

e-NEWS DIGEST

Weekly Updates

NOVEMBER | VOL. 11 | NO. 1 & 2



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

www.icmai.in

e-NEWS DIGEST



www.icmai.in

WEEKLY UPDATES

Updated upto November 15, 2015

DIRECTORATE OF RESEARCH & JOURNAL

The Institute of Cost Accountants of India

(Statutory body under an Act of Parliament)

President: CMA Pramodkumar Vithaldasji Bhattad

Vice President: CMA Manas Kumar Thakur

Chairman, Research, Journal and IT Committee: CMA Avijit Goswami

Editor: CMA Dr Debaprosanna Nandy

INDEX

1 Banking

3 Taxation

5 SEBI

5 Infrastructure

7 Foreign Trade

Please send your feedback on the *e* News Digest
at: cma.ebulletin@icmai.in

BANKING

➤ RBI allows foreign currency-rupee swap transactions

The Reserve Bank of India (RBI) allowed residents having a long-term foreign currency liability to enter into foreign currency-rupee swaps with multilateral or international financial institutions (MFI/IFI) in which the government of India is a shareholding member, subject to certain conditions. RBI said that such swap transactions could be undertaken by the MFI/IFI concerned on a back-to-back basis with an authorized dealers (AD) Category-I bank in India.

Read more at: <https://in.news.yahoo.com/rbi-allows-foreign-currency-rupee-224600191.html>

➤ Risk Management & Inter-Bank Dealings: Relaxation of facilities for residents for hedging of foreign currency borrowings

With a view to facilitating hedging of long term foreign currency borrowings by residents, it has been decided to permit them to enter in to FCY-INR swaps with Multilateral or International Financial Institutions (MFI/IFI) in which Government of India is a shareholding member subject to the following terms and conditions:

(i) Such swap transactions shall be undertaken by the MFI / IFI concerned on a back-to-back basis with an AD Category-I bank in India.

(ii) AD Category-I banks shall face, for the purpose of the swap, only those Multilateral Financial Institutions (MFIs) and International Financial Institutions (IFIs) in which Government of India is a shareholding member.

(iii) The FCY-INR swaps shall have a minimum tenor of three years. All other operational guidelines, terms and conditions relating to FCY-INR swaps as laid down in A.P. (DIR Series) Circular No. 32 dated December 28, 2010, as amended from time to time, shall apply, mutatis mutandis.

(iv) In the event of a default by the resident borrower on its swap obligations, the MFI / IFI concerned shall bring in foreign currency funds to meet its corresponding liabilities to the counterparty AD Cat-I bank in India.

(v) AD Category-I bank shall report the FCY-INR swaps transactions entered into with the MFIs / IFIs on a back-to-back basis to CCIL reporting platform, including details of the foreign currency borrower, in terms of Reserve Bank circular no. FMD.MSRG.No. 94/02.05.002/2013-14 dated December 4, 2013 on the reporting platform for OTC Foreign Exchange and Interest Rate Derivatives.

Source: RBI/2015-16/232 [A.P. (DIR Series) Circular No. 28] dated: November 5, 2015

➤ Software Export – Filing of bulk SOFTEX-further liberalisation

In order to provide benefits to small exporters also, it has been decided to extend this facility to all software exporters. Accordingly, all software exporters can now file single as well as bulk SOFTEX form in excel format to the competent authority for certification. The SOFTEX form is given at Annex I. Since the SOFTEX data from STPI/SEZ is being transmitted in electronic format to RBI, the exporters are required to submit the SOFTEX form in duplicate as per the revised procedure. STPI/SEZ will retain one copy and handover the duplicate copy to the exporters after due certification.

Source: Notification No. RBI/2015-16/231 [A.P. (DIR Series) Circular No.27] dated: November 05, 2015

Read more at: https://www.rbi.org.in/Scripts/BS_CircularIndexDisplay.aspx?Id=10113

➤ Internet Banking Facility for Customers of Cooperative Banks

State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs) so far have not been allowed to provide internet banking facilities to their customers. As some of the StCBs/ DCCBs have requested for permission to offer Internet Banking facility, it has been decided to allow StCBs and DCCBs to extend the facility of internet banking to their customers. Accordingly, the guidelines issued to the UCBs were reviewed and uniform guidelines for all the cooperative banks are now issued in supersession of previous guidelines issued to UCBs in the matter. The revised guidelines applicable to all the cooperative banks are as follows:

- (i) Internet Banking (View only) facility
- (ii) Internet Banking with Transactional facility

All licensed StCBs, DCCBs and UCBs which have implemented CBS and have also migrated to Internet Protocol Version 6 (IPv6) and fulfilling the following criteria may offer Internet Banking with transactional facility to their customers with prior approval of RBI:

- CRAR of not less than 10 per cent.
- Net worth is Rs.50 crore or more as on March 31 of the immediate preceding financial years.
- Gross NPAs less than 7 % and Net NPAs not more than 3%
- The bank should have made a net profit in the immediate preceding financial year and overall, should have made net profit at least in three out of the preceding four financial years.
- It should not have defaulted in maintenance of CRR/SLR

during the immediate preceding financial year.

- It has sound internal control system with at least two professional directors on the Board.
- The bank has a track record of regulatory compliance and no monetary penalty has been imposed on the bank for violation of RBI directives/guidelines during the two financial years, preceding the year in which the application is made.

StCBs, DCCBs and UCBs fulfilling the above-mentioned criteria will be allowed to extend Internet Banking with transactional facility provided they comply with the guidelines prescribed in Annex I and II to this circular. For this purpose, the intending StCB, DCCB and UCB shall submit an application to the concerned Regional Office of RBI (through NABARD in case of StCB/DCCB) with the following documents:

- A copy of the Board approved policy on internet banking along with a certificate from an independent auditor (CISA qualified) that the IT and IS policy requirements prescribed in RBI guidelines have been adhered to.
- An undertaking to inform RBI about any material change in the services/products offered by them.
- The business plan, cost and benefit analysis, operational arrangements like technology adopted, business partners, third party service providers and systems and control procedures that the bank proposes to adopt for managing risks.

The bank will report to the concerned Regional Office of RBI (and also NABARD in case of StCBs /DCCBs) every breach or failure of security systems and procedures and the latter, at its discretion, may decide to commission a special audit/inspection of such bank.

StCBs/DCCBs which are already offering Internet Banking (View only) facility to their customers should immediately review their systems in the light of these guidelines and report to the concerned Regional Office of RBI (through NABARD), within one month from the date of issuance of this circular, the type of services offered and the extent of their compliance with these guidelines.

Read more at: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=10111&Mode=0>

➡ Gold Monetization Scheme, 2015 - Interest Rate

Central Government has fixed the rate of interest on Medium and Long Term Government Deposit (MLTGD) under the GMS vide Notification No. RBI/2015-16/220 [DBR.IBD. BC.53/23.67.003/2015-16] dated: November 3, 2015 as follows:

- On medium term deposit – 2.25% p.a.
- On long term deposit – 2.50% p.a.

Read more at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10103&Mode=0>

➡ Sovereign Gold Bonds, 2015-16 - Operational Guidelines

Operational guidelines with regard to this scheme are given below:

1. Application: Application forms from investors will be received at branches during normal banking hours from November 5 to 20, 2015. Relevant additional details may be obtained from the applicants, where necessary.

2. Joint holding and nomination: Multiple joint holders and nominees (of first holder) are permitted. Necessary details may be obtained from the applicants as per practice.

3. Interest on application money: Applicants will be paid interest at prevailing savings bank rate from the date of realization of payment to the settlement date, i.e. the period for which they are out of funds. In case the applicant's bank account is not with the receiving bank, the interest has to be credited by electronic fund transfer to the account details provided by the applicant.

4. Cancellation: Cancellation of application is permitted till the closure of the issue, i.e., November 20, 2015. Part cancellation of submitted request for purchase of gold bonds is not permitted. No interest on application money needs to be paid if the application is cancelled.

5. Lien marking: As the bonds are government securities, lien marking, etc. will be as per the extant legal provisions of Government Securities Act, 2006 and rules framed there under.

6. Agency arrangement: Scheduled commercial banks may engage NBFCs, NSC agents and others to collect application forms on their behalf. Banks may enter into arrangements or tie-ups with such entities.

7. Processing through RBI's e-kuber system: Sovereign Gold Bonds will be available for subscription at the branches of scheduled commercial banks and designated post offices through RBI's e-kuber system. The e-kuber system can be accessed either through Ininet or Internet. The receiving offices need to enter the data or carry out bulk upload for the subscriptions received by them. An immediate confirmation will be provided to them for receipt of application. In addition, a confirmation scroll will be provided for file uploads to enable the receiving offices to update their database. On the date of allotment, i.e., November 26, 2015, Holding Certificates will be generated for all the subscriptions. The receiving offices can download the same and take printouts. The Holding Certificates will also be sent through e-mail to the investors who have provided their email address. For the investors who have specified their demat account details, the securities will be credited in their demat accounts on the allotment date.

8. Printing of Holding Certificate: Holding Certificate needs to be

printed in colour on A4 size 100 GSM paper.

Read more at: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10104&Mode=0>

➤ RBI includes Bandhan Bank in second schedule list

Reserve Bank said that newly launched Bandhan Bank has been included in the second schedule list, making it eligible for loans from the central bank at bank rate. "We advise that the name of Bandhan Bank Limited has been included in the Second Schedule to the Reserve Bank of India Act, 1934 with notification dated September 3," RBI said in a notification.

A scheduled bank is eligible for loans from the RBI at bank rate. They are also given membership to clearing houses. Bandhan Bank is the first instance of a micro-finance entity in India transforming into a universal bank. It received an in-principle approval from the RBI in April 2014 and the banking regulator's final nod on June 17, 2015. Besides, Industrial Bank of Korea and Korea Exchange Bank Co Ltd have been included in the second schedule.

Read more at: http://economictimes.indiatimes.com/article-show/49679578.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➤ ICICI Bank sells 9% in general insurance for Rs 1,550 crore

ICICI Bank announced plans to sell 9% stake in ICICI Lombard General Insurance Company to Toronto-based Fairfax Financial Holdings for Rs 1,550 crore, valuing the company at Rs 17,225 crore. The transaction is subject to governmental and regulatory approvals, the bank said in a statement.

ICICI Lombard General Insurance Company is a venture between ICICI Bank, India's second largest bank, and Fairfax Financial Holdings. After this deal, the share of Fairfax Financial Holdings in the joint venture will increase to 35% from 26%. "There are no plans for an IPO as of now, but we have continuously said that we will monetise these businesses and that we will also do for our life insurance venture," said Chanda Kochhar, managing director and chief executive of ICICI Bank.

Read more at: http://economictimes.indiatimes.com/article-show/49594928.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➤ State, district co-op banks can offer 'view only' net banking

Reserve Bank allowed state co-operative banks (StCBs) and district central co-operative banks (DCCBs) to offer internet banking with "view only" facility. At present, urban cooperative banks (UCBs) that meet certain criteria are permitted to provide internet banking

with transactional facility to their customers with prior approval of the RBI. Besides, internet banking with "view only" facility is allowed to be given by all UCBs complying with certain conditions, without RBI's approval. RBI said some of the StCBs and DCCBs have requested for permission to offer internet banking facility.

Read more at: http://articles.economictimes.indiatimes.com/2015-11-05/news/68043890_1_internet-banking-ucbs-core-banking-solution

➤ FDI: ICICI's Kochhar hails full fungibility for pvt lenders

ICICI Bank, which is majority-owned by foreigners, has welcomed the government's decision to remove sub-limit restrictions within the overall sectoral limit of 74 per cent for private sector lenders. Welcoming the government move, ICICI BankBSE -0.62 % managing director and chief executive Chanda Kochhar in a statement said, "The decision to remove the sub-limit restrictions within the overall limit of 74 per cent for private sector banks will provide greater flexibility to banks and investors."

Read more at: http://economictimes.indiatimes.com/article-show/49740936.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

TAXATION

➤ Swachh Bharat Cess

In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994) read with sub-section (5) of section 119 of the Finance Act, 2015 (20 of 2015), the Central Government exempted all taxable services from payment of such amount of the Swachh Bharat Cess leviable under sub-section (2) of section 119 of the said Act, which is in excess of Swachh Bharat Cess calculated at the rate of 0.5 percent. of the value of taxable services: Provided that Swachh Bharat Cess shall not be leviable on services which are exempt from service tax by a notification issued under sub-section (1) of section 93 of the Finance Act, 1994 or otherwise not leviable to service tax under section 66B of the Finance Act, 1994. This notification shall come into force from the 15th day of November, 2015.

Source: Notification No. 22/2015-Service Tax dated: 6th November, 2015

Read more at: <http://www.cbec.gov.in/htdocs-servicetax/st-notifications/st-notifications-2015/st22-2015>

➤ Composition rate for Swachh Bharat Cess as applicable to ST under sub-rules 7, 7A, 7B, 7C of rule 6 of STR, 1994

The person liable for paying the service tax under sub-rule (7), (7A), (7B) or (7C) of rule 6, shall have the option to pay such amount as determined by multiplying total service tax liability calculated under sub-rule (7), (7A), (7B) or (7C) of rule 6 by 0.5 and dividing the product by 14 (fourteen), during any calendar month or quarter, as the case may be, towards the discharge of his liability for Swachh Bharat Cess instead of paying Swachh Bharat Cess at the rate specified in sub-section (2) of section 119 of the Finance Act, 2015 (20 of 2015) read with notification No.22/2015-Service Tax, dated the 6th November, 2015, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 843 (E), dated the 6th November, 2015, and the option under this sub-rule once exercised, shall apply uniformly in respect of such services and shall not be changed during a financial year under any circumstances.

Source: [Notification No. 25/2015-Service Tax dated: 12th November, 2015](#)

Read more at: <http://www.cbec.gov.in/htdocs-servicetax/st-notifications/st-notifications-2015/st25-2015>

➤ Interest from Non-SLR securities of Banks

It has been brought to the notice of the Board that in the case of Banks, field officers are taking a view that, “expenses relatable to investment in non-SLR securities need to be disallowed u/s 57(i) of the Act as interest on non-SLR securities is income from other sources.” Clause (id) of sub-section (1) of Section 56 of the Act provides that income by way of interest on securities shall be chargeable to income-tax under the head “Income from Other Sources”, if, the income is not chargeable to income-tax under the head “Profits and Gains of Business and Profession”.

The matter has been examined in light of the judicial decisions on this issue. In the case of CIT Vs Nawanshahar Central Cooperative Bank Ltd. [2007] 160 TAXMAN 48(SC), the Apex Court held that the investments made by a banking concern are part of the business of banking. Therefore, the income arising from such investments is attributable to the business of banking falling under the head “Profits and Gains of Business and Profession”. Even though the abovementioned decision was in the context of co-operative societies / Banks claiming deduction under section 80P (2)(a)(i) of the Act, the principle is equally applicable to all banks/commercial banks, to which Banking Regulation Act, 1949 applies. In the light of the Supreme Court’s decision in the matter, the issue is well settled. Accordingly, the Board has decided that no appeals may henceforth be filed on this ground by the officers of the Department and appeals already filed, if any, on this ground before Courts/Tribunals may be withdrawn / not pressed upon.

Source: [Circular No. 18/2015 \[F.N 0.2 79/Misc./140/20 IS/IT J\] dated: 2nd November, 2015](#)

➤ CBEC further amend notification No. 12/2012-Central Excise, dated 17.03.2012 so as to prescribe the Basic Excise Duty (BED), with effect from 07.11.2015, on the following products at the rates indicated are: (i) Unbranded petrol from Rs.5.46 per litre to Rs. 7.06 per litre; (ii) Branded petrol from Rs. 6.64 per litre to Rs. 8.24 per litre; (iii) Unbranded diesel from Rs.4.26 per litre to Rs. 4.66 per litre; and (iv) Branded diesel from Rs.6.62 per litre to Rs. 7.02 per litre vide [Notification No. 43/2015-CE, dt. 06-11-2015](#).

➤ Amendment to the Customs, Central Excise Duties and Service Tax Drawback Rules 1995

In exercise of the powers conferred by section 75 of the Customs Act, 1962 (52 of 1962), section 37 of the Central Excise Act, 1944 (1 of 1944) and section 93A read with section 94 of the Finance Act, 1994 (32 of 1994), the Central Government further to amend the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 called the Customs, Central Excise Duties and Service Tax Drawback (Second Amendment) Rules, 2015.

Central Government hereby makes rules to further amend the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995, namely Customs, Central Excise Duties and Service Tax Drawback (Second Amendment) Rules, 2015.

In the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995,-

- (i) in rule 3, in sub-rule (1), in the second proviso, clause (v) shall be omitted;
- (ii) in rule 6, sub-rule (4) shall be omitted;
- (iii) in rule 7, -
- (a) in sub-rule (3), -
 - for the words, Where the manufacturer or exporter desires that he may be granted drawback provisionally, the words, Provisional drawback amount, as may be specified by the Central Government, shall be paid by the proper officer of Customs and where the manufacturer or exporter desires that he may be granted further drawback provisionally shall be substituted;
 - for the words applications made under that rule and the grant of provisional drawback, the words applications made under that rule along with details of provisional drawback already paid and the grant of further provisional drawback shall be substituted.

Source: [Notification No. 109/2015-CUSTOMS \(N. T.\) dated: 16th November, 2015](#)

Read more at: www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2015/cs-nt2015/csnt109-2015

➤ Rate of exchange of conversion of the foreign currency with effect from 6th November, 2015

Central Board of Excise & Customs determines that the rate of exchange of conversion of the foreign currencies relating to imported and export goods.

See the Exchange Rates at: <http://www.cbec.gov.in/htdocs-cbec/customs/cs-act/notifications/notfns-2015/cs-nt2015/csnt106-2015>

Source: Notification No. 106/2015 - Customs (N.T.) dated the 5th November, 2015

SEBI

➔ Format for quarterly holding pattern, disclosure norms for corporate governance report and manner for compliance with two-way fungibility of Indian Depository Receipts (IDRs)

In terms of sub regulation (1) of regulation 69 of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations"), listed entity shall file with the stock exchange the Indian Depository Receipt (IDR) holding pattern on a quarterly basis within fifteen days of end of the quarter in the format specified by SEBI.

Further, sub regulation (1) of regulation 72 of Listing Regulations requires the listed entity to comply with the corporate governance provisions as applicable in its home country and other jurisdictions in which its equity shares are listed and sub regulation (2) of regulation 72 requires such a listed entity to submit to the stock exchange, a comparative analysis of the corporate governance provisions that are applicable in its home country and in the other jurisdictions in which its equity shares are listed along with the compliance of the same vis-à-vis the corporate governance requirements applicable under regulation 17 to regulation 27, to other listed entities.

Read more at: http://www.sebi.gov.in/cms/sebi_data/attach-docs/1446701154442.pdf

➔ Format for Business Responsibility Report (BRR)

Pursuant to notification of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the aforesaid circular dated August 13, 2012 was rescinded. As per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, the annual report shall contain a business responsibility report describing the initiatives taken by the listed entity from an environmental, social and governance perspective, in the format as specified by the Board. Accordingly, listed entities shall be guided by the format as per Annexure I. Certain key principles to assess the fulfillment

of listed entities and a description of the core elements under these principles are detailed at Annexure II. Those listed entities which have been submitting sustainability reports to overseas regulatory agencies/stakeholders based on internationally accepted reporting frameworks need not prepare a separate report for the purpose of these guidelines but only furnish the same to their stakeholders along with the details of the framework under which their BR Report has been prepared and a mapping of the principles contained in these guidelines to the disclosures made in their sustainability reports.

Source: Circular - CIR/CFD/CMD/10/2015, November 04, 2015

Read the annexures at: <http://abcaus.in/sebi/Format-for-Business-Responsibility-Report-BRR.pdf>

➔ Streamlining the Process of Public Issue of Equity Shares and Convertibles vide Circular CIR/CFD/POLICYCELL/11/2015 November 10, 2015

As a part of the continuing endeavor to streamline the process of public issue of equity shares and convertibles, it has been decided, in consultation with the market participants -

- (i) to reduce the time taken for listing after the closure of issue to 6 working days as against the present requirement of 12 working days, and
- (ii) to broad-base the reach of investors by substantially enhancing the points for submission of applications.

In this regard, necessary amendments to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 have already been notified.

Read more at: http://www.sebi.gov.in/cms/sebi_data/attach-docs/1447148033366.pdf

INFRASTRUCTURE

➔ National Highways strength to be raised to 1.5 lakh km: Nitin Gadkari

Union Road, Transport and Highways Minister Nitin Gadkari stressed upon increasing the number of express highways in the country and said the strength of national highways will be raised to 1.5 lakh km by next month. He said that his ministry was aiming at raising the daily road building to 30 km by March end. "We witness 5 lakh accidents on roads every year in which 1.50 lakh people die. We have analyzed the reasons behind these accidents. We found the number of vehicles is on the rise whereas there is less infrastructure to complement the surge in vehicle numbers. There is a need for developing new highways in the country," Gadkari said.

Read more at: <http://economictimes.indiatimes.com/news/economy/infrastructure/national-highways-strength-to-be-raised-to-1-5-lakh-km-nitin-gadkari/articleshow/49677804.cms>

➤ Arisal to be the first digital village of Maharashtra: Devendra Fadnavis

Chief Minister Devendra Fadnavis said Arisal village, which is the 'most malnourished' hamlet in Maharashtra, would soon become the first digital village in the country and the state plans to have 50 digital hamlets by the end of next year.

Addressing Microsoft's 'Future Unleashed: Accelerating India' expo here this morning, Fadnavis said, "With help from Microsoft, the first digital village is coming up at Arisal, which is the capital of malnutrition in the country." He went on to add, "Creating one village will not suffice, have told Satya (Nadella of Microsoft) that we need to create 50 such villages by 2016." He further said, "Creating smart cities is creating efficiency. Unless our cities become efficient, we will be exploiting nature. We can also create smart villages." He was addressing the largest ever consumer expo by the Redmond-based technology major Microsoft on the occasion of 25th anniversary of its operations in the country, in a dialogue with Microsoft India Chairman Bhaskar Pramanik.

Read more at: <http://economictimes.indiatimes.com/news/economy/infrastructure/arisal-to-be-the-first-digital-village-of-maharashtra-devendra-fadnavis/articleshow/49675393.cms>

➤ Modi government announces FDI reforms in 15 sectors

Giving the much needed reforms impetus to the economy, Prime Minister Narendra Modi-led NDA government announced Foreign Direct Investment (FDI) reforms in as many as 15 sectors. According to the government's release, "The crux of these reforms is to further ease, rationalize and simplify the process of foreign investments in the country and to put more and more FDI proposals on automatic route instead of government route where time and energy of the investors is wasted." These FDI reforms are set to benefit sectors such as agriculture and animal husbandry, plantation, defence, broadcasting, civil aviation and manufacturing.

"Further refining of foreign investments in key sectors like construction where 50 million houses for poor are to be built. Opening up the manufacturing Sector for wholesale, retail and e-Commerce so that the industries are motivated to Make In India and sell it to the customers here instead of importing from other countries," the release added.

Read more at: <http://economictimes.indiatimes.com/news/economy/policy/big-bang-move-modi-government-announces-fdi-reforms-in-15-sectors/articleshow/49735873.cms>

➤ Rajasthan attracts investments of over Rs 1.5 lakh crore

In the run up to the Resurgent Rajasthan Partnership Summit, agreements worth over Rs 1.5 lakh crore have been signed with companies from solar, mining, textiles and petroleum sectors, as the state gears up to become a major investment destination. Resurgent Rajasthan Partnership Summit 2015 is slated to be held in Jaipur on November 19 and 20. "We have MoUs worth over Rs 1.5 lakh crore. A major chunk of the investments promised under the agreements are in solar energy sector, apart from petroleum and mines," Veenu Gupta, Principal Secretary, Industries, Government of Rajasthan said.

Read more at: http://economictimes.indiatimes.com/article-show/49615823.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➤ Government announces 3% interest subsidy to boost exports

Concerned over continuous decline in exports, government announced 3 per cent interest subsidy scheme for exporters which will have a financial implication of about Rs 2,700 crore. The decision to help boost overseas shipments was taken at a meeting of Cabinet Committee on Economic Affairs headed by Prime Minister Narendra Modi. The CCEA has given its approval for "Interest Equalisation Scheme (earlier called Interest Subvention Scheme) on Pre and Post Shipment Rupee Export Credit with effect from 1st April, 2015 for five years", an official statement said.

Read more at: http://articles.economictimes.indiatimes.com/2015-11-18/news/68382617_1_exports-cent-interest-subsidy-scheme-trade-deficit

➤ Government signs \$273 million loan agreement with ADB for rural roads

The government has signed a \$273 million loan agreement with the Asian Development Bank (ADB) to improve rural roads in Assam, Chhattisgarh, Madhya Pradesh, Odisha and West Bengal. This is the third and last tranche of the \$800 million financing facility being provided under the Rural Connectivity Investment programme. This is the third and last tranche of the \$800 million financing facility being provided under the Rural Connectivity Investment programme. The funds will help build over 6,000 km of all-weather roads in the five states. The loan agreement was signed between S Selvakumar, joint secretary (bilateral cooperation), department of economic affairs, and Teresa Kho, country director for ADB.

Read more at: http://articles.economictimes.indiatimes.com/2015-11-10/news/68165448_1_teresa-kho-rural-roads-rural-connectivity-investment-programme

FOREIGN TRADE

Oilmeal exports down 94% at 13,716 tonnes in October

Oilmeal exports have declined 94 per cent to 13,716 tonnes in October due to sharp fall in soyabean meal and rapeseed meal shipments, industry body SEA said. The country had shipped 238,703 tonnes of oilmeals, used as animal feed, in the same period last year. The overall export of oilmeals during April-Oct, 2015 reduced 40 per cent at 763,113 tonnes compared to 1,263,073 tonnes during the same period last year, Mumbai-based Solvent Extractors Association (SEA) said in a statement.

Read more at: http://articles.economictimes.indiatimes.com/2015-11-06/news/68071749_1_oilmeal-exports-soyabean-meal-solvent-extractors-association

Exports of top 5 sectors dip 31 per cent in September

Exports of top five sectors including engineering and petroleum fell by about 31 per cent to USD 13.6 billion in September due to slump in global demand. Exports from these sectors stood at USD 19.7 billion in the same month of last year. They had accounted for about 65 per cent of the total merchandise exports in 2014-15. Engineering exports growth turned negative (-)22.81 per cent, petroleum (-60.35 per cent), textiles (-12 per cent) and gems and jewellery (-18.81 per cent) recorded negative growth during the September, according to the provisional data of the Commerce Ministry. Only pharmaceuticals sector managed to registered a growth of 9 per cent in September, it stated. During the last financial year, exports of these segments stood at \$202.15 billion while the total exports were \$310.5 billion. Expressing concern over the continuous dip in exports, the Federation of Indian Export Organisations (FIEO) said the Government should immediately announce steps such as extending interest subsidy benefits to contain the dip in exports.

Read more at: http://economictimes.indiatimes.com/articleshow/49709228.cms?utm_source=contentof-interest&utm_medium=text&utm_campaign=cppst

Government approves amendment to tax treaty with Turkmenistan

The government approved amending the Double Taxation Avoidance Convention (DTAC) signed with Turkmenistan. India signed the treaty with Turkmenistan in 1997. The Cabinet approved the amendment to DTAC for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income and on capital, through a Protocol, an official release said. The protocol provides for internationally accepted standards for effective exchange of information on tax matters including bank information and information without domestic tax interest, it said.

Read more at: http://economictimes.indiatimes.com/articleshow/49679046.cms?utm_source=contentof-interest&utm_medium=text&utm_campaign=cppst

India's October Iran oil imports lowest since March

India's oil imports from Iran fell 41.5 percent in October from a year ago to the lowest in seven months, according to tanker arrival data obtained by Reuters, as state-run refiner MRPL cut imports due to a maintenance shutdown. India, Iran's top customer after China, took 181,200 barrels per day (bpd) oil from Tehran in October, down 22.3 percent from September, according to the data and a report compiled by Thomson Reuters Oil Research and Forecasts.

Read more at: http://economictimes.indiatimes.com/article-show/49670379.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cpps

Soybean meal October export falls 85.72%

Export of Soybean meal during October, 2015 was just 4,238 tons as compared to 29,690 tons in October, 2014 showing a decrease of 85.72% over the same period of last year. On a financial year basis, the export during April'2015 to October 2015 is 46,983 tons as compared to 1,26,550 tons in the same period of previous year showing a decrease of 62.87%.

Read more at: http://articles.economictimes.indiatimes.com/2015-11-05/news/68044008_1_soybean-processors-association-rail-or-road-financial-year-basis

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 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.

Read more at: <http://economictimes.indiatimes.com/news/economy/foreign-trade/benefit-mode-government-extends-duty-benefits-to-boost-exports/articleshow/49601549.cms>

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

Behind every successful business decision there is always a CMA