

e-NEWS DIGEST

Weekly Updates

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WEEKLY UPDATES

upto October 07, 2015

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The Institute of Cost Accountants of India

(Statutory body under an Act of Parliament)

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INDUSTRY

➔ Investment by Foreign Portfolio Investors (FPI) in Government Securities

Attention of AD Category-I banks is also invited to para 30 of the Fourth Bi-monthly Monetary Policy Statement for the year 2015-16 issued on September 29, 2015, in terms of which a Medium Term Framework (MTF) for FPI limits in Government securities was announced to provide a more predictable regime. The features of the MTF are as under:

- The limits for FPI investment in debt securities will henceforth be announced/ fixed in Rupee terms.
- The limits for FPI investment in the Central Government securities will be increased in phases to reach 5 per cent of the outstanding stock by March 2018. In aggregate terms, this is expected to open up room for additional investment of ₹ 1,200 billion in the limit for Central Government securities by March 2018 over and above the existing limit of ₹ 1,535 billion for all Government securities.
- Additionally, there will be a separate limit for investment by all FPIs in the State Development Loans (SDLs), to be increased in phases to reach 2 per cent of the outstanding stock by March 2018. This would amount to an additional limit of about ₹ 500 billion by March 2018.
- The effective increase in limits for the following two quarters will be announced every half year in March and September.
- The existing requirement of investments being made in G-sec (including SDLs) with a minimum residual maturity of three years will continue to apply to all categories of FPIs.
- Aggregate FPI investments in any Central Government security would be capped at 20% of the outstanding stock of the security. Investments at existing levels in the securities over this limit may continue but not get replenished through fresh purchases by FPIs till these fall below 20%.

Read more at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10059&Mode=0>

➔ HDFC Bank launches nationwide campaign to go digital

Private sector lender HDFC Bank launched a nationwide campaign to position itself as a premier digital bank. “Integrated, nationwide brand campaign ‘Har Zaroorat Poori Ho Chutki Mein, Bank Aapki Mutthi Mein...’ the campaign will reinforce bank’s position as India’s premier digital bank,” HDFC Bank said.

Read more at: <http://economictimes.indiatimes.com/industry/banking/finance/banking/hdfc-bank-launches-nationwide-campaign-to-go-digital/articleshow/49292546.cms>

➔ Axis Bank takes digital banking to corporate clients

Axis Bank, India’s third largest private sector bank by assets, is taking digital banking to corporate clients as they are potential targets for mushrooming payment technology companies. Many payments, and documentation that delay transactions will now be on the palms of chief financial officers and top finance related decision makers who would now be able to do so at the tap of a button. “These applications will help bring convenience to them and we are hoping will also improve customer stickiness to us. Going forward we should also be able to monetize this in current account flows and forex fees and trade fees,” said Shishir Mankad, senior vice president and head of products and solutions at Axis Bank.

Read more at: <http://economictimes.indiatimes.com/industry/banking/finance/banking/axis-bank-takes-digital-banking-to-corporate-clients/articleshow/49287662.cms>

➔ ICICI launches ‘mVisa’ mobile payment service

Top private sector lender ICICI Bank launched a mobile-payment solution based on ‘mVisa’ that will allow its customers pay for services using their smart phones. The service, which can be used by customers who have installed an app of the bank’s mobile wallet ‘Pockets’, works by scanning QR codes. They can make electronic payments from smart phones at physical stores, accept e-commerce deliveries, pay radio taxis and utility bills among others, the bank said in a statement. The service is based on ‘mVisa’, a new mobile payment solution from Visa, and ICICI Bank is the first globally to launch a mobile-app based ‘mVisa’ solution for consumers and merchants, it said. At present, customers pay either in cash or have to swipe cards at a point of sale (POS) machine to complete a transaction.

Read more at: <http://economictimes.indiatimes.com/industry/banking/finance/banking/icici-launches-mvisa-mobile-payment-service/articleshow/49274142.cms>

➔ Bandhan Bank to add 105 branches in next five months

Newly-opened private sector lender Bandhan Bank said it plans to launch 105 more branches in next five months as part of its expansion drive. “We would like to see 628 branches by end of March 2016,” Bandhan Bank CEO and Managing Director Chandra Shekhar Ghosh said here. The bank, which started operations on August 23, has 523 branches at present. Around 70 per cent of the branches are in rural India while 30 per cent are in unbanked rural pockets with 83 lakh customers.

Read more at: <http://economictimes.indiatimes.com/industry/banking/finance/banking/bandhan-bank-to-add-105-branches-in-next-five-months/articleshow/49274028.cms>

➡ Govt. allows 100% FDI in White Label ATM Operations

The Government of India has reviewed the extant FDI Policy and decided to allow Foreign Investment up to 100% in White Label ATM Operations, under the automatic route. Accordingly, a new sub-pars 6.2.18.8.3 in the paragraph 6.2.18.8 of the of the Consolidated FDI Policy Circular is added in the following manner:-

Non-Banking Finance Companies (NBFC)

Sector/Activity	% Equity/ Foreign Investment Cap	Entry Route
White Labelled ATM Operations	100%	Automatic

i. Any non-bank entity intending to set up WLAs should have a minimum net worth of Rs. 100 crore as per the latest financial year's audited balance sheet, which is to be maintained at all times.

ii. In case the entity is also engaged in any other 18 NBFC activities, then the foreign investment in the company setting up WLA, shall also have to comply with the minimum capitalization norms for foreign investments in NBFC activities

Read more at:

<https://corporatelaws.taxmann.com//topstories/10401000000046004/govt-allows-100-fdi-in-white-label-atm-operations.aspx>

➡ Non Banking Financial Company-Micro Finance Institutions (NBFC-MFIs) – Directions – Modifications

The National Scheduled Castes Finance & Development Corporation (NSFDC) under the Ministry of Social Justice & Empowerment, Government of India, has proposed to expand its outreach by channelizing funds through select NBFC-MFIs at lower rate of interest. The objective of NSFDC is to work for the economic empowerment of persons belonging to Scheduled Castes living below the Double Poverty Line.

Read more at: <https://rbidocs.rbi.org.in/rdocs/Notification/PDFs/NB278786998E9E468489E5802D10F2F58C.PDF>

➡ Credit ratio improves but high debt companies continue to struggle: Crisil

Credit ratio of Indian firms improved in the first half of the current fiscal year led by companies from the consumption and export linked sectors, a report by rating agency Crisil Ltd said. However, companies which were already burdened by debt have seen their credit ratio worsen in the last six months as investments have not picked up and deleveraging through assets sales is slow, the agency said.

Overall credit ratio or number of firms upgraded versus those

downgraded improved to 2.13 times in the first half against 1.68 times at the end of the last fiscal year. In all, there were 981 upgrades to 460 downgrades, during this period.

Read more at: <http://economictimes.indiatimes.com/news/economy/finance/credit-ratio-improves-but-high-debt-companies-continue-to-struggle-crisil/articleshow/49227962.cms>

➡ PM Narendra Modi to distribute loans under MUDRA in Dumka

Prime Minister Narendra Modi will inaugurate the distribution of loans worth Rs 212 crore among more than one lakh people under the Mega MUDRA Yozana (Micro Units Development & Refinance Agency Limited) in Jharkhand tomorrow. "The Prime Minister will inaugurate MUDRA in Dumka, giving away loans to people to set up small and cottage industries," Chief Minister Raghubar Das told reporters here.

Read more at: <http://economictimes.indiatimes.com/news/economy/finance/pm-narendra-modi-to-distribute-loans-under-mudra-in-dumka/articleshow/49184110.cms>

➡ Banks non-food credit growth slows to 8.4% in August

Non-food credit growth of scheduled commercial banks slowed to 8.4 per cent in August from 10.2 per cent in the same period last year, RBI data showed. Personal loans increased 17.3 per cent in August, up from an expansion of 13.4 per cent in the same month last year. Credit to agriculture and allied activities rose by 12.1 per cent in the reporting month compared with an increase of 18.8 per cent a year ago. Loans to industry grew 5 per cent in the month, up from 7.8 per cent.

Read more at: <http://economictimes.indiatimes.com/news/economy/finance/banks-non-food-credit-growth-slows-to-8-4-in-august/articleshow/49173110.cms>

➡ India's end-June external debt rises to \$482.9 billion: RBI

India's end-June external debt was at \$482.9 billion, up \$8.5 billion from March-end, the Reserve Bank of India said in a release. The increase in the external debt was mainly due to higher non-resident Indian deposits and commercial borrowings, the RBI said. The share of short-term debt residual maturity to India's forex reserves stood at 51.9 per cent from 54.2 per cent end-March.

Read more at: <http://economictimes.indiatimes.com/news/economy/finance/indias-end-june-external-debt-rises-to-482-9-billion-rbi/articleshow/49169524.cms>

➡ RBI allows companies to issue overseas rupee denominated bonds

In order to provide additional source of funding, the RBI today allowed Indian corporates to raise funds from overseas market in rupee denominated bonds having some limited end use restrictions with a minimum maturity of five years. "Any corporate or body corporate is eligible to issue Rupee denominated bonds overseas. Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) coming under the regulatory jurisdiction of the Securities and Exchange Board of India are also eligible" RBI said in its guidelines.

Read more at: http://articles.economictimes.indiatimes.com/2015-09-29/news/66987442_1_indian-banks-rupee-denominated-bonds-indian-companies

➔ Government working on new sugar export subsidy scheme for 2015-16

The government is working on a new subsidy scheme to be implemented in the current 2015-16 season, which started this month, to boost export of surplus sugar and help mills clear dues of over Rs 12,000 crore to farmers. "The Food Ministry has decided not to extend the scheme further for the current 2015-16 season. Instead, it is working on a new sugar export subsidy scheme," said sources. The new scheme is being worked out as the domestic glut situation is expected to continue in view of sugar stocks of 10.20 million tonnes at the end of 2014-15 season and the industry projecting a surplus for the sixth straight year in 2015-16, they added.

Read more at: <http://economictimes.indiatimes.com/news/economy/foreign-trade/government-working-on-new-sugar-export-subsidy-scheme-for-2015-16/articleshow/49213712.cms>

➔ Government unveils Kisan project; hailstorm app to assess crop damage

To fasten payment of crop insurance claims to farmers, the Centre launched a pilot programme Kisan, which will use satellite and drone-based imaging and other geospatial technology to get timely and accurate data on crop yields.

Payment of crop insurance claims is done on the basis of crop cutting experiments and the government was concerned over the delays in settlements. Also to access large-scale damage to standing crops, it launched an Android-based app for collection of data of hailstorm.

Read more at: <http://economictimes.indiatimes.com/news/economy/agriculture/government-unveils-kisan-project-hailstorm-app-to-assess-crop-damage/articleshow/49226885.cms>

➔ NHB gives nod to 6 new entities to become housing finance companies

These six companies are Supreme Housing Finance, Nivara Home Finance, Khush Housing Finance Private, Bajaj Housing Finance Capri, Global Housing Finance Pvt Ltd and Hinduja Housing Finance Ltd, NHB said in a release. "Thus, as on date, the total number of HFCs registered with NHB is 72. New HFCs aim to focus mainly on the affordable housing finance segment and are likely to cater the housing loan needs of the EWS/LIG segment, contributing to achieving the goal of housing for all by 2022," it said. Earlier this week, RBI allowed banks to give home loans up to 90 per cent of the value of the property that cost below Rs 30 lakh. Earlier, the facility was available only in cases where the cost was up to Rs 20 lakh. This will benefit those who plan to purchase properties in the range of Rs 20-30 lakh.

Source: <http://economictimes.indiatimes.com/industry/banking/finance/banking/nhb-gives-nod-to-6-new-entities-to-become-housing-finance-companies/articleshow/49301160.cms>

➔ Government approves Rs 1,438-crore project for Paradip Port

The government approved a Rs 1,439-crore project for mechanisation of three berths at Paradip port on public private partnership (PPP) basis. "The government has approved mechanisation of three berths at Paradip Port for handling of thermal coal, at an expenditure of Rs 1,438 crore on BOT (build, operate, transfer) mode under PPP," Road Transport, Highways and Shipping Minister Nitin Gadkari told reporters.

Gadkari said after completion of the project, the port can handle export of 50 million tonnes of coal. This will help the port to meet the growing demand of thermal coal over the next three to four years. The port has handled 70 million tonnes of cargo in 2014-15 and registered a profit of Rs 921 crore, he said.

Read more at: <http://economictimes.indiatimes.com/news/economy/infrastructure/government-approves-rs-1438-crore-project-for-paradip-port/articleshow/49257609.cms>

➔ Sagarmala project: Government to spend Rs 70,000 crore on 12 major ports, says Nitin Gadkari

The government's ambitious Sagarmala project, which aims to develop port infrastructure along the country's 7,500 km coastline, is likely to see an investment of more than Rs 70,000 crore in coming years. "The project includes modernisation of our ports and islands, setting up of coastal economic zones, new major ports and fish harbours. We expect that the total investment in the project would be to the tune of Rs 70,000 crore," shipping minister Nitin Gadkari said after chairing the first National Sagarmala Apex Committee meeting in Delhi.

Read more at: <http://economictimes.indiatimes.com/article->

show/49229434.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

TAXATION

➔ CBEC amended CENVAT Credit Rules, 2004 so as to allow input credit of duty paid on molasses generated from cane crushed in the sugar season 2015-16 i.e. 1st October, 2015 onwards, used for producing ethanol for supply to the public sector oil marketing companies, namely, Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd. or Bharat Petroleum Corporation Ltd., for the purposes of blending with petrol, in terms of the provisions of S. No. 40A of the Table in notification No.12/2012-Central Excise, dated the 17th March, 2012, by including such supplies of exempted ethanol under rule 6(6) of the CENVAT Credit Rules, 2004.

Source: Notification No. 21/2015-CENT dt. 07-10-2015

➔ CBEC further amends notification No. 12/2012-Customs dated 17.03.2012 so as to increase the basic customs duty on ghee, butter and butter oil from the present rate of 30% to 40% for a period upto and inclusive of the 31st day of March, 2016 vide Notification No. 49/2015-Cus, dt. 05-10-2015.

Read more at: <http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2015/cs-tarr2015/cs49-2015>

➔ Government raises import duty on ghee, butter to 40%

Government increased import duty on ghee, butter and butter oil by 10 per cent to 40 per cent and promised to take more such actions to safeguard the interest of domestic producers in wake of a glut in the global commodity markets.

“We have taken a decision that starting from today, for a period of six months, we will be increasing the import duty on ghee, butter and butter oil from the present rate of 30 per cent to 40 per cent. So this will continue till March 2016,” Revenue Secretary Has-mukh Adhia told reporters here. The decision was taken based on the request from milk producers seeking duty protection as there was a big drop in the prices of ghee, butter and butter oil in the international market. Emphasising that more such actions could be taken to protect interest of domestic manufacturers, he said, adding there is a need to protect interest of domestic industry.

Read more at: <http://economictimes.indiatimes.com/news/economy/finance/government-raises-import-duty-on-ghee-butter-to-40/articleshow/49227534.cms>

➔ US Treasury Department adds India to its FATCA list

The US Treasury Department has issued a list of 34 countries which includes India with whom it would share information under FATCA (foreign account tax compliance act) regulations.

The pact aims to cover automatic sharing of information on bank accounts and other instruments like mutual funds, insurance and equities with each other. This is aimed at fighting the black money or unaccounted money. The announcement comes days after the Narendra Modi in US signed an agreement with the US authorities recently. The anti-offshore tax evasion and black money detention pact was signed between India and the US. The act became operational from September 30th.

Read more at: economictimes.indiatimes.com/news/economy/finance/us-treasury-department-adds-india-to-its-fatca-list/articleshow/49192811.cm

➔ Service tax levy on services provided by a Goods Transport Agency

The All India Transport Welfare Association (AITWA) has represented regarding the difficulties being faced by the Goods Transport Agencies (GTAs) in respect of service tax levy on the services of goods transport. Doubts has been raised by the All India Motor Transport Congress (AIMTC) regarding treatment given to various services provided by GTAs in the course of transportation of goods by road. The issue has been examined. Since July 1, 2012, service tax has shifted to a negative list regime, by which all the services except those covered in negative list as mentioned in section 66D of the Finance Act, 1994 or those exempted by notification are chargeable to service tax.

Goods Transport Agency (GTA) has been defined to mean any person who provides service to a person in relation to transport of goods by road and issues consignment note, by whatever name called. The service provided is a composite service which may include various ancillary services such as loading/ unloading, packing/unpacking, transshipment, temporary storage etc., which are provided in the course of transportation of goods by road. These ancillary services may be provided by GTA himself or may be sub-contracted by the GTA. In either case, for the service provided, GTA issues a consignment note and the invoice issued by the GTA for providing the said service includes the value of ancillary services provided in the course of transportation of goods by road. These services are not provided as independent activities but are the means for successful provision of the principal service, namely, the transportation of goods by road.

A single composite service need not be broken into its components and considered as constituting separate services, if it is provided as such in the ordinary course of business. Thus, a composite service, even if it consists of more than one service, should be treated as a single service based on the main or principal service.

While taking a view, both the form and substance of the transaction are to be taken into account. The guiding principle is to identify the essential features of the transaction. The interpretation of specified descriptions of services in such cases shall be based on the principle of interpretation enumerated in section 66 F of the Finance Act, 1994. Thus, if ancillary services are provided in the course of transportation of goods by road and the charges for such services are included in the invoice issued by the GTA, and not by any other person, such services would form part of GTA service and, therefore, the abatement of 70%, presently applicable to GTA service, would be available on it.

It is also clarified that transportation of goods by road by a GTA, in cases where GTA undertakes to reach/deliver the goods at destination within a stipulated time, should be considered as services of goods transport agency in relation to transportation of goods for the purpose of notification No. 26/2012-ST dated 20.06.2012, serial number 7, so long as (a) the entire transportation of goods is by road; and (b) the GTA issues a consignment note, by whatever name called.

Source: [Circular No.186/5/2015-ST dated: 5th October, 2015](#)

➔ **Government exempts customs and excise duty on use of bunker fuels**

In order to promote movement of cargo through coastal waters, the government today said it has exempted customs and excise duty on the use of bunker fuels by Indian ships. One of the issues hindering the growth of coastal shipping has been the levy of customs and central excise duty on bunker fuels which raises cost of transportation, said an official statement. "This issue was resolved by...exempting Customs and Excise duty leviable on bunker fuels, namely IFO 180 CST and IFO 380 CST used in Indian flag vessels for transportation of EXIM and empty containers between two ports in India," it said.

The exemption has further been extended by Department of Revenue in a notification on September 17 to Indian flagships carrying a mix of EXIM, empty and domestic containers, the Shipping Ministry said. "This tax incentive for transportation along the coast will go a long way in enhancing Indian tonnage as well as in promoting development of transportation hubs in India," it said.

Read more at: <http://timesofindia.indiatimes.com/business/india-business/Govt-exempts-customs-and-excise-duty-on-use-of-bunker-fuels/articleshow/49255946.cms>

SEBI

➔ **Investments by FPIs in Government securities**

RBI in its Fourth Bi-monthly Policy Statement for the year 2015-16, dated September 29, 2015 has announced a Medium Term Framework for FPI limits in Government securities in consultation with the Government of India. It has been decided that the limits for FPI investment in debt securities shall henceforth be announced/fixed in rupee terms. Further, it has been decided to enhance the limit for investment by FPIs in Government Securities as follows:

- Limit for FPIs in Central Government securities would be increased to INR 129,900 cr and INR 135,400 cr on October 12, 2015 and January 01, 2016 respectively from the existing limit of INR 124,432 cr.
- Limit for Long Term FPIs (Sovereign Wealth Funds (SWFs), Multilateral Agencies, Endowment Funds, Insurance Funds, Pension Funds and Foreign Central Banks) in Central Government securities would be increased to INR 36,600 cr and INR 44,100 cr on October 12, 2015 and January 01, 2016 respectively from the existing limit of INR 29,137 cr.
- There will be a separate additional limit for investment by all FPIs in State Development Loans (SDL). Debt limits of INR 3,500 cr each would be released on October 12, 2015 and January 01, 2016 respectively under this category.

Source: [Circular CIR/IMD/FPIC/8/2015 dt October 06, 2015](#)

➔ **Guidelines on overseas investments and other issues/clarifications for AIFs/VCFs vide Circular CIR/IMD/DF/7/2015 dated: October 1, 2015**

SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations") were notified on May 21, 2012 repealing and replacing the erstwhile SEBI (Venture Capital Funds) Regulations, 1996. As on August 31, 2015, there are 165 Alternative Investments Funds (AIFs) registered with SEBI.

In this regard, it is specified as under:

A. Overseas Investment by Venture Capital Funds (VCFs) registered under SEBI (Venture Capital Funds) Regulations, 1996 (now repealed)

- VCFs registered under erstwhile SEBI (Venture Capital Funds) Regulations, 1996 are permitted to invest in Offshore Venture Capital Undertakings which have an Indian connection upto 10% of the investible funds of a VCF in terms of the SEBI circular no. SEBI/VCF/Cir no.1/98645/2007 dated August 09, 2007.
- SEBI has received several representations from the industry that there has been, in recent times, an increased interest of Indian entrepreneurs outside India. Many Indian entrepreneurs have been setting up their headquarters outside India with back end operations and/ or research and developments being undertaken in India. Therefore, there is a need to allow higher overseas investment

by VCFs beyond the existing 10% limit.

c. The representations also state that such investments would provide opportunities to the funds to generate better returns globally, getting exposure to the international markets practices, etc.

d. As such investments are required to have an Indian connection, It is anticipated that such investments will generate indirect benefits to India through bringing in resources, technology upgradation, skill enhancement, new employment, spill-overs, etc.

B. Overseas Investment by Alternative Investment Funds

a. Under Regulation 15(1)(a) of AIF Regulations, "Alternative Investment Fund may invest in securities of companies incorporated outside India subject to such conditions or guidelines that may be stipulated or issued by the Reserve Bank of India and the Board from time to time."

b. In this regard, Reserve Bank of India (RBI) vide its A.P.(DIR Series) Circular No.48 dated December 09, 2014 has permitted an Alternative Investment Fund (AIF), registered with SEBI, to invest overseas in terms of the provisions issued under the A.P. (DIR Series) Circulars No. 49 and 50 dated April 30, 2007 and May 04, 2007 respectively.

c. In accordance with the aforesaid RBI circular, it is stated as under:

i. AIFs may invest in equity and equity linked instruments only of off-shore venture capital undertakings, subject to overall limit of USD 500 million (combined limit for AIFs and Venture Capital Funds registered under the SEBI (Venture Capital Funds) Regulations, 1996).

ii. AIFs desirous of making investments in offshore venture capital undertakings shall submit their proposal for investment (in the attached format at Annexure) to SEBI for prior approval. It is clarified that no separate permission from RBI is necessary in this regard.

iii. For the purpose of such investment, it is clarified that "Offshore Venture Capital Undertakings" means a foreign company whose shares are not listed on any of the recognized stock exchange in India or abroad.

iv. Investments would be made only in those companies which have an Indian connection (e.g. company which has a front office overseas, while back office operations are in India).

v. Such investments shall not exceed 25% of the investible funds of the scheme of the AIF.

vi. The allocation of investment limits would be done on 'first come- first serve' basis, depending on the availability in the overall limit of USD 500 million.

vii. In case an AIF who is allocated certain investment limit, wishes to apply for allocation of further investment limit, the fresh application shall be dealt with on the basis of the date of its receipt and no preference shall be granted to it in fresh allocation of investment limit.

viii. The AIF shall have a time limit of 6 months from the date of approval from SEBI for making allocated investments in offshore venture capital undertakings. In case the applicant does not utilize the limits allocated within the stipulated period, SEBI may allocate such unutilized limit to other applicants.

ix. These investments would be subject to Notification No. FEMA120/RB-2004 dated July 7, 2004 [Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004] including amendments thereof and related directions issued by RBI from time to time.

x. AIFs shall not invest in Joint venture/Wholly Owned Subsidiary while making overseas investments.

xi. AIFs shall adhere to FEMA Regulations and other guidelines specified by RBI from time to time with respect to any structure which involves Foreign Direct Investment (FDI) under Overseas Direct Investment (ODI) route.

xii. AIFs shall comply with all requirements under RBI guidelines on opening of branches/subsidiaries/Joint Venture /undertaking investment abroad by NBFCs, where more than 50% of the funds of the AIF has been contributed by a single NBFC.

Read more at: http://www.sebi.gov.in/cms/sebi_data/attach-docs/1443691973267.pdf

➔ Comprehensive Risk Management Framework for National Commodity Derivatives Exchanges

Pursuant to Section 131 of the Finance Act, 2015 and Central Government notification F.No. 1/9/SM/2015 dated August 28, 2015, all recognized associations under the Forward Contracts (Regulation) Act, 1952 are deemed to be recognized stock exchanges under the Securities Contracts (Regulation) Act, 1956 with effect from September 28, 2015. This circular applies to National Commodity Derivatives Exchanges as defined in the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2015. This circular is issued with an objective of aligning and streamlining the risk management framework across national commodity derivatives exchanges (hereinafter referred to as exchanges). The comprehensive risk management framework has been finalised after a due consultative process with the exchanges. The provisions of this circular shall be implemented by national commodity derivatives exchanges latest by January 1, 2016 unless specified otherwise in any specific clause of this circular. The norms specified by Forward Markets Commission shall continue to be in force to the extent not modified or repealed by this circular.

Source: Circular No. CIR/CDMRD/DRMP/01/2015 dated: October 01, 2015

Read more at: http://www.sebi.gov.in/cms/sebi_data/attach-docs/1443700933819.pdf



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