

CHOOSE YOUR STUDY GROUPS...

10. Insurance Study Group

Conveners : Shri Suneel Magoo
 Shri Pramod Gupta
 Jt. Conveners : Shri Sanjeev Soni
 Shri Praveen Kataria
 Shri M.L. Mittal
 Shri Kamal Gupta
 Shri Bhim Sain Goyal

Tea meetings - Yearly contribution

Fellow : Rs. 750/-
 Associate : Rs. 500/-

Function

The group shall strive to hold regular meetings on the topics related to Insurance. The group shall also guide the members on their possible role as Surveyors and Loss Assessors.

11. Computer Applications Study Group

Conveners : Shri Praveen Juneja
 Shri Rakesh Sharma
 Jt. Conveners : Shri Adarsh Mohan
 Shri Ajay Alipuria
 Ms. Preeti Trivedi
 Shri Suneer Sharma

Tea meetings - Yearly contribution

Fellow : Rs. 500/-
 Associate : Rs. 300/-

Function

The group will organise seminars on Computer Applications and latest techniques relating to the profession.

ENROLMENT FORM

Study Groups

Please mark the box (x) against the Study Group/s in which you would like to be a member. Also enclose the cheque for yearly contribution in the name of "NIRC of the Institute of Chartered Accountants of India" and send the same to Shri N.K. Bansal, Section Officer of the Regional Council.

- | | |
|---------------------------------------|--|
| 1. Taxation Study Group | FCA - Rs. 1,750/-
ACA - Rs. 1,250/- |
| 2. Company Law Study Group | FCA - Rs. 1,200/-
ACA - Rs. 900/- |
| 3. Auditing Practices Study Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 4. Capital Market Study Group | FCA - Rs. 1,750/-
ACA - Rs. 1,250/- |
| 5. Banking Study Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 6. Sales Tax Study Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 7. Management Studies Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 8. Co-operative Societies Study Group | FCA - Rs. 300/-
ACA - Rs. 200/- |
| 9. NRI & FERA Study Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 10. Insurance Study Group | FCA - Rs. 750/-
ACA - Rs. 500/- |
| 11. Computer Applications Study Group | FCA - Rs. 500/-
ACA - Rs. 300/- |

Revised Advertisement Tariff

The Regional Council has revised the Advertisement Tariff of the Newsletter with effect from February, 1995. The rates will be :—

Full Page	-	Rs. 5,000/-
Half Page	-	Rs. 2,750/-
Quarter Page	-	Rs. 1,500/-

Name

M.No.

Address

Phone No.....

Signature

STUDY GROUPS

INSURANCE STUDY GROUP

The Insurance Study Group organised a meeting on July 8 at Phoolwari, Pragati Maidan, on Bankers Blanket Policy & House Holders Policy in Misc. Insurance. The guest speakers were Shri Atish Pathak, A.D.M. from National Insurance Ltd. and Mrs. Ramma Bhasin, A.M. from the Oriental Insurance Co. Ltd. Mr. Pramod Gupta, Convener, co-ordinated the programme along with Mr. Sanjeev Soni, Jt. Convener. The meeting was attended by the study group members.

CAPITAL MARKET

The meeting of the Capital Market Study Group was held on July 15 at Hotel Le-Meridien under the convenership of Shri M.K. Aggarwal. Shri S. Vankitaraman, former Dy. Controller of Capital Issue and now consultant to SBI Capital Markets Ltd. was the chief guest. He spoke on length the risk exposure in the Capital Market. In his view the propensity to same and the various legislative measures will be sole guiding factors responsible for the behaviour of the Capital Market in future. In the light of the emerging legislation of Depository Bill in Lok Sabha and the likely introduction of carry forward trade, and the introduction of amendment to Companies Act, the market shall be expected to be healthy in long run.

MANAGEMENT STUDIES GROUP

The Management Studies Group held its monthly meeting on July 28 at the Conference Room of NIRC, New Delhi at which Mr. V.K. Vadhera, Convener, made a presentation on "How to carry our Management Consultancy Assignments".

TAXATION STUDY GROUP

A meeting of the Taxation Study Group was held on July 29. The following queries were discussed and the conclusions emerged out of the views expressed by the members are as under :-

QUERY NO. 1

(1) Mr. 'A', (2) Mrs. 'B', (3) Mr. 'C', (4) 'D' Hotel, (5) 'E' Hotels Pvt. Ltd., and (6) 'F' Properties (P) Ltd., have jointly signed and M.O.U.S. to purchase building on Leasehold land known as 'G' Bombay from Smt. 'H' and others, (sellers are 9 persons. Mother, brothers and sisters, all are members of one family) having undivided interest in the above property (i.e. co-owners having undivided share).

Three M.O.U.'s have been signed for 1/9th, 7/9th

and 1/9th shares. Total consideration to be paid is Rs. 4.5 crores i.e. Rs. 50 lacs to each seller. Three forms No. 37-1 were filed and the appropriate authority have given their clearance for all three under section 269 UL (3).

All the sellers have applied for 230A clearance. One seller got the clearance for this 1/9th share and has sold his undivided shares to all the six buyers (buyers are having undivided interest).

There are chances that two or three sellers may not get 230A clearance soon. It may take a long time. In the meantime Buyer No.1 has sold some of his flat other than 'G', Bombay for Rs. 1.5 crores within prescribed time and wants to take the benefit under section 54 and Buyer No. 3 has sold shares of Indian Companies for Rs. 50 lacs and wants to take the benefit under section 54F.

VIEWS

The issue of consideration was the deduction allowable u/s 54 & 54-F of the Income Tax Act, 1961. The reference was invited to a Judgement of Bombay High Court in case of A.C. Kaushik's reported in 84 C.T.R. 62 and also Bombay Tribunal Judgement in case of Mrs. Hilla J.B. Wadia. While discussing, it was presumed all other conditions for allowability of deduction u/s 54 and 54-F have been fulfilled. In the light of this, the views of the members in respect of following issues were as under:

- 1) The purchase of fully tenanted building 'G' Bombay can be considered a residential house and qualify for deduction u/s 54 and 54-F.
- 2) An undivided interest in land & building i.e. 1/3rd share in building (the dominant user of building is residential but it has some commercial flats also qualify deduction u/s 54 and 54-F.
- 3) Two residential floors comprising of 8 tenanted flats shall also qualify for deduction u/s 54 and 54-F.
- 4) Two or more tenanted residential flats whether contiguous or not also would qualify for deduction u/s 54 and 54-F.
- 5) An undivided interest in residential portion of the building e.g. 1/2 share in entire residential portion of building would qualify for deduction u/s 54 and 54-F.
- 6) Tenanted Flats classified in Municipal Records as 'Residential but used for business' and de facto the present tenants are using them for business would not qualify for deduction u/s 54 and 54-F.
- 7) When an association of person acquires the building or substantial part of building, thereafter due to partition of that AOP, one person gets certain resi-

STUDY GROUPS...

SALES TAX STUDY GROUP

In a meeting of the convenor, co-convenor and the joint convenors of Sales Tax Study Group held on March 20, it was decided to hold:

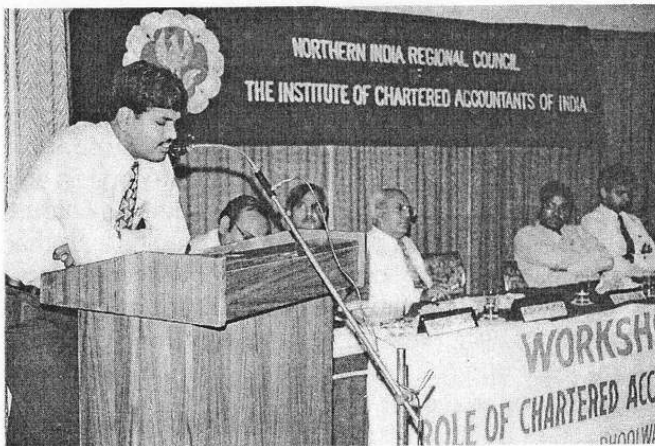
Meeting with the Commissioner of Sales Tax, New Delhi to discuss the day to day problems faced by the Members, shortly.

The first meeting of the Study Group will be held on Wednesday, 26th April, 1995, wherein Shri Balram Sangal, Advocate, Shri M.K. Arora, Advocate and Shri K.C. Gupta, F.C.A. will deliver a talk on "Innovations required in the Delhi Sales Tax Act, 1975." Shri G.G. Saxena, Dy. Commissioner, Sales Tax and Shri T.M. Balakrishnan, Asstt. Commissioner, Sales Tax will also deliver a Talk.

INSURANCE STUDY GROUP

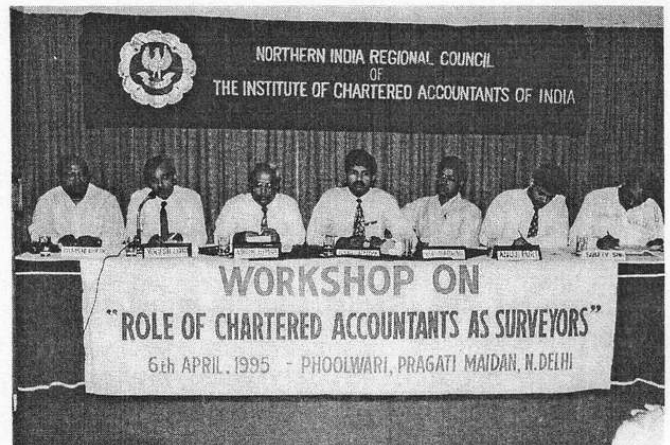
The Insurance Study Group organised a Workshop on "Role of Chartered Accountants as Surveyors" on April 6 at Phoolwari, New Delhi. Shri Ashok Kumar, (Asstt. General Manager) and Shri Yogesh Lohia, (Dy. Manager) of the Oriental Insurance Co. Ltd. were the guest speakers.

Shri Ashok Kumar explained in detail the procedure of empanelment for surveyors and informed that the process of empanelment has been decentralised and respective companies are empanelling surveyors w.e.f. 01.04.1995.



Shri Anil Jindal, Chairman, NIRC, addressing the participants of the Workshop.

Shri Yogesh Lohia deliberated upon the "Role of Chartered Accountants as Surveyors in Insurance Industry". He said that Chartered Accountants have a professional edge, since all losses have financial implications; and involvement of C.A.s as surveyors in loss of profit policies, fidelity guarantee policies, fire policies etc. have yielded encouraging results. Besides, the Chartered Accountants can also work as insurance advisors and risk management consultants.



Sitting from left are Shri Pramod Gupta, Shri Yogesh Lohia, Shri Ashok Kumar, Shri Anil Jindal, Shri G.P. Agarwal, Shri Anuj Puri, and Shri Sanjeev Soni.

Shri Anuj Puri, ACA, also spoke on the subject- "Role of Chartered Accountants in the Changing Indian Insurance Scenario". He stressed the need for acquiring insurance qualifications by C.A.s to enter the field of surveyors/adjusters or Insurance Advisors. With the advent of privatisation and opening of Insurance Sector to Multinationals, CAs with requisite qualifications and insurance training are best suited for insurance sector.

Shri Anil Jindal, Chairman, NIRC, welcomed the guests and stressed the need for opening up of new areas of work for members in insurance sector and assured the study group all cooperation from NIRC. Shri G.P. Agarwal, Treasurer, NIRC, also attended.

Shri Pramod Gupta, FCA, Convener, invited suggestions from the members to make the group effective and assured more practical and constructive programs would be organised during the year.

Shri Sanjeev Soni, Jt. Convener, deliberated on the "Investigations of Insurance Claims" and proposed vote of thanks.

