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INDUSTRY

➲ World Bank retains India growth forecast at 7.5% for 2015-16

The World Bank says India, now the world's fastest growing economy, is relatively well-positioned to weather the global volatility and even set for a modest acceleration in growth in the years ahead. "The latest India Development Update expects India's economic growth to be at 7.5% in 2015-16, followed by a further acceleration to 7.8% in 2016-17 and 7.9% in 2017-18," the development lender said in its biannual report "India Development Update" released. "However, acceleration in growth is conditional on the growth rate of investment picking up to 8.8% during FY16 to FY18," the bank warned listing a number of reforms the country needs to undertake flagging the goods and services tax as most urgent.

It said the country has got a big boost from the lower energy prices that has helped repair external account and left India less vulnerable. "India has low trade exposure to China, while Indian financial markets (local bond markets in particular) are fairly closed. India's considerable foreign exchange reserves (9 months of retained imports) provide additional buffer," the bank said.

Read more at:
http://economictimes.indiatimes.com/articleshow/49584688.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➲ PSU disinvestment nets 71% of total fund raising in April-September

State-owned companies account for 71 per cent of the Rs 17,000 crore that has been mopped up through equity issuances during the first half of the current financial year.

During April-September, government has raised Rs 12,600 crore through stake sale in four companies. This is also the highest amount raised through disinvestment in the first half of a fiscal in past seven years, according to market data.

The government, say market experts, has done "exceedingly well" in PSU stake sale, especially against the backdrop of volatile market conditions. "It has stretched itself to the maximum while offloading PSU equity," said one expert.

Private sector companies, which have a cumulative market capitalisation of 88 per cent, raised only Rs 4,950 crore through initial public offerings (IPOs). Government had set a target of raising Rs 69,500 crore through PSU disinvestment in current fiscal. Of this Rs 41,000 crore is to be raised through minority stake sale in PSUs and another Rs 28,500 crore through strategic stake sale.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/psu-disinvestment-nets-71-of-total-fund-raising-in-april-september/articleshow/49566974.cms

➲ India overtakes China, becomes biggest gold consumer: Survey

India regained its top position from China as the biggest overall consumer of gold in the first nine months this year with a total consumption of 642 tonnes, a survey said. China is trailing by just 63 tonnes at total consumption of 579 tonnes in the first nine months, according to GFMS Gold Survey Q3 2015 Review and Outlook. In India, jewellery consumption increased by 5 per cent year-on-year to an estimated 193 tonnes in Q3 2015, the highest quarterly consumption since Q1 2011 and the highest third quarter demand since 2008, the report published by Thomson Reuters stated.

Read more at: http://economictimes.indiatimes.com/articleshow/49556979.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➲ India mulls providing easy credit to developing nations

India is considering providing easy credit facilities to developing countries, particularly in Africa, Commerce Minister Nirmala Sitharaman has said. The Minister has also asked the African countries to leverage 'Duty Free Tariff Preferences' (DFTP) offered by India.

Highlighting that under DFTP scheme India provides duty free market access on over 95 per cent of tariff lines to least developed countries, Sitharaman said businesses in India and Africa could leverage the benefits offered by the DFTP while exploring each other's markets.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/india-mulls-providing-easy-credit-to-developing-nations/articleshow/49572617.cms

➲ Ind-Ra lowers FY16 GDP growth forecast to 7.5% on poor rains

India Ratings scaled down its GDP growth forecast for this fiscal by 20 basis points to 7.5 per cent, citing lower agriculture output due to deficient rainfall.The rating agency had earlier forecast a GDP growth of 7.7 per cent. The World Bank had retained GDP growth forecast of 7.5 per cent for FY16.

Read more at:
http://economictimes.indiatimes.com/articleshow/49601607.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Fiscal deficit reaches 68% of FY 16 target in H1: Government

Fiscal deficit in the first half of the current fiscal stood at Rs 3.78 lakh crore, or 68.1 per cent, of the Budget estimate (BE) for the whole year. The fiscal situation in April-September showed improvement over the year ago as the deficit then stood at 82.6 per cent of the Budget estimate of 2014-15. The fiscal deficit -- the gap between expenditure and revenue -- for the entire current fiscal has been pegged at Rs 5.55 lakh crore. As per the data released by the Controller General of Accounts, tax revenue came in at Rs 3.69 lakh crore, or 40.2 per cent, of the full year BE of Rs 9,19,842 crore.

Read more at: http://economictimes.indiatimes.com/articleshow/49597342.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Economy poised for over 8% growth in 2015-16, says Arvind Panagariya

Indian economy is poised to grow over 8% in 2015-16, NITI Aayog vice chairman Arvind Panagariya said on Friday. Panagariya's remarks comes a day after the World Bank projected India's growth to be below 8% over the next three years even when investments in the country grow by 8.8% during the three year period up to 2017-18. "Things are now moving and India will clock over 8% growth in 2015-16 considering that GDP growth in the first quarter stood at 7%," Panagariya told media at an informal interaction. Panagariya feels that going forward even the first quarter GDP growth numbers could be revised upward.

Read more at: http://economictimes.indiatimes.com/articleshow/49596528.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

India's wealth rose 211% in last 15 years

LONDON: India has seen a whopping 211 per cent increase in its wealth over the last 15 years — much higher than the US, UK, Japan, France, Germany or Brazil. Only four other countries — Indonesia, China, Russia and Australia — have done better than India. Indonesia's wealth increased by 362 per cent while China saw an increase of 341 per cent, Russia 253 per cent and Australia 248 per cent.

Some of the major western countries have seen a marginal increase in their wealth over the last decade and a half. While Japan saw its wealth increase by a modest 39 per cent, it was 41 per cent for the US and 58 per cent for the UK. In India, wealth per capita increased from $900 in 2000 to $2,800 in 2015. India is now the 10th richest country in the world, ranked according to total individual wealth. "Total individual wealth" refers to the private wealth held by all the individuals in each country. The downside, however, is India and Indonesia make it to the top 20 richest list due to their large populations.

Read more at: http://economictimes.indiatimes.com/articleshow/49577132.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

BANKING

RBI opens National Pension System as investment option for NRIs

India has allowed non-residents to invest in the National Pension Scheme to provide them an access to old-age income security. Reserve Bank of India allowed NRIs to subscribe to the pension scheme, which is governed and administered by the Pension Fund Regulatory and Development Authority. RBI said the decision has been taken in consultation with the government, which under Prime Minister Narendra Modi is going all guns blazing to appease NRIs. A lot of interest has been generated around the new scheme with the Union Budget 2015 giving additional tax benefits for investments up to Rs 50,000.

However, there is no ceiling on the investment amount. RBI said that investment has to be routed through normal banking channels. The subscription amounts should be paid by NRIs either by inward remittance through normal banking channels or out of funds held in their NRE/FCNR/NRO account. There will be no restriction on repatriation of the annuity or accumulated savings.

Minimum annual subscription under NPS is Rs 6,000 while allocation to equities is capped at 50% of investment. NPS investments mature when the investor turns 60. If the corpus is less than Rs 2 lakh, the entire sum can be withdrawn. If it is more, the subscriber must put at least 40% of the corpus into an annuity to get a monthly pension.

Read more at: http://economictimes.indiatimes.com/articleshow/49583454.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Bank credit grows 9.54% to Rs 67, 83,127 Crore

Schedule commercial banks' credit increased by 9.54 per cent to Rs 67,83,127 crore in the fortnight ended October 16, according to RBI data. The loans stood at Rs 61,92,158 crore in the same period last year. Advances grew by 9.45 per cent at Rs 68,30,245 crore in the previous fortnight from Rs 62,40,256 crore in the same period last year.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/bank-credit-grows-9-54-to-rs-6783127-crore/articleshow/49573251.cms

➲ RBI has allowed custodians or banks to short-sell in the government bond market

The Reserve Bank of India has allowed custodians or banks to short-sell in the government bond market with primary members or individual bank customers, who invest through lenders, holding a kind of depository account with the central bank, a move aimed at drawing retail participation. So far, institutions mostly invest in sovereign securities market. More investments from retail investors are expected to add more liquidity in the secondary market.

"A custodian may undertake a short sale transaction with its general account holder (GAH) within the permissible short sale limits," the central bank said in a notification. "A custodian may put through a cover transaction with a GAH to square a short sale transaction in the related security undertaken with a market participant other than its GAHs." In government debt market traded securities are kept with the RBI. In market parlance, it is known Constituent Subsidiary General Ledger. Banks hold it with the central bank. They can maintain another such account for their own customers or GAHs, who too invest in gsecs through it.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/rbi-has-allowed-custodians-or-banks-to-short-sell-in-the-government-bond-market/articleshow/49585848.cms

➲ Reserve Bank issues guidelines for gold schemes

The Reserve Bank issued detailed guidelines on the sovereign gold schemes aimed at curtailing the physical demand for the yellow metal. Prime Minister Narendra Modi launched Sovereign Gold Bond (SGB), Gold Monetisation Scheme (GMS) and the Indian Gold Coin (IGC) scheme. SGB scheme, which will be issued by the government and managed by the RBI, will be open for subscription from November 5-20. Only resident Indian entities, including individuals, HUFs, trusts, universities and charitable institutions, will be allowed to invest in the scheme, RBI said.

Read more at: http://economictimes.indiatimes.com/articleshow/49693587.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➲ Sukhbir announces input tax waiver on food processing industry

In a bid to woo investors, Punjab Deputy Chief Minister Sukhbir Singh Badal announced a twin bonanza of waiver of input tax on the food processing industry and provision of electricity at the cheapest rate of Rs 4.99 per unit in the country. Addressing the second Punjab Investors Summit here, he welcomed the trust reposed on Punjab by the industry which signed 374 MoUs worth Rs 1.13 lakh crore in the second edition of Invest Punjab here.

He also announced that the government was all set to launch an integrated food park at Ludhiana, a Green Tech Valley at Phagwara and a MRO (Maintenance, repair and overhaul) facility adjoining the international airport at Mohali. Noting that Punjab is known as a producer of food grains, Badal said it should also be able to add value to its produce.

Read more at: http://economictimes.indiatimes.com/articleshow/49569221.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➲ India Inc's external borrowings down 32% at $2.6 billion in September

External commercial borrowings (ECBs) by Indian firms declined by 32 per cent to $2.61 billion in September, according the Reserve Bank data. The borrowings were at $3.18 billion in the same month last year. However, ECBs raised by Indian firms in August this year were significantly lower at $750.77 million, as per RBI data. Of the total amount raised during last month, $1.48 billion was through approval route, while $1.13 billion came via automatic route. Indian rupee opened at 65.07 after closing the previous session at 64.97 levels. The intra-day range is seen between 64.85-65.15 levels.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/india-incs-external-borrowings-down-32-at-2-6-billion-in-september/articleshow/49567269.cms

➲ Secondary Market Transactions in Government Securities – Short Selling

With a view to facilitate retail participation in Government securities and enhance liquidity in the Government securities market, it was announced in the Fourth Bi-monthly Monetary Policy Statement, 2015-16 to permit short sale by a custodian to its GAH.

Accordingly it has been decided as under:

- A custodian may undertake a short sale transaction with its GAH within the permissible short sale limits;
- A custodian may put through a cover transaction with a GAH to square a short sale transaction in the related security undertaken with a market participant other than its GAH/s.

The custodians will have to tag the deal as short sale or cover while reporting the same to NDS-OM. Such short sale or cover deals will be reckoned in the computation of the short sale limit utilization.

Read more at: https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10094&Mode=0

➲ Sovereign Gold Bonds, 2015-16

It has been decided by the Government of India, as per their Notification F.No. 4(19)-W&M/2014 dated October 30, 2015, to issue Sovereign Gold Bonds, 2015 ("the Bonds") with effect from November 05, 2015 to November 20, 2015. The Government of India may, with prior notice, close the Scheme before the specified period. The terms and conditions of the issuance of the Bonds shall be as follows:

1. Eligibility for Investment:The Bonds under this Scheme may be held by a person resident in India, being an individual, in his capacity as such individual, or on behalf of minor child, or jointly with any other individual. "Person resident in India" is defined under section 2(v) read with section 2 (u) of the Foreign Exchange Management Act, 1999.

2. Form of Security : The Bonds shall be issued in the form of Government of India Stock in accordance with section 3 of the Government Securities Act, 2006. The investors will be issued a Holding Certificate (Form C). The Bonds shall be eligible for conversion into de-mat form.

3. Date of Issue : Date of issuance shall be November 26, 2015. The investors can apply for the Bonds in receiving offices from November 05, 2015 to November 20, 2015. The issuance can be closed by Government of India earlier than November 20, 2015 with a prior notice.

4. Denomination : The Bonds shall be denominated in units of one gram of gold and multiples thereof. Minimum investment in the Bonds shall be 2 grams with a maximum subscription of 500 grams per person per fiscal year (April – March). In case of joint holding, the limit applies to the first applicant.

5. Issue Price: Price of the Bonds shall be fixed in Indian Rupees on the basis of the previous week's (Monday – Friday) simple average closing price for gold of 999 purity, published by the India Bullion and Jewellers Association Ltd. (IBJA).

6. Interest: The Bonds shall bear interest at the rate of 2.75 per cent (fixed rate) per annum on the amount of initial investment. Interest shall be paid in half-yearly rests and the last interest shall be payable on maturity along with the principal.

7. Payment Options: Payment shall be accepted in Indian Rupees through Cash or Demand Drafts or Cheque or Electronic banking. Cheque or draft should be drawn in favour of the bank / post office (Receiving Office), specified in paragraph 7 above and payable at the place where the applications are tendered.

8. Redemption: The Bonds shall be repayable on the expiration of eight years from the date of issue. Pre-mature redemption of the Bond is allowed from fifth year of the date of issue on the interest payment dates. The redemption price shall be fixed in Indian Rupees on the basis of the previous week's (Monday – Friday) simple average closing price for gold of 999 purity, published by IBJA.

9. Repayment: The receiving office shall inform the investor of the date of maturity of the Bonds, one month before its maturity.

10. The investment in the Bonds shall be eligible for SLR.

11. Loan against Bonds: The Bonds may be used as collateral for loans. The Loan to Value ratio will be as applicable to ordinary gold loan mandated by the RBI from time to time. The lien on the Bonds shall be marked in the depository by the authorized banks.

12. Tax Treatment: Interest on the Bonds shall be taxable as per the provisions of the Income-tax Act, 1961. Capital gains tax treatment will be the same as that for physical gold.

Read more at: https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10095&Mode=0

➲ Subscription to National Pension System by Non-Resident Indians (NRIs)

With a view to enabling NRIs' access to old age income security, it has now been decided, in consultation with the Government of India, to enable National Pension System (NPS) as an investment option for NRIs under FEMA, 1999. Accordingly, NRIs may subscribe to the NPS governed and administered by the Pension Fund Regulatory and Development Authority (PFRDA), provided such subscriptions are made through normal banking channels and the person is eligible to invest as per the provisions of the PFRDA Act.

The subscription amounts shall be paid by the NRIs either by inward remittance through normal banking channels or out of funds held in their NRE/FCNR/NRO account. There shall be no restriction on repatriation of the annuity/ accumulated savings.

Read more at: https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10093&Mode=0

FOREIGN TRADE

➲ Amendment in import policy of Human Embryo classified under Exim Code 0511 99 99 of Chapter 05 of ITC (HS), 2012 – Schedule – 1 (Import Policy)

Import policy of the item 'Human Embryo' classified under EXIM Code 0511 99 99 has been changed from "free" subject to a 'No Objection Certificate' from Indian Council of Medical Research (ICMR)" to "Prohibited' except for research purposes based on the guidelines of the Department of Health Research vide Notification No.25/2015-2020 dated: 26th October, 2015.

Read more at: http://dgft.gov.in/Exim/2000/NOT/NOT15/not2515.pdf

India's September oil imports fall 7.4 per cent m/m -trade

India's crude imports fell 7.4 per cent in September from the preceding month as Essar Oil shut its refinery with a capacity to process 400,000 barrels per day for maintenance during part of period, tanker arrival data from sources and compiled by Thomson Reuters Oil Analytics showed. India's oil imports from Saudi Arabia in September hit their lowest in a year as the Gulf nation ceded its top seller status to cheaper supplies from Iraq, the data showed.

Read more at: http://economictimes.indiatimes.com/articleshow/49568140.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cpps

Benefit mode: Government extends duty benefits to boost exports

Worried over the continuing fall in merchandise exports from India, the government has increased support for exports of several products while expanding the scope of the Merchandise Exports from India Scheme (MEIS) by adding new items under it. A statement from the commerce and industry ministry on Friday said exports of cashews, readymade garments, paper mache products and handmade shawls of wool will now be entitled for higher support.

The ministry also, for the first time, added medical instruments and sports goods to the MEIS. The current revision has in all added 110 new tariff lines to the MEIS, making them eligible for export benefits. "Additional countries have been covered for selected leather products, steel, and base metals, products," the statement said. Under the MEIS, the government provides duty benefits at 2%, 3% and 5%, depending upon the product and the country. With the revision, the government has extended the MEIS benefits to textile and readymade garments exports to the African countries.

Read more at: http://economictimes.indiatimes.com/articleshow/49601549.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Abu Dhabi Ports offers world-class infrastructure and investor support to Indians

UAE-based Abu Dhabi Ports has offered world-class infrastructure and dedicated investor support to Indian industrialists in a bid to help them expand their businesses in the Gulf region and boost trade ties. Abu Dhabi Ports - the master developer, operator and manager of ports and industrial zones in the emirate - has offered facilities of its Khalifa Industrial Zone Abu Dhabi, Kizad, and Khalifa Port, to Indian businessmen.

Read more at: http://economictimes.indiatimes.com/news/economy/foreign-trade/abu-dhabi-ports-offers-world-class-infrastructure-and-investor-support-to-indians/articleshow/49581177.cms

Top US walnut producer eyeing India's booming market

With India's market for walnut showing strong demand, a top American producer and processor is confident of doubling his exports to India this year of the 'king of nuts', considered a good source of healthy fats. "We are excited about the possibilities in India regarding California walnuts," John Mundt, owner of Alpine Pacific Nut Co., Inc. said. "We feel India has a lot of untapped potential with regards to the population size as well as the desire for people to start eating what is considered a healthy diet/life style," Mundt told PTI in this Californian prosperous city.

Read more at:
http://economictimes.indiatimes.com/articleshow/49525788.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

No Capital gains tax on offshore rupee bonds: CBDT

The Central Board of Direct Taxes (CBDT), India's apex direct taxes body, has said investors will not face any tax on capital gains on offshore rupee bonds. "It has been decided that capital gains, arising in case of appreciation of rupee between the date of Issueand the date of redemption against the foreign currency in which the investment is made; would be exempted from capital gains tax," the Central Board of Direct Taxes said in a statement.

Read more at:
http://economictimes.indiatimes.com/articleshow/49579372.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Botswana seeks investments from India

Botswana has sought investments from India in key sectors like diamond, agriculture, mining, energy, information and communications technology (ICT), which is appropriate for the priority sectors of its economy."Our goal is to attract as diversified a number of Indian investors and entrepreneurs as is appropriate for our priority sectors of the economy as possible so as to meet the economic impetus by investors in India," Republic of Botswana Vice President Mokgweetsi E Masisi told PTI on the sidelines of CII's 'Invest in Botswana' event here.

Read more at:
http://economictimes.indiatimes.com/articleshow/49555951.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

TAXATION

➲ **Clarification regarding Self-sealing and self-Examination of Bulk cargo**

Where the nature of goods is such that the goods cannot be sealed in a package or a container such as coal or ore, etc., exemption from sealing of package or container may be granted by the Principal Chief Commissioner or Chief Commissioner of Central Excise subject to safeguard as may be specified by him in the permission.

The safeguards shall, inter-alia, include the following:-
- Method of verification of quantity and quality of goods including testing of goods where necessary at the place of removal or despatch and at the port of export or SEZ, where the goods are received;
- No remission of duty shall be allowed for loss of goods within transit;
- Permission shall be given on case to case basis for a specified period not exceeding one year at a time and may be withdrawn in case of misuse; and
- Any additional safeguards as may be specified.

In this regard, following procedures is prescribed while allowing export without sealing in packages or container:-

- The assessee who desires to avail facility of export of bulk cargo without sealing shall write to the Principal Chief Commissioner/ Chief Commissioner of Central Excise with a copy to jurisdictional Assistant/ Deputy Commissioner of Central Excise, giving details of bulk cargo to be exported with proper justification regarding difficulties faced by him in sealing of the cargo.
- The Jurisdictional Assistant/ Deputy Commissioner after receipt of such application from the exporter shall forward it to the Principal Commissioner/ Commissioner with his comments within fifteen days of receipt of such application with due verification as needed.
- The Jurisdictional Principal Commissioner/ Commissioner of Central Excise forward all such application to the Principal Chief Commissioner/ Chief Commissioner of Central Excise with his recommendation within three weeks of receipt of the application with report from the Assistant/ Deputy Commissioner. The jurisdictional Principal Commissioner/ Commissioner of Central Excise shall also consult the Principal Commissioner/ Commissioner having jurisdiction over the port of export or Development Commissioner of SEZ where the goods are received and incorporate the inputs appropriately in his recommendation.
- Principal Chief Commissioner/ Chief Commissioner of Central Excise shall grant or reject the request for waiver of sealing of bulk cargo with in fifteen days of receipt of the application from the Principal Commissioner/ Commissioner of Central Excise.

The final decision taken on the application shall be communicated to the applicant in writing and in cases where the permission is granted, conditions and safeguards prescribed shall be clearly mentioned.

Source: Circular No. 1011/18/2015-CX dated: 30th October, 2015

➲ **Mere transfer of title in immovable property is exempted from Service Tax**

In order to resolve a long standing issue relating to levy of Service Tax on sale of flats/dwellings etc. after issue of occupancy certificate but before issue of completion certificate in areas under the jurisdiction of Municipal Corporation of Greater Mumbai i.e. Brihanmumbai Municipal Corporation (BMC), it has been conveyed to the Service Tax Authorities in Mumbai on Friday, 23rd October, 2015 that sale of flats/dwellings etc., where entire consideration is received after issue of occupancy certificate by BMC, leading to a mere transfer of title in immovable property, falls outside the definition of "Service" provided in section 65B (44) of the Finance Act, 1994, and is therefore, not taxable.

Read more at: http://pib.nic.in/newsite/PrintRelease.aspx?relid=129959

➲ **CBEC redefines import value of capital goods**

The Central Board of Excise and Customs (CBEC) has revised its 2008 guidelines for determining the value of imported second-hand capital goods, for the purpose of charging duty. Its circular (No. 25 of October 15) first affirms a fundamental proposition in customs valuation law, that where used second-hand machinery is exported to India and the sale meets all the requirements in the Customs Valuation Rules of 2007 (CVR-2007), the price paid or payable will be the basis for determining the assessable value. However, the circular goes on to undermine that basic mandate.

Section 14 of the Customs Act, 1962, gives primacy to the transaction value i.e., the price paid or payable for imported goods. Rule 12 of CVR-2007 has some criteria for doubting a transaction value declared by an importer and for rejecting it. CBEC now adds its own criteria for rejection of the transaction value, by prescribing comparison of the declared value with that determined on the basis of a chartered engineer's certificate.

Read more at: http://www.business-standard.com/article/economy-policy/cbec-redefines-import-value-of-capital-goods-115102500747_1.html

➲ **Guidelines for launching of Prosecution under the Central Excise Act, 1944 and Finance Act, 1994 regarding Service tax**

Whoever commits any of the offences specified under sub-section

(1) of Section 9 of the Central Excise Act, 1944 or sub-section (1) of section 89 of the Finance Act, 1994, can be prosecuted. Section 9AA (1) of Central Excise Act, 1944 provides that where an offence under this Act has been committed by a company, every person who, at the time offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Section 9AA (2) of Central Excise Act, 1944 provides that where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. Explanation to Section 9AA provides that (a) Company means anybody corporate and includes a firm or other association of individuals and (b) director in relation to a firm means a partner of the firm. These provisions under Section 9AA of Central Excise Act, 1944 have been made applicable to Service Tax also vide Section 83 of the Finance Act, 1994.

Monetary Limit: In order to optimally utilize limited resources of the Department, prosecution should normally not be launched unless evasion of Central Excise duty or Service Tax, or misuse of Cenvat credit in relation to offences specified under sub-section (1) of Section 9 of the Central Excise Act, 1944 or sub-section (1) of section 89 of the Finance Act, 1994 is **equal to or more than Rs. One Crore**.

Read more at: http://www.cbec.gov.in/htdocs-cbec/excise/cx-circulars/cx-circulars-2015/circ1009A-2015cx

➲ Section 92C of the Income-tax Act, 1961 - Transfer pricing - Computation of arm's length price - Notified tolerance limit under third proviso to sub-section (2) of section 92C

In exercise of the powers conferred by the third proviso to sub-section (2) of section 92C of the Income-tax Act, 1961 (43 of 1961) read with proviso to sub-rule (7) of rule 10CA of the Income-tax Rules, 1962, the Central Government hereby notifies that where the variation between the arm's length price termined under section 92C and the price at which the international transaction or specified domestic transaction has actually been undertaken does not exceed one percent. of the latter in respect of wholesale trading and three percent. of the latter in all other cases, the price at which the international transaction or specified domestic transaction has actually been undertaken shall be deemed to be the arm's length price for Assessment Year 2015-2016.

Explanation.- For the purposes of this notification, "wholesale trading" means an international transaction or specified domestic transaction of trading in goods, which fulfils the following conditions, namely:-
(i) purchase cost of finished goods is eighty percent. or more of the total cost pertaining to such trading activities; and
(ii) average monthly closing inventory of such goods is ten percent. or less of sales pertaining to such trading activities.

Read more at: http://www.incometaxindia.gov.in/communications/notification/notification_86.pdf

➲ Arrest Limit for Service Tax or Excise offences increased to one Crore

CBEC has decided to revise the limits for arrests in Central Excise and Service tax. Henceforth, arrest of a person in relation to offences specified under clause (a) to (d) of sub-section (1) of Section 9 of the Central Excise Act, 1944 or under clause (i) or (ii) of sub-section (1) of section 89 of the Finance Act, 1994, may be made in cases where the evasion of Central Excise duty or Service Tax or the misuse of Cenvat Credit is equal to or more than rupees one crore. Central Excise circular no. 974/08/2013-CX and Service Tax circular no. 171/6 /2013-ST both dated 17-7-2015 stand amended accordingly.

Source: Circular No. 1010/17/2015-CX dated: 23rd October 2015

Read more at: http://www.cbec.gov.in/htdocs-servicetax/st-circulars/st-circulars-2015/st-circ-1009-2015

➲ Anti-dumping on import of select products from China

Government slapped anti-dumping duties on import of front axle beam and steering knuckles used in heavy and medium commercial vehicles as also three other products from China for five years.

The duties have been imposed pursuant to recommendations of the Directorate General of Anti-dumping and Allied Duties, the Finance Ministry said in a statement, adding, the levies have come into effect. "Definitive anti-dumping duty has been levied on imports of 'Front Axle Beam and Steering Knuckles meant for heavy and medium commercial vehicles'...originating in, or exported from, the Peoples' Republic of China for a period of five years," the statement said.

The revenue department has also imposed the import restrictive duty on shipments of 'plain medium density fibre board of thickness 6 mm' from China, Malaysia, Thailand and Sri Lanka.

Read more at:
http://economictimes.indiatimes.com/articleshow/49486839.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

INFRASTRUCTURE

CII in pact with Bengal government to build four smart cities

The Confederation of Indian Industry (CII) sealed an agreement with the West Bengal government to build four smart cities in the state. Dr Saugat Mukherjee, Regional Director, CII Eastern Region, and Sutanu Prasad Kar, Mission Director, Smart Cities Mission of West Bengal, signed the MoU during a Roundtable on CII National Mission on Smart Cities here, a CII release said.

As per the agreement, CII will work with the state's Urban Development Department and other stakeholders in developing the vision, setting goals and charting strategies on how to transform Bidhan Nagar, New Town-Rajarhat, Haldia and Durgapur, the four urban locations in West Bengal, into world-class smart cities.

Read more at:
http://economictimes.indiatimes.com/articleshow/49601730.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Urban Development Ministry approves Rs 431 crore for heritage development projects at 8 cities

The ministry of urban development has approved the action plans under the Heritage City Development and Augmentation Yojana (HRIDAY) for eight cities—Varanasi, Mathura, Ajmer, Dwarka, Badami, Warangal, Amaravati and Vellankini—at a total cost of Rs 431 crore. The HRIDAY national empowered committee chaired by Madhusudhan Prasad, secretary, urban development approved the action plans after detailed presentations by officials of respective cities and state governments. The approved plans will seek to conserve and develop core heritage assets of respective cities besides improving sanitation through solid waste management, easy access through signage's and better mobility, interpretation centres, landscaping, provision of green spaces among other things.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/urban-development-ministry-approves-rs-431-crore-for-heritage-development-projects-at-8-cities/articleshow/49553907.cms

SEBI

Risk management for Regional 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 Regional Commodity Derivatives Exchanges as defined in the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Amendment) Regulations, 2015.

Exchanges shall comply with the following norms latest by April 01, 2016:
a. Member Deposits: Exchanges shall continue with their practice of keeping exposure free member deposits at the current level.
b. Ordinary margins: Exchanges shall levy minimum ordinary margins of 4% on the open outstanding positions.
c. Other margins (delivery period margins, additional margins etc.): Exchanges may levy appropriate delivery period margins, additional margins etc. based on their evaluation.
d. Additional Adhoc Margins: Exchanges have the right to impose additional risk containment measures over and above the risk containment system mandated by SEBI.
e. Margin computation at client level: Exchanges shall levy ordinary margins at the level of each individual client comprising his positions in futures contracts across different maturities. For member level margin computation, margins shall be grossed across various clients. The proprietary positions of the member should also be treated as that of a client for margin computation.

Read more at: http://www.sebi.gov.in/cms/sebi_data/attachdocs/1445422330733.pdf

Disclose regulatory actions in abridged prospectus: SEBI to companies

Companies will have to disclose all major regulatory actions and penalties along with details of price information of past issues handled by their merchant bankers along in the shortened five-sheet abridged prospectus for public issues, Sebi said. They will also have to make all the important disclosures about its promoters and directors and objectives of the issue.

Sebi said that details of top five material outstanding litigations against the firm and amount involved, regulatory action taken by it or stock exchanges against the promoters and group firms in last five financial years need to be mentioned in the abridged prospectus. Under the new norms that come into effect from December 1, the abridged prospectus including the application form can not exceed five sheets that would be printed on both sides, a maximum of 10 pages.

Read more at: http://economictimes.indiatimes.com/articleshow/49597176.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

HEADQUARTERS
CMA BHAWAN
12, SUDDER STREET, KOLKATA 700 016
TEL: +91 33 2252 1031/1034/1035/1492
FAX: +91 33 2252 7993/1026/1723
EMAIL ID: cma.ebulletin@icmai.in

DELHI OFFICE
CMA BHAWAN
3, INSTITUTIONAL AREA, LODHI ROAD,
NEW DELHI – 110 003
TEL: +91-11-24622156/57/58, 24618645
FAX: +91-11-43583642

OFFICE OF RESEARCH & JOURNAL
CMA BHAWAN, 4TH FLOOR
84, HARISH MUKHERJEE ROAD
KOLKATA 700 025, INDIA
BOARD: +91-33-2454 0086/87/0184
FAX: +91-33-2454 0063

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