



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set-up by Act of Parliament)

BHUBANESWAR BRANCH OF EICASA OF ICAI



e-News Letter

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ICAI BHAWAN

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Whether you think you can or you think you can't, you are right.
– Henry Ford



EICASA Chairman's Note

Hello Friends...

Glad to get connected with all of you through this e-newsletter. First of all I am thankful to my managing committee colleagues for giving me this important position of EICASA Chairman because of which I am getting opportunity to get connected with my so many future professional colleagues.

During last month we conducted an Industrial Visit to "Milk Mantra" for our Students where 50 students participated in the event. Milk Mantra is a fully integrated producer of dairy processing plants and also professionally managed company; it imparted a great exposure amongst our students. Further, We conducted exam oriented seminar for students on topics like "Recent Amendments on Direct & Indirect Tax Laws" & "Recent changes in Companies Act".

Friends, as per Board of Studies guidelines we are planning to schedule EICASA elections of Bhubaneswar Branch. Hope you will take active and responsible participation in the said elections which will bring best leadership for the EICASA-Bhubaneswar.

Last month we have conducted one Career Counselling meet with SAI International School Students which was attended by more than 150 students at our Branch Auditorium. Further, we have conducted mock test for CA-IPCC & Final Students.

I am fortunate to have got very dynamic EICASA team mates to work with. It is a good experience to work as a Chairman of Bhubaneswar- EICASA, which has always given me immense pleasure and valuable experience in working with highly competent team of Bhubaneswar - EICASA which includes Deepak, Sanat, Sekhar, Debendra & Amrita who are really superb personalities and are going to be responsible citizen and hopefully leaders of our Nation. I wish to share with this team that whether you officially hold any position in Bhubaneswar- EICASA or not, you will always be important and inseparable part of our team.

On behalf of Bhubaneswar-EICASA, I am giving my Best Wishes to all those student friends who are appearing for exams. Believe in yourselves firmly and the best is yours (with full faith that you will give your cent percent in preparations). Please do participate in practice exams/ tests which will help you in big way.

With Warm Regards to All...

CA. Raja Narayan Tripathy

Chairman EICASA and Vice Chairman, Bhubaneswar Branch of EIRC of ICAI.

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Life shrinks or expands in proportion to one's courage.
— Anais Nin

Committee's Note



Mr. Deepak Mohanty
Vice-Chairman
EICASA, Bhubaneswar Branch

My dear friends.....

By a continuing process this time also we are going to publish e-Newsletter of EICASA, Bhubaneswar branch. In this month the Team EICASA, Bhubaneswar branch had organized "Women's Day" on 8th of March which was a tribute to the women for their sacrifices and services to the society, where various woman political leaders, socialists and cinestars were present to grace the occasion of Women's Day. I am also very glad to note that for the benefit of the students, we the Team EICASA of Bhubaneswar Branch had organized a seminar on "Important Provisions, Rules & Notifications of Companies Act 2013 applicable for May 2017 Exam" at ICAI, Bhubaneswar Branch premises which would be helpful for the students for exam preparation.

We are also going to do a seminar on the "Recent Amendments on Taxation applicable for May 2017 Exam". I look forward to your support and coordination for the future events and activities.

Thanking You



Mr. Sanat Biswal
Secretary
EICASA, Bhubaneswar Branch

Dear Friends....

Time passes by so quickly and it is very difficult to keep a track of it. As I write this, I am well aware of the fact that the exams coming up after a month. I know many of you would be busy going through your preparations and would be toiling hard for every minute possible to give it your best shot. I would like to take this opportunity to extend my best wishes to those who are appearing in the forthcoming examination.

Good luck...



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Article



Foreign Direct Investment in the retail segments in both formats of single brand and multi-brand

Tusar Sangam Sahu

Student Registration No. ER00196837

ABSTRACT

The Indian retail business is highly fragmented and is almost run by traditional families In India, lot of departmental stores, super markets and high organized malls are emerging into this retail sector. India is currently the 3rd largest emerging markets in the retail segment. The recent changes brought in the retail sector by the government have made the retail sector to have large number of retailers for India.

Indian retail industry is one of the sunrise sectors with huge growth potential. According to the investment Commission of India, the retail sector is expected to grow three times its current levels, however, in spite of the recent developments in retailing and its immense contribution to the economy, retailing countries to be the least evolved industries and the growth of organized retailing in India has been much slower as compared to rest of the world . Indian retail sector today is valued at \$450 billion, and is increasing day by day due to its increasing middle class population and their spending power. Indian retail sector has two parts: organized and unorganized sector. Organized sector which forms around 20 -30 % in other countries , here in India it forms only about 6% while rest is all unorganized consisting of small retailers called as 'kirana shops', paan / beedi wala, convenience stores, departmental stores, pavement vendors etc. Organized retail consists of supermarkets, hypermarkets and modern retail outlets, malls, exclusive brand outlets etc which are located in urban areas or metros.

This paper tries to highlight the recent issue of Foreign Direct Investment in the retail segments in both formats of single brand and multi-brand. The foreign investment which has prohibited entry of investment in multi-brand has now emerged as the main issue. The government recently has announced the foreign investment of 49% stake for the foreign players to enter into the retail segment. This paper will exhibit the necessity and its impact of foreign investment of retail in both single brand and as well as

multi-brand. This paper will be an eye opener with the SWOT Analysis and the key issues and the initiatives to be taken in this sector. The paper analyses the effects of these changes on farmers and agri – food sectors along with all economic factors . The findings of the study point out that FDI in retail would undoubtedly enable India to integrate its economy with world economy.

INTRODUCTION

Concept of Retailing:

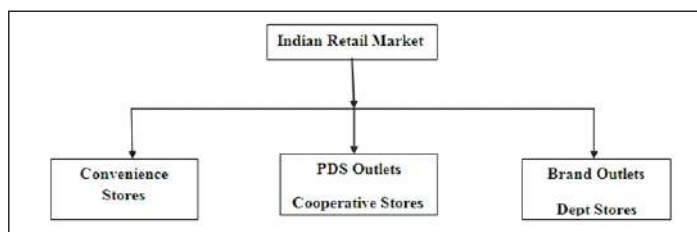
The word retail is derived from the French Word retailer which means to cut off a piece or to break bulk. Retailer is a dealer who sells goods in small quantities. Retailing is a link between producer and the consumer for fulfilling the personal needs. The retailer involves in selling of goods to the customer. The Retailing may be divided into 2 categories namely organized and unorganized retailing.

a. Organized Retailing: It refers activities undertaken by licensed retailers who are registered for sales tax, income tax.

b. Unorganized Retailing: It is a traditional way of low - cost retailing. These may be local shops..

Evolution of the Indian retail market:

The Indian retail market was started with a barter system. Gradually a semi – formalized system started to small groceries. After some decades where these small groceries changed to organized retail stores. ICICI Conducted a research for the evolution of Indian retail research which describes about the development of Indian retail market.





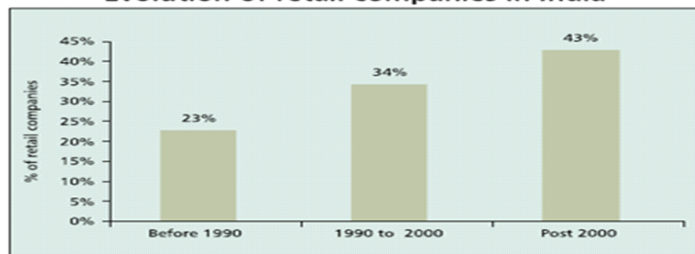
The traditional practice of selling goods to the consumer is unorganized retail like Kirana store, Mom and pop store. They have contact with local customer in relation seeming to be relatives. Usually they are mingled with their customer as neighbor. By the time and economy goes up, the consumer's purchasing power and preference is changing. Based on the taste & preference, now the unorganized sector is converting into organized sector that starts from the urbanized area. Compared to other industry, the retail industry is bigger booming potential industry. Each and every in need of product approach the retail shop. This is the point where the every consumer approaches for the product. Especially in India, the retail industries are mostly occupied by the unorganized industry as they are traditional player. The domestic organized players are very few in comparison of unorganized player. Compared with the international organized player, the domestic players who are in the lack of capital are not effective in healthy competition. So the industry is in need of capital infusion. For long time, the notification of FDI in retail in India was pending in the table of Ministry of Finance. As timely announcement, the ruling government proclaimed allowing 51% FDI in multi brand retail with some other opening in other sector. From this paper, what we analyze is what will be the impact of FDI in retail in India.

TOP PLAYERS OF RETAIL IN INDIA

1. Pantaloon Retail.
2. Raheja Group
3. Tata
4. RPG Group
5. Landmark
6. Piramal Group
7. Subhiksha
8. Bharati - Walmart.
9. Reliance Group
10. AV Birla Group

As per the report prepared by FICCI and ICICI Property Services in Feb

Evolution of retail companies in India



2005, FDI can be a powerful catalyst to spur competition in the retail industry. It can bring about the improvement in various areas such as:

- Supply Chain Improvement
- Investment in Technology,
- Manpower and Skill development
- Tourism Development
- Up gradation in Agriculture
- Efficient Small and Medium Scale Industries
- Growth in market size
- Greater Productivity
- Benefits to government through greater GDP
- Tax income and employment generation

The arrival of foreign companies into the Indian retail sector is a Sensitive issue, as small shopkeepers fear being driven out of business by Multinationals. Industry bodies want the retail sales sector to be liberalized Gradually but calls for the market to be opened up to foreign competition have increased in recent months, notably during visits by Western leaders. Both US President Barack Obama and his French counterpart Nicolas Sarkozy urged India to remove restrictions on foreign trade and investment.

Review of Literature

Indian traditional retailers have a number of inherent strengths which helped them not merely survive the competition from organized retail but flourish. These include proximity to consumers, consumer goodwill, credit sales and amenability to bargaining, sale of loose items, convenient timings and home delivery. The Indian Council for Research on International Economic Relations (ICRIER) study (M. Joseph and N. Soundararajan, 2009) has shown that hardly 1.7 percent of small shops have closed down due to competition from organized retail. They have competed successfully against organized retail through adoption of better business

practices and technology. FDI has positive and proven spillover effects in automobiles, telecom and consumer electronics on the economy as its ownership advantages get disseminated to locally owned enterprises, enhancing their productivity. The domestically driven organized retail expansion in India is facing difficulties. The food inflation in the country has stayed high for some time now. The gap between the farm level prices and consumer prices is very high in India which has not come down with the expansion of organized retail. Why? While the number of domestic restrictions on the operation of organized retail in India is partly responsible for this, the ban on foreign entry into multi-brand retailing is also partly responsible. India permitted foreign direct investment in cash-and-carry wholesale trade up to 100 percent through the automatic route and in single-brand retail up to 51 percent in 2006. The former brought in US\$ 1.8 billion during April 2000 to March 2010 and the latter just US\$ 195 million during April 2006 to March 2010. The reason why India has not allowed FDI in multi-brand retail is the fear that it will harm the traditional small retailers. Organized retail, one of the most notable emerging sectors of the



Indian economy, continues to attract significant investments and interest from leading national and international retail players. It has also generated considerable opposition from small traders and shopkeepers who are worried about the impact of large-scale organized retail on their businesses.

As a result, the government has been forced to carefully examine the long-term implications of organized retail in India. According to the authors, the main reason why the third wave countries which include China, India and Russia lagged behind was the severe restrictions on foreign direct investment (FDI) in retailing in these countries. The demand side features of these countries, such as income, size of the middle class, urbanization, and the share of women in workforce, etc., have been similar to countries in the second wave. In China and Russia these restrictions were progressively relaxed in the 1990s and in India only partially in the 2000s. In January 2006, India allowed foreign companies to own up to 51 percent in single-brand retail joint ventures (JVs), but multiple brand foreign firms are still barred in retail although they can set up wholesale operations. India stands out as an example for the late coming of modern organized retail in emerging markets and also for the kind of restrictions placed on foreign investments in retail. The arrival of modern retail in developing countries occurred in three successive waves.

Research Objectives

Having presented the immense potential and current status of the entry of the global giants to Indian retail industry, this paper continues to flesh out the Indian retail story with the objective of highlighting some of the major concerns that organized retailers will have to consider as they venture into the Indian market.

The objective of the paper has four dimensions:

1. The myths and realities of global giant's entry to India, with special reference to Wal-Mart and Carrefour
2. Overview the two faces of retail sector – Challenges and key Success factors.
3. Impact of FDI on Indian Retailers, Consumers and Farmers.
4. Recommendations and policy suggestions before allowing FDI in Multi brand Retailing.

RESEARCH METHODOLOGY

The researchers have adopted analytical, descriptive and comparative methodology for this study. Reliance has been placed on secondary data sources such as books, journals, newspapers and online database. However, the interpretation of the data and suggestions made assume importance for the healthy growth of the retail sector in the country.

CHALLENGES OF FDI IN RETAIL

FDI in retail sector is not allowed, it is only allowed up to 51 % in single brand and government is still considering the opinion of allowing FDI in multi brand segment. 100% FDI is allowed in cash and carry wholesale and export trading, both wall mart and

Carrefour have already entered in India in this segment. Many big giants like Wall mart, Carrefour are waiting to earn their fortune in continuously growing market.

FDI in retail sector will have both positive and negative effect if allowed. Both organized and unorganized sector will face adverse competition from global players. Wal-Mart has a turnover of \$256 billion and growing at an average of 12 -13 % annually. Average size of its stores is 85000sq ft and average turnover is \$51 million. Organized sector retail outlets in India like pantaloons, reliance cannot compare with the giant let alone the small retailers. Indian government still fears that if FDI is allowed in retail then

BODY OF RESEARCH

THE CURRENT AND ANTICIPATED GROWTH OF RETAIL INDUSTRY



unorganized sector will be affected very badly and it will result in a large lot of unemployed retailers and other youth which is employed in the supply chain, this unemployed lot can't be absorbed in manufacturing or service sector which can ultimately push a large chunk of population below poverty line.

In India unorganized retail is a „forced employment sector“, there are large number of retail outlets because when youth does not find enough employment opportunities or is not educated enough then the easiest resort to earn decent money is to save money or get a loan to set up a shop. On an average a retailer earns Rs.186075 annually and only 4% of 12 million retail outlets have area more than 500 square ft. Now if FDI is allowed in such an unorganized sector than many changes can happen which can be positive or negative.

Talking about the organized sector, which consists of big Indian players who have entered in retail sector just to take advantage of diversification and expand their business, they will also be affected but from different prospects. Major challenges that lie ahead are:

Economies of scale: The global players have economies of scale and are perfect in cost cutting and providing the consumer the best at lowest price which still is a major challenge for Indian retail firms. The way they perform their process itself builds an entry barrier for other new firms.

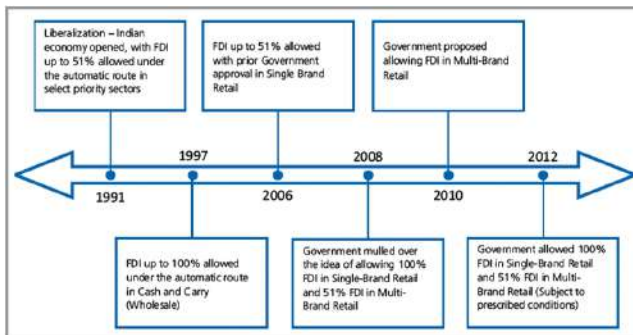
Brand name: They bring with them world class products which have high quality and a highly valued brand name. The domestic brands don't have that charm and attracting power as of global brands.

Technology: Global players are highly advanced in technology. The



tools, equipments, kind of warehouses they use, their way of performing processes are highly advanced and cannot be compared with those used by Indian retail firms, which in turn provides better services and better quality products even in categories like perishable food etc.

Attract skilled employees: The work culture of global players is quite different from those of Indian players. They believe in earning profits by cutting costs as much as



possible and at the same time are conscious towards career of their employees. Their approach is more oriented towards achieving ends rather than means. Attractive salary and high incentives can also attract skilled employees towards global players which is also a threat for big Indian retail firms.

Better infrastructure: Better storage facilities, better transportation medium and high investment can pose another threat to Indian retail firms which can hardly match the capabilities of giants on their own.

Joint ventures: Global players may not prefer to enter into joint ventures with Indian firms and may also close down the existing ventures in wholesale and single brand which may adversely affect the Indian firms. This is possible when 100% FDI is allowed in multi-brand retail.

IMPACT OF FDI IN RETAIL SECTOR:

Forex Reserve: As the limit is increased to 51% in the multi brand retail, the direct investment from abroad called FDI would inflow to start the business. The inflow of capital would increase the capital reserve in the Balance of payment which shows the ability of the nation in terms of Forex.

Farmers: The one of the current problem of Indian economic is fiscal deficit which is mostly caused by subsidy give to the farmers which is considered as unproductive. The one way to cut such subsidy is to make the farmers independent by making the system securing them to be paid good price for the commodity. The organized retailers that are capital giant are able to purchase directly from the farmers paying good price. So the government should be ensuring that the farmers are getting paid the price of what they are eligible to.

SME: In the norms that are instructed to the foreign player, they should purchase 30% of the product they deal with from the Small and Medium Enterprise. This ensures the development of SME. The foreign player would like to provide the quality product. The SME would be encouraged to produce the commodity that is of high quality.

Infrastructure: The players are imposed with the restriction of investing 50% of their investment on the Back end infrastructure. The ruling party in India where the economic development is suffered by lack of infrastructure is very cautious about to invest in such area. It would become base for economic in many ways, say transportation.

Distribution: The distribution system is one of the factors determining the cost of the product. As they are invested in the infrastructure, they could follow JIT. Say Wal-Mart, they are not interested in expending in the stock maintenance.

Inflation: Inflation is the unruly one which is challenge to the country where the price sensitive people are. The scale of economy, capital and large turnover are the base by which the lower prices are offered to the consumer. The entries of multinational players lead to healthy competition that lowers the price then inflation consequently.

Food Wastage: With the poverty in one side, the wastage of food is on another side in the same country. It requires the effective distribution system to avoid food wastage. With the good back end infrastructure, they can able to serve the goods in an optimization way.

GDP: The decline in the GDP mainly due to the agriculture sector is making the economist worry more. The FDI in retail would improve the GDP by, economist say 0.5%. The booming industry that has potential capacity would contribute the GDP higher.

Employment: The more employment would be created in the country either directly or indirectly where youth pass out is increasing as much as creation of employment. It would be generated in the agriculture, manufacturing, service industry which consists of GDP. The more people get employed would rehabilitate the economic cycle.

Consumers: The ultimate beneficiary from the opening of FDI in multi brand retail is consumer. They are left to choose the retail that would give them goods at lesser price. The more middle income people living in India are preferred to have shopping more modern in lesser cost

REASONS FOR PROMOTION OF FDI IN RETAIL

- The major benefit of FDI is that it is both supplementary and complimentary with regards to local investment. FDI lets a company gain better access to top class technology and supplementary funds. They are also exposed to management practices in vogue around the world and also get the chance to become a part of the global market system.

- The Indian government had commissioned Indian Council for Research on International Economic Relations (ICRIER) to



perform a study on the effect of organized retailing practices on its unorganized counterpart.

ICRIER submitted the report during 2008. The study hinted at the advantages that the growth of organized retail will have for various participants like the consumers, manufacturers, and farmers.

- The government decided on the basis of the results in other countries and the ICRIER study that this decision would result in a greater influx of FDI in both back and front end infrastructure. It was expected that the agricultural sector would become more efficient and be in a better position to use technology.
- It was also expected that this decision would result in more and better jobs being created and the best practices around the world will be introduced in India. Both farmers and consumers will see more convenient prices and higher quality in future and this will help both the classes.
- The government also put in an obligatory condition before foreign companies for procuring 30 percent supplies from local producers in order to provide a fillip to the manufacturing sector in India. Jobs are expected to be available in both rural and urban areas thanks to greater back and frontal operations resulting from more FDI.
- Domestic retail entities and traders are expected to pull up their socks and increase their efficiency ever since this decision. Consequently, the consumers are expected to receive better services and the producers who provide the source products also get better payment.

PROCESS OF FDI IN RETAIL:

There is no such procedure for short listing the companies. International companies who are willing to invest in either single or multi-brand retail can put in their applications with the Department of Industrial Policy and Promotion. Here the applications are reviewed in an effort to determine their suitability as per the stated guidelines. Subsequently, the Foreign Investment Promotion Board, Ministry of Finance will consider the applications before providing the final approval.

FDI routes in retail

Available routes for foreign players to enter the retail sector					
Strategic License Agreement	Cash-and-Carry Wholesale Retailing	Distribution	Franchise Route	Manufacturing	Joint Venture
This route involves a foreign company entering into a licensing agreement with a domestic retailer or partnering with Indian promoter owned companies	100 per cent Foreign Direct investment is allowed in wholesale trading which involves building of a large distribution network	An international company can set up a distribution office in India and supply products to the local retailers. Franchisee outlets can also be set up in this route	The entry route, which includes the master franchise and the regional franchise routes is widely used, with a number of international brands to set a presence in India	A company can establish its manufacturing unit in India along with standalone retailing outlets	International firms can enter into agreements with domestic players and set up base in India. Share of MNCs is restricted to 49 per cent in this route

ADVANTAGES OF FDI IN RETAIL:

- ② India's retail industry is one of the biggest around the world when it comes to the privately owned ones. The industry has seen some major restructuring thanks to the FDI structure becoming more liberal than before. The benefits of FDI in retail, as per experts, carry greater weightage than the cost related implications.
- ② With FDI in retail, operations in distribution and production cycles are expected to become better. Owing to factors such as economic operations, the cost of production facilities will come down as well. This will mean a greater choice of products at lesser and justifiable prices for the customers.
- ② As a result of FDI, companies will be able to bring in technology and skills from other countries and this will help in infrastructural development of India. This will also help in creating more value for money for the buyers.
- ② After FDI in retail, it is possible to set up a properly organized chain of retail stores as the capital to do is readily available. The investment can be regarded as a long term one as the physical capital put into a domestic company is not liquidated easily. This is its main difference from equity capital.
- ② ICRIER had also predicted that if FDI in retail was introduced in India during 2011-12, the Indian economy could have grown by 13 percent, the unorganized sector could have seen a 10 per cent growth and the organized sector could have increased by 45 per cent.

DISADVANTAGES OF FDI IN RETAIL:

- Experts say that while analyzing the positives and drawbacks of FDI in retail, both the government and the opposition did not refer to the Parliament Committee report where its effects had been studied in great detail. The committee had taken into cognizance many witnesses, NGOs, individuals, and trade associations to come up with the said report.
- The Committee visited various corners of India and also went through reports and gathered knowledge about the experience of similar decisions in other countries. It also enquired from several government departments regarding the matter.
- The Committee had surmised in its report that the number of people getting jobs will be lesser than the amount of people losing the same as a substantial amount of marginal and small farmers will be wiped out. Some other problems expected out of this were aggressive pricing and prevalence of monopoly.
- As per the Committee's report almost 8 percent of India's workforce is employed in the unorganized retail sector. This comes up to roughly 40 million people. It has been stated that FDI in retail will generate 2 million jobs. However, the Committee had stated that it is not a proper indication as it does not take into account the number of people who already work in the retail sector.
- ICRIER had executed a second study on the effects of FDI in retail during 2011 and in that it had stated that FDI will bring



*It's not whether you get knocked down, it's whether you get up.
– Vince Lombardi*

about a fantastic shopping experience for the consumers. It had actually interviewed 300 people from the middle and high income groups. Thus, in effect, the efforts of the Parliament Committee were overlooked for a private organization.

- Experts have questioned the logic of ICRIER to question 300 people in a country with a 1.2 billion population and more than 40 per cent who can be termed as poor.
- The Parliamentary Committee report on FDI was never discussed in Parliament itself, and as per experts, it is not a good sign as far as the democratic system in India is concerned.
- As per ICRIER, consumerism is positive for economic growth. In 2008 the first survey had dealt with 2020 small and unorganized retailers whereas the total count of such entities in India at that time was 6 million.
- Leading economic experts from outside India have also posed the same question. They have also pointed at the labour practices of organizations such as Wal-Mart. Most of these are not exactly healthy for workers. This has also led them to ask if such processes were really required in India.
- It is being said that the lobby favouring FDI in retail in India has invested at least Rs 52 crore and experts opine this could have had a major say in the way things turned out.

KEY FINDINGS

- More of shopping malls are evolving.
- Development of infrastructure
- Expansion of business activities.
- Penetration of modern retailing formats.
- Growth in supply chain infrastructure.
- Product diversification in all segments.
- Farmers will fetch more profit.
- Stringent laws on FDI in retail

SUGGESTIONS:

- A National Commission should be set up in order to set up the conditions on foreign retail on procurement of farm produce. It should also state the minimum space required for storage.
- There should be a gradual entry of foreign players is necessary so as to protect the interest of local retails in the country. The foreign

players should be slowly allowed in metros.

- Stringent policies should be formulated and fine tuned,.
- Foreign players should be allowed in a structured manner.
- The government should formulate a single window system to reduce complexities for foreign investors

CONCLUSION:

On the unorganized sector, the traditional players are said to get affected on account of opening of FDI in multi brand retail. Whereas those same kinds of retailers are surviving in US, France, etc. These players who are having close relationship with the customers and know their demand need to enhance the modern trend in retail in order to survive. Practically speaking, most of the consumers are reluctant to shop in organized retail shop spending more time. Whatever may be the opening, the put forward is stifle healthy competition that would change the retail industry. As any industry getting modernized in the globalization, the FDI in retail is not to be eluded in the developing country where other developing countries like China are implemented this practice before a decade. The expectation behind the opening of FDI in multi brand retail is gigantic. The decision on FDI should let go where the future of economy can't be forecasted so preciously. But the government should take precautionary measure framing the rules to ensure that any industry would not get affected. On the periodical manner, it should be checked how much it contributes towards the growth of the economy and impact in other industry.

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— ● —

..... Do You Know

- The first Woman accountant of India is Ms. Sivabhogam and she became a fellow member of ICAI on 17th June, 1950.
- After a series of communication with the Union finance ministry, it has been decided to drop the particular reference on the role of the Comptroller and Auditor General in the Goods and Services Tax (GST) Bill that had restricted the audit parameters of the government's official auditor.



It won't be easy, but it'll be worth it.

Glimpses



Seminar on Important provisions, Rules, Notification of Companies Act 2013



Industrial Visit to Milk Mantra Dairy Pvt Ltd



CA. Raja Narayan Tripathy, Chairman, EICASA presenting a memento to Mr. Ketan Mishra, AGM (IR & Admin.), M/S Milk Mantra Dairy Pvt. Ltd



Career Counselling Programme



Seminar on Recent Changes in Direct and Indirect Taxes



Saraswati Puja Celebration



Test Your Intelligence

CROSS WORD PUZZLE



ACROSS

1. You _____ what you sow.
4. Output service provider is _____ to take CENVAT credit of the KKC on taxable services.
10. Roman numeral for 9.
11. We use _____ before vowels.
12. Mature
14. Rule 5 of Point of Taxation Rules, 2011 pertaining to new services applies to new _____ also.
15. A mobile advertising platform developed by Apple Inc.
16. A form of computer data storage.
17. An honorific title of respect.
19. A cost of living adjustment allowance paid to Government employees in India.
20. A heartfelt respect.
21. _____ by a whisker means just barely succeed.
22. _____ is a company's outsourcing of computer or Internet related work, such as programming, to other companies.
23. To come within an _____ of doing means to come very close to doing something.
26. Exploited
29. An exclamation to express surprise, taunting, exultation, etc.
30. To move upwards.
31. Roman numeral for 1001.
32. An epoch used in dating years prior to the estimated birth of Jesus.
35. Inside: campaign used by one of the famous computer brands.
37. Miniature version of document.
40. 17th letter of Greek alphabet.

41. Latin words meaning that is. (abbr.)
42. The first permanent international organization for maintaining world peace, predecessor of the United Nations.
44. To anoint or smear with oil.
45. Back to square _____ means back to the beginning.
47. The Central Excise Officer can issue a show cause notice within _____ years in case of non-payment of duty on account of reasons other than fraud.

DOWN

1. An Indian conglomerate holding company headquartered in Mumbai engaged in energy, petrochemicals, textiles, natural resources, retail and telecommunications.
2. Services provided by Government by way of issuance of driving licence is _____ under service tax.
3. Person to whom the amount of note is payable.
5. A person who tells lies.
6. A board game of two to four players.
7. All is fair in love and _____ means otherwise questionable actions are acceptable under extenuating circumstances.
8. Islands off the west coast of Sicily, Italy.
9. When price of a commodity increases, its quantity demanded decreases is the famous Law of _____.
10. Law made by president in exercise of the powers vested in him by Article 123-Ordinance
14. Mist
15. _____: An Indian Stock Market Game where you can showcase your share trading and investment skills.
18. Margin of safety is the difference between the expected level of _____ and the break-even sales



20. Target
21. A specialized agency of the United Nations that is concerned with international public health.
24. Appointee
25. Country with largest population of the world.
27. Breathe out heavily.
28. Presume
32. Latin Word 'Infra' means- _____.
33. Roman numeral for 150.
34. The -----hour falls after the question hour in the Houses of Parliament.
36. Slope
37. A unit of mass equal to 1000 kilograms.
38. An inter- governmental organization to promote international co-operation.
39. The Recycle ____ is a location where deleted files are temporarily stored in Microsoft Windows.
43. A rolling stone gathers ____ moss.

QUIZ

1. **The Statement of changes in equity under Ind AS would reconcile opening to closing amounts for each component of equity**
 - (a) Including only reserves and surplus
 - (b) Including only items of other comprehensive income
 - (c) Including reserves and surplus and items of other comprehensive income
 - (d) Excluding reserves and surplus and items of other comprehensive income
2. **As on March 31, 2016, a property developer has completed inventories of residential units which it expects to sell in 3 years. Historically similar residential units have been sold in 3 years. In the balance sheet on 31.3.2016, inventories of residential units be classified as**
 - (a) Non-current asset
 - (b) Current asset
 - (c) Fixed asset
 - (d) Capital work-in-progress
3. **The total number of clauses for reporting in Companies (Auditor's Report) Order 2016 are:**
 - (a) X
 - (b) XI
 - (c) XII
 - (d) XVI
4. **The provisions related to appointment of first auditor of a government company are given under which of the following sections of the Companies Act, 2013?**
 - (a) 139 (1)
 - (b) 139 (5)
 - (c) 139 (6)
 - (d) 139 (7)
5. **Deduction under section 80-IAC would be available to new start ups which have been incorporated during the period between -**
 - (a) 1.4.2016 and 31.3.2021, as a company
 - (b) 1.4.2016 and 31.3.2019, as a company or an LLP
 - (c) 1.4.2016 and 31.3.2020, as a company or an LLP
 - (d) 1.4.2016 and 31.3.2020, as a company
6. **The quality of information which does not hide any unpleasant information is known as ____.**
 - (a) Complete
 - (b) Relevant
 - (c) Trustworthy
 - (d) None of the above
7. **Which of the following is not a fact-finding technique used by the system analysts for determining the needs/requirements of a system?**
 - (a) Questionnaires
 - (b) Interviews
 - (c) Observation
 - (d) Flowchart
8. **Who is head of the council of ministers in India?**
 - (a) Prime Minister of India
 - (b) President of India
 - (c) Governor of India
 - (d) Vice-President of India



ANSWERS OF MARCH 2017 CROSS WORD PUZZLE

1F	2O	3U	R		4O		5O	6D	O	7U	8R
9I	C	R			10N	11I	N	E		N	U
12R	I	L		13T	E	N		14P	O	O	L
M			15I	V		16D	O	O	R		E
	17C	18P	S		19M	I		S			S
20C	O	O	P	E	R	A	21T	I	22V	E	
23S	M	E	S				24W	T	O		25E
26R	A	M		27A	28L	29T	O		30T	D	S
				31U	A	E		32I	E		O
33L	34V		35A	D	D	R	36E	S	S		P
37A	I		38L	I		39M	N	C		40E	
41W	E	A	L	T	H		42G	A	N	G	A

QUIZ

1.d, 2.c, 3.a, 4.a, 5.a, 6.a, 7.a, 8.a

—●—

..... Stress Buster

Stress Busters

What's the similarity between a successful "Chartered Accountant" and a "Miss Universe"?
Both are conscious about their FIGURES.



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