



January 2006 Issue Was Impressive!

The January 2006 issue of our Journal, focusing on 'Financial Reporting: Standards & Disclosures' was very impressive. The articles were informative, particularly the one titled Globalisation and Indian Accounting Standards authored by R Narayanaswamy. The News Scan, EAC Opinion and Readers' Quiz sections are also very interesting and informative. I request you to have more such informative features in the Journal.

--SR Karbhari
(Member)

Journal is Informative

I find the journal very informative and relevant to the professional world. However, it is high time that the Journal also carries articles on Post Qualification courses of ICAI in International Trade Laws and WTO, and the professional opportunities in this field.

--D.J. Basu
(Member)

Can We Have Hindi Edition of the Journal?

The journal, with its new look and improved content quality has become a 'must have' for every 'Chartered Accountant' as well as other related professionals. The journal is quite popular among CA students in Uttar Pradesh but it would have a far wider acceptance if its Hindi edition is also published keeping in mind the members and CA students in the Hindi belt of

India, particularly in Uttar Pradesh, Madhya Pradesh and Bihar. I request the ICAI to consider if the journal can be brought out in our national language Hindi also. The Institute may even consider bringing out the Journal in some other prominent vernacular languages also.

--Shri Krishna Agarwal
(Member)

Union Budget 2006 Not As Rosy As It Appears

The Union Budget 2006-07 is not as rosy as it appears. There is an increase

in Service Tax from 10% to 12%. With education cess of 2% the effective rate is 12.24%. Since most services are covered under service tax, it shall lead to inflation— an overall increase in prices of almost all commodities. In fact, Service Tax is on gross receipts unlike Income Tax where only net profit/income is taxed. Therefore, Service Tax collections will total into a much higher amount from the same level of business activities of an entrepreneur. In fact, to make it simple, no credit/adjustments, which are available at present, should be allowed and minimum rate of Service Tax should be levied— say maximum at 5% only. The exemption limit for Service Tax should have been increased to Rs. 10 lakhs at least. All services of Chartered Accountants, Cost Accountants and Company Secretaries are also proposed to be taxable. These professionals are also providing tax consultancy, which lawyers too are providing. Then how is it legally valid that only one category of professionals are in the net of Service Tax but not the other professionals. Service Tax on ATM will be passed on to bank customers. On the one hand government wishes to encourage banking transactions but at the same time by taxing bank transactions it is discouraging the same. Cash Withdrawal Tax too should have been withdrawn. E-filing of returns is welcome. But it should not be compulsory as many persons, due to some or the other constraints, may not like to use this facility.

--Mahesh Kapasi
(Member)

Write to the 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 eboard@icai.org/nadeem@icai.org or write to: The Editor, The Journal Section, ICAI Bhawan, Indraprastha Marg, PO Box 7100, New Delhi 110002.

-Editor

"Thought is the Blossom; Language the Bud; Action the Fruit Behind It"