



The Institute Of Chartered Accountants of India

(A Statutory Body Established Under an Act of Parliament)



VAPI BRANCH OF WIRC ICAI

NEWSLETTER

*Volume I,
Issue 1,
March , 2011*



Vapi Branch, Yamuna Complex

Special Points of Interest:-

- Budget Updates.
- Service Tax Updates
- Income Tax Updates.
- Vat Updates
- ROC Updates.
- Capacity Building Measure Of CA Firms.
- Announcements.
- Glimpse of Past Events.



MEMBERS OF MANAGING COMMITTEE OF THE VAPI BRANCH FOR THE YEAR 2011-12



CA. JIGNESH VASANI
Chairman



CA. HITESH PATEL
Secretary

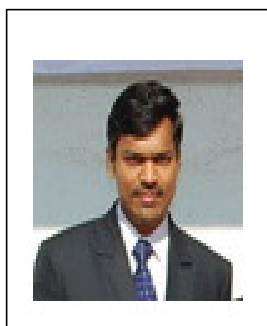


CA. GIRIRAJ LADDHA
Vice Chairman

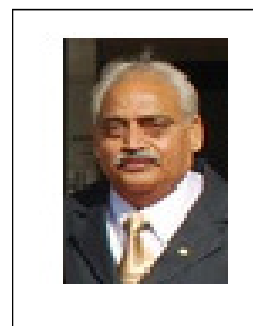


CA. PRAKASH CHORDIA
Treasurer

EX-OFFICIO MEMBERS



CA. JAIPRAKASH SHETHIYA



CA. DEEPAK DESAI

CHAIRMAN'S COMMUNICATION



Dear Colleague,

It is not the time passing by, but we are passing through the time, as rightly said by

The King "Bhurthuhari"

The time is now to overcome from the problems of acquiring the Branch premises. My dynamic predecessor, founder Chairman CA Jaiprakash Shethiya has removed all the hurdles and made our path easy for a dream come true of owning branch premises for our members.

Now it is time for us to kindly the spark within for the progress of our profession. I would like to share my dreams for the year 2011-12, which are briefed as under:

1. To develop well-equipped infrastructure facilities at Branch.
2. To set up WICASA for students in Vapi.
3. To arrange speaker for CPE meetings planned to be held fortnightly.
4. To publish monthly Newsletter for Members and Students.
5. To design Website for the Branch.
6. To Print Members directory.
7. To make Two RRC
 - I) Inbound i.e. in our area along with other Branches of WIRC,
 - II) Outbound RRC outside the territory of our Branch.
8. To arrange seminars for the members in Industries.
9. To arrange for Industrial visit at least twice in a year.
10. To arrange workshops for the development of soft skill for our members & students.
11. Reading Room & Library for Students.
12. IT Training for Students and ISA Course for Members.
13. To enhance public awareness about the Capacity Building of CA Firms & Small and Medium Practitioner.
14. To start coaching for students.

Friends, to achieve these aforesaid goals without your support is unimaginable. I seek blessings of my seniors, Co-operation from my colleagues and support from my juniors to make our branch Vibrant.

I Look Forward for your whole heartedly support to achieve the goals..

In anticipation of your support

With Regards,

CA Jignesh V Vasani

Chairman, Vapi Branch



CA JAIPRAKASH

Past Chairman

Dear Professional Colleagues,

At the behest we welcome the incoming team for the year 2011-2012 and wish them an eventful and successful tenures and also assure them our continuous support.

The journey of professional development of Vapi began on 16.04.2005 at Galaxy Hotel under the able guidance of CA Nihar Jumbusaria and CA Deepak Desai wherein seeds of Vapi CPE Chapter were sown. As a result Vapi CPE Chapter was born 7.9.2005. Vapi CPE Chapter brought a sea change in the way Chartered Accountants interacted in Vapi. The interaction became more often friendlier and sense of warmth and oneness us was felt.

4th years later on 9.7.2009 this bud was ready to bloom in to a full grow lovely flower i.e. "Vapi branch of WIRC of ICAI"

With all your Love, Support, Faith and a Strong Team back up, I was privileged to start my journey as the founder Chairman of this branch which has its geographical boundaries from Billimora to Dahanu & Daman to Silvassa, and was only one of its kinds to have presence in four states (Gujarat, Daman, Silvassa & Maharashtra).

Our maiden term began with a lot of challenges. The first challenge was to understand the Customs/Procedures/ Documents to be followed as a branch, next to study & avail various grants, online reporting, etc., But the mother of all challenges was to avail the Building Grant, I still remember that in December, 2009, in which our branch was inaugurated, it self we has got sanction of funds for our branch premises which was zeroed by us after going through almost 25-30 locations. Our zeal to do more was at the peak as we knew that we were the first branch which had the privilege of having its own premises within 4 months of its inception time and that too at a contribution of just 20% from us (traditionally 50% is expected). We ran from pillar to post and within short span of 25 days were able to garner a sizeable donation from our members as well as commitment for more from the industries. Infact our branch premises was inaugurated in February, 2010. Our dreams run came to an abrupt end with the change in the guard at the Centre. Then began our nightmare.

The period between February, 2010 and February,2011 was very tiring, frustrating as on one side we had the builder whom we had promised payment by May, 2010 and other side a reluctant administration of our institute.

A “20-20” Match suddenly turned out to be a Test Match. A flurry of mails to one and all, daily phonecalls, personal visit to WIRC as well as Center and persistent follow up did the trick.

It was bitter experience, but with full support of my team especially C.A. Prakash Choradia and your faith & patience, our prayers were heard and ultimately we received the funds after a grueling wait of a years time. Our entire term got dedicated in acquiring the branch premises and truly laying strong foundation to our branch.

The most important event was grant of Exam Centre. We are happy to announce that more than 1500 student have given their exam from our centre.

On 26th January, 210 our first Cricket Match with CIT XI was held which shall continue in years to come. A part from a successful RRC and various seminars, last but not the least, the library of the branch became functional.

I would like to thank all my fellow office bearers and a special thanks to C.A. Durgesh Kabra, C.A. Hemant Gajjar, C.A. Manoj Shah, C.A. Vimal Desai, C.A. Subhash Kotadia, C.A. Ujwal Kakaria, etc, to make our tenure a memorable event in our lives and also would like to reciprocate your love, affection and faith towards us.

I wish all the best to the managing committee of 2011-12.

With warm regards,

C.A. JAIPRAKASH SHETHIYA



Income Tax & Service Tax

INCOME TAX

1. The basic exemption limit in the case of individuals increased from Rs.1.60 lacs to Rs.1.80 lacs. However, there is no increase in basic exemption limit in the case of Resident Women.
2. The qualifying age limit for senior citizens has been lowered from 65 years to 60 years and increased the current exemption limit under two categories
 - a. Category -1 - Age of Individual – 60 years or more but less than 80 years at any time during the previous year. The basic exemption limit is increased from Rs.2.40 lacs to Rs.2.50 lacs
 - b. Category – 2 - Age of Individual beyond 80 years or more at any time during the previous year. The basic exemption limit is Rs.5.00 lacs.
3. In the case of domestic companies the surcharge reduced from Rs.7.5% to 5%
4. In the companies other than domestic companies the surcharge has been reduced from 2.5% to 2%
5. The definition of charitable purpose u/s 2 (15) includes “the advancement of any other object of general public utility”. The monetary limit in respect of such activities has been enhanced from Rs.10.00 lacs to Rs.25.00 lacs.
6. The amount paid by an assessee as an employer by way of contribution towards pension scheme, as referred to in sec 80CCD(2) on account of an employee to the extent it doesn't exceed 10% of the salary of employee in the previous year, shall be allowed as a deduction u/s 36 in computing the income under the head profit and gains of business or profession.
7. The Indian company which receives foreign dividend from foreign subsidiary company such dividend is taxable at the 15% as against 30%.
8. The rate of MAT is increased to 18.5% from 18% of such book profit.
9. Minimum Alternative Tax has been introduced for Limited Liability Partnership (LLP) in line with MAT on companies with effect from the Assessment Year 2012 – 2013.
10. The Government exempts assessee having no other income other than salary from furnishing the return of income by notification. The proposed amendment shall be effective from 1st June, 2011.
11. The SEZ developers are required to pay dividend distribution tax on dividends declared / distributed on or after 1st June, 2011.
12. The deduction u/s 80CCF to investment in notified long term infrastructure bonds extended for the A.Y. 2012-13 also.
13. Liaison offices of a company will be required to file Annual Information in the prescribed form within the 60 days from the end of the financial year.



SERVICE TAX

1. The following new services have been proposed
 - a. Services by air conditioned restaurants having licence to serve liquor; and
 - b. short term accommodation hotels / inns / clubs / guest houses etc charging tariff above Rs. 1,000/- per day.
 - c. Legal professional entities (other than individual) giving service to individual.
 - d. Hospital having more than 25 bed with centralized air conditioning facilities have to pay service tax @ of 5% plus cess.
 - e. Life Insurance companies providing services on investment products.
2. Service Tax increased on air travel.
3. The monetary limit for adjustment of excess service tax paid is increased from Rs. 1.00 lacs to Rs.2.00 lacs.
4. The penalty for delayed payment of service tax u/s 76 has been reduced from 2% to 1% per month or Rs.100 per day whichever is higher. The maximum penalty reduced to 50% of the tax
5. The rate of interest is reduced by 3% for assesses with turnover of upto 60 lacs.
- 6. The maximum penalty for delay in filing of return increased from Rs.2,000 to Rs.20,000.**

Introduction of Point of Taxation Rules, 2011

Particulars	Effective Date
<p>These rules are framed to determine the point of time when the service would be deemed to be provided. As per the said rules , the time of provision of service would be the earliest of the following :</p> <ul style="list-style-type: none"> Date on which service is provided or to be provided Date of invoice Date of receipt of payment <p>The above provisions would also squarely apply on payment service tax under reverse charge mechanism</p> <p>Further ,the Rules also contains provisions for determination of point of taxation in cases of change of rate of tax, continuous supply of service, associated enterprises, copy-rights, payment of tax in case of new services etc.</p>	<p>w.e.f. 01-04-2011</p>





Point of Taxation Rules, 2011 (w.e.f . 01-04-2011)

Rule 3: Determination of point of Taxation

Sr.	Service Provided on	Invoice Issued on	Payment Recd on	Point of Taxation
1	5th July,2011	10th July, 2011	10th August, 2011	5th July, 2011
2	5th July,2011	10th August, 2011	10th September	5th July, 2011
3	5th July, 2011	5th April, 2011	10th August, 2011	5th April, 2011
4	5th July,2011	5th May, 2011	5th April, 2011	5th April, 2011
5	5th July,2011	5th April, 2011	10th April, 2011	5th April, 2011

Rule 4 (a): Where Taxable Service is provided before the change of rate

Sr. No.	Invoice Issued on	Payment Received on	Point of Taxation
1	After change of rate	After change of rate	Whichever is earlier
2	Before change of rate	After change of rate	Invoice date
3	After change of rate	Before change of rate	Payment date

Rule 4 (b): Where Taxable Service is provided after the change of rate

Sr. No.	Invoice Issued on	Payment Received on	Point of Taxation
1	Before change of rate	After change of rate	Payment Date
2	Before change of rate	Before change of rate	Whichever is earlier
3	After change of rate	Before change of rate	Invoice Date

Rule 5: Taxability of Newly Introduced Service

Sr. No.	Invoice Issued on	Payment Received on	Taxability
1	Before Introduction of Service	Before Introduction of Service	No Tax
2	Issued as per rule 4A of Service Tax Rules, 1994	Before Introduction of Service	No Tax



Income Tax Updates

Compiled by:—**CA. Giriraj B. Laddha**

Source:—Internet & Related Books.

1. **S. 2(22)(e) : Deemed Dividend - Advance given for the purpose of Business**

Assessee, Managing Director having received advances from the company, pursuant to resolution passed by it to enable the assessee to purchase land which was to be developed by the company in order to bifurcate the ownership of land from the development or construction of flats thereon so as to reduce the incidence of stamp duty on the ultimate customers, the transaction was motivated by assessee considerations and commercial expediency, therefore, the advances cannot be treated as deemed dividend.

ACIT vs. Harsad V. Doshi (2011) 49DTR 181 (Trib.)(Chennai)

2. **S. 4 :Charge of income tax- Income - Capital or Revenue Receipt - Subsidy for setting up Industry**

Subsidy received for setting up agro based industrial unit in backward area was determined with reference to capital investment, is a capital receipt.

CIT vs. Siya Ram Garg (HUF) (2011) 49 DTR 126 (P&H)

3. **S. 4 :Charge of income tax- Income - Capital or Revenue Receipt - Interest - Pre**

-commencement

Interest on deposit of margin money for opening of letter for credit for import of machinery at the stage of setting up of industrial unit of the assessee is a capital receipt and the same is to be set off against pre-operative expenses.

CIT vs. Arihant Threads Ltd. (2011) 49 DTR 251 (P&H)

4. **S. 9 : Income deemed to accrue or arise in India - Purchase of Technical know how - Royalty - Permanent Establishment - Business Receipt -International Taxation - Tax Deduction at Source - (S. 195)**

Purchase of technical know how by foreign company, was business receipt. As there was no permanent establishment in India, the same was not liable to be taxed in India, though the same was treated as 'royalty'.

Vesil SPA Italy vs. Jt. CIT (2011) 43 SOT 137 (Hyd.)

5. **S. 11 : Charitable Trust - Application of Income - Depreciation**

Depreciation claim is nothing but application of income, hence, depreciation should be reduced from the income for determining the percentage of funds which had to be applied for the purposes of the trust.

CIT vs. Tinny Tonts Education Society

6. **S. 10(23C)(vi) : Exemption - Educational Institutional.**

The assumption that for exemption there should not be any surplus and if it is otherwise the institution society exists for profit and not charity is not justified. Thus, exemption cannot be rejected merely because there is a surplus. [Vanita Vishram Trust](#) 327 ITR 121 (Bom.), [Maa Saraswati Trust](#) 194 TM 84 (HP) and [Pinegrove International Charitable Trust](#) 327 ITR 73 (P&H) followed).

St. Lawrence Educational Society vs. CIT (Delhi High Court)

7. **S. 11 : Charitable Trust - Application of Income - Depreciation**

Depreciation claim is nothing but application of income, hence, depreciation should be reduced from the income for determining the percentage of funds which had to be applied for the purposes of the trust.

CIT vs. Tinny Tonts Education Society (2011) 330 ITR 21 (P&H)

8. **S. 28(i) : Business Income - Development Rights - Retirement - Value of flats to be allotted latter**

Assessee, a builder having constituted a partnership firm with four others by contributing his development rights in a plot and retired from the firm within 11 days. The Tribunal held that the firm is not

genuine and entire consideration received was taxable as business income. Value of flats to be allotted to be treated as consideration received, though the flats are to be allotted in future.

ACIT vs. Dilip S. Hate (2011) 49 DTR 49 (Trib.)(Mum.)

9. **S. 28(i) : Business Income - Computation - Cost of land contributed by partner to the firm - (S. 4)**

In computing the profits and gains of the firm on the sale of property in question, the value of the plot brought by one of the partners by way of capital contribution should be taken as per amount declared in revised returns as valuation of land in question which was accepted by the wealth tax authorities and not at value which was earlier shown in the books.

Hansallaya Properties vs. CIT (2011) 49 DTR 231 (Delhi)

10. **S. 28(iv) : Business Income - Benefit or Perquisite - Waiver of Loan - [S. 2(24), 41(1)]**

Loan received for the purpose of acquiring capital assets did not constitute a trading liability and hence neither section 28(iv) nor section 41(1) has application where loan waived by the bank.

Iskraemeco Regent Ltd. vs. CIT (2011) 237 CTR 239 / 49 DTR 185 (Mad.)

11. S. 36(1)(iii) : Business Expenditure - Interest on Borrowed Capital - to settle loan liability of sister concern

Interest on loan obtained by assessee to settle liability of its sister concern, to retain business premises of assessee the same is allowable.

CIT vs. Neelkanth Synthetics and Chemicals P. Ltd. (2011) 330 ITR 463 (Bom.)

12. S. 37(1) : Business Expenditure - Replacement of Moulds - Revenue Expenditure

Replacement of moulds did not result in creation of new capital asset or benefit of enduring nature, mere fact that moulds were used in production process could not be conclusive as to the nature of expenditure, hence, expenditure on replacement of moulds was revenue expenditure.

CIT vs. Malerkotla Steels & Alloys (P.) Ltd. (2011) 237 CTR 201 / 49 DTR 1 (P&H)

13. S. 132 : Search and Seizure - Warrant of Authorisation - Common Search Warrant - Validity

Common search warrant specifying names and addresses of persons residing at different places, held to be valid. **Embassy Classic P. Ltd & Another vs. ACIT (2011) 7 ITR 287**

(Trib.)(Bang.)

14. S. 143(3) : Assessment - Addition - Adhoc Addition - Self made vouchers

Adhoc disallowance cannot be made simply holding that self made vouchers cannot be taken as correct and proved, unless some of such vouchers are proved as bogus or fake.

ITO vs. Bajrang Trading Company (2011) Tax World Vol. XLV Part-1 Page 33 (January, 11)

15. S. 153A : Search and Seizure - Special Procedure for Assessment - On Money Payment - Company - Director

Merely on the basis of entry in seized material not supported by corroborative evidence, and contradictions in statement of purchaser of property, additions made in the hands of company on substantive basis and addition in the hands of Director on protective basis was deleted.

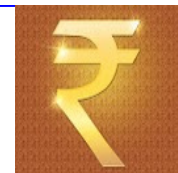
Embassy Classic P. Ltd & Another vs. ACIT (2011) 7 ITR 287 (Trib.)(Bang.)

16. S. 154 : Rectification of mistake - intimation u/s 143(1)(a) cannot be rectified after order passed u/s 143(3)

Rectification order u/s 154 cannot be passed to rectify an intimation given u/s 143(1)(a)



VAT UPDATES



STATE BUDGET:-

The State Budget was presented on 25th February'2011 by the Finance minister of Gujarat.

Vat Rate on Mobile Phones has been increased to 15 % from 5 %.

Vat Rate on Tobacco has been increased to 25 % from 20 %.

EXTENSION IN FILING OF TAX RETURN :-

Time limit for filing Annual return for F.Y 2009-10 is extended up to 31/03/2011.

(Vide Public Circular No. GUJKA/VAT-17/2010-11/OTW.110/96 Dt. 09/02/2011.)

Time Limit for filing E>Returns has been extended as under :-

Sept, Oct & Nov 2010 = Extended up to 28/02/2011.

Dec'2010 & onwards = Extended by 30 days, in addition to applicable Time Limit.

(Vide Public Circular No. GUJKA/VAT-15/2010-11/OTW.111/97 Dt. 15/02/2011.)

LAST OPPORTUNITY FOR OBTAINING STATUTORY FORMS :-

Dealers who have not obtained Statutory Forms for Inter-state transaction up to 30/06/2008 from the department, Last opportunity is being given to such dealers to apply for the same latest by 31/03/2011.

(Vide Public Circular No. GUJKA/VAT-06/2010-11/OTW.109/95 Dt. 09/02/2011.)

SIMPLIFIED PROCESS OF DIN

In order to speed up and simplify the process to obtain a DIN, the below mentioned procedure have been recommended.

1. Application for DIN will be made on *eForm* ; *No physical submission of documents shall be accepted* and for this purpose Scanned documents along with verification by the applicant will be attached with the eForm. *Only online fee payment* will be allowed i.e. No challan payment.

2. *The application can also be submitted online by the applicant himself using his DSC.*

3. DIN 1 eForm can be *digitally signed by the professional who shall also confirm that he has verified the particulars of the Applicant given in the application.*

4. Where the DIN 1 is verified by the professional, the DIN will be approved by the system immediately online.

5. In other cases the DIN cell will examine the application and same shall be disposed of within one or two days.

6. Companies (Directors Identification Number) Rules, 2006 are being amended on the above lines.

7. Penal action against the applicant and professional certifying the DIN application in case of false information / certification as per provisions of section 628 of the Act will be taken in addition to action for professional misconduct and revocation of DIN, allotted on false information

8. The above procedures is expected to enable allotment of DIN on the *same day*.

9. The above procedures applies to filing of DIN 4 intimating changes in particulars of Directors.

EASY EXIT SCHEME 2011

General Circular No. 1/2011- Dated the 3rd Feb, 2011

Subject: Easy Exit Scheme, 2011

In continuation to this Ministry's earlier circular no. 6/2010 dated 03.12.2010 on the subject cited above, it has been decided to extend the Scheme for another three months i.e. **upto 30th April, 2011.**

2. All the terms of circular no. 6/2010 dated 03.12.2010 will remain the same.

REVISED FORMAT OF SCHEDULE VI

Sr. No.	Particulars	Old Schedule Vi	Revised Schedule Vi
1	Rounding off of Figures appearing in financial statement	No Change	No Change
2	Net Working Capital	Current assets & Liabilities are shown together under application of funds. The net working capital appears on balance sheet.	Assets & Liabilities are to be bifurcated in to current & Non-current and to be shown separately. Hence, net working capital will not be appearing in Balance sheet.
3	Fixed Assets	There was no bifurcation required in to tangible & intangible assets.	Fixed assets to be shown under non-current assets and it has to be bifurcated in to Tangible & intangible assets.
4	Borrowings	Short term & long term borrowings are grouped together under the head Loan funds sub-head Secured / Unsecured	Long term borrowings to be shown under non-current liabilities and short term borrowings to be shown under current liabilities with separate disclosure of secured / unsecured loans.
			Period and amount of continuing default as on the balance sheet date in repayment of loans and interest to be separately specified
5	Finance lease obligation	Finance lease obligations are included in current liabilities	Finance lease obligations are to be grouped under the head non-current liabilities
6	Deposits	Lease deposits are part of loans & advances	Lease deposits to be disclosed as long term loans & advances under the head non-current assets
7	Investments	Both current & non-current investments to be disclosed under the head investments	Current and non-current investments are to be disclosed separately under current assets & non-current assets respectively.

8	Loans & Advances	Loans & Advance are disclosed alongwith current assets	Loans & Advances to be broken up in long term & short term and to be disclosed under non-current & current assets respectively.
		Loans & Advance to subsidiaries & others to be disclosed separately.	Loans & Advance from related parties & others to be disclosed separately.
9	Deffered Tax Assets / Liabilities	Deferred Tax assets / liabilities to be disclosed separately	Deferred Tax assets / liabilities to be disclosed under non-current assets / liabilities as the case may be.
10	Cash & Bank Balances	Bank balance to be bifurcated in scheduled banks & others	Bank balances in relation to earmarked balances, held as margin money against borrowings, deposits with more than 12 months maturity, each of these to be shown separately.
11	Profit & Loss (Dr Balance)	P&L debit balance to be shown under the head Miscellaneous expenditure & losses.	Debit balance of Profit and Loss Account to be shown as negative figure under the head Surplus. Therefore, reserve & surplus balance can be negative.
12	Sundry Creditors	Creditors to be broken up in to micro & small suppliers and other creditors.	It is named as Trade payables and there is no mention of micro & small enterprise disclosure.
13	Other current liabilities	No specific mention for separate disclosure of Current maturities of long term debt	Current maturities of long term debt to be disclosed under other current liabilities.
		No specific mention for separate disclosure of Current maturities of finance lease obligation	Current maturities of finance lease obligation to be disclosed.
14	Separate line item Disclosure criteria	any item under which expense exceeds one per cent of the total revenue of the company or Rs. 5,000 which ever is higher; shall be disclosed separately	any item of income / expense which exceeds one per cent of the revenue from operations or Rs. 1,00,000, which ever is higher; to be disclosed separately
15	Expense classification	Function wise & nature wise	Expenses in Statement of Profit and Loss to be classified based on nature of expenses

16	Finance Cost	Finance cost to be classified in fixed loans & other loans	Finance cost shall be classified as interest expense, other borrowing costs & Gain / Loss on foreign currency transaction & translation.
17	Foreign exchange gain/loss	Gain / Loss on foreign currency transaction to be shown under finance cost	Gain / Loss on foreign currency transaction to be separated into finance costs and other expenses
18	Purchases	The purchase made and the opening & closing stock, giving break up in respect of each class of goods traded in by the company and indicating the quantities thereof.	Goods traded in by the company to be disclosed in broad heads in notes. Disclosure of quantitative details of goods is diluted



Memento to President of ICAI and cross section of audience.

PART I – Form of BALANCE SHEET

Name of the Company

Balance Sheet as at

(Rupees in.....)

Particulars	Notes		Current Year	Previous Year
I EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a) Share capital				
(b) Reserves and surplus				
(c) Money received against share warrants				
(2) Share application money pending allotment				
(3) Non-current liabilities				
(a) Long-term borrowings				
(b) Deferred tax liabilities (Net)				
(c) Other Long term liabilities				
(d) Long-term provisions				
(4) CURRENT LIABILITIES				
(a) Short-term borrowings				
(b) Trade payables				
(c) Other current liabilities				
(d) Short-term provisions				
	TOTAL			

II. ASSETS				
Non-current assets				
1] (a) Fixed Assets				
(i) Tangible assets				
(ii) Intangible assets				
(iii) Capital work-in-progress				
(iv) Intangible assets under develop- ment				
(b) Non-current investments				
(c) Deferred tax assets (net)				
(d) Long-term loans and advances				
(e) Other non-current assets				
2]				
Current assets				
(a) Current investments				
(b) Inventories				
(c) Trade receivables				
(d) Cash and cash equivalents				
(e) Short-term loans and advances				
(f) Other current assets				
TOTAL				



Chairman addressing at inaugural function.



Members at inaugural function.

PART I – Form of STATEMENT OF PROFIT AND LOSS

Name of the Company.....

Profit and loss statement for the year ended(Rupees in.....)

	Particulars	Note No	Current Year	Previous Year
I	Revenue from operations		xxx	xxx
II	Other income		xxx	xxx
III	Total Revenue (I + II)		xxx	xxx
IV	Expenses:			
	Cost of materials consumed		xxx	xxx
	Purchases of Stock-in-Trade		xxx	xxx
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		xxx	xxx
	Employee benefits expense			
	Finance costs			
	Depreciation and amortization expense			
	Other expenses			
	Total expenses		xxx	xxx
V	Profit before exceptional and extraordinary items and tax		xxx	xxx
VI	Exceptional items		xxx	xxx
VII	Profit before extraordinary items and tax (V - VI)		xxx	xxx
VIII	Extraordinary Items		xxx	xxx
IX	Profit before tax (VII- VIII)		xxx	xxx
X	Tax expense:			
	(1) Current tax	9	xxx	xxx
	(2) Deferred tax		xxx	xxx

XI	Profit (Loss) for the period from continuing operations (VII-VIII)		xxx	xxx
XII	Profit/(loss) from discontinuing Operations		xxx	xxx
XIII	Tax expense of discontinuing operations		xxx	xxx
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		xxx	xxx
XV	Profit (Loss) for the period (XI + XIV)		xxx	xxx
XVI	Earnings per equity share:			
	(1) Basic		xxx	xxx
	(2) Diluted		xxx	xxx



Welcoming Members of the Department.



Students at Inaugural Function.



ANNOUNCEMENTS

IMPORTANT ANNOUNCEMENT

Dated 25th February, 2011

ATTENTION OF MEMBERS

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

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

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

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

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

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

Announcement - Post Qualification Courses Examinations

Post qualification courses examinations

It is hereby informed that the Council has decided to conduct, henceforth, the following post qualification courses examinations once a year only, in the month of November:

- **Management Accountancy Course (MAC)**
- **Corporate Management Course (CMC)**
- **Tax Management Course (TMC) and**
- **International Trade laws and World Trade Organisation (ITL & WTO)**

However, the examinations relating to the following post qualifications courses will continue to be held twice a year, as per the current practice.

- **Information System Audit (ISA)-in June and December and**
- **Insurance and Risk Management (IRM)-in May and November**

ICAI enters into an agreement with CCH, a Wolters Kluwer Business

It's a pleasure to inform you that the Direct Taxes Committee of ICAI has entered into an agreement with CCH, a division of Wolters Kluwer India Pvt Ltd., who are a leading provider of information services, software and workflow tools for tax, accounting, legal and business professionals. The said mail would be standalone, timely, comprehensive, and quality product which would cover many features including AAR rulings; ITAT orders; High Court and Supreme Court Judgments; all notifications and circulars; and noteworthy news . The unique feature of the said mail is that all the related judgments can be accessed from one place. The Company would offer mailer and free subscription of the tracker to all members for one year and thereafter at a discounted rate of 25 percent on Rs. 3550.00 for the immediately succeeding year. For Validation and Registration visit www.icai.org

An attractive scheme specially designed for Chartered Accountants



FINANCE SCHEME FOR MEMBERS OF ICAI.

The Committee for Capacity Building of CA Firms and Small & Medium Practitioners, ICAI is set up to promote capacity enhancement of members and firms through Networking, Merger and raising core competency of CA professionals.

The Committee has taken a major initiative to arrange financial assistance to all members in practice / firms in the form of specially designed loan scheme through Corporation Bank. Through the scheme, eligible Chartered Accountants can avail finance for setting up of offices including cost of furniture/fixture/office equipments-computers and other accessories. The scheme would also enable the Chartered Accountants to finance a part of the working capital for building their profession and will also take care of the needs of fresher (CAs with experience below three years).

*** Members & firms are requested to avail the benefits of this loan scheme. For further details, please contact nearest branch of Corporation Bank.**

Highlights of the loan scheme are given below:

Eligibility:

- Chartered Accountants, individually/jointly or Proprietorship Concern or a Partnership Firm/ Partnership with Limited Liability
- Age of the individual/ proprietor shall not exceed 65 years.
- The applicants/Firms are registered with Institute of Chartered Accountants of India (ICAI) and also holding valid certificate/license for carrying out the practice.
- The applicant's/firm's name shall not appear in the RBI defaulters list/CIBIL report.
- In case of Firms, all partners shall join as co applicants.
- The applicants/firms should not have been subjected to disciplinary action by the Institute.

Purpose:

- For construction of office premises
- For acquisition of ready built new office premises, partly or fully constructed
- To finance cost of land and construction thereon
- To finance cost of furniture & fixture, fittings of office equipments/computers/other accessories etc.
- To finance working capital and /or financing receivable

Nature of facility:

Demand Loan/Term Loan for acquisition of fixed assets and/or Cash Credit/Overdraft for working capital

Margin:

- A. For Term Loan/Demand Loan: Uniform margin of 20%
- B. For Working Capital: 25% for Book Debts/Receivables for cash credit or clean overdraft
- Value of land shall not exceed 50% of project cost in case of purchase of site and construction of premises

Quantum of loan:

		Applicable For Freshers: (Experience below 3 years)		
		Metro	Urban	Other Centres
I.	Maximum eligibility: TL,DL * Out of which:	Rs. 20 lacs	Rs. 15 lacs	Rs. 10 lakhs
a.	For office premises:	Rs. 15 lacs	Rs. 12 lacs	Rs. 8 lacs
b.	For furnishing & Other assets	Rs. 5 lacs	Rs. 3 lacs	Rs. 2 lacs
II.	For Working capital requirement	Rs. 2 lacs	Rs. 1 lac	Rs. 1 lac

Applicable For Existing Firms (Having Practice for 3 Years And Above)

A] WHERE LATEST GROSS ANNUAL INCOME IS UPTO RS. 5 LACS (income includes professional fees/consultancy fees etc..)				
		Metro	Urban	Other Centres
I	Maximum eligibility : TL/DL * Out of which:	Rs. 30 lacs	Rs. 20 lacs	Rs. 15 lakhs
a	for office premises	Rs. 20 lacs	Rs. 15 lacs	Rs. 12 lacs
b	For Furnishing & Other assets	Rs. 10 lacs	Rs. 5 lacs	Rs. 3 lacs
II	For Working capital	Rs. 2 lacs	Rs. 1 lac	Rs. 1 lac

B] WHERE LATEST GROSS ANNUAL INCOME IS ABOVE RS. 5 LACS & UPTO RS.10 LACS AS PER LATEST IT RETURN (with experience of 3 years and above)				
		Metro	Urban	Other Centres
I	Maximum eligibility: TL/DL * Out of which:	Rs. 50 lacs	Rs. 25 lacs	Rs. 20 lakhs
a	For office premises	Rs. 40 lacs	Rs. 20 lacs	Rs. 15 lacs
b	For Furnishing & Other assets	Rs. 10 lacs	Rs. 5 lacs	Rs. 5 lacs
II	For Working capital	Rs. 5 lacs	Rs. 2 lacs	Rs. 2 lacs

C] WHERE LATEST GROSS ANNUAL INCOME IS ABOVE RS.10 LACS, AS PER LATEST IT RETURN (WITH EXPERIENCE OF 3 YEARS AND ABOVE)				
		Metro	Urban	Other Centres
I	Maximum eligibility : TL/DL * Out of which:	Rs. 125 lacs	Rs. 65 lacs	Rs. 30 lakhs
a	For office premises	Rs. 100 lacs	Rs. 50 lacs	Rs. 25 lacs
b	For Furnishing & Other assets	Rs. 25 lacs	Rs. 15 lacs	Rs. 5 lacs
II	For Working capital	Need based		

Security:

- Term Loan /Demand Loan: Assets acquired out of the loan.
- For Working Capital Loan: Assignment of Book Debts/Receivable.
- Collateral security: Suitable third party guarantee or Tangible securities.

Repayment:

- Term Loan - Repayable in maximum period of 10 years by EMI/PMI, initial moratorium of upto 18 to 24 months.
- Demand Loan - Repayable in maximum 3 years by EMI/PMI, including initial moratorium of 6 months.
- Repayment to commence from date of commercial operations or after completion of initial repayment holiday or as per the terms of sanction.
- Interest shall be serviced as and when debited.

Rate of interest:

Upto Rs. 10 lacs – Min. 10% (Base Rate + 2.25%)
 Above Rs. 10 lacs – Min. 10.75% (Base Rate + 3%)
 (Investment in fixed assets less than Rs. 100 lacs)
 Above Rs. 10 lacs – Min. 11.75% (Base Rate + 4%)
 (Investment in fixed assets above Rs. 100 lacs)

*** Subject to gradation of the borrower**

- Rate of interest at floating rate linked to Base Rate
- Rate of interest is subject to review

Note: Concession of 0.50% extended, if additional collateral security viz., property, LIC policies, Deposit etc., to the extent of 25% of loan amount is provided.

Processing Charges:

0.25% of loan amount subject to a minimum of Rs.5000/-

Prepayment charges:

-NIL

Vapi Branch of WIRC thanks following members for making generous contributions.

Sr. No	M No	Name of Members	Rs.
1	103343	Abhay D Chhajed	11,000
2	130338	Ajit K Kanasagara	11,000
3	120725	Amar J Bhanushali	11,000
4	63852	Anilkumar shah	11,000
5	405490	Archana Jain	1,500
6	104733	Beejal Mehta	11,000
7	106122	Bharatkumar Bhandari	25,000
8	122647	Chetan Khakahar	11,000
9	126740	Chirag Shah	11,000
10	17534	Dinesh Jadav	25,000
11	42031	Dipak D Desai	25,000
12	126571	G K Chaturvedi	5,000
13	108558	Giriraj B.Laddha	25,000
14	48128	H F Vora	11,000
15	44370	Hemant Parmar	25,000
16	121283	Hitesh A Patel	25,000
17	510173	Hrinderkumar	25,000
18	108812	J.P.Shethiya	27,500
19	97417	Jesal Chanchani	11,000
20	47954	Jignesh V Vasani	25,000
21	130654	K Toshaniwal	11,000
22	132534	Kanti Patel	11,000
23	134637	Kiran Shah	5,000
24	38894	Laxmi Mittal & Co.	1,001
25	51703	M K Vyas	25,000
26	117582	Mamta Aggarwal	11,000
27	106342	Manish Shah	25,000
28	114785	Namrata Agrawal	5,100
29	114304	Namrata Maheshawari	5,100
30	103844	Navin Sukanraj Jain	25,000
31	39816	P M Bagrecha	25,000
32	47603	Parvin Kasundra	25,000

33	103688	Piyush Mehta	25,000
34	44290	Prakash Chordia	25,000
35		Preedip C Tanna	25,000
36	58008	R.K.Chandgothia	25,000
37	128471	Rahul Vashi	11,000
38	125623	Rajeev V Bhati	3,000
39	113440	Rajesh Kiran Jain	25,000
40	100939	Rajesh Nadkarni	25,000
41	36568	Rajesh R Pitalia	25,000
42	132334	Rashmi j Bhatia	5,000
43	135755	Sachin P Dani	5,000
44	114741	Sachin S.Agrawal	11,000
45		Samir Vora	11,000
46	75152	Satyanarayan Mundra	5,000
47	79771	Seema Bohra	11,000
48	108965	Shailendra Jain	25,000
49	123667	Shilesh Prajapati	11,000
50	117190	Shinoj M Mathew	11,000
51	41548	Shreyas S Kapadia	25,000
52	134214	Smiti Shroff	5,000
53	35919	Subhash S Kotadia	25,000
54		Sudha Prajapati	11,000
55	128772	Sumit Doshi	5,000
56	35416	Ujwal Kakaria	25,000
57	40159	Vimal Desai	25,000
58	108454	Viral J Gandhi	11,000



Photo's View!



Vapi Branch Of WIRC Winner Team Against Income Tax Dept held at Valsad.



Winner Team Of VAPI Branch.



Members Of VAPI Branch.



Inauguration of VAPI Branch Of WIRC by Shri Uttamprakash Agarwal, president of ICAI & Shri B C Jain Chairman, WIRC [01-12-2009]



Managing Committee Members With Chairman [2010-2013]

To,

Disclaimer:- While every effort is made to ensure that the information contained within this newsletter is correct, Vapi Branch of WIRC of ICAI is not responsible for the accuracy or otherwise of information provided by the contributors.

If Undelivered Return to:

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