roll

1. Close your eyes.
2. Let your chin drop down to your chest.
3. Begin the circular motion of your neck slowly, by moving the right ear to the right shoulder, taking the head backwards and then bringing the left ear to the left shoulder.
4. Keep your shoulders loose and relax.
5. Rotate your neck 3-5 times and then switch directions.

Cow Stretch

1. Keep your feet on your floor.
2. Bring both hands on your knees.
3. While inhaling, stretch your back backwards and look toward the ceiling.
4. While exhaling , stretch your back forward and drop your head forward.
5. Repeat this exercise for 3-5 breaths.

Seated Forward Bend

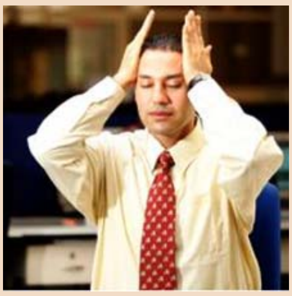
1. Push your chair away from your desk.
2. Remaining seated, keep your feet flat on the floor.
3. Take your arms behind the lower back, keep your back straight and interface your fingers behind your back.
4. Bending forward from the waist, bring your interface hands over your back.
5. Rest your chest on your thighs and relax your neck.

Eagle Arms

1. Stretch your arms straight infront of your body and parallel to the floor. Palm facing the ceiling.
2. Cross your right arm over the left (bend your arms slightly at the elbow if needed).Bring both palms together.
3. Lift both elbows. The shoulders slide down your back.
4. Repeat this exercise with the left arm over the right.

Seated Spinal Twist

1. Seat sideways in your chairs
2. Place your feet flat on the floor.
3. Holding the back of the chair with both hands, twist your waist to the right towards the back of the chair.
4. Turn to the other side. Repeat this exercise a few more times.



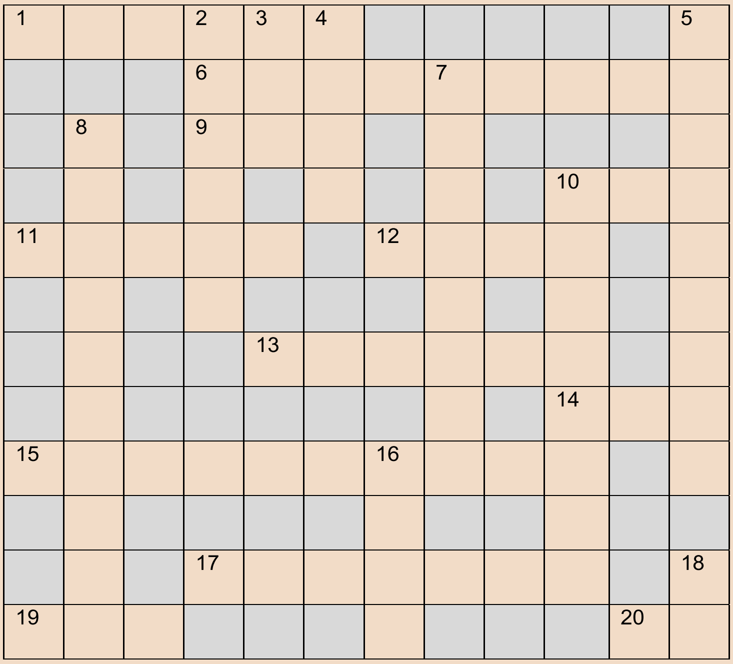
Temple Rub

1. Keep your elbows on your desk and place the hands on the temples.
2. With small circular motions gently rub your temples first clockwise and then anti clockwise.
3. Do this for 10-15 times, taking long deep breaths.

Yoga practice helps develop the body and mind bringing a lot of health benefits yet is not a substitute for medicine. It is important to learn and practice yoga techniques under the supervision of a trained teacher.

*(**Source**: Art of Living India)*

CROSSWORD # 02



Compiled by: CA. Kamal Mour and CA. Anil Kumar Agarwala

QUICK CLUES

Across:

1 Signal in which amplitude varies continuously with time (6)
6 ICAI Emblem designer (9)
9 Before (Prefix)(3)
10 A core banking unit - service outlet (3)
11 Retail business chain which entered the Guinness Records by opening 315 outlets on same day (1,4)
12 Indian body regulating stock markets (abbr) (4)
13 Principles of business/professional conduct (6)
14 Charged particle (3)
15 CAs can work together through this without being partners (10)
17 Face on new currenct notes of South African (7)
19 Norm to be fulfilled in opening bank account (abbr) (3)
20 Indian national carrier (abbr) (2)

Down:

2 Portable computing device (6)
3 Belonging to us (3)
4 Financial or trading activity not accounted for in official statistics (4)
5 International Bank for Reconstruction and Development (5,4)
7 Global capital adequacy and market risk standard to be followed by banks (5-3)
8 Condition when one is unable to pay his debts (10)
10 Set of performance improving techniques started in Motorola, USA, in 1985 (3,5)
16 Disgraced ex-chief minister of Jharkhand (4)
18 Piscine Molitor Patel (2)

SOLUTION CROSSWORD #1

1. S	H	A	R	2. E	H	O	3. L	D	E	4. R	S
				X			I			E	
	5. M	O	T	T	O		Q			G	
6. S				E			U			R	
A		7. N		R			I			E	
8. D	U	P	O	N	T		D		9. A	S	1
		A		A			A			S	
10. S				L		11. C	T			I	
12. P	S	13. U			14. P	E	E	R		15. O	16. B
O		17. S	E	V	E	N			18. M	N	H
T		P				V			A		U
	19. F					A			Y		M
20. C	O	A	L	G	21. A	T	E		A		I
	U				M				N		K
22. C	R	E	D	I	T	R	I	S	K		A

Congratulations to **CA. Deepak Jain & CA. Varun Harlalka** for submitted correct solution to crossword #1

Guwahati Branch Managing Committee for the Session 2013-16 and Office Bearers for the year 2013-14

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चलते चलते.....

जब टूटने लगे होसले तो बस ये याद रखना,
बिना मेहनत के.....
हासिल तख़्तो ताज नहीं होते !
ढूंढ लेना अंधेरों में मंजिल अपनी.....
जुगनू कभी रोशनी के मोहताज़ नहीं होते !!