



Manas Kumar Thakur, Chairman

Dear Professional Colleagues,

The national economy of the country is moving in a most turbulent situation, recording a downward trend in the economic growth rate leading towards larger fiscal and budget deficit. Tax to GDP ratio is also significantly poor as compared to the expected one. In this critical economic scenario, expansion of the tax base and greater collection of taxes followed by tapping all the avenues of tax evasion would only pave the way towards accelerated economic growth and prosperity.

It is my great pleasure to address all my professional friends and colleagues through our exponent 'The Management Accountant' and to share my views on the tools and mechanism for greater tax collection and achieving a double digit GDP growth rate. The Cost and Management Accountants (CMA) play a very significant role in the domain of indirect taxes, be it central excise, service tax, customs or VAT. We are all aware that more than 50% of total tax collections of the Government comes from indirect taxes and out of the same, more than 65% is collected from

taxing services. State Governments are solely dependent on revenue collection from VAT and Central Sales Tax. Our learned members in practice are really doing a good job in formulating and complying the provisions relating to indirect taxes.

Indirect tax, in particular service tax, is transforming into a new horizon wherein taxing services would be based on a negative list concept rather than the multiplicity of the existing mammoth service tax provisions. Indirect taxes frontier is in the process of emerging into a new regime with the introduction of 'Goods and Services Tax' (GST) which will combine all the indirect tax provisions and legislations into a single one and covering all goods and services manufactured, sold, traded and provided in India and thereby ensuring a much better tax to GDP ratio in the days to come. Government of India has recently published a concept paper on 'Taxation of Services' on negative list basis and solicited suggestion of the trade and business bodies/associations, institutes and public at a large. I am happy to announce that the indirect Taxation committee of the institute has already submitted valued suggestions to the Government of India for drawing up new course of action in drafting service regulations. News are spreading across the country on a regular basis regarding introduction of GST in India and the required constitutional amendments required for the same. You would be pleased to know that the Indirect Taxation committee of the institute has already submitted a detailed study paper to the finance Ministry, Government of India citing therein various tools, techniques and mechanism for introduction of GST, better management and tax compliance and thereby ensuring greater collection of revenue for the Government. Efforts are on to provide much valued services and advises to union government as well as State Governments to lay down a more assessee friendly and revenue collection oriented tax policy/rules and regulations for overall long term sustainability of the economic objectives.

The Indirect Taxation committee recently organized a seminar in Kolkata on the applicability of negative list in taxing the services where Hon'ble Member Secretary of CBEC presided. A number of seminars, symposium and workshops are organized on Pan India Basis to spread the idea of GST and the role of CMAs therein. Liaison with all the Government authorities including State Government, Commercial Tax Authorities are taking place on a regular basis to emphasize the importance of the CMAs in this dedicated professional field. On behalf of the Indirect Tax committee, I am pleased to announce that in near future a number of web seminars (web miners) would be arranged on the following topics so that the benefit of knowledge sharing is spread across the universe :

1. Rules, Regulations and Procedures relating to service tax including electronic filing of returns thereof.
2. Rules, Regulations and Procedures relating to Central Excise including electronic filing of returns thereof
3. Goods and Services Tax and the role of Cost and Management Accountants.
4. Indirect tax reforms both in Union as well as State levels.

Eminent experts in the dedicated fields would address the members as well as all professionals to impart knowledge among all. As a part of building a knowledge bank in indirect taxation field, the institute as well as the committee is in the process of collecting well regarded articles/presentations so that the collective wisdom be shared among all the members for the over all growth of the fraternity. The committee is also envisaging the introduction of a post membership specialized programme on 'Indirect Tax Management' which would target to cater regular as well as specialized needs and requirement of the profession as well as for enhancing the knowledge base of our members in this field.

The committee is untiringly engaged in highlighting and emphasizing the role of the Cost and Management Accountants in all the areas of indirect taxes and show casing the profession before all Government and other authorities which in variably would fetch successes to the profession in entity. In conclusion, I would like to mention that not only the indirect tax committee but the efforts of all the members of the council would lead towards a much better professional field and platform for all of us. I cordially thank to all my fellow members in the council who have extended enormous support to me towards drawing the future plans which indeed would place all of us and the institute in a new scale.

In this context, I would further like to reiterate that time has come for the Cost & Management Accountants to contribute their best for the overall development of the economy through ensuring accurate determination of tax liability, ensuring all statutory compliances and tapping all seepage of revenue of the Government. Before I close, let all of us take the oath that we being the Cost & Management Accountants should put our best endeavor for the overall and sustainable growth of the economy.

Wishing you and your family merry Christmas and a very happy & prosperous new year!

With warm regards

Manas Kumar Thakur
Chairman, Indirect Tax Committee.
3rd December, 2011