

JVR in 2013.....

- January - Joyful moment to JVR... 🤗 Our Managing Partner CA Jomon K George was elected to the Southern India Regional Council (SIRC)...
- February - On the top of Kodai hills.... 🏞️ Our Annual Office tour to Kodaikanal....
- June - Seeds to win... 🌱 a self re engineering session by Mr.Shameem Rafeeq...
- July - Another golden feather on his hat.... 🎩 Our managing partner elected as the President of The Rotary Cochin Central
- September - Happy Birthday JVR!!! JVR completed it's joyful 8 years. 🎂
- Fun with flowers.... 🌸 Onam Celebrations '13...
- October - Vroom!!!Vroom!!! Off to Munnar on bike... 🏍️ A bike trip to Munnar and Valparai...
- December - Team JVR @ Prakeerthi 2013....! 🏆 National Conference of CA Students held at the Queen of Arabian Sea....
- When Santa came to JVR....! 🎅 Christmas Celebration 2013...
- SICASA Football Match....!!! Team JVR qualified for semifinals... ⚽



WHO IS YOUR LEADER...????

This is a very relevant question in today's world. If we search through history, we can see many leaders who led people from time to time. Mahatma Gandhi, Abraham Lincoln, Nelson Mandela etc are some of the leaders very familiar to us.

Who is a leader? A leader is a person who attracts people towards them, influences them and guides them. They have the ability to unite people of different thoughts and character together under the same umbrella. They are able to show the people the way in which they should walk. They are ready to serve the society.

In the current world, we can see many political, social and religious leaders. But do we have good leaders now? Our current leaders are expecting people to serve them although it is their duty to serve people. Now many people come into leadership attracted by the power, money, reputation etc.

Why do we criticize our leaders, when there is an opportunity for everyone to become leaders? Nobody is born a leader. People become leaders because of their personality, character and qualities. Our society is ready to accept good leaders always.

Year 2013 have witnessed the departure of a powerful leader and the rising of a new leader. The man who led the dark Africa to the light of freedom, the great Nelson Mandela departed from this world leaving behind a great legacy. A man with a broom stick on his hand emerged as a new leader in our capital city, with a motto to clean our country from corruption. The victory of Aravind Kejriwal in Dehi shows the thirst of people for good leadership.

The society is expecting good leaders always. Why do we expect somebody to lead us?

Let us all become good leaders.

Tubin T Mathew

Editorial Team – Tubin T Mathew, Thanzeela Babu, Amal Varghese



Quarterly Newsletter -10

Echo

January 2014

From The Editor's Desk:

Dear friends,

What does 'echo' mean...? The dictionary meaning is 'the reflection of sound'. Our 'Echo' is the reflection of knowledge, learning, activities and creativity. 'Echo' can be described as the 'Mirror of JVR', as Team JVR reflects itself through this newsletter. We feel delighted in introducing you the 10th edition of Echo.

After a hectic audit season in September, JVR had gone through a calm October, hot November (because of exams) and a cool December.

We are extremely grateful to JVR for ensuring 100% student participation in "Prakeerthi 2013", the National Conference of CA Students held at Cochin. We also take this opportunity to congratulate Sruthi U Pai for being one of the student speakers and paper presenter in the conference.

For the first time, Team JVR had come up with a Christmas celebration this year. With a Christmas tree, Christmas cake, Message, Santa Claus, Christmas carol, Christmas friend etc., Team JVR enjoyed each and every moment of the celebration. The funfilled 'Treasure Hunt' was a wonderful experience of team spirit.

Being at the end of 2013, let's recollect and review our footsteps during the year. Let's welcome the New Year with new hope, new decisions and new resolutions.

Wishing you all a HAPPY AND PROSPEROUS NEW YEAR 2014....

Also wishing you all a happy journey through this Echo....

Congratulations



Razee Moideen
All India 36th Rank
CA Final November 2013



We are proud of you...

Cheerful Moments...





These are Accounting Standards, which give information, regarding accounting policies of entity, true and fair view of Financial Statements, effects of certain transactions on company's position etc. For eg: AS1 Disclosure of accounting Policies , AS 18 related Party Disclosures.

One of the important disclosure based accounting Standard is AS 18 Related party disclosures.

This standard comes into effect in respect of accounting periods commencing on or after 1.4.2001.

Objective

The objective of this standard is to establish requirements for disclosure of:

- Related Party relationships
- Transactions between a reporting enterprise and its Related Parties

This Standard should be applied in reporting related party relationships and transactions between a reporting enterprise and its related parties. The requirements of this Standard apply to the financial statements of each reporting enterprise as also to consolidated financial statements presented by a holding company.

Applicability

As per "Companies (Accounting Standards) Rules 2006", AS 18 applies to all companies and in case of non-corporate entities, it applies only to Level I and Level II entities.

This Standards deals only with related party relationships described below:

- Enterprises that directly or indirectly through one or more intermediaries, control, or are controlled by or are under common control with the reporting enterprise (this includes holding companies, subsidiaries and fellow subsidiaries);

- Associates and joint ventures of the reporting enterprise and investing party or venturer in respect of which the reporting enterprise is an associate or joint venture;
- Individuals owning, directly or indirectly, an interest in the voting power of an enterprise that gives them control or significant influence over the enterprise, and relatives of any such individuals;
- Key management personnel and relatives of such personnel; and
- Enterprises over which any person described in (c) or (d) above is able to exercise significant influence.

Disclosure Requirements

Name and nature of the related party relationship where control exists

- This disclosure is required irrespective of whether or not there have been transactions between the related parties.

If there have been transactions between related parties, the reporting enterprise should disclose the following:

- Name of the transacting related party;
- Description of the relationship between the parties;
- Description of the nature of transactions;
- Volume of the transactions;
- Any other elements, of the related party transactions necessary for an understanding of the financial statements.
- Amounts of outstanding items pertaining to related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date; and
- Amounts written off or written back in the period in respect of debts due from or to related parties.

Sruthi U Pai



PREFACE

Excise duty is an indirect tax. An indirect tax is one which is levied on products or a service and the incidence of tax is borne by the consumers who ultimately consume a product or service but the immediate liability is on the persons such as the manufacturer or seller of the goods. It is the Constitution of India that empowers the government to collect this duty via entry number 84 of the union list.

THE CONCEPT OF LEVY

Excise duty is levied on all excisable goods (except those manufactured in SEZ) which are manufactured in India as per rates prescribed in first schedule to the Central Excise Tariff Act of 1985. Basic conditions for levy of duty of excise u/s 3 of the Central Excise Act, 1944 are:

- There must be goods
- The goods must be excisable
- The goods must result out of production or manufacture

- The goods must be produced or manufactured in India (SEZ excl.)

Did you know that the basic rate of excise duty is 16%? It has been brought down to 12% vide exemption notifications. In addition educational cess of 2% and higher educational cess of 1% is also levied. Effectively the current rate is 12.36%.

The taxable event here is manufacture, i.e. the tax is levied on the manufacture of an excisable good. It has to be kept in mind that it is only the accrual of liability that happens during the completion of manufacture. According to rule 4 of the act the duty need only be paid when the goods are removed from the factory or a registered warehouse. It also says that the rate of duty will be the rate on the date of removal of goods. See the following table:

Rate at the time of manufacture	Rate at the time of removal	Whether Duty Payable or Not	Explanation
Non Excisable	12%	No	No accrual during manufacture
NIL Rate of Duty	12%	Yes, at 12%	The existence of a NIL rate makes it excisable
Exempted via notification	12%	Yes, at 12%	It was excisable during manufacture
10%	12%	Yes, at 12%	Rate during removal should be considered.
Basic Rate	Basic + Special Levy	Yes, only Basic	Only basic duty was accrued during manufacture and only such duty need be paid

Ashwin Nath