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INDEX

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INDUSTRY

➲ **Companies (Filing of Documents and Forms in Extensible Business Reporting language) Rules, 2015**

In exercise of the powers conferred by sub-sections (1) and (2) of section 469 read with section 398 of the Companies Act, 2013 (18 of 2013), and in supersession of the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2011, except as respects things done or omitbed to be done before such supersession, the Central Government hereby makes the following rules, namely Companies (Filing of Documents and Forms in Extensible Business Reporting language) Rules, 2015.

Filing of financial statement with Registrar : The following class of companies shall file their financial statement and other documents under section 137 of the Act, with the Registrar in e-form AOC-4 XBRL given in Annexure-l for the financial years commencing on or after 1st April 2014 using the XBRL taxonomy given in Annexure II, namely:-
(i) all companies listed with any Stock Exchange(s) in India and their lndian subsidiaries; or
(ii) all companies having paid up capital of rupees five crore or above;
(iii) all companies having turnover of rupees hundred crore or above; or
(iv) all companies which were hitherto covered under the Companies (Filing ot l)ocuments and Forms in Extensible Business Reporting Language) Rules, 2011, provided that the companies in Banking' lnsurance' Power Sector and Non- Banking Financial companies are exempted from XBRL filing.

Filing of cost audit report - A company required to fumish cost audit report and other documents to the Central Government under sub-section (6) of section 148 of the Act and rules made there under shall file such report and other documents using the XBRL taxonomy given in Annexure -III for the financial years commencing on or after 1st April 2014 in e-form CRA-4 specified under the Companies (Cost Records and Audit) Rules 2014.

Read more at: http://www.mca.gov.in/Ministry/pdf/Rules_09092015.pdf

➲ **Companies (Acceptance of Deposits) Second Amendment Rules, 2015**

Pvt. Limited companies allowed to accept loans from directors and also from their relatives subject to conditions vide File No 1/8/2013-CL-V dated: 15th September 2015.

➲ **Companies (Management and Administration) Second Amendment Rules, 2015 - Amendment in form MGT-7**

MCA vide notification [F. No. 01/34/2013-CL-V- Part-I] dated 24 September 2015 has amended the form MGT-7 vide the Companies (Management and Administration) Second Amendment Rules, 2015. As per the amendment in Form No. MGT-7, in paragraph I, under serial number (i) after "Global Location Number (GLN) of the Company," Permanent Account Number (PAN) of the Company shall be inserted.

➲ **MSME Ministry notifies one-page Udyog Aadhaar Memorandum**

MSME Ministry has come out with a one-page Udyog Aadhaar Memorandum which must be filled online by all micro, small and medium enterprises (MSMEs), a move that will simplify registration procedure for entrepreneurs and promote ease of doing business. However, in exceptional cases where online filing is not possible due to any reason, a hard copy of the form can be submitted to the District Industry Centre which shall file the Memorandum online on behalf of them, according to the notification issued by the MSME Ministry.

Read more at: http://articles.economictimes.indiatimes.com/2015-09-23/news/66822662_1_msme-ministry-the-memorandum-notification

TAXATION

➲ **Notification No. 76/2015, dt. 29th September 2015 - Income-tax (14th Amendment) Rules, 2015 - Format and Procedure for Self Declaration in form No.15G or 15H to reduce the Cost of Compliance and ease the Compliance burden for both, the Tax Payer and the Tax Deductor, simplified wef 01.10.2015**

Simplification of procedure for Form No.15G & 15H – regarding Tax payers seeking non deduction of tax from certain incomes are required to file a self declaration in Form No. 15G or Form No.15H as per the provisions of Section 197A of the Income-tax Act, 1961 ('the Act'). In order to reduce the cost of compliance and ease the compliance burden for both, the tax payer and the tax deductor, the Central Board of Direct taxes has simplified the format and procedure for self declaration of Form No.15G or 15H. The procedure for submission of the Forms by the deductor has also been simplified.

Under the simplified procedure, a payee can submit the self-declaration either in paper form or electronically. The deductor will not deduct tax and will allot a Unique Identification Number (UIN) to all self-declarations in accordance with a well laid down procedure to be specified separately. The particulars of selfdeclarations will have to be furnished by the deductor along with UIN in the quarterly TDS statements. The requirement of submitting physical copy of Form 15G and 15H by the deductor to the income-tax authorities has been dispensed with. The deductor will, however be required to retain Form No.15G and 15H for seven years. The revised procedure shall be effective from the 1st day of October, 2015.

The ***Notification issued vide S.O. No.2663(E) dated 29th September 2015*** is available on the website of the Department at www.incometaxindia.gov.in

➲ **Section 90 of the Income-tax Act, 1961 – Double Taxation Agreement – Inter-Governmental agreement and Memorandum of Understanding (MoU) between Government of India and Government of USA to improve international tax compliance and to implement foreign account tax compliance act of USA**

In exercise of the powers conferred by section 90 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that all the provisions of the said Agreement between the Government of the Republic of India and the Government of the United States of America for the exchange of information with respect to taxes, as set out in the said Agreement, shall be given effect to in the Union of India with effect from the 31st August, 2015, that is, the date of entry into force of the said Agreement.

Source: Notification No. 77/2015 [F. No. 500/137/2011-FTD-I] / SO 2676(E) dated: 30 September 2015

Read more at: http://www.incometaxindia.gov.in/communications/notification/notification77_2015.pdf

➲ CBEC levied definitive anti-dumping duty on imports of Acrylonitrile Butadiene Rubber (NBR), originating in or exported from Korea RP for periods of five years vide Notification No. 46/2015- Cus (ADD), dt. 04-09-2015.

➲ CBEC levied definitive anti-dumping duty on imports of Float Glass of thickness 2 mm to 12 mm (both inclusive) of clear as well as tinted variety (other than green glass) but not including reflective glass, processed glass meant for decorative, industrial or automotive purposes falling under chapter heading 7005 of the First Schedule to the Customs Tariff Act, originating in or exported from the Peoples' Republic of China for a period of five years vide Notification No. 47/2015-Cus (ADD), dt. 08-09-2015.

➲ CBEC further amend notification no 12/2012 - Customs dated 17-03-2012 so as to increase the BCD on certain iron and steel products vide Notification No. 45/2015-Cus,dt. 12-08-2015.

➲ CBEC seeks to levy provisional safeguard duty on Hot-rolled flat products of non-alloy and other alloy Steel in coils of a width of 600 mm or more [heading 7208 or tariff item 7225 30 90] at the rate of 20% for a period of 200 days vide Notification No. 02/2015 Cus. (SG), dt. 14-09-2015.

➲ **Govt. specifies procedure for filing of new VAT Form 'Delhi Sugam-2'**

Department of Trade and Taxes, Government of National Capital Territory of Delhi has vide notification dated 10.09.2015 notified all online Form Delhi Sugam- 2 (in short D82) for providing 'information to the Department in respect of goods purchased or received as stock transfer or received on consignment agreement basis from outside Delhi by all the registered dealers of Delhi. This will come into force with effect from 15th September 2015.

Read more at: https://gst.taxmann.com/topstories/104010000000045898/govt-specifies-procedure-for-filing-of-new-vat-form-delhi-sugam-2.aspx

➲ **Minor Change in Form 3CD Schema of A.Y. 2014-15!! Kindly update the software before filing**

There has been a minor change made by Income Tax in Form 3CD schema of A.Y. 2014-15.

Read more at: https://incometaxindiaefiling.gov.in/eFiling/Portal/DownloadUtil/Schemas/FORMS/docs/Form_3CD_Schema_AY_2014-15_V1.3.pdf

SEBI

➲ **Disclosures to be made by NBFCs in the Offer Documents for public issue of Debt Securities under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008**

SEBI, vide circular no. CIR/IMD/DF/12/2014 dated June 17, 2014, interalia, prescribed additional disclosures to be provided for public issue of debt securities by NBFCs. Based on the feedback from market participants on disclosures in offer document by NBFCs, after due deliberations, it has been decided to align the disclosures made in the offer documents to be in line with the stipulations as required by the Reserve Bank of India (RBI). In line with the above, the following modifications are being made to the additional disclosures to be provided for public issue of debt securities by NBFCs, as mentioned in SEBI circular CIR/IMD/DF/12/2014 dated June 17, 2014.

a) Point 4 (I)(d) (iv) of the Circular shall be modified as follows: Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its guidelines on Corporate Governance for NBFCs
b) Point 4 (I)(d) (v) of the Circular shall be modified as follows:

Details of loans, overdue and classified as non-performing in accordance with RBI guidelines.

Further, in order to allow investors to better assess the NBFC issue, it has been decided that the following additional disclosures shall be made by NBFCs in their offer documents: -
i. A portfolio summary with regards to industries/ sectors to which borrowings have been made by NBFCs.
ii. Quantum and percentage of secured vis-à-vis unsecured borrowings made by NBFCs.
iii. Any change in promoter's holdings in NBFCs during the last financial year beyond a particular threshold. At present, RBI has prescribed such a threshold level at 26%. The same threshold shall be applicable or as may be prescribed by RBI from time to time.

Source: Circular CIR/IMD/DF/6/2015 dated: September 15, 2015

Read more at: http://www.sebi.gov.in/cms/sebi_data/attachdocs/1442310923565.pdf

➲ Format for compliance report on Corporate Governance to be submitted to Stock Exchange (s) by Listed Entities

Regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), specifies that the listed entity shall submit quarterly compliance report on corporate governance in the format specified by the Board from time to time to recognised Stock Exchange(s) within fifteen days from close of the quarter. Accordingly, formats for Compliance Report on Corporate Governance as per the Annexures I, II and III to this circular are being prescribed:-

- Annexure - I - on quarterly basis;
- Annexure - II - at the end of the financial year (for the whole of financial year);
- Annexure - III - within six months from end of financial year.

This may be submitted alongwith second quarter report. Additionally, the following reports shall also be placed before the board of directors of the listed entity in terms of requirement under Regulation 17(3) of Listing Regulations :-

- Compliance Reports mentioned at para 2 above;
- Secretarial Audit Report prepared in accordance with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 under Section 204 of the Companies Act, 2013 in so far as it pertains to Securities Laws.

For more information read: http://www.sebi.gov.in/cms/sebi_data/attachdocs/1443091241915.pdf

➲ Registration of Members of Commodity Derivatives Exchanges

Pursuant to the Notification No. SEBI/LAD-NRO/GN/2015-16/017 dated September 07, 2015 amending the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 (hereinafter referred to as Stock Broker Regulations), all existing members of commodity derivatives exchanges who satisfy the eligibility requirements for membership, as prescribed in the rules, regulations and bye-laws of the exchange of which it holds membership, shall be eligible to apply for registration to SEBI, within a period of three months from September 28, 2015. Such existing members of commodity derivatives exchanges shall be required to meet the eligibility criteria as specified under Rule 8 of Securities Contract (Regulation) Rules, 1957 (hereinafter referred to as SCRR), within a period of one year from the date of transfer and vesting of rights and assets of the Forward Market Commission (FMC) with SEBI i.e., by September 28, 2016.

Any person desirous of becoming a member of any commodity derivatives exchange(s), on or after September 28, 2015, shall have to meet the eligibility criteria to become a member of an exchange and conditions of registration, as specified in SCRR and Stock Broker Regulations, respectively. The application for registration shall be made in the manner prescribed in the Stock Broker Regulations, through the commodity derivatives exchange, of which it holds membership, in the prescribed form, along with the applicable fees. The application shall be accompanied by Additional Information as prescribed vide SEBI Circular No. SMD/POLICY/CIR-11/98 dated March 16, 1998. The minimum net worth specified for members of commodity derivatives exchanges, as per Stock Broker Regulations, shall have to be computed as per the formula prescribed vide SEBI Circular No. FITTC/DC/CIR-1/98 dated June 16, 1998. It is clarified that, "business in goods related to the underlying" and/ or "business in connection with or incidental to or consequential to trades in commodity derivatives by a member of a commodity derivatives exchange, would not be disqualified under Rule 8(1)(f) and Rule 8(3)(f) of the Securities Contract (Regulation) Rules, 1957.

Source: Circular CIR/MIRSD/4/2015 dated: September 29, 2015

➲ SEBI directs MFs to improve monthly disclosure standards

The Securities and Exchange Board of India (Sebi) has directed mutual fund houses to standardise their fact sheets or the monthly information documents sent to unit holders. The move is aimed at bringing about more transparency and uniformity and helping investors take more informed investment decision. Asset management companies (AMCs) will have to provide information such as dividend history and total monthly expenses in a format prescribed by the Association of Mutual Funds of India (Amfi). Also, fund houses will have to present certain data in a graphical and easy-to-read manner. The move follows Sebi citing lack of uniformity in the fact sheets presented by various fund houses. "Sebi has sought a review and recommended standardisation of monthly fact sheets by AMCs," Amfi wrote to AMCs.

Read more at: http://www.business-standard.com/article/markets/sebi-directs-mfs-to-improve-monthly-disclosure-standards-115091500793_1.html

SEBI seeks detail on corp debt investments

India's markets regulator has asked fund managers to provide extensive details on corporate debt investments, amid growing concern over their ability to sell bonds into an immature secondary market, two people familiar with the matter said. Most fund houses investing in India hold corporate debt until maturity, but, with the secondary debt market still shallow, complications can arise if they face an unexpected hitch and sudden redemption requests. Amfi said the fact sheets published by various fund houses should be reviewed to ascertain the level of standardisation.

Read more at: http://www.business-standard.com/article/markets/sebi-seeks-detail-on-corp-debt-investments-115091500613_1.html

BANKING

RBI directs concurrent auditors to submit reports directly to banks

It is clarified that Concurrent Auditors shall henceforth submit their NPA review reports to the banks and not to Statutory Central Auditors (SCAs) undertaking the half yearly/quarterly review. Concurrent Auditors will therefore give their opinion on NPA figures to the banks and not to the SCAs, who for audit purpose will treat the branches covered by Concurrent Auditors as unaudited branches [para I (ii) of Annexure III of circular dated May 17, 2001].

SCAs, as in the past, will continue to review top 20 branches for half yearly/quarterly reviews and take into account review reports of overseas branches of public sector banks audited by the respective statutory auditor. SCAs will necessarily cover advances adversely commented upon in the latest inspection report of RBI, special audit/special scrutiny, if any carried out by the bank, RBI or any other agency, so that all problem accounts are taken care of during half yearly/quarterly review

Read more at: http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/C186242EACA8BA914188A9EA9640C135403E.PDF

E-commerce: RBI allows banks to use e-payments for imports

In order to facilitate e-commerce, RBI today permitted banks to enter into pacts with Online Payment Gateway Service Providers (OPGSPs) for import payments. The facility, the RBI added will "only be available for import of goods and software (as permitted in the prevalent Foreign Trade Policy) of value not exceeding USD 2,000". Foreign entities, desirous of operating as OPGSP, will have to open a liaison office in India with the approval of the Reserve Bank before operationalising the arrangement with any bank.

Domestic entities functioning as intermediaries for electronic payment transactions and intending to undertake cross border transactions will have to maintain separate accounts for domestic and cross border transactions. RBI had earlier permitted banks to offer the facility to repatriate export related remittances by entering standing arrangements with OPGSPs in respect of export of goods and services. The limit has been fixed at fixed at USD 10,000. E-commerce in India has been growing at a blasting pace, driven by affordable smartphones and increasing Internet penetration. Internet and Mobile Association of India estimates the overall e-commerce market, of which e-tail is a segment, at USD 16 billion. The e-tail market in India is expected to grow 10 times to USD 50 billion by 2020.

Read more at: http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/A1636C5639BB6044DC08858EA3B0AE670FA.PDF

Equity Investment by Banks – Review

In reference to circulars DBOD BP (FSC) 1854/C-469-89 dated May 27, 1989 and DBOD FSC BC 45/C.469 dated October 15, 1991, in terms of which banks cannot participate in the equity of financial services ventures including stock exchanges, depositories, etc., without obtaining the prior specific approval of the Reserve Bank of India, notwithstanding the fact that such investments may be within the ceiling prescribed under Section 19(2) of the Banking Regulation Act.

Such investments are already subject to prudential limits as mentioned in Para 3.1 (a) and (c) of Master Circular DBR.No.FSD.BC.19/24.01.001/2015-16 on 'Para-banking Activities' dated July 1, 2015, viz., equity investments by a bank in a subsidiary company, or a financial services company, including financial institutions, stock and other exchanges, depositories, etc., which is not a subsidiary should not exceed 10 per cent of the bank's paid-up share capital and reserves and the total investments made in all subsidiaries and other entities that are engaged in financial services activities together with equity investments in entities engaged in non- financial services activities should not exceed 20 per cent of the bank's paid-up share capital and reserves. The cap of 20 per cent does not apply, nor is prior approval of RBI required, if investments in financial services companies are held under 'Held for Trading' category, and are not held beyond 90 days as envisaged in the Master Circular on 'Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks'.

To give more operational freedom and flexibility in decision making, it is advised that banks which have CRAR of 10 per cent or more and have also made net profit as of March 31 of the previous year need not approach RBI for prior approval for equity investments in cases where after such investment, the holding of the bank remains less than 10 per cent of the investee company's paid up capital, and the holding of the bank, along with its subsidiaries or joint ventures or entities continues to remain less than 20 per cent of the investee company's paid up capital.

Source: Notification No. RBI/2015-16/176 DBR.No.FSD.BC.37/24.01.001/2015-16 dated: September 16, 2015

➲ Trade Credit Policy - Rupee (INR) denominated trade credit

With a view to providing greater flexibility for structuring of trade credit arrangements, it has been decided that the resident importer can raise trade credit in Rupees (INR) within the following framework after entering into a loan agreement with the overseas lender:

- Trade credit can be raised for import of all items (except gold) permissible under the extant Foreign Trade Policy
- Trade credit period for import of non-capital goods can be up to one year from the date of shipment or up to the operating cycle whichever is lower
- Trade credit period for import of capital goods can be up to five years from the date of shipment
- No roll-over / extension can be permitted by the AD Category - I bank beyond the permissible period
- AD Category - I banks can permit trade credit up to USD 20 mn equivalent per import transaction
- AD Category - I banks are permitted to give guarantee, Letter of Undertaking or Letter of Comfort in respect of trade credit for a maximum period of three years from the date of shipment
- The all-in-cost of such Rupee (INR) denominated trade credit should be commensurate with prevailing market conditions
- All other guidelines for trade credit will be applicable for such Rupee (INR) denominated trade credits.

Source: Notification No. RBI/2015-16/175 [A.P. (DIR Series) Circular No.13 dated: September 10, 2015

➲ Procedure for payment of commission by banks to authorised agents on sale of Kisan Vikas Patra

The authorized agent will register himself/herself with a branch of a bank by submitting a copy of his/her valid certificate of authority to the Branch Manager and also produce original certificate of authority for verification as and when required by the bank. The agent will also submit details of his/her savings bank account to which commission payable to him/her will be credited by the bank. The agent can register multiple branches of banks in his area of operation.

The authorized agent who canvasses for sale KVP and receives an investment will issue receipt in form of A.S.S. II to the investor for cash / crossed cheque as the case may be. He will receive the application form duly filled and signed by investor along with cash / cheque and copies of applicable KYC documents. The agent will verify the genuineness of the KYC documents and attach them with the application after attestation.

The agent will submit application form for issue of KVP(s) along with cash / cheque and other documents to the bank on the same day or next working day. The bank will acknowledge the receipt of the application from the agent on agent's copy of the receipt book A.S.S. II and also issue a preliminary receipt for the investment if the certificate cannot be issued immediately.

The agent will receive the certificate from the bank after acknowledging the same in the column prescribed in the application form and deliver them to the investors and receive acknowledgement of having delivered the certificate on back of investor's copy of the receipt A.s.S. II from the investor.

The agent will submit a statement of all transactions made during the day supported with the investors' copies of receipts duly acknowledged as early as possible but within the calendar month of transaction to the bank as proof of claim of his commission. The bank will verify particulars of the certificates issued and after full satisfaction will release the due commission to the agent.

All commission irrespective of amount shall be paid through SB A/c of the agent. Validity of the agency of agent, eligibility of investor to make investment, and cash handling limit (presently Rs.10, 000/- at a time) will be ascertained and documents submitted will be examined by the bank before accepting investment through an authorized agent.

Source: Notification No. RBI/2015-16/172 [DGBA.GAD.No.990 /15.02.003/2015-16] dated: September 10, 2015

➲ 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. "Deceleration in credit growth to industry was observed in all major sub-sectors barring basic metal, engineering, chemical & chemical products and gems & jewellery," the apex bank said.

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

Credit off take by industry slows down to 5% in August

Credit off take growth by the industry has fallen to 5 per cent in August compared with 7.8 per cent rise in the same month last year, reflecting subdued industrial activity. "Credit to industry increased by 5 per cent in August 2015 compared with the increase of 7.8 per cent in August 2014," RBI said in a report. Slowdown in credit growth was observed in all major sub-sectors barring basic metal, all engineering, chemical and chemical products as well as gems and jewellery, it said.

Read more at: http://economictimes.indiatimes.com/news/economy/finance/credit-offtake-by-industry-slows-down-to-5-in-august/articleshow/49173118.cms

RBI introduces new features in Rs 500, Rs 1,000 notes

The Reserve Bank of India (RBI) said it will shortly put into circulation banknotes in the denominations of Rs 500 and Rs 1,000 incorporating three new/revised features. The features will include ascending size of numerals in the number panels, bleed lines and enlarged identification mark, it said.

The RBI had recently put into circulation R500 banknotes with numerals in ascending size in number panels, but without bleed lines and enlarged identification mark. It has now added two more features to aid the visually impaired in easy identification of banknotes, apart from securing them against counterfeiting. "The current banknotes will be without inset letter in the number panels. The notes will bear signature of Raghuram G Rajan, Governor. The year of printing (2015) appears on the reverse. Except for these features, the overall design of Rs 500 and Rs 1,000 banknotes have been retained," the central bank said.

Read more at: http://www.financialexpress.com/article/industry/banking-finance/rbi-introduces-new-features-in-rs-500-rs-1000-notes/139894/

RBI dispatches Rs. 1 notes to public sector banks

The much-awaited new Rs. 1 notes have finally reached banks for distribution. The Reserve Bank of India (RBI) sent the notes to various public sector banks a couple of days ago through its various regional offices. Though the currency notes, printed at government mints, had reached the RBI in July, the central bank had sent them to banks in major centres, including Hyderabad, and the distribution of the notes might continue in other places, according to reliable source.

Read more at: http://www.thehindubusinessline.com/todays-paper/tp-money-banking/rbi-dispatches-rs-1-notes-to-public-sector-banks/article7675094.ece

Prudential Norms on Change in Ownership of Borrowing Entities (Outside Strategic Debt Restructuring Scheme)

In order to further enhance banks' ability to bring in a change in ownership of borrowing entities which are under stress primarily due to operational/ managerial inefficiencies despite substantial sacrifices made by the lending banks, it has been decided to allow banks to upgrade the credit facilities extended to borrowing entities whose ownership has been changed outside SDR, to 'Standard' category upon such change in ownership, subject to certain guidelines.

Read more at: https://rbidocs.rbi.org.in/rdocs/Notification/PDFs/C187D70CDFE9441E448FB3FCA919F843D25A.PDF

Change in Bank Rate

Bank Rate stands adjusted by 50 basis points from 8.25 per cent to 7.75 per cent with effect from September 29, 2015 vide Notification No. RBI/2015-16/194 [DBR.No.Ret.BC.42/12.01.001/2015-16] dated: September 29, 2015.

Penal Interest Rates which are linked to the Bank Rate

Item	Existing Rate	Revised Rate (Effective from September 29, 2015)
Penal interest rates on shortfalls in reserve requirements (depending on duration of shortfalls).	Bank Rate plus 3.0 percentage points (11.25 per cent) or Bank Rate plus 5.0 percentage points (13.25 per cent).	Bank Rate plus 3.0 percentage points (10.75 per cent) or Bank Rate plus 5.0 percentage points (12.75 per cent).

External Commercial Borrowings (ECB) Policy - Issuance of Rupee denominated bonds overseas

n order to facilitate Rupee denominated borrowing from overseas, it has been decided to put in place a framework for issuance of Rupee denominated bonds overseas within the overarching ECB policy. The broad contours of the framework are as follows:

Eligible borrowers: Any corporate or body corporate as well as Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs).
Recognised investors: Any investor from a Financial Action Task Force (FATF) compliant jurisdiction.
Maturity: Minimum maturity period of 5 years.
All-in-cost: All in cost should be commensurate with prevailing market conditions.

Amount: As per extant ECB policy.
End-uses: No end-use restrictions except for a negative list.

➲ **Standing Liquidity Facility for Primary Dealers**

Standing Liquidity Facility provided to Primary Dealers (PDs) (collateralised liquidity support) from the Reserve Bank would be available at the revised repo rate, i.e., at 6.75 per cent with effect from September 29, 2015 vide Notification No. RBI/2015-16/192 REF.No.MPD.BC. 379/07.01.279/2015-16 dated: September 29, 2015.

➲ **Liquidity Adjustment Facility – Repo and Reverse Repo Rates**

RBI has decided to reduce the Repo rate under the Liquidity Adjustment Facility (LAF) by 50 basis points from 7.25 per cent to 6.75 per cent. Consequent to the change in the Repo rate, the Reverse Repo rate under the LAF will stand adjusted to 5.75 per cent.

Source: Notification No. RBI/2015-2016/190 [FMOD.MAOG. No. 110/01.01.001/2015-16] dated: September 29, 2015

FOREIGN TRADE

➲ **India ready to give preferential tariffs to all SAARC members: Nirmala Sitharaman**

India is ready to give preferential duty concessions on all products to SAARC members to give a boost to free trade in the region, Union Minister Nirmala Sitharaman said. At present, India gives zero-duty access for least developed countries (LDCs) of South Asian Association for Regional Cooperation (SAARC) for 100 per cent of tariff lines, except for alcohol and tobacco. "For non-LDCs also, India has generously allowed preferential trade access for 90 per cent to the total tariff lines. We are prepared to go to 100 per cent level in terms of the SAFTA (South Asia Free Trade Agreement) roadmap agreed by India with Pakistan in September 2012," Commerce and Industry Minister Nirmala Sitharaman said here.

Read more at: http://economictimes.indiatimes.com/news/economy/foreign-trade/india-ready-to-give-preferential-tariffs-to-all-saarc-members-nirmala-sitharaman/articleshow/49157680.cms

➲ **EU imposes anti-dumping duty on Indian steel pipes**

The European Union has imposed a provisional anti-dumping duty of up to 31.2 per cent on imports of water and sewage pipes from India for six months to protect its industry. Indian exporters of these pipes to the EU market will be impacted by the move. The European Commission in its anti-dumping probe has "concluded at this stage that the material injury to the Union industry was caused by the dumped imports from India".

Read more at: http://economictimes.indiatimes.com/news/economy/foreign-trade/eu-imposes-anti-dumping-duty-on-indian-steel-pipes/articleshow/49089597.cms

➲ **Government hikes import duty on edible oil by 5%**

Government today hiked import duty on crude and refined edible oils by 5 per cent in a bid to protect farmers' interest and provide a level-playing field to domestic oilseed processors.

The Solvent Extractors Association (SEA) said however that the marginal increase in import duty of edible oils was not "enough" to curb cheap imports, and will not benefit farmers and local refiners to a great extent. According to a notification issued by the Central Board of Excise and Customs (CBEC), customs or import duty on edible oil in all categories has been increased by 5 per cent.

Read more at: http://economictimes.indiatimes.com/news/economy/foreign-trade/government-hikes-import-duty-on-edible-oil-by-5/articleshow/49009264.cms

INFRASTRUCTURE

➲ **Space technology to monitor progress of green highways project**

The government will use space technology to monitor the progress of its green highways project. Under the new policy, government will do geo-mapping of trees planted along highways to keep a track of their survival rate. Minister for roads, highways and transport Nitin Gadkari on Tuesday said that trees planted along India's 96,000 km highway network would be monitored through Indian Space Research Organisation's BHUVAN and GAGAN satellites. Both satellites are based on the remote sensing system and are GPS aided.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/space-technology-to-monitor-progress-of-green-highways-project/articleshow/49153655.cms

➲ **Asian Development Bank lends $124 million for tourism infrastructure**

Asian Development Bank inked a pact with India to lend $123.51 million for upgrading tourism infrastructure in Himachal Pradesh, Uttarakhand and Punjab. This is the third tranche of a loan that is part of the Infrastructure Development Investment Programme for Tourism. "The loan will be used for development and conservation of natural and cultural attractions, to improve basic tourism facilities with connectivity to tourist attractions and to build the capacity of sector agencies and local communities in the states of Himachal Pradesh, Uttarakhand and Punjab", ADB said.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/asian-development-bank-lends-124-million-for-tourism-infrastructure/articleshow/49138616.cms

➲ Transport Minister Nitin Gadkari emphasises on developing waterways

Union Surface Transport Minister Nitin Gadkari stressed on developing waterways in the country, saying it is a much cheaper mode of transportation as compared to other means such as road and rail.

Gadkari said the much-awaited 1620-km Haldia-Varanasi waterways would be opened next year and added that water ports would also be constructed in a big way. "Within six months, India will be witnessing launching of a sea plane while a sea bus would be seen in Mumbai in next three months," he said. Stating that an investment of Rs 3.8 lakh crore in 281 road projects would increase the road network from present 96,000 kms to 1.5 lakh kms, he said it will help his ministry to add two per cent to the country's GDP. At present, 14 km of highway is being constructed per day across the country which will go up to 25 km per day by March 2016, he said. On dealing with environment hazards due to the new road projects, the minister said Rs 5,000 crore has been earmarked for plantation drive.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/transport-minister-nitin-gadkari-emphasises-on-developing-waterways/articleshow/49118919.cms

➲ Odisha approves Rs 41,900 crore investment proposals

The Odisha government today approved seven new mega projects involving a total investment of Rs 41,900 crore, official sources said. The projects, four in power, two in steel and one in aluminium sector, were approved at the High Level Clearance Authority (HLCA) chaired by Odisha Chief Minister Naveen Patnaik. The new projects would provide direct employment to 4,450 persons, said Industries Minister Debi Prasad Mishra, at the 16th HLCA meeting to consider the proposal of major investments.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/odisha-approves-rs-41900-crore-investment-proposals/articleshow/49151458.cms

➲ 3 key roads in Ladakh to be constructed soon: Rajnath Singh

Three key roads in Ladakh which give access to security forces to several strategic locations, including Siachen, will soon be constructed with Home Minister Rajnath Singh ordering expeditious completion of the work. The directive was given after the two-day visit of the Home Minister to Ladakh region where he had a first-hand experience about the difficult life in inhospitable terrain in the icy heights of Himalayas along China border.

Read more at: http://economictimes.indiatimes.com/articleshow/49078275.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

➲ Rs 5,000 crore for green cover on National Highways: Nitin Gadkari

At least Rs 5,000 crore will be spent on providing green cover to the country's National Highways network in the next five years under the Green Highways Policy. Under this policy, the government has made it mandatory to set aside one per cent of the total project cost of any highways contract to a " Green Fund" corpus for plantation.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/rs-5000-crore-for-green-cover-on-national-highways-nitin-gadkari/articleshow/49153379.cms

➲ Two Tripura rivers to be linked with Bangladesh's Meghna

To create three waterways between landlocked Tripura and Bangladesh, two major rivers of the state would be linked with the river Meghna of the neighboring country, official sources said today. The Ministry of Water Transport and Shipping has asked the state government to prepare a detailed project report (DPR) to connect state's two major rivers- Howrah and Gomati with Meghna, state Transport Secretary Samarjit Bhowmik told reporters.

Read more at: http://economictimes.indiatimes.com/news/economy/infrastructure/two-tripura-rivers-to-be-linked-with-bangladeshs-meghna/articleshow/48944375.cms

➲ Boost to Make in India campaign: First national investment and manufacturing zone to come up in Andhra Pradesh

Andhra Pradesh is set to house India's first national investment and manufacturing zone after the state assured the Centre of availability of 10 sq km of land in one place in Prakasham district. The imminent final approval for the NIMZ, which is expected to give a fillip to Prime Minister Narendra Modi's Make in India campaign, comes four years after the concept was mooted to boost manufacturing in the country and two years after the Department of Industrial Policy and Promotion gave an in-principle nod to Andhra Pradesh in this regard. NIMZ could not take off because states did not have the required land available. But we want to make the best of what we have, hence we are going ahead with the approval for Andhra Pradesh," said a senior government official. DIPP has relaxed the requirement of land for setting up an NIMZ, from 50 sq km to 10 sq km.

Source: ET Bureau Sep 21, 2015

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