



### Let's think beyond accounting

I am not a Chartered Accountant but have been regularly reading the CA journal. I have found that it provides excellent insights into the world of accounting. However, I think that it is now time that a Chartered Accountant starts thinking beyond accounting. Think Business...Think Strategies, think from the perspective of the changing role of CFOs.

The journal should carry more CFO-oriented articles, preferably written by expert CFOs themselves. The journal should also introduce Case Studies, which recreate a situation and trigger debates and discussions, and all it can be also related to accounting. 'Treasury' is another area, which needs to be covered by the journal.

— **KV Hariharan**

### Thanks for a timely update

I was deeply impressed by two articles "Audit Firms-Quality Management System" and "It's time for a re-look at Audit Quality approach" in January, 05 issue of the journal. These articles are timely and the need of the hour, particularly when the recognition and importance of ISO 9001:2000 certification is gaining momentum. The articles must have definitely added to the general awareness and information of the members. In fact, this topic shall be made a full subject of curriculum of CA exams as it may throw open a lot of opportunities for CAs in times to come.

— **KC Dugal**  
(Member, Gurgaon)

### Include only latest case laws

The article "Tax exemptions on share transactions" (p896, Jan 2005 issue) was very interesting and successfully highlighted the issue of the surplus of sale of shares being treated as on business account and not a capital gain, particularly in the context of the new section 10(38) and 111A. However, the case law on the subject as contained in the article begins with 20ITR of the year 1951 and ends with 160 ITR of the year 1986. It would be better if only very latest case laws are published to avoid any doubts.

— **Kanu H Doshi**  
(Member, Mumbai)

### Sales Tax on sale of DEPBs

I appreciate the efforts of the authors of the article "Sales Tax on sale of DEPBs?" (p. 905, January 2005 issue) as it has proved to be of much interest to many a CA. However, I would like to make a few points of clarification. The article has attempted to distinguish DEPB in the category of a 'duty free certificate' as against it being held as a licence by the Sales Tax Authorities under the state laws, and taxing it as goods. The article has emphasised on definition and true import of the term 'licence' by referring to its definition under Foreign Trade Development Act, 1992.

But the definition of the term 'goods' is given in Clause (12) of Article 366 of the Constitution of India. The States are empowered to tax the sale and purchase of goods under Article 245 read with entry 54 of List II of the Seventh Schedule appended to the Constitution. Therefore, while considering validity or correctness of any law, prescribing levy of an indirect tax on goods, the provisions need only conform to the mandates of the Constitution. The definition of the term 'licence' and its import may vary to suit the object of a special law like the Foreign Trade Development Act. The same principle can hardly be decisive in interpreting an item for taxation under the Sales Tax law.

— **Jaiprakash Gupta**  
(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, email us at [ebsecretariat@icai.org](mailto:ebsecretariat@icai.org)/  
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— **Editor**