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Chamber of Commerce and Industry

# IMC JOURNAL

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# *From the President's Desk*

## *Mr. Ashish Vaid*

2020 has begun with a lot of hope for our Economy. While there will always be two sides to a coin. I, for one, am always optimistic and believe that we have everything going for India.

The demographics are compelling with 650 million below the age of 25. This is a bright, educated population of millennials who have new dreams, ideas and aspirations, which is what is required for India to become one of the top 3 economies in the World !

We have gone through and continue to go through the pains and challenges of cyclical cycles and structural changes implemented. As the saying goes 'No pain, no gain', so unfortunately, we are bearing the pain currently.

On 1st February, we had our much awaited Union Budget. It would be apt to say it was an aspirational and "Care for India" Budget. The Hon'ble Finance Minister addressed all sectors.

Health Care, Education, Agriculture, Infrastructure. Credit guarantee to MSMEs, Infra, Education and the Agricultural sector will kickstart the credit flow to these sectors which were earlier starved of funds.

The rate cut for personal income tax was welcome though marginal. However, the personal income tax payer was hoping for a much bigger relief considering the highest rate is now 42% compared to corporate where it is just 22%.

The personal income tax rate has to be reduced as many businesses are still conducted in Proprietorship, Partnerships and LLPs and this is not a level playing field with the corporate tax rates. I believe, if the Govt reduces the highest personal tax to 30% there will be better compliance and higher tax collection!

The breakout of the Corona Virus has not helped matters but been a big dampener, what we know so far in terms of economic and business impact.

a) Global growth will decline for 2020 from 2.9 to 2.4% which would be the weakest growth since 2009.

b) Disruption of global supply chain China is the leading exporter in the world accounting for 12.8% of world exports. China is ranked at No. 2 in world imports with a share of 10.8%.

c) Global supply chain disruption impacting domestic economy.

d) Global financial market disruption, global financial markets have seen over $ 5T being wiped out of stock markets around the world.

e) Oil prices fall over 20% in first 2 months of 2020. From $ 66 a barrel in end 2019 to $ 50 in the end February 2020

f) Global Tourism Impacts :

   The Industry has been affected globally and locally with tourists and business travellers reluctant to go overseas due to travel advisories. Hotels are going empty and airlines have cut their frequencies on international routes to half, with some completely cancelled. I pray this pandemic is controlled very soon and things are back to normal.

The Maharashtra Prohibition (Amendment) Ordinance was passed on 19/09/2019. We had the Hon.ble Minister for Labour & Excise, GOM Shri Dilip Walse Patil, who removed the fears of all those present and assured us that no excise officer would raid any private residences where a party was happening. We had delegates from Russia, Germany, Australia and also the Commerce Minister of Bangladesh Mr. Tipu Munshi.

We had Admiral Robin Dhowan former Chief of Naval staff who gave us a brilliant insight into securing India marine interests and harnessing the 'Blue Economy'. We had our annual police awards function graced by our Police Commissioner Mr. Sanjay Barve.

The 12 cash awards were all exemplary brave policemen who had risen above the call of duty and done the police force and our city proud. Our Police Commissioner was very grateful to IMC for these awardees for this honour and recognition.

This being a "leap year", I pray for everyone to have a leap in good health, wealth and happiness going forward!

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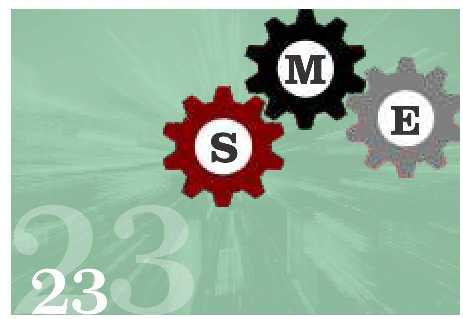


## Knowledge





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## Advocacy



## Networking



## Ladies' Wing

# Union Budget 2020-21: Welcome Focus on Farm and Rural Sectors

***Mr. G. Chandrashekhar***

*Economist, Senior Journalist and Policy Commentator is Economic Advisor, IMC Chamber of Commerce and Industry*

The much-needed agricultural and rural bias in the Union Budget 2020-21 presented by Finance Minister Smt. Nirmala Sitharaman on February 1, 2020 is palpable. The focused attention paid to the farm sector in the form of 16-point action plan shows the government's commitment to lifting the fortunes of rural India.

After all, over 50 per cent of the country's workforce is engaged in farming and related activities even though the sector contributes to just about 15 percent of the country's aggregate GDP. In other words, 15 per cent of GDP is shared by 50 per cent of the workforce which shows lack of equity in income distribution. That's why it is often said. 'If agriculture survives, India survives'. The sector is targeted to grow at 2.8 percent.

States have a key role to play in strengthening the farm sector as 'agriculture' is a State subject under the Indian Constitution. Recognising that, the Budget has incentivized States to undertake market reforms. Additional provisions include the proposal to support 100 water-stressed districts to combat looming water shortage as also provision of 20 lakh stand alone solar pumps to farmers under PM-KUSUM scheme to advance use of solar energy. The country enjoys as many as 270 days of sunshine in a year.

The Budget seeks to address some of the key challenges of agriculture like finance, infrastructure, input management and so on.

Although the allocation for agriculture (Rs. 2.83 lakh crore) has seen only a modest increase, appropriate oversight into program implementation to ensure desired outcomes including elimination of time and cost overruns is critical. Importantly, the hike in agricultural credit target to Rs. 15 lakh crore for 2020-21 is a positive provision. It is necessary to ensure that small and marginal farmers are able to access credit easily.

Agri-infrastructure has been a weak area for long. The Budget proposes to boost storage infrastructure well beyond the current 162 million tons even as the existing ones will be mapped and geo-tagged. The government desires new warehouses to be built as per WDRA norms on PPP mode and the FM has promised viability gap funding.

There are several positive provisions relating to boosting horticulture, milk and dairy as well as fisheries. At 311 million tons, horticulture production is at record levels.

However, as horticulture products like fruits and vegetables are perishable in nature, dedicated Kisan Rail and Kisan Udaan will provide novel but much needed transport connectivity for growers, especially in less accessible areas of the northeast.

The dairy sector has come for some special attention in the Budget. Doubling of milk processing capacity to 108 million tons by 2025 (currently 53.5 million tons) shows the government's expectation that more and more milk will be diverted for processing and value addition as the economy grows and consumers' food expectations evolve.

While the Budget provisions for farm and allied sector are most welcome, they constitute only 'necessary' conditions for much-needed farm resurgence. These do not by themselves constitute 'sufficient' conditions. For that a lot more work is necessary.

The Budget should be seen in the context of the government's promise of doubling farmers' income by 2022.

Reforms in agriculture are a daunting challenge. We need to take quick steps in several different directions simultaneously. Enormous political will is required to bring about progressive reforms.

I would like to share my six mantras for India's farm resurgence:

1. Strengthen the input delivery system including seeds, agro-chemicals, fertilizers and credit;
2. Rapidly expand irrigation facilities;
3. Infuse multiple technologies in agriculture – infotech, biotech, nanotech, satellite tech, drone and so on; use AI extensively;
4. Invest in rural infrastructure;
5. Build capacity among growers to face market volatility through risk management; and
6. Step up public investment in agriculture in order to crowd in private investment.

*(Views are personal)*

INSIGHT

# India's FY2020/21 Union Budget: Many Plans, Few Solutions, And A Wider Deficit

**_Fitch Solutions Macro Research_**

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## *Key View*

- We at Fitch Solutions forecast India's central fiscal deficit to come in steady at 3.8% of GDP in FY 2020/21 (April – March), which reflects our view for a fiscal slippage from the government's target of 3.5% for the year.
- We believe that a shortfall in receipt growth will constrain the government's ability to grow spending according to its FY 2020/21 projections.
- The FY 2020/21 Union Budget plans to boost agriculture spending and maintains its focus on rural and transport infrastructure development.
- From a receipt collection perspective, the budget introduced lower corporate taxes for new electricity generation companies, lowered personal income taxes and extended its tax holiday for developers of affordable housing. The government also scrapped its dividend distribution tax and introduced tax concessions for foreign investors.
- On the whole, we believe that the budget, despite outlining many initiatives to support domestic demand, fails to adequately address the structural issues of high unemployment and banking sector weakness, and thus, is unlikely to sustainably boost economic growth.

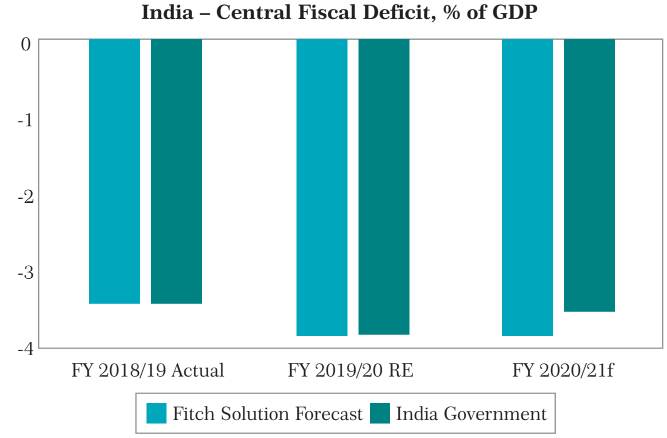
The Indian central government released its FY 2020/21 (April – March) Union Budget on February 1. Expenditures in FY2020/21 will focus on agriculture, rural development, transport infrastructure and education.

From a receipt standpoint, the government introduced lower corporate taxes for newly established electricity generation companies, lowered personal income taxes, scrapped its dividend distribution tax for companies and introduced tax concessions for foreign investors. The government also more than tripled its divestment receipt target from state-owned assets (SOA) for FY 2020/21, versus the FY 2019/20 revised estimate (RE). As part of the government's continued push towards incentivising local manufacturing under its 'Make in India' campaign, import duties were raised across many categories, including household goods, electronics, and electric vehicles and lowered on raw materials and inputs for domestic manufacturing. **Despite having outlined many initiatives, we believe that this budget fails to adequately address the structural issues in the economy such as high unemployment, and a weak banking (including shadow banking) sector.**

Given a weak economic outlook, as well as a budget plan which, in our view, is unlikely to provide much support to growth, we see scope for additional spending and/or tax rationalisation plans to be announced over the course of FY 2020/21. We also view the government's SOA divestment target as overly ambitious. **Accordingly, we expect a shortfall in receipt collection (including divestment receipts and debt recovery) to constrain expenditure growth, and we forecast both to fall short of the government's projections for FY 2020/21, with a larger shortfall in receipts growth seeing a central deficit of 3.8% of GDP (revised from 3.5% previously) in FY 2020/21.**

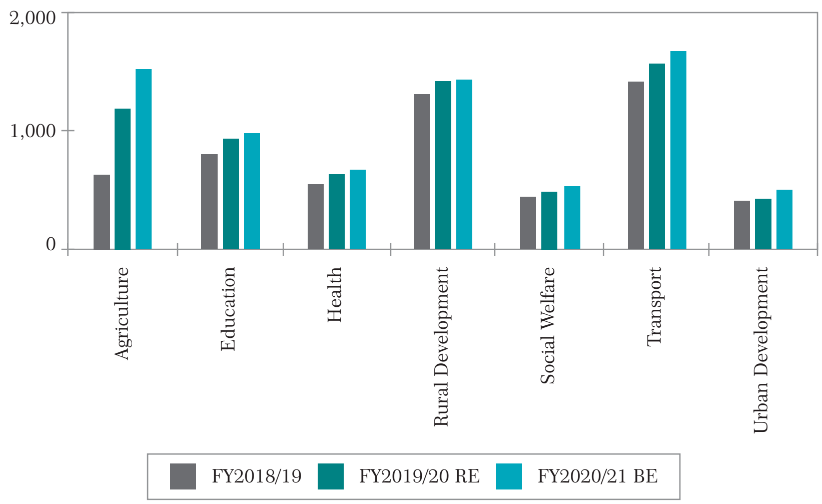
This is steady from the government's 3.8% estimate in FY 2019/20 (which slipped from its 3.3% budget target and came in wider versus our 3.6% deficit estimate) and also reflects our view for the government to miss its 3.5% deficit target for FY 2020/ 21.

**Loosening the Fiscal Purse For Now**
**India – Central Fiscal Deficit, % of GDP**




*Source: Budget Documents, Fitch Solutions.*
*RE = Central government revised estimate on both columns. f = Fitch Solutions forecast*

**Agriculture, Rural Development, And Transport Receiving The Usual Focus**
**India – Main Budget Expenditure Areas, INRbn**




*Source: Budget Documents, Fitch Solutions*

## *Big Spending Plans difficult to be Realised in Full*

The central government plans to spend a total of INR 30.4trn in the FY 2020/21 budget estimate (BE), a 12.7% increase over the FY 2019/20RE of INR27.0trn (which is less than the original budgeted INR 27.9trn). By contrast, we forecast expenditures rising by only 11.9% off the FY2019/20RE, due to a shortfall in receipts which we will elaborate more on below. Similar to Fy2019/20, agriculture, rural development, transport infrastructure, and education were the top four areas of focus.

Spending on agriculture and related sectors is projected to see the largest increase in FY 2020/21BE, at INR 1547.8bn, a 28% increase over FY 2019/20RE of INR 1208.4bn.

Spending in this category is aimed at fulfilling the government's promise to double farm incomes by 2022, from 2016 levels. The government plans to improve farm irrigation systems through the installation of solar-powered pumps. It also plans to enable farmers to set up small solar plants on their barren lands to allow them to sell electricity to the power grids. 'Balanced' use of fertilisers will also be encouraged versus the existing regime which encourages the 'excessive use of chemical fertilisers'.

The government also plans to build more crop storage facilities and also a national cold supply chain for perishables, involving refrigerated coaches in express and freight trains. The government also intends to raise fish production and boost fishery exports.

Rural development expenditure will rise to INR 1448.2bn, up 1.0% from the FY 2019/20RE of INR 1434.1bn. Without providing any figures, the government plans to increase the number of hospitals in the rural cities under public-private partnerships (PPP). The budget also outlined plans to ensure piped water supply to all households.

Spending on transport infrastructure will be raised to INR 1696.4bn, up 7.2% from the FY 2019/20RE. Projects which will be pursued include housing, potable water, access to clean and affordable energy, healthcare, education institutions, modern railway stations, the construction of 100 new airports by 2024, bus terminals, metro and railway transportation, and logistics and warehousing. The government aims for the construction and maintenance of these projects to provide employment for the country's youths. The budget included plans for accelerated highway development, including 2500 km of access control highways, 9000 km of economic corridors, 2000 km of coastal and land port roads and 2000 km of strategic highways.

Education spending will also see a 4.7% increase to INR993.1bn, from INR948.5bn in the FY2019/20RE, aimed at raising the quality and reach of education in the country. A New Education Policy is set to be announced over the coming months.

## *Lack Of Tax Revenue Enhancing Initiatives To See Receipt Collection Fall Short*

The central government projects total receipts (including loan recovery and SOA divestment receipts) of INR22.4trn in the FY 2020/21 BE, up 16.2% over the FY 2019/20 RE of INR 19.3 trn. Underpinning the receipt projection is a more than 300% increase targeted for SOA divestment receipts of INR 2.1trn, and a 9.2% increase in tax and non-tax revenue collection over the FY 2019/20RE. The government's ambitious divestment target will be driven by a partial initial public offering of the Life Insurance Corporation of India (India's largest insurer) and IDBI Bank, on top of stakes in other public sector banks. By contrast, we forecast total receipts to only rise by 11.8%. This is mainly given our view for SOA divestment proceeds to fall significantly short of the government's projections and for a lack of tax revenue enhancing initiatives to weigh on revenue collection growth. Our view for divestment receipts to fall short is due to the government's failure to attract any buyers for Air India previously, as well as the generally inefficient and weak profitability of state-owned entities as seen by its public banking sector to deter investor interest. The FY 2020/21 budget included the following adjustments which we expect to weigh on revenue collection.

- The option for tax payers to opt for a new personal income tax regime (see table below) with lower income taxes should they choose to forego certain exemptions and deductions
- Removal of Dividend Distribution Tax of 15% for companies paying dividends to shareholders

- New Indian companies engaged in electricity generation will be eligible for a concessional corporate tax rate of 15%.
- 100% tax exemption for interest, dividend and capital gains income for sovereign wealth funds of foreign governments in respect of investments made in infrastructure and 'other notified sectors' before March 31 2024, with a minimum lock-in period of 3 years.
- Extension of a tax holiday provided on the profits earned by developers of affordable housing projects approved by March 31 2020 to March 31 2021.

**A Concurrent New Personal Income Tax Regime**

| Taxable Annual Personal Income Bracket (INR) | Existing Tax Rate | New Tax Rate |
|---|---|---|
| 0 - 250,000 | Exempt | Exempt |
| 250,001-500,000 | 5% | 5% |
| 500,001-750,000 | 20% | 10% |
| 750,001-1,000,000 | 20% | 15% |
| 1,000,001-1,250,000 | 30% | 20% |
| 1,250,001-15,000,000 | 30% | 25% |
| Above 15,000,000 | 30% | 30% |

*Source: Budget Documents, Fitch Solutions*

To be sure, individuals who currently benefit from more deductions and exemptions under the existing Income Tax Act may choose to pay taxes under the old regime, rather than switch to the new one. Given that less than 3% of Indians actually qualify for income tax returns, changes on this front is unlikely to have a material impact on personal income tax revenue collection. We believe that this reduction is likely to have a minimal impact on economic growth, thereby also failing to provide a significantly boost to corporate income tax collections, a view we have factored into our baseline tax revenue forecast.

The government also raised custom import duties across a wide range of goods, including household and electronic appliances, electric vehicles, mobile phones, as well as reduced import duties on raw materials and inputs for domestic manufacturing to incentivise domestic manufacturing under the 'Make in India' campaign. While this appears to be revenue raising measure, we expect it to act more as a deterrent to imports of goods which the government intends to manufacture locally, meaning that it is unlikely to raise revenues significantly. Finally, a 5% health cess will also be imposed on the import of medical devices, with proceeds to be used to finance healthcare infrastructure and services.

We also highlight other noteworthy announcements below.

- Increased deposit insurance coverage from INR 100,000 to INR 500,000 per depositor
- Eligibility limit for Non-Banking Financial Companies for debt recovery under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI Act) to be reduced to an asset size of INR 1bn or a loan size of INR5mn. The SARFAESI Act allows banks and other financial institution to auction residential or commercial properties of the defaulter to recover loans.
- Specified categories of government securities will be open for non-resident investors
- Foreign portfolio investor limit for Indian corporate bonds to be raised to 15% of total issuances, from 9% previously.
- New debt exchange traded fund proposed mainly for government securities.

## *Further Pushback Of Fiscal Consolidation*

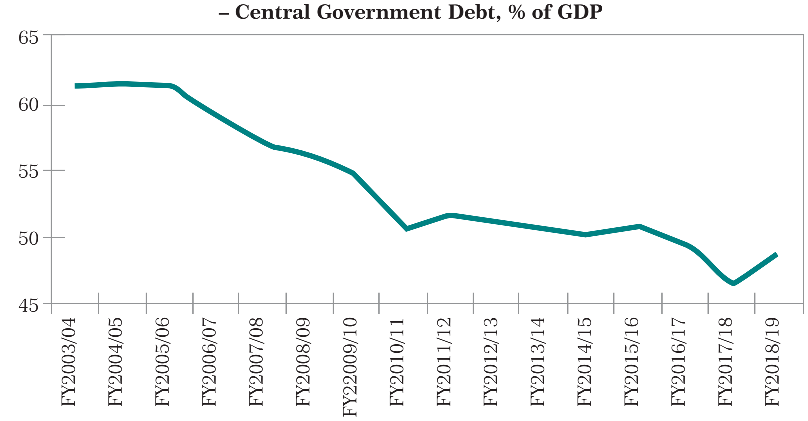
The government invoked a clause in its Fiscal Responsibility and Budget Management (FRBM) Act (2003) to allow for a 'deviation from the estimated fiscal deficit on account of structural reforms in the economy with unanticipated fiscal implications', with the deviation taken at 0.5pp on top of its original FY 2019/20 and FY2020/21 targets of 3.3% and 3.0%.

This resulted in a deficit target of 3.8% and 3.5% for both years, respectively. Timeline for a resumption of fiscal consolidation is now uncertain at the time of writing. We note that this budget speech also made no mention of the government's target in its FRBM Act to reduce the central government debt-to-GDP to 40% by FY2024/25, a goal we see as increasingly challenging. This comes after an increase in this ratio to 48.7% in FY2018/19, from 46.5% in FY2017/18.

This report from Fitch Solutions Country Risk & Industry Research is a product of Fitch Solutions Group Ltd, UK Company registration number 08789939 ('FSG').



**Debt-To-GDP Reduction Potentially On Hold For Now India – Central Government Debt, % of GDP**




*Source: RBI, Budget Documents, Fitch Solutions*

# Budget 2020 : Measures for continuous momentum to the buoyancy in direct taxes

***Ms. Geeta Ramrakhiani***
*Director, Deloitte Haskins and Sells LLP*

***Ms. Urvashi Agarwal***
*Deputy Manager, Deloitte Haskins and Sells LLP*

The Finance Minister presented the Finance Bill, 2020 on 1st February 2020 which was woven around three prominent themes: Aspirational India, Economic development for all and Caring Society. The Finance Minister said these themes would help in underlining the overall concept of 'Ease of Living' and uplift good governance. The government's vision is to achieve ease of living by propagating corruption free, policy-driven good governance and by ensuring a clean and sound financial sector.

In continuation of the tax reform measures already undertaken so far, the tax proposals will introduce further reforms to stimulate growth, simplify tax structure, bring ease of compliance, and reduce litigations.

Some of the key tax proposals are discussed below:

## *Moving to the classical system of taxing dividend*

Presently, companies pay dividend distribution tax (DDT) at the time of distributing profits to shareholders at the effective tax rate of 20.56 percent, in addition to corporate tax. The Taxation Laws (Amendment) Act, 2019 introduced concession tax scheme to cut corporate tax rate for existing companies to 22 per cent (25.17 per cent — including cess and surcharge) and for new manufacturing companies to 15 per cent (17.16 per cent - including cess and surcharge). However, once the DDT is factored, the effective tax for corporates remains at 37.93 per cent or 31.29 per cent.

Historically, dividend was always taxable in the hands of shareholders. Finance Act, 1997 introduced the concept of DDT and dividend that was subjected to DDT was made exempt in the hands of shareholders. Finance Act, 2016 gave a twist and dividends earned in excess of INR 10 lakh from domestic companies was made taxable in the hands of resident individuals, partnership firms, private trusts, etc. at 10 per cent rate (plus surcharge and cess) on a gross basis. As DDT is levied on the Indian company distributing dividend, the tax treaty provisions become ineffective and foreign shareholders faced challenges in claiming credit for DDT in their home country resulting in high tax cost.

With the advent of technology and easy tracking system and in order to increase the attractiveness of the Indian equity market by providing relief to a large class of investors, Finance Bill, 2020 proposes to abolish DDT and replace with a classical system of taxation. In other words, instead of levying DDT on companies, the tax would be levied in the hands of shareholders at the applicable tax rates. The foreign shareholders would be in a position to restrict the tax on dividend at lower rate (i.e. 5 per cent/ 10 per cent / 20 per cent) applying the beneficial tax treaty provisions.

In order to remove the cascading effect in case of inter-corporate deposits, section 80M has been re-introduced allowing deduction for the dividend received by resident holding company from its resident subsidiary, capped to the dividend distributed by the holding company. The deduction will be available in respect of dividend distributed on or before one month prior to date of filing return of income. Also, interest expense (if any) up to 20 percent of dividend income, shall be allowed as deduction. No other expense (management fee, administrative expense, etc.) shall be allowed as deduction.

## *Alternative tax scheme*

<u>*Domestic Companies*</u>

The Taxation Laws (Amendment) Act, 2019 (TLAA) sought to provide additional fiscal stimulus to attract investment, generate employment and boost the economy in the wake of economic developments post enactment of the Finance (No. 2) Act, 2019, and keeping in view the reduction of rate of corporate income tax by many countries world over. The concessional tax schemes for domestic companies for AY 2020-21 onwards inserted by TLAA are as under:

- Any domestic company which opts for not availing specified incentives and deductions, shall be eligible to a reduced income-tax rate of 22 per cent.
- New domestic manufacturing company set-up and registered on or after 1st October 2019 and subject to fulfilment of certain conditions, can opt for a lower tax rate of 15 per cent.

The above rates will be subject to surcharge of 10 percent and cess of 4 per cent.

Only new domestic companies engaged in business of manufacture or production of any article or thing and research in relation to, or distribution of such article or thing manufactured or produced by it were permitted to opt for tax at 15 percent. The benefit of 15 per cent tax rate is available to domestic companies engaged in the business of generation of electricity.

Also, it is important to note that no deductions under Chapter-VIA other than under section 80JJAA in respect of

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additional employment and section 80M (as proposed to be inserted) in relation to deduction in respect of certain inter-corporate dividends shall be permitted. Also, such companies shall not be subjected to Minimum Alternate Tax (MAT) and, the carry forward and set-off of MAT credit, if any, would not be allowed.

With the proposed abolishment of DDT, the effective tax rate for companies not opting for concessional tax regime would be 34.94 per cent which is equal to the effective tax rate applicable to limited liability partnerships. Companies under concessional tax regime would have even lower effective tax rate of 25.17 per cent or 17.16 per cent.

*Co-operative society*

Concessional tax rate of 22 percent (plus applicable surcharge and cess) in case of resident co-operative societies not availing tax incentive or exemptions or tax holiday have been proposed on similar lines with domestic companies.

*Individual and Hindu Undivided Family*

Option has been provided for individuals and HUFs to apply for the simplified tax regime subject to satisfaction of certain conditions for AY 2021-22 onward. Individuals and HUFs with no business income can exercise this option every year at the time of filing of return in the prescribed manner. Individuals and HUFs with business income can exercise this option before the due date of filing the return and upon exercising of option, they will have to continue with the new regime for that year and all subsequent years. The deductions/ exemptions not allowed under proposed simplified regime are as under:

- Deductions under chapter VI-A (other than employers' contribution to National Pension Scheme and deduction for employment of new employees under section 80JJAA)
- Exemptions such as house rent allowance, leave travel allowance, income of minor child, allowances received by a member of Parliament, SEZ exemption and deductions such as standard deduction, profession tax, family pension deduction
- Allowances granted to employees other than transport allowance, conveyance allowance, per-diems and travel and transfer allowance
- Certain deductions for business income such as depreciation, investment in new plant and machinery, specified business, scientific research expenditure, etc.
- Exemption in respect of voucher granted for free food and beverages
- Set-off of loss from house property with any other head of income. Such loss will be deemed to have been utilised and will not be allowed to carry forward to future years

The new tax slabs as compared to the earlier slab rates are:

| Income slabs (INR) | Simplified regime | Old regime |
|---|---|---|
| Up to 250,000 | Nil | Nil |
| 250,000 to 500,000 | 5% | 5% |
| 500,000 to 750,000 | 10% | 20% |
| 750,000 to 1,000,000 | 15% | 20% |
| 1,000,000 to 1,250,000 | 20% | 30% |
| 1,250,000 to 1,500,000 | 25% | 30% |
| Above 1,500,000 | 30% | 30% |

## *Incentives for start-ups*

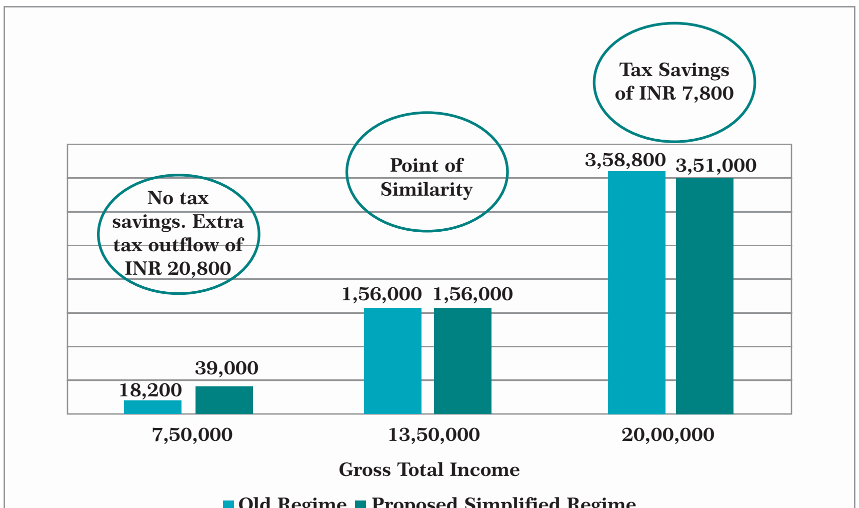
The government proposes to provide early life funding, including a seed fund to support ideation and development of early stage start-ups. Recognising that start-ups have emerged as engines of growth for our economy and that it is important to hand hold and support them, the Finance minister proposed to rationalise the tax provisions for start-ups. Currently, deduction of an amount equal to 100 percent of the profits and gains derived by an eligible start-up from an eligible business for three consecutive assessment years out of seven years, is allowed. The total turnover of 'eligible start-ups' should not exceed INR 25 crore in the previous year for which the deduction is claimed.

Budget 2020 proposes to extend the period of benefit of deduction to start-ups for three consecutive years out of ten years and increase the threshold of turnover of the start-ups to INR 100 crore for being eligible for the deduction.

**Tax compliance and litigation landscape**

*E-assessment Scheme to E-appeal Scheme and E-penalty Scheme*

In order to impart greater efficiency, transparency and accountability to the assessment process under the Act, a new E-assessment Scheme, 2019 has been introduced. Electronic mode is proposed to be extended as under:




For the above tax impact, we have assumed claim of standard deduction (INR 50,000) and Chapter VI A deduction (INR 1,75,000) totaling to INR 2,25,000 were claimed under old regime.

COVER STORY

- "Best judgment assessment" passed under section 144 of the Act. Also, time limit for issuance of any directions by the Central Government to ensure proper implementation of e-assessment scheme, has been extended from 31st March 2020 to 31st March 2022
- E-appeal Scheme for disposal of appeals will be launched
- E-penalty proceedings will be implemented.

The government highlighted that this will help the taxpayer comply with most tax obligations without any requirement to physically attend offices of tax authorities.

Increase in the monetary limits for tax audit:

In order to reduce the compliance burden on small and medium enterprises, it is proposed to increase threshold limit for persons carrying on business from INR 1 crore to INR 5 crore where:

- Aggregate of all receipts in cash during the year does not exceed 5 per cent of such receipt; and
- Aggregate of all payments in cash during the year does not exceed 5 per cent of such payment

*Change in due date*

- In order to make the tax compliance process more convenient, digitisation through pre-filled income-tax returns (ITR) provided to individual taxpayers, was introduced by the income tax department.

  In order to enable pre-filling of returns in case of persons having income from business or profession, the due date for furnishing the following reports is proposed to be amended to one month prior to the due date of filing of return of income.

  (a) Tax audit report under section 44AB

  (b) Report from an accountant under section 92E relating to international transaction(s)

  (c) Report under section 115JB for computing the book profits of the company

  (d) Report under section 50B for computation of capital gains in case of slump sale.

  Similar amendments are also proposed in various other sections which mandate filing of accountant's report along with / by due date of filing return of income.

- The due date for filing of income tax return for companies and other assessees (whose accounts are required to be audited under the Act) is proposed to be extended from 30th September to 31st October.
- The due date for filing the return of income of the firm's partners, both working and non-working partners, (which is liable to tax audit) will be 31st October.

*The Direct Tax Vivad Se Vishwas Bill, 2020:*

With the success of the Sabka Vishwas Scheme which was launched to reduce litigation in indirect taxes, the Direct Tax Vivad se Vishwas Bill, 2020 on similar lines was introduced for reducing litigations in direct taxes.

Key features of the proposed scheme are:

| Nature of tax arrears | Amount payable on or before 31st March 2020 | Amount payable on or after 1st April 2020 but on or before last date (to be notified) |
|---|---|---|
| The aggregate amount of disputed tax, interest and penalty on disputed tax | 100% of dispute tax | 110% of disputed tax.<br>Additional 10% of disputed tax shall not exceed the interest and penalty on disputed tax |
| Dispute interest or disputed penalty or disputed fee | 25% of dispute interest or disputed penalty or disputed fee | 30% of disputed interest or disputed penalty or disputed fee |

Taxpayers in whose cases appeals are pending at any level [Commissioner (Appeals), ITAT, High Court, Supreme Court can benefit from this scheme. The taxpayer would be required to file a declaration providing details of the matter pending for appeal.

*Other amendments*

- DRP scheme proposed to be amended to include cases if the AO proposes any change which is prejudicial to the interest of the assessee (even if such change does not impact the income / loss returned) such draft order will also be sent to the assessee. The assessee can take up this order before the DRP. The scope of 'eligible assessee' is extended to include all non-residents.
- The powers of the Income Tax Appellate Tribunal to grant stay and extension thereof shall be subject to the assessee depositing not less than 20 per cent of the amount of tax, interest, fee, penalty, or any other sum payable under the provisions of the Act; or furnishing security of equal amount in respect thereof. The amended provisions may apply even where the stay granted earlier comes in for extension.
- Annual financial statement with wider information coverage to replace Form 26AS.
- Deduction for donations to a donor shall be allowed only if the donee furnishes a statement in respect of donations received and in the event of failure to do so, fee of INR 200 per day and penalty shall be levied.
- An entity making fresh application for approval under section 80G to be provisionally approved for three years on the basis of application without detailed enquiry even in cases where activities of the entity are yet to begin; it has to apply again for approval which, if granted, shall

be valid from the date of such provisional registration. The application of registration subsequent to provisional registration should be at least six months prior to expiry of provisional registration or within six months of start of activities, whichever is earlier.

- The industry also awaits the adoption of the Tax payer's Charter as announced in Budget 2020. The Charter will enumerate the tax payer's rights clearly to build trust between taxpayers and the tax administration.

**Rationalising provisions for non-residents**

Alignment of purpose of entering into tax treaty with Multilateral Instruments (MLI)

The MLI is an outcome of the G20-OECD project to tackle Base Erosion and Profit Shifting (the BEPS Project), i.e. tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations where there is little or no economic activity, resulting in little or no overall corporate tax being paid. The MLI will modify India's tax treaties to curb revenue loss through treaty abuse and base erosion and profit shifting strategies by ensuring that profits are taxed where substantive economic activities generating profits are carried out. The MLI will be applied alongside existing tax treaties, modifying their application in order to implement BEPS measures.

In order to align the Income-tax Act, 1961 relating to providing relief through application of tax treaty with the recently ratified MLI, the relevant provisions of the law have been amended to include text provided in the preamble to Article 6 of the MLI.

*Applicability of Significant Economic Presence (SEP) deferred*

Section 9(1) creates a legal fiction that certain incomes shall be deemed to accrue or arise in India. With effect from 1st April 2018, section 9 was amended to include the concept of SEP, which included measures relating to when a foreign enterprise will be considered to have a SEP and, therefore, a business connection in India. With the intent of expanding the scope of taxation of digital transactions, it was notified that certain transactions or activities may give rise to a SEP, regardless of whether the non-resident has a place of residence or place of business in India or renders services in India.

However, this topic is still under discussion in the G20-OECD BEPS Project which is expected to come out with a report by December 2020. Accordingly, the applicability of SEP has been deferred to AY 2022-23.

Section 9 was an amendment under the domestic laws and accordingly, beneficial provisions under the tax treaty continued to apply and override the proposed amendments to the domestic tax law.

*Extending source rule for taxing advertisement revenue*

To increase the tax base from digital economy, it has been proposed that income from advertisements that target Indian customers or income from sale of data collected from India or income from sale of goods and services using such data collected from India, needs to be accounted for in Indian Revenue.

Accordingly, it is proposed to amend the source rule to clarify the same by including with effect from AY 2021-21, the following income in the definition of income attributable to operations carried out in India:

- Income from advertisement which targets a customer who resides in India or a customer who accesses the advertisement through an IP address located in India;
- Income from sale of data collected from a person who resides in India or from a person who uses an IP address located in India; and
- Income from sale of goods or services using data collected from a person who resides in India or from a person who uses an IP address located in India.

However, the rules prescribing the computation and attribution mechanism are yet to be notified.

*Exemption to non-residents from filing of return of income in certain cases*

In addition to dividend and interest, non-residents receiving royalty or fees for technical services (FTS) from India, will not be required to file Indian tax return once appropriate tax has been withheld in accordance with the provisions of the Income-tax Act, 1961. However, obligation to submit return exists if non-residents are claiming beneficial provisions of the tax treaty.

**Relaxing TDS provisions and widening scope of TDS and TCS**

*TDS on interest*

- The benefit of lower rate of TDS of 5 per cent on interest on specified loans raised on or before 1 July 2020 by Indian companies/ business Trusts from non-residents was available. The same is extended to loans raised on or before 1st July 2023 to attract more foreign investment in India.
- A lower rate of 4 per cent for TDS has been proposed on interest for borrowings made by India companies/business

  Trusts from non-residents in long-term bonds or rupee-denominated bonds during the period 1st April 2020 to 30th June 2023, and which is listed on a recognised stock exchange in an International Financial Services Center.
- Co-operative society would be required to deduct TDS on interest paid if the turnover of the society exceeds INR 50 crore in previous financial year and where the interest amount exceeds INR 50,000 for senior citizens and INR 40,000 in any other case.

*TDS on fees for technical services*

- The rate of TDS on fees for technical services (other than professional services) is proposed to be reduced to 2 per cent as compared to 10 per cent.

*TDS on payments to contractors*

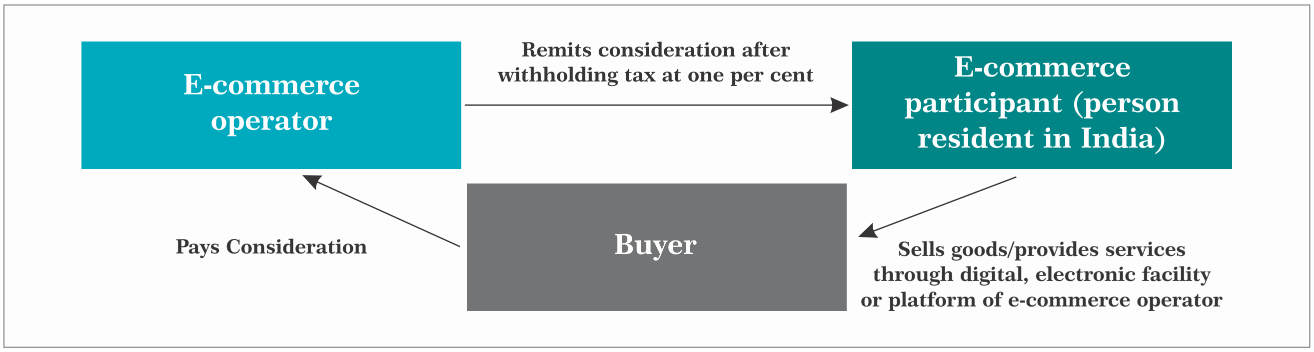
- The definition of "work" under section 194C is proposed to amend to provide that the raw material provided by the customer or its associate shall fall within the purview of the definition of 'work' in contract manufacturing.

*TDS on income from mutual funds*

- Currently, TDS is deducted on the capital gains of non-resident from mutual funds but not on the residents. TDS of 10 percent on dividends for resident individuals whose income from such funds exceeds INR 5,000 has been proposed. Also, a press release of CBDT dated 4 February 2020 clarified that TDS is not required to be deducted by mutual fund on the income which is in the nature of capital gains.

*TDS on e-commerce transactions*

- TDS at the rate of 1 percent of the gross amount is proposed on sales of goods or services or both facilitated by the e-commerce operator through its digital or electronic facility or platform. The TDS is required to be deducted by the e-commerce operator on payment made by the resident e-commerce participant to the e-commerce operator.
- Higher TDS of 5 per cent will apply where e-commerce participant does not furnish PAN to the e-commerce operator.




- Also, in case of direct payment by purchaser to the e-commerce participant, shall also be deemed to be payment made by the e-commerce participant for the purpose of deducting TDS.
- Taxes are not required to be deducted in case of an e-commerce participant who is an individual or HUF if:
- Gross consideration does not exceed INR 0.5 million during the previous year; and
- E-commerce participant has furnished PAN or Aadhaar number to e-commerce operator
- Transactions covered under this provision shall not be subject to any other existing withholding tax provisions in order to avoid multiple withholding tax. Also, existing withholding tax provisions continue to apply to amount received by e-commerce operators for hosting advertisements or providing any services which are not connected with sale of goods or provision of services

*TDS on ESOP by start-ups*

- Currently, ESOPs are taxed as perquisite and split into two components –

  (a) Tax on perquisite as income from salary at the time of exercise and

  (b) Tax on income from capital gain at the time of sale

  which leads to cash flow problem for employees who do not sell the shares immediately and continue to hold the same for the long-term.

  To attract and retain highly talented employees, TDS and tax payments on ESOP of start-ups has been proposed to be deferred by five years or till the employees leave the company or sell their shares, whichever is the earliest.

*TCS on foreign remittance through LRS and selling of overseas tour package*

- The following amounts to be subject to TCS at 5 percent:
- Amount received by an Authorised Dealer exceeding INR 700,000 in a financial year for remittance out of India under the RBI's LRS.
- Amount received by seller of an overseas tour program package. This provision not to apply if the buyer is liable to TDS and has deducted such tax at source or to the buyer being Central Government, a state government, an embassy, etc.

*TCS on sale of goods*

- Every seller, who receives sale consideration of any goods exceeding INR 50 lakh in any previous year, other than specified goods, shall collect from the buyer TCS of 0.1 per cent of the sale consideration exceeding INR 50 lakh.
- Where the buyer does not furnish his PAN or Aadhaar number to the seller, then the tax shall be collected by the seller at the rate of 1 per cent.

  This provision not to apply if the buyer is liable to TDS and has deducted such tax at source.
- "Seller" to mean a person whose total sales, gross receipts or turnover from the business carried on by him exceed INR 10 crore during the financial year immediately preceding the financial year in which the sale of goods is carried out, not being a person to be notified.

In summary, the government's focus is to simplify the tax law by removing tax incentives and to collect more tax from rich or ultra-rich persons in order to achieve tax buoyancy.

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ICDSIE 2020

IEEE BOMBAY SECTION

# International Conference on Data Science and Internet of Everything (ICDSIE 2020)

## June 19-20th 2020, Mumbai, India

The International Conference on Data Science and Internet of Everything (ICDSIE- 2020) is intended to bring together researchers and practitioners, from the academy and from the industry, who develop and apply statistical and computational methods for data science and to witness the cutting edge research in Internet Of Everything.

### Venue

*Courtyard ,*
*By Marriot , Mumbai*

A neutral venue is selected for the two day conference which is located at the business hub in heart of Mumbai, India.

**Reputed Global Expert Speakers**

19, 20th June 2020

### Key Highlights of Two day Conference

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### What's the Gain?

- Industry professionals gain insights into latest applied technologies in field of data analytics and Internet of everything
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| Data Science | Internet of Everything |
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| Data Mining and Analytics | Security |
| Machine Learning | Networking |
| Data Visualization | Protocol |
| Software Tools for Data Science | Architecture |

### CONTACT DETAILS

General Chair:
Dr Saurabh Mehta

Website: www.icdsie.com
Tel: 9833955002 / 9892755915
E-mail: contact@icdsie.com

**Register**

# Living Bridge — Ayurveda: the power of health and beauty

**Mr. Rohit Vadhwana**
*IFS Officer*

Ayurveda, meaning the science of life – often considered the fifth Ved – in addition to Rigved, Yajurved, Samaved and Atharvaved – is the science of health and wellness. It is a complete solution to good health and lifestyle.

India is the home to Ayurveda and the system has immensely benefitted millions of people globally. Its popularity is increasing every day as it uses natural products for not only curing diseases but also prevention.

The concept that prevention is better than cure is fundamental to the Ayurvedic system. It aims to go to the root cause of any ailment while treating it. Our body is made up of certain basic elements and Ayurveda identifies them for treating it better. Dhanvantari is the God of Ayurveda. Shushrut Samhita is the basic Sanskrit text of Ayurveda written by Rishi Shushruta.

In India, systems of medicine and wellness like Ayurveda, Yoga, Naturopathy, Siddha, etc were developed hundreds of years ago. These systems have been used by people and their knowledge and practice have been exported with them to different parts of the world. To further promote them, the Government of India has created AYUSH Ministry in 2014.

High Commission of India organised an interesting event titled 'Ayurveda – Power of health and beauty' to promote Ayurveda in UK. Three speakers, experts in the field of Ayurveda, spoke at the event.

The main speaker was Mrs Shahnaz Hussain, founder of the Shahnaz Hussain group of companies. She has been an icon of herbal beauty products as her brand has become very popular not only in India but also in many other countries, including the UK.

The other two organizations represented in the event were All India Institute of Ayurveda (AIIA) and Kerala Tourism. The former pioneered in imparting formal education and conducting research in Ayurveda while the latter has been instrumental in promoting Ayurvedic medicine and massage along with tourism in Kerala.

AYUSH is beneficial and has no side effects. These systems being ancient and connected to nature have been developed, tried and tested for centuries under different climatic conditions.

Therefore, they are the most reliable medicinal and wellness systems for our modern lifestyle.

As we face unique health-related issues in the modern world, AYUSH could be used to address most of the challenges. It's high time we adopt to AYUSH systems.



# Are you running on a treadmill of life?

If you run on treadmill for thirty minutes at the speed of six miles an hour, where will you reach? Nowhere, right? Running on treadmill shows distance but doesn't take us that far in reality.

Many times life is like treadmill. We run around from early morning till late night. Work hard. Make required efforts. Yet make no progress. At the end, we remain where we began. That's like running on treadmill.

Majority of people feel exhausted at a point in life and introspect why they have made no progress after lots of efforts.

Years of hard work and dedication, but still they stand at the place where began.

Doing an activity for the sake of it, walking without having any goal post to reach, making efforts without aspiring any result – certainly leads to discouragement. Losing energy without gaining result is grossly disappointing.

A boat anchored at shore cannot move even if we keep pedalling constantly. Pushing a door which opens on pulling is similar waste of energy. Aspiring to make a fish run on the ground is naturally impossible. Sometimes, our energy is wasted in such mindless efforts expecting impossible results.

Therefore, if you are working on a project for long time and not getting expected result, revisit your methods. If years of hard work has not improved your situation in life, it's high time to check whether you are running on a treadmill and expecting to reach somewhere?

It will be useful to sit down and introspect whether your efforts are good enough for the task at hand? Whether those efforts are in the right direction? Are they consistent? Such mindful analysis will help in identifying reasons why desired results are not achieved.

Identify faults and mistakes made till now. Make your every step count. Let your each action result into tiny achievement. Achieve success by using your energy in right way and right direction. Stop running on the treadmill of life.

*(Author is an IFS Officer. Expressed opinions are personal)*

# Meeting with Consul General of Indonesia

***29th January, 2020***

*(L-R): Ms. Vanita Ghuge, Mr. Sougata Ghosh, Mr. Sanjay Mehta, Mr. Ajit Mangrulkar, Mr. Ashish Vaid, Mr. Agus P. Saptono, Ms. Sunita Ramnathkar, Mr. Dinesh Joshi, Mr. Yadi Suriahadi and Mr. Saurabh Shah*

The new Consul General of the Republic of Indonesia, Mumbai Mr. Agus P. Saptono visited IMC Chamber of Commerce and Industry to meet key officials of IMC.

The meeting was organized to discuss on various topics related to future plans of their mission to have cooperation with association towards the promotions of India-Indonesia bilateral relations.

The Consul General has accompanied by Mr. Yadi Suriahadi Consul (Economics) and Mr. Vijay V. Tawde, Assistant (Economics) from the Consulate General of the Republic of Indonesia, Mumbai.

During the meeting Mr. Ajit Mangrulkar, Director General, IMC extended an invitation to the Consul General to participate in the upcoming International Conference on IMC India Calling 2020 and requested for Consulate's assistance in disseminating the event information in Indonesian counterparts and encourage their participation in the event.

Consul General of the Republic of Indonesia, Mr. Agus P. Saptono accepted the invitation to attend the event and also extended Consulates support.

# Meeting with Hon. Greek Minister of Tourism

***03rd February, 2020***

*Mr. Ashish Vaid alongwith Hon. Greek Minister of Tourism, Mr. Harry Theoharis, H.E. Mr. Dionyssios Kyvetos, the Ambassador of Greece to India, Mr. Ajit Mangrulkar, Director General, IMC and IBC Committee Members*

IMC welcomed Hon. Greek Minister of Tourism, Mr. Harry Theoharis, H.E. Mr. Dionyssios Kyvetos, the Ambassador of Greece to India, Mr. Emmanuel Markianos, Counsellor for Economic & Commercial Affairs and Ms. Elie Fili, Head of Audiovisual Media & Productions Dpt., Greece National Tourism Organisation.

Hon. Mr. Harry Theoharis informed on the possibilities of cooperation in the field of information, sharing of experience and know how, destination management, investment in the hospitality and tourism infrastructure sector can be explored between India and Greece. He also highlighted for cooperation in the field of air connectivity between the two countries by introducing direct flights.

Mr. Ajit Mangulkar, Director General, IMC informed the delegation about the upcoming India Calling conference and invited the officials from the Embassy of Greece in India to participate in the event.

# Meeting with the Mayor of City of Karlsruhe, Germany

***07th February, 2020***

*Mr. Ashish Vaid, Dr. Frank Mentrup, Mr. Nayan Patel, IBC Committee Members along with Delegation from Karlsruhe.*

IMC has been in the forefront of exploring cooperation between Indian and German companies and also bringing together Indian companies with their German counterparts. This arrangement that has been formalized with a MoU between IMC and the Economic Development Board of the city of Karlsruhe, Germany to assist enterprises to get closer to set up business venture in areas of Automobiles, Energy, IT, Smart Engineering, Urban Mobility and Start-ups. This interaction help accelerate cooperation, in referring companies to Karlsruhe and obtaining regulatory clearances and thus getting them to the take off stage in Germany. Support in form of Senior Expert Services (SES) helps make the fledging Indian enterprises efficient in cost and products, is an example of a hand holding reflecting cooperation.

# IMC Meets Deputy Indian Ambassador to France

***10th February, 2020***

*Mr. Ajit Mangrulkar with Mr. Ankan Banerjee at the Indian Embassy, Paris*

# Meeting with Ambassador of the Republic of Costa Rica in India

***12th February, 2020***

IMC welcomed and felicitated H.E. Claudio Ansorena Montero, Ambassador, Embassy of the Republic of Costa Rica in India.

Mr. Ashish Vaid, President, IMC informed that India and Costa Rica enjoy cordial and warm relations which are being strengthened by growing engagement between the two countries. The primary focus of the meeting was to explore potential business opportunities for investments, collaborations and provide assistance to members to get relevant information on Costa Rica. During his speech, H.E. Montero informed that Costa Rica is among the top 5 Global Best to Invest countries in Latin America.

The country offers various incentives for return on investment and does not impose import & export duties among other incentives for logistics and services operations under the Free Trade Zone.

He mentioned that with eco-friendly policies of Costa Rica, the country imported Reva electric cars duty-free few years ago from India and by 2030 Costa Rica aims to have electric vehicles all over the country. Costa Rica ranks fourth among Latin American countries in the Enabling Trade Index by World Economic Forum, 2016. He mentioned that the education system of Costa Rica ranks number 1 in Latin America and 27th in the world. The Embassy of Costa Rica in India is seeking scholarship from the Government for Indian students to pursue studies in Costa Rica.

He also mentioned that the country has robust network of Free Trade Agreements that provides preferential access to 2/3rd of world's GDP. In 2016, exports and imports of goods and services represented 64% of GDP.

*Mr. Ashish Vaid and Mr. Dinesh Joshi extending India Calling Conference invitation to H.E. Claudio Ansorena Montero Also seen in the picture from (L-R) Mr. Sanjay Mehta, Mr. Gul Kripalani, Mr. Nanik Rupani, Mr. Saurabh Shah and Ms. Sunita Ramnatkar*

Ambassador Montero invited IMC to lead a trade and investment delegation to Costa Rica and ensured Embassy's assistance in organizing the tour.

GLOBAL CONNECT

# Meeting with New Consul General of Vietnam

***14th January, 2020***

*(L-R): Mr. Sanjay Mehta, Mr. Ajoykaant Ruia, Mr. Chetan Isharani, Mr. Juzar Khorakiwala, Mr. Hoang Tung, Mr. Ajit Mangrulkar, Mr. Kamal Seth, Mr. G. D. Agarwal and Ms. Lucy Thomas*

# IMC welcomes High-Level Delegation from Germany

***26th February, 2020***

IMC welcomed and felicitated Ms. Birgit Faßbender, Deputy Head of Division, Federal Ministry of Transport and Digital Infrastructure, Government of Germany. Mr. Ashish Vaid, President, IMC informed on the various activities organized by the Chamber to boost the economic and trade relations between both the countries. He also mentioned that the Chamber is also at an advanced level to work for setting up German Desk to help companies set shop in India and *vice versa*. During her speech Ms. Birgit Faßbender informed that the visit aimed at understanding better the needs and requirements of Indian Exporters exporting to Europe or planning to export to Europe and to provide government support, identifying and contacting interested Indian partners and to start an exchange of information and to detail the company-specific requirements. She mentioned that logistics is one of the key pilasters of Germany's competitiveness and the delegation comprised representatives of the Logistics Alliance Germany and from the German logistics industry. The Logistics Alliance Germany (LAG) is a public-private partnership between the Federal Ministry of Transport and Digital Infrastructure and the German logistics industry. LAG provides access to experienced logistics service providers, logistics networks, and economic contacts in Germany. The objective of this Alliance is to connect international shippers, producers, exporters and logistics operators with German partners in order to establish and boost cross-border trade. Ms. Faßbender ensured that the Federal Ministry of Transport and Digital Infrastructure, Government of Germany will support company's intersted in promoting the German logistics industry.


*Meeting with Ms. Birgit Faßbender, accompanied by high-level business delegation*

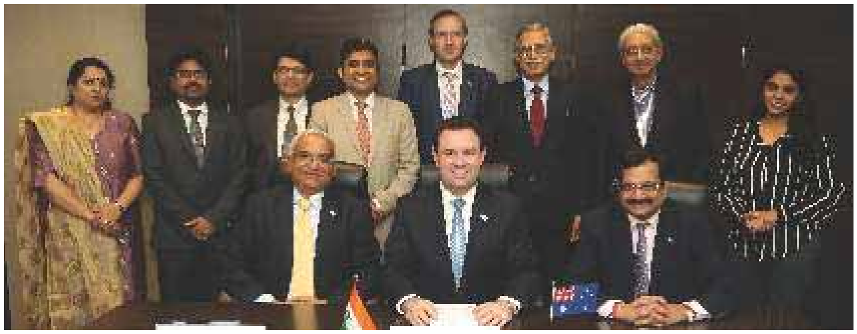
# Meeting with Minister for Jobs, Investment, Tourism and Western Sydney, Govt. of NSW, Australia

***26th February, 2020***

IMC welcomed and felicitated Honourable Mr. Stuart Ayres, Minister for Jobs, Investment, Tourism and Western Sydney, Government of New South Wales, Australia along with Mr. Michael Haynes, Chief of Staff to the Minister and Mr. Rohit Manchanda, Trade & Investment Commissioner – India, New South Wales Government, Australia. NSW is Australia's startup capital, India too has strong start up eco-system and with the structural reforms shaping up, the cooperation between NSW and India can be explored, highlighted Mr. Ashish Vaid, President, IMC during his welcome address.

Mr. Ashish Vaid, President, IMC in his speech also proposed NSW to set up a desk in IMC for business cooperation as NSW is looking for more cross border exchange in startup in tech and advanced manufacturing sectors, in which India has strong well entrenched systems which will enable businesses access new markets, talent, knowledge, skills amongst both trading partners.

During his speech Honourable Mr. Stuart Ayres mentioned that India being the world's fifth-largest economy and Australia's fifth-largest export destination, our visit aimed to deepen trade and investment between the countries Diversifying markets, increasing tourism links, attracting investment and growing exports in India is a key element of NSW.



*Honourable Mr. Stuart Ayres, Minister for Jobs, Investment, Tourism and Western Sydney, Government of New South Wales, Australia, Mr Michael Haynes, Chief of Staff to the Minister and Mr. Rohit Manchanda, Trade & Investment Commissioner – India, New South Wales Government, Australia, Mr. Ashish Vaid, Mr. Rajiv Podar, Mr. Raj Nair, Mr. Ajit Mangrulkar and others.*

He also invited IMC to lead a business delegation to explore commercial alliance in the sectors of infrastructure, start ups, education and ICT.

He also mentioned on developing the agribusiness and exploring opportunities with India.



# Meeting with Hon'ble Minister of Commerce, Government of the People's Republic of Bangladesh

**27th February, 2020**

IMC welcomed and felicitated H.E. Mr. Tipu Munshi, Hon'ble Minister of Commerce, Government of the People's Republic of Bangladesh, Md Lutfor Rahman, Deputy High Commissioner, Bangladesh Deputy High Commission in Mumbai and Mr. A K M Atiqul Haque, Counsellor Commerce, Bangladesh High Commission New Delhi during the meeting.

Mr. Ashish Vaid, President, IMC highlighted that as the Bangladesh economy is in transition stage, the bilateral ties reflect potential opportunities in joint high tech research, development and innovative incubators, JVs, light medium and heavy industries, knowledge transfer in technical and services sector, cooperation in ICT, nanotech, robotics, IOT, cyber security, AI etc. We look for cooperation and increased economic prosperity in all sectors, wherein both countries have a comparative advantage in terms of labour costs and technology adaption.

Textile exports from Bangladesh are performing well on the global forefront and have recorded as 2nd biggest exporter of garments in the world. We are looking for cooperation in the field of ICT and Agro-processing from India. The visit was aimed to enhance the bilateral trade between Bangladesh and India. During his speech, the Minister emphasized that the country offers various incentives for return on investment and tax benefits among other incentives for companies who are willing to invest in Bangladesh. The Hon'ble Minster invited IMC to lead a business delegation to Bangladesh to develop bilateral relation.

He assured support from Bangladesh for Indian businesses who looking for investment opportunities in Bangladesh.

*Mr. Ashish Vaid welcomed and felicitated H.E. Mr. Tipu Munshi, Hon'ble Minister of Commerce, Government of the People's Republic of Bangladesh, Md Lutfor Rahman, Deputy High Commissioner, Bangladesh Deputy High Commission in Mumbai and Mr. A. K. M. Atiqul Haque, Counsellor Commerce, Bangladesh High Commission New Delhi.*

# Budget Perspective: Making the Elephant Dance in the next One Year

***Mr. Anirudh Gupta, CEO,*** *Ashiana Financial Services*

CONNECT

A budget is a statement of direction. The focus of the budget is to put enablers in place which build upon the foundations of growth although could have been better. Multiple stakeholders have been impacted in this allocation process.

Primarily the major stakeholders affected are salaried, MSME, and infrastructure related issues.

Here we go

## *Focus on maintaining fiscal discipline*

Revenue increases are hard to come by and assets do not lead to productivity at least in the immediate future. It seems a bit difficult to maintain fiscal discipline at this point in time as economic uncertainties demand government attention. It is likely that fiscal deficit may see a breach in the next 2 years.

3 per cent fiscal deficit in 2021-22 seems challenging unless the world economy improves drastically in the next 2 years. If it happens we are likely to experience the benefits of economic growth to all sections of the society. As per IMF projections it is not expected that the world grows beyond 4% in the next 2 years which makes the situation challenging from the current 2.9%.

## *Infrastructure*

*Investment through sovereign wealth funds in infrastructure*

Our government is focused on infrastructure implementation of projects pegged at Rs. 102 lakh crore over the next 5 years. If we divide it on a yearly basis it comes to approximately Rs. 20,40,000 crore. In dollar terms we need to invest as a nation approximately 300 billion dollars every year.

Investments through sovereign wealth funds by way of capital gains and interest is tax-free in the event of the investment being there for three years forward. Given the fact that most commodity rich nations have reserves accumulated through the earlier part of 2000's this can be a sustainable source of long term capital going forward as they diversify their earnings.

## *Tax free infrastructure bonds*

This could have been introduced by the government. However considering that the investor class does not generally look at investing in tax free bonds in a big way as holding periods are longer as per experience it may not move the needle could have been the understanding at a macro level.

## *Disinvestment*

Government is planning to list LIC and pare its stake in state run institutions. In our opinion when listed the insurance giant may need to distance itself from government directive to help it meet its goals which may be difficult in practice.

A better approach is to look at existing listed entities where stake can be brought to 51%. An even better approach is to ensure that the government does not stay in businesses which it cannot provide adequate value as compared with private sector players and only provides policy and administrative support.

This can potentially unlock a lot of value especially in non-strategic sectors. The governments in the past as a policy have been letting the market forces decide the fate of public sector enterprises through disinvestment and sell off over the last 2 decades.

## *Tax Litigation*

The tax litigation cases have an unresolved value of Rs. 8 lakh crore .As per past experience in the late 90's a 25-50 per cent realisation is a realistic number to look at.

This can help in asset creation or reduce social inequality.

## *MSME*

MSME constitute a large chunk of the workforce. The government has focused on a couple of things which can have a long term impact

A unified procurement system has been set up through the government e-market place. They are looking at a digital procurement system for government purchases. Already Rs. 3 lakh crore worth of turnover is being transacted through the system.

## *Addittional focus*

CGTMSME- the scheme where one can borrow without collateral if it is a service, trading or manufacturing concern has been continued, however allocations are dependent at the branch level with PSU Banks. This is a situation

where in some additional focus could have helped ease things at the ground level.

There are inverted duty structures which make importing better than manufacturing in India thus making our country more trading oriented.

This needs to be looked at from the viewpoint of being an export hub. A holistic vision is needed to build this beyond the budget for certain industries like textiles, artificial intelligence and new age technologies. If this is corrected “make in India can also be effective policy” to build the growth which the economy needs.

Reduction in GST rates requires negotiation between Centre and the states. As the pickup in tax revenues is happening slowly one can expect this issue to be on the backburner.

## *Salaried*

*Change in tax slabs*

This is a complicated situation created by the government. The government is allowing a choice between 2 systems which should not have been the case. One is the old system with exemptions and the second one is the new system without exemptions.

In principle removing 70 percent of exemptions is a good idea. However given the nuances of the tax structure there are no major benefits for taxpayers in the 30 percent tax bracket.

In the lower tax brackets it depends on the specific situations an individual faces.

## *Start ups*

If you are an employee with a startup and have received ESOPS, the earlier tax treatment was that an employee needed to pay taxes whenever they sign up for ESOPs and also pay taxes on capital gains whenever ESOPs are redeemed.

Current budget has suggested deferring the tax payment by 5 years or till an employee leaves the company or when shares are sold, whichever is earlier. This is a good first step in the right direction.

## *Areas for consideration*

The current endeavour of the government is like having a traffic cop at a signal to streamline, as we all know it only increases the waiting time as we are seeing on direct taxes as well as in GST. Giving 2 options in direct taxes is going to be a challenge for taxpayers as well as HR departments for corporates.

LTCG needed to have been executed at least at par with real estate capital gains treatment for indexation for 2 years if not better.

This would have also helped in raising valuations for companies under the disinvestment program. This value unlocking could range between Rs. 20,000-50,000 crore over the next 2 years. This is critical as these are initial periods of the 2nd term of the government.

# Union Budgets will come and go

***Mr. Suresh Lulla,*** *Co-Chairman Quality Improvement & Technology Committee IMC RBNQA*

## *The BIG Opportunity*

Why do corporates anxiously await a Union Budget? Invariably, the answer is…. "To guesstimate the impact of the new Budget on our bottom-line".

Union Budgets will come and go. They generally have marginal impact on the bottom-lines of corporates.

How would corporates react if they were asked: How would you like to Double your Profit without Capital Investment?

Their BIG opportunity is hidden in their respective budgets, in the hidden factory within the factory, dedicated to manufacturing waste. This waste when translated to the language of upper management is called Cost Of Poor Quality (COPQ).

It should be noted that COPQ ranges between 20-30% of Total Costs. Compare that to Profit Margins… the elixir for competitive advantage. Scared?

Example of a batch mode manufacturing plant:

- Sales Revenue = Rs. 1000 cr
- Capital Investment = Rs. 500 cr
- Profit = Rs. 100 cr
- COPQ = Rs. 200 cr

## *Proposition: Double the Profit*

Option 1: Double the Capital Investment, to Double the Sales Revenue, to Double the Profit.

Option 2: Halve the COPQ, to Double the Profit. All this with no Capital Investment. Only a Habit of Quality Improvement.

I would like to expand this concept with a Quality Fable, based on my experience in the space of Quality and Excellence.

## *Partnering with the Phantom*

Is quality popular? In theory perhaps. Not in practice.

Is quality a fully delegable responsibility? No.

What are the challenges to muster support for a specific quality initiative? The key one is that upper managers believe that quality improvement projects offer lesser tangible rewards than other proposals.

Dr. J. M. Juran taught us to "scare up" support for quality initiatives. He advised: Speak the language of upper managers – MONEY.

Although a quality improvement project may not directly influence revenues, it can dramatically reduce wasteful costs. These wasteful costs are the Costs Of Poor Quality (COPQ). These costs are traceable to a phantom factory within the factory dedicated to meticulously manufacturing waste.

An owner of a well reputed textile mill in Mumbai challenged my thesis: Over 25% of total costs are COPQ in a textile mill. I asked three leading questions:

- Do you receive customer complaints?
- Do you have incoming inventory?
- Do you have dormant inventory?

The answer was "yes" to each of the three questions.

The owner and I invested time in stratifying customers complaints: Curry stains, rust marks, pigeon droppings, selvedge cut, short length, fading blue, etc. Each complaint was addressed complaint-by-complaint.

Correcting some complaints cost more than others. The lost material, additional effort, and delivery delays were estimated in a COPQ table.

The owner also mentioned that some English customers had reduced their order sizes, preferring to purchase from Hong Kong.

On prioritizing the complaints based on frequency, enemy #1 was pigeon droppings.

The Pareto based on COPQ identified a completely different enemy. Packaging. Goods that conformed (did not have more than 12 major defects; and more than 10 minor defects; per 400 meters) to specifications at dispatch, were unfit for use on arrival at customer site. Based on volume to be dispatched, the outsourced transport agency would use appropriate size trucks but of variable vintage. As a result, packaging and goods got damaged.

The COPQ alarm was even greater at incoming inventory. Further, the ineffective sales forecasting system burdened the mill with dormant inventory.

Shocked with this validated information the owner wondered if he could double his profit without investing, by partnering with the phantom! Could he think otherwise? As a consequence, the owner organized an executive briefing where he narrated his experience to the upper managers.

As per the phantom's instruction, at subsequent monthly Quality Council meetings, the owner bolted the meeting room from inside at the dot of 8 am. Did he love this?

## *Lessons Learned*

1. "Scare up" support for quality initiatives, using the language of upper managers, MONEY
2. COPQ is managed by a phantom factory within the factory
3. Dipstick for COPQ measurement: Customer complaints, and incoming inventory
4. Upper managers must see the waste with their own eyes
5. Perceived enemy #1 is not necessarily the actual enemy #1
6. Processes that are not owned, such as logistics, can damage products that conformed to specifications
7. Quality Council meetings should not be a COPQ.

# Technology Propels Operational Efficiency for SMEs

***Mr. Mahendra Tiwari,*** *General Manager, SME Operations, Tata Teleservices Ltd.*

As we stand at the cusp of Industry 4.0, adoption of technology is the key differentiator in determining the success of SMEs. Until a few years ago, although the SMEs had recognized technology as the key growth driver, the rate of technology adoption was still low. The cause could be attributed to poor availability and adoption of technology. Identifying these loopholes, many technology enablers surfaced as a support system to the SME ecosystem, aiding them reel through the technological lag they were faced with. These enablers of connectivity, collaboration, cloud, security, IoT and marketing solutions fulfilled the 3As (Availability, Adaptability and Acceptability), the much-needed support in the fledgling start-up ecosystem.

The SMEs in India are confronted by some glaring challenges such as shortage of working capital, increasing domestic and global competition, minimal scale of operations, lack of skilled manpower, change in manufacturing strategies and most importantly integrating technology into customer's life. In order to counter such issues; stay relevant and profitable and take on its large, global counterparts, vying for the top spot, SMEs need to adopt innovative approaches in their operations.

One such progressive approach has been partnering with tech enablers and subject matter experts to bring SMEs at par with the fast-evolving tech landscape. Advancements in technology are opening up newer avenues for SME businesses across sectors and are playing a pivotal role in its growth and development in India.

The question is what are these groundbreaking technologies and how are these technologies aiding SMEs in their growth. Answering the first question, technologies such as Internet of Things (IoT), M2M, are revolutionizing automation, operational excellence, product development, cost efficiency etc.

IoT offers numerous and incredible opportunities to SMEs. Being a giant network of things and people, communicating with each other using various wired and wireless technologies, IoT platforms collect data from different devices and applies analytics to the collected data. The analysed data gives the most valuable and actionable information to work upon. Marketers can draw insightful information on their customer's buying behaviour and browsing history, which could be used to better their customer service and customise their marketing strategies based on the needs of their customers. Basically, these advancements led organizations to re-imagine customer service and their journey with a brand. Additionally, IoT could be very useful in monitoring, tracking expiration date of products and most importantly it helps save money, because IoT makes all of the above possible, without human intervention.

Similarly, technologies such as M2M (Machine 2 Machine) allow more control over assets and enables remote surveillance and reduction in operational expenses. However, its greatest benefit to SMEs is business analytics, forecasting and exploration, predictive modelling, accident-related incident and security through proactive alerts and faster reaction time to theft and pilferage.

Likewise, yet another technology marvel is Cloud computing platforms and applications. A lot of new-age digital businesses are increasingly investing in Cloud Infrastructure and the trend is proliferating across enterprises today. This trend reflects the continuously maturing global market for cloud services, with established capabilities to scale and accelerate and most importantly provide the security to support new business models. Led by the benefits of investing in cloud infrastructure, the c-suite executive of various organizations are creating compelling business cases that rely on cloud platforms to catapult growth, which further boosts the adaptability and acceptability of this technology.

While these are just a few examples of some technologies and their impact on SMEs, there are various other technologies like Robotics and Automation, which are substantially transforming SME businesses in India. Therefore, it is evident that disruptive technologies are aiding SMEs to forge their way to newer heights. Embracing technology is aiding SMEs to spur growth by achieving better return on investments, cost efficiency, creating quality products or services and offering superior customer experience.

Apart from driving growth and profitability, companies are also using technology to diversify their business and are launching digital products that complement their traditional products. For example, a sports apparel brand started selling digital gadgets that can track a user's workout regime.

Nonetheless, in view of the evolving business landscape in India, companies of all sizes have started taking initiatives towards a digital makeover. As per recent industry estimate 75% of businesses will be digital in order to stay relevant and profitable by the year 2020 with almost half of the revenues of a digitally transformed company will be driven by technology.

Discussions and decisions around ICT are no more limited to IT departments, as they increasingly become a part of boardroom conversations. This change in attitude towards technology comes from the realisation that technology not only cuts cost, enables more efficient business operations, but also re-imagine their customer's journey.

**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

**January 13, 2020**

**Smt Nirmala Sitharaman**
**Hon'ble Union Minister for Finance**
A Wing, Shastri Bhawan
Rajendra Prasad Road
New Delhi 110 001

Respected Madam,

**Sub: Reported Likely Proposal to FASTEN Personal Liability on Trustees of Charitable Trusts**

**Background**

This is with reference to a recent news report in the Business Standard of 6th January 2020, which states that the Union Budget is likely to have a provision to make trustees liable in the case of violation of charitable trust norms linked to tax exemptions or registration of entities. The report states that the new provision under the Income-Tax (I-T) Act may enable the authorities to seize trustees' personal assets if there is a breach of objectives governing registered charitable trusts.

If such report is true, we strongly urge you not to introduce such a proposal, as it would be highly detrimental to the cause of philanthropy in India, to the welfare of the backward and underprivileged sections of society, and to the entire country in general.

**A Perspective On Charitable Organisations In India**

Today, charitable organisations contribute significantly to and supplement the Government efforts in the fields of education, healthcare, uplift of villages, the handicapped and economically backward classes, conservation of the environment, conservation of monuments of historic significance, research and development, promotion of trade and industry and various other nationally important policy objectives.

Such charitable organisations are funded not only by the public contributions, but also by corporates through the Corporate Social Responsibility contributions, and by the Government and International Organisations through grants. Most of the grants are monitored by the Grantor, to ensure that funds are utilised for the purpose for which the grants have been received, and that there is no misuse of funds.

**Trustees Of Charitable Organisations**

To carry on a charitable activity, it is not only funds which are required, but also people to actually carry out the activity. Most charitable organisations are manned by persons who undertake such activity on a completely voluntary basis, devoting their time and efforts for such charity without taking any remuneration at all. The trustees of almost all charitable organisations function in a completely honorary role.

Many smaller and lesser known charitable trusts invite people of eminence to become trustees, in order to instil public confidence in their functioning. Such trustees not only devote their time to the trusts free of cost, but also act as an external check to ensure proper functioning of such trusts, and as an advisor to such trusts to facilitate scaling up of their charitable activities.

When trustees are providing their services free of cost and without any expectation of any reward, it would be extremely unfair to cast personal liability on the trustees, unless they have committed a breach of trust. Such personal liability already exists in case of all trusts where there is a breach of trust, under the Indian Trusts Act, 1882 as well as under State Charitable Trust Laws. Under this law, if a trustee misuses trust monies, he is liable to refund such amount to the trust. Reference may be made to section 23 of the Indian Trusts Act, 1882, and section 39 of the Maharashtra Charitable Trusts Act, 1950. Therefore, there is no need to create any further personal liability on trustees under the Income Tax Act, 1961.

The significant distinction between directors of a private limited company, where directors are personally liable under section 179 of the Income Tax Act, 1961, and trustees of a charitable trust is that directors are remunerated, whereas trustees are not remunerated, and work in an honorary capacity. Further, section 179 has a safeguard in that a director is personally liable for tax dues of the private limited company only if there was gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company, and tax dues cannot be recovered from the company.

**Our Representation**

Casting personal liability on trustees under situations other than breach of trust will discourage public spirited persons of eminence from supporting genuine charitable causes by joining charitable trusts as trustees, which will in turn significantly hamper the ability of charities to attract public support to their cause. This will therefore further discourage genuine charitable activity, which even today, is a difficult task.

This reluctance to become trustees will also adversely affect the governance structure at charitable trusts, as external people with experience of proper governance would not be available to become trustees. This will defeat the very ostensible purpose of the reported proposal.

Just because the charitable trust status may have been misused by a few organisations should not result in a complete crackdown on the entire charitable trusts sector, which otherwise is doing an excellent job of helping underprivileged Indians overcome their hurdles. We believe that an outlier approach to legislation is unwarranted and demotivating, and indeed, such an outlier approach in this context will be detrimental to the charitable activities in India.

**Summing Up**

We therefore strongly urge you not to introduce the concept of personal liability for trustees of charitable organisations under the Income Tax Act, 1961, as it would ultimately result in a significant slowdown in charitable activities.

**With regards,**

**Ashish Vaid**
President, IMC

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IMC
Chamber of Commerce and Industry

**Ashish Vaid**
President

**January 10, 2020**

**Hon'ble Commissioner**
**State Excise Commissionerate,**
State of Maharashtra, Second Floor, Old Custom House
Fort, Horniman Circle, Mumbai 400 001.

**Kind Attn: Smt Prajakta Lavangare Varma**

Dear Madam,

**Sub : Comments of IMC Chamber of Commerce and Industry on Maharashtra Prohibition Act 1949.**

The IMC Chamber of Commerce and Industry refers to the recent order under the Maharashtra Prohibition Act 1949, and wishes to place before you the observations.

The law is appreciated in its content. But considering that the provisions are applicable to private gatherings and parties and consumption of liquor at home, the Chamber opines that the requirement to obtain license for consumptions, needs to be dropped.

Likewise, even the requirements for individuals requiring a permit while visiting a restaurant or bar should be done away with, as these restaurants and bar are well regulated for liquor licenses by the state government.

In today's environment, when the Government is committing itself to the ease of doing business, which translate into Ease of Living, such provisions in law end up in making life difficult, cumbersome and also which encourages corruption.

The Chamber strongly opposes the circular of 19th Sept 2019, which was not required in the first instance. However the Chamber has given point wise comments for your kind consideration.

Warm Regards,

**Ashish Vaid**
President

Similar Letter Sent To : **Smt Valsa Nair Singh**
Principal Secretary, State Excise Commissionerate,
State of Maharashtra, Second Floor, Old Custom House
Fort, Horniman Circle, Mumbai 400 001.

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**February 5, 2020**
**Shri Dilip Walse Patil**
**Hon'ble Minister of State Excise**
Government of Maharashtra
229, Annexe, 2nd Floor, Madame Cama Road
Mantralaya, Mumbai – 400 032.

**Respected Minister,**

We are grateful for your visit to the Chamber yesterday to discuss the concerns of the members regarding Home Department Order dated 19th September 2019 under Maharashtra Prohibition Act, 1949.

With regards to the above, as desired by you, we would like the following changes in the above referred order.

1. Considering the high cost of an imported bottle of whisky the possession of liquor should be increased to the value of minimum Rs. 1,00,000/-. Also, the break up as specified in column (2) could be done away with.
2. Some commercial and office spaces are used for social gatherings and business get-togethers of non-commercial nature. Hence Rs. 1,00,000/- to Rs. 2,00,000/- worth of liquor should be permitted to be stored.
3. Evening timings after 7.00 p.m. could be prescribed for in house official get-togethers, but totally non-commercial in nature.
4. Liquor license for office premises should be required only above Rs. 1,00,000/- of alcohol for a minimum gathering of 100 people.
5. This is cumbersome. There can be an overall cap of not possessing liquor more than Rs,1,00,000/-.
6. There should be no liquor license required for parties at home as these are of private nature & have no commercial content or value.
7. Irrespective of the number of people for a home party, no license should be required. In case, number of guests needs to be mentioned, it should be for over 100 guests.
8. If liquor has been purchased from duty free shop and served at home to guests, should not be banned.
9. Duty free liquor is purchased at the Airport when people travel and it is difficult to maintain a file with all the bills for a long time.
10. No license should be required for home parties. For office parties, license can be taken if the number of attendees is more than 100.
11. There should be no reason to register the premises for obtaining a day license in the application for over 100 persons, the numbers will be mentioned.
12. The cost of the day license Rs. 17,500/- is extremely high and unnecessary. At the most for gatherings over 100 persons @ Rs. 5,000/- fee may be charged.

**With kind regards,**

**Ashish Vaid**
President, IMC

**Ashish Vaid**
President

**IMC**
Chamber of Commerce and Industry

**February 6, 2020**

**Smt Nirmala Sitharaman**
**Hon'ble Union Minister for Finance**
A Wing, Shastri Bhawan
Rajendra Prasad Road
New Delhi 110 001

**Respected Madam,**

We had made a representation to you to 18th Dec 2019 for your kind consideration. While we are happy that your good self has considered for providing relief to the following:

1) The Collector's land in Mumbai which comprises of a lot of buildings in South Mumbai; The Collector has imposed hefty transfer fees of about 6% of the market value per sq.ft and also for leasing it is charging 10% of the rental per sq.ft per month, which is an unfair law considering the owners of the buildings are virtually the owners of the land.

2) Stamp Duty rates of the Ready Reckoner are higher than the prevailing market rate of property. Eg: the rate given for Nariman Point, Mumbai for Office Premises is Rs. 5,18,000/- per sqmts whereas transactions are taking place around Rs.4,30,000/- per sq.mts. the Income Tax law provides for gains to be calculated on the basis of the Ready Reckoner rate which cannot realized in the market.

We at the Chamber would request you that the following few points – which formed part of the earlier representation of 18th Dec, may again be considered.

**I. Investment**

1) The Unfinished infrastructure projects needs to be given a boost for approval. Eg. The Mumbai-Goa Highway work and the Pune-Satara Highway have been languishing.
2) In Maharashtra, there is an unified Development Control Rules (DCR) which is pending approval since 2 years, due to which development in peripheral areas of MMR region is hampered.
3) There is an archaic rule of N.A. (Non-Agricultural) Permission to be obtained. When a city like Mumbai urbanized, this should be done away with.
4) MOEF clearance should be automatic for an area upto 200,000 sq.mts. Proper guidelines should be issued by the Ministry which can be implemented by the local Municipal Corporation monitoring the project.
5) Banks & NBFCs finances should be at a cheaper rates of interest. The RBI has cut rates, but the transmission of rates is slow. The RBI should direct the banks and NBFCs to operate within a particular interest price band.
6) The CRZ Law 2019 has been passed but the plan approval attached to this has not been cleared, resulting in no effect of the 2019 amendment. The CZMP plan needs to be approved at the earliest.
7) For FDIs investing in India, when they exit, a TDS is to be deducted on their gains. However, they have to apply a non-deduction certificate as they are not liable for taxes due to tax treaties with other Countries. This invariably a cumbersome process and FDIs are put to a law of hardship. We need to simplify their entry and exit norms for them to readily invest in India.

**II Trade**

1) India should participate in FTA agreements but on a fair and level playing field.
2) To boost trade and exports, our cost of finances needs to be brought down.
3) Our infrastructure needs to be developed to make the cost of logistics reasonable.
4) We should encourage foreign manufacturers to set up plants in India by giving them incentives and tax breaks mainly if the units are being set up in major export zones.

**III Services (Media & Entertainment services, IT & IT enabled services etc)**

1) The informal service sector can be formalized by providing them incentives such as simplification of labour laws.
2) NBFCs and banks have made lending to the real estate sector extremely stringent. The onetime rollover/ restructuring of existing loans should be worked out to banks and NBFCs for all ongoing viable projects.

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Ashish Vaid
President

IMC
Chamber of Commerce and Industry

3) The approval for projects under the PMAY Scheme should be made simpler and automatic. Currently, this scheme is available only to notified areas, which should be available in every area to boost projects in the PMAY and make the dream of our Hon. PM of 'Housing for all' real.

**IV Industrial Production: Policy Interventions to promote industrial especially manufacturing growth.**

1) Labour Laws
2) Infrastructure
3) Skilling and Vocational Training Institutions and tax sops and incentives to Industries producing and employing higher numbers.
4) Tax holidays for few years to industrial manufacturers to boost production and labour employers.
5) Simplification of land acquisition and obtaining permission for Industries and Manufacturing facilities. The One-window clearance assessment can be provided.

**V Logistics**

1) Waterways : We are blessed with waterways around our country. We need to seriously exploit the waterways for transportation of goods as it is the cheapest mode of transport. For this, ports need to be developed along our waterways and then strong road infrastructure to connect the ports to the warehouse and markets.
2) Railways : The railways need to upgrade to promote "role on - role off" facilities for trucks carrying goods to decongest the roads, and provide cheaper and faster mode of transport by railway wagons.

**Warm Regards,**

**Rajiv Podar**
Vice President -IMC

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**06 February 2020**

**Shri Piyush Goyal**
**Hon'ble Union Minister for Commerce & Industry**
**& Union Minister for Railways**
Udyog Bhavan
New Delhi 110011

Respected Hon'ble Union Minister Shri Piyush Goyal ji,

I extend greetings on behalf of IMC Chamber of Commerce and Industry (IMC-formerly Indian Merchants' Chamber).

We refer to our letter dated September 3, 2019 wherein we had made a request to accord recognition to IMC Chamber of Commerce and Industry as a National Chamber, the request which has been pending with the Ministry of Commerce and Industry.

We enclose herewith the correspondences made in this regard from time to time.

We will be grateful for your positive consideration to our request.

**With kind regards,**

**Ashish Vaid**
President, IMC

**Encl.: a/a**

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**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

**February 6, 2020**

**Shri Dilip Walse Patil**
**Hon'ble Minister of State Excise**
**Government of Maharashtra**
229, Annexe, 2nd Floor
Madame Cama Road
Mantralaya
Mumbai – 400 032.

Respected Minister,

We thank you very much for gracing our Chamber with your presence on Tuesday, 4th February 2020 with your Excise Team. We are thankful to you for the deliberations on the Maharashtra Liquor Law Order dated 19th September 2019 under the Maharashtra Prohibition Act 1949 and on the rules mentioned therein.
We are sure you would have sensed the mood of the audience on the various provisions under the said Order dated 19th September 2019.
We thank you for assuring the audience that there would be no harassment at the residences of citizens. Also you were kind enough to assure us that you would relook at the rules and provisions as suggested by our Chamber.

**With kind regards,**

**Ashish Vaid**
President, IMC

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**February 12, 2020**

**Smt. Nirmala Sitharaman**
**Hon'ble Union Minister for Finance**
Room No. 134, North Block
New Delhi 110 001

Respected Madam,

At the outset, we appreciate the efforts taken by the Government in terms of laying down a well-balanced and inclusive budget and the approach of working towards a facilitative tax regime. It has been aptly described as an 'Aspirational and Caring Budget,' as it covered all aspects: Agriculture, Start-ups, Healthcare, Education and Economic Growth.
We are submitting the Chambers' Post-Budget Memorandum on Direct Taxes as certain proposed amendments may need modifications to be effective, for your kind consideration.
We would also be happy to clarify any concerns of the Government on these issues and trust our recommendations will be considered favourably.

**With regards,**

**Ashish Vaid**
President, IMC

Similar letter sent to:

| | | | |
|---|---|---|---|
| **Mr. Mohd. Aftab Aalam** | **Mr. Arvind Shrivastava** | **Mr. P C Mody** | **Mr. Kamlesh C Varshney** |
| Economic Officer (Budget) | Joint Secretary (Budget) | Chairman, Central Board of Direct Taxes | Joint Secretary |
| Deptt. of Economic Affair | Department of Economic Affairs | Ministry of Finance, | Tax Policy & Legislation |
| Ministry of Finance | Ministry of Finance | Department of Revenue, | (TPL 1) |
| North Block | Room No. 168-B, North Block | Room No. 150, North Block | Ministry of Finance |
| New Delhi 110 001 | New Delhi – 110001 | New Delhi – 110 001 | New Delhi 110 001 |

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IMC
Chamber of Commerce and Industry

**Ashish Vaid**
President

**February 17, 2020**

**Smt Nirmala Sitharaman**
**Hon'ble Union Minister for Finance**
Ministry of Finance
Room No. 134, North Block
New Delhi 110 001

Respected Madam,

**Representation on the Direct Tax Vivad Se Vishwas Bill, 2020**

In respect of the direct tax appeal settlement scheme proposed in the above bill, we wish to represent on the following points arising out of the Bill.

The amount payable under the scheme at 100% of the tax is on the higher side, particularly when one looks at the provisions of a similar scheme for service tax disputes, which was in force till recently, where settlement could be at 50% of the tax involved.

**I. Eligibility**

1. Matters pending before Dispute Resolution Panel as of 31st January 2020 should also be permitted to be settled under the scheme.
2. Matters where draft assessment order had been issued under section 144C before 31st January 2020, but where final assessment order had not yet been passed as of 31st January 2020, where assessee had preferred not to go to the Dispute Resolution Panel, should also be eligible for settlement under the scheme.
3. The scheme should also permit applications to be made in cases where:
   a. revision proceedings under section 263 had been initiated prior to 31st January 2020,
   b. proceedings are pending before Settlement Commission on 31st January 2020,
   c. proceedings are pending before Authority for Advance Rulings on 31st January 2020,
   d. proceedings are pending under the Mutual Agreement Procedure of a tax treaty on 31st January 2020.
4. Where matters have been heard by an appellate authority on or before 31st January 2020, and order is awaited but not yet been received, it should be clarified that such matters would also be eligible under the scheme, so long as the order has not been received by the assessee till the date of filing application under the scheme.
5. Settlement should also be permitted in cases where an assessment order or appeal order has been received before 31st January 2020, and the time limit for filing further appeal has not expired as of 31st January 2020.
6. An assessee should be permitted to settle appeals partially as well. Very often, some of the additions are frivolous, while only one or two grounds are of a genuinely debatable nature, which the assessee may wish to settle. Where multiple grounds are in appeal, and the assessee wishes to settle certain grounds, only those grounds which the assessee wishes to settle would then be regarded as withdrawn.
7. In cases where two appeals are pending for the same year, one by the assessee and one by the tax department, the assessee should be permitted to settle only one appeal, if he so desires. The manner of computation of disputed tax in such cases should be specified.
8. Disputes in respect of equalization levy, which does not form part of the Income-tax Act, should also be permitted to be settled under this Scheme.

**II. Tax Arrears**

"Tax arrears" is defined to include the amount of disputed tax, interest and penalty thereon, or disputed interest, or disputed penalty or disputed fee.

The following points also need clarification in this regard:

1. Does it include the entire amount of such disputed tax, interest and penalty or only the unpaid amount of such tax, penalty and interest?
2. If it includes only the unpaid amount, would payments made against the demand earlier be adjusted first against the tax, then against interest and finally against penalty for determining the tax arrears, and therefore the amount payable under the scheme would be only the balance amount of disputed tax (plus 10%, if applicable)?
3. If it is the entire amount of such disputed tax, interest, penalty, etc., then would the assessee be entitled to set off payments made so far in respect of the demand, against the tax payable under the scheme? If so, in case such payment made till date is in excess of the amount payable under the scheme, is the assessee entitled to a refund of such excess?
4. As per income tax law, tax is to be paid at the higher of tax computed under normal provisions or under MAT provisions. However, as per the formula prescribed under the scheme, if dispute pertains to normal provisions and MAT provisions, then disputed tax will be higher, as it considers tax under normal provisions as well as tax under MAT. This amounts to double taxation.
5. If the assessment order/intimation contains any mistakes apparent from the record, for which rectification application has been or is being made, the computation should be rectified first before computing the amount payable under the scheme. The amount should not be computed as per assessment order, ignoring the proposed rectification.

**III. Consequence of Settlement**

1. The declaration made under the scheme should not impact similar issues pending in earlier years or later years, merely on account of the declaration being filed.

**Innovate, Motivate, Consolidate**
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
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Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

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**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

2. In loss cases, where the disputed tax under the scheme is the difference between the returned loss and the assessed loss, once the dispute is settled under the scheme, the higher loss should be allowed for carry forward. E.g. if the returned loss is 30, and the assessed loss is 18 (addition being 12), tax to be paid under the scheme is computed on 12. The loss to be allowed carry forward after settlement under the scheme should then be 30.
3. If there is reduction in MAT credit due to additions made under normal provisions, and these additions are settled under the scheme, the original MAT credit should then be allowed to be carried forward and set off in subsequent years.

**With regards,**

**Ashish Vaid**
President, IMC

Similar letter sent to:

**Mr. P. C. Mody**
Chairman. Central Board of Direct Taxes,
Ministry of Finance, Dept. of Revenue,
Room No. 150, North Block
New Delhi – 110 001

**Mr. M. Ajit Kumar**
Chairman, Central Board
of Indirect Taxes &
Customs Ministry of Finance
North Block, New Delhi – 110001

**Mr. A. B. Pandey**
Revenue Secretary
Ministry of Finance
Room No. 128 A,
North Block, New Delhi-110001

**Mr. Anurag Singh Thakur**
Hon'ble Union Minister of State
for Finance, Ministry of Finance
Room No. 138, North Block
New Delhi 110 001

**Mr. Arvind Shrivastava**
Joint Secretary (Budget), Department of
Economic Affairs, Ministry of Finance
Room No. 168-B, North Block
New Delhi – 110001

**Mr. Kamlesh C. Varshney**
Joint Secretary,
Tax Policy & Legislation (TPL 1),
Ministry of Finance
New Delhi 110 001

**Mr. Rajesh Kumar Bhoot**
Joint Secretary, Tax Policy &
Legislation (TPL II),
Ministry of Finance
New Delhi 110 001

**Mr. P. K. Dash**
Member - IT & R, Central Board
of Direct Taxes
North Block
New Delhi – 110001

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**February 28, 2020**

**The Secretary General**
**Rajya Sabha,**
Room No.29, Ground Floor,
Parliament House,
New Delhi.

Respected Sir,
With reference to the Bill No.V of 2020, The Terminated Employees (Welfare) Bill, 2020 introduced in Rajya Sabha on 07/02/2020, IMC Chamber of Commerce and Industry is pleased to put forth it's views for kind consideration as below.

**Comments On Welfare Bill 2020**

IMC applauds the introduction of the Welfare Bill 2020 in the Parliament as there was no such provision to offer welfare support services to the terminated employees in the history of Indian society.
It supports creation of a corpus fund which would be spent on the welfare such as medical facilities, of the terminated staff. However the Chamber opines that the fund could be utilized for upgrading the skills and increasing the working knowledge of the terminated staff, in a time bound schedule. The current time lines of 3 months' notice period is sufficient to provide financial support, and the proposed 9 months is too long and spreads out . The 3 month schedule will enable terminated workers to expedite the opportunity to work for establishments based on their enhanced work knowledge. Chambers could act as a catalyst in training institutions for such staff with the state or the central government supporting such initiatives.
IMC opines that such measures will help the workers in the unorganized sector with the subsistence levels and equip them as per their skill sets to earn livelihood.

**Warm regards,**

**Ashish Vaid**
IMC-President

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# Two days Technical Skill Development Program on Business Data Analytics

***29th & 30th, November, 2019***

*Partipants, faculty and IMC officals*

IMC jointly with Vidyalankar Consultancy service organised a two full day Technical Skill Development Program on Business Data Analytics with Python.

Dr. Mrs. Deepali Vora: (M.E., Ph.D.), Prof. Shrikant Velankar: (M.E., FIE, FIETE, C.E.) & Prof. Anuja Gote the Python experts from Vidyalankar Consultancy service conducted the program focused on the ability to understand the data, capability to analyze large amount of human & machine generated data in the businesses, skills on tools to handle statistical & mathematical models applied to data analysis.

Skills to carry out predictions/trends based on Business Data Analytics, Skills to represent data in appropriate and impressive manner which is useful to provide right directions to the business.

# Fireside Chat – Ease of Doing Business

***24th December, 2019***

The Fireside Chat Series with Regulatory Authorities and Monitoring Agencies was organised by IMC along-with Manoyog GRC Advisors on Ease of Doing Business with Regional Director, Western Region and Registrar of Companies (Mumbai).

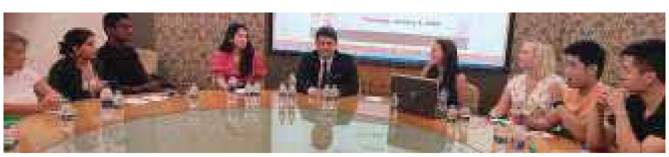
The programme was organised to discuss various practical difficulties and challenges, the professional faced while dealing with the online portal of the MCA and dealing with the office of the Registrar of Companies and Regional Directors office. Shri Manmohan Juneja, Hon'ble Regional Director, Western Region appraised the gathering with the various initiatives taken by the Ministry of Corporate Affairs for ease of doing Business. Shri Manmohan Juneja, Hon'ble Regional Director, Western Region and Shri Manoranjan Das, Hon'ble Registrar of Companies, Mumbai have satisfactorily replied to various queries raised by the audiences and invited suggestions to further enhance Ease of Doing Business.

*(L-R): CS. Snehal Shah, Mr. Manoranjan Das, Mr. Manmohan Juneja, PCS Vijay Kondalkar, Mr. Amit Somani.*



# Global Immersion Program

***09th January, 2020***



*Mr. Ajit Mangrulkar addressing the group of students & faculty from UNSW*

The 15 Global Business Practicum participants accompanied by faculty- Ms. Courtney Wright and Ms. Emily Hunter Cohen- Senior Industry Officer (International) were warmly welcomed by IMC Chamber of Commerce and Industry under the program "Global Immersion Program". Mr. Ajit Mangrulkar- Director General- IMC, emphasized to have more of Global Immersion Program for academic participants as well as for industry interns to have an understanding of the country's business, political environments, working knowledge of local business practices with different economic policies and intercultural awareness. The program included the sessions on "Doing Business in India" & "Make in India" by Mr. Atul Joshi, CEO- Oyster Capital and "Bollywood- Indian Cinema" by Mr. Arnab Mallik, co-founder of Learning Soil Edu. The group was offered scrumptious Indian food followed by the experience of trying Indian Traditional Maharashtrian attire. Ms. Emily Hunter in her 'thank you note' mentioned "Australia's future looks bright with these emerging leaders soon to be at the helm!". She thanked the IMC for being an amazing partner for making this intercultural and professional immersion course possible and for providing a comprehensive yet very fun orientation.

# Meeting on Fire Safety in Mumbai

***07th January, 2020***


*Mr. Ashish Vaid presenting a memento to Dr. Prabhat S. Rahangdale, Director, Maharashtra Fire Services*



Dr. Prabhat S. Rahangdale, Director, Maharashtra Fire Services had an interactive session with the members of the IMC, wherein he spoke of the need to be vigilant against the fire accidents as there is no foolproof system which can avoid fires.

He said most of the accidents arise due to carelessness and ignorance of the clients. He said most of the fire accidents arise due to short circuiting of the electrical appliances where the electrical wires are found hanging loosely. Also it is observed that the load on a single electrical panel with heavy three or four appliances socketed into the electrical panels. He called upon the members to have frequent inspection of the appliances and also of the junction boxes and panels to detect any lose or cut wires which have potential to short circuit resulting in fires. He especially advocated the visit to the electrical panel rooms of the housing societies which have the tendency to be used as dumping areas of the unwanted articles of the residents.

He informed the IMC members of the various initiatives being launched by the Fire Department, as prevention, detection and for early warning signals. The induction of various state-of-the-art digital based equipment's, the frequent training of the staff relevant to the line of the duty and also interaction with leading corporate bodies in India and abroad, help in understanding the new evolving and developing trends in fire safety. He emphasized the role of training for the fire personnel at regular intervals through which many case studies and live by example incidents are re-enacted to help the personnel. He said that the state government and the BMC have been seized of the recent fire incidents involving loss of life and property and have strengthened the fire safety norms for compliances.

As a pro-active step, establishments facing danger have been advised to get fire audits done for preventions. However the norm of emergency escapes in old buildings is a challenge. He said notwithstanding these, his department conducts fire drills and has regular interaction with the public on these issues. To reduce the response time in attending to the fire emergencies, Dr. Rahangdale informed of the various administrative and geographical restructurings at the local and central level command. He informed that though the response time currently is 7 minutes, the traffic conditions in the city prevent the fire personnel to reach the affected site in a lesser time frame. He said the government is seized of the issue and is working towards improving this aspect.

He presented the various PPTs on the issue of fire safety and escape and advised members to have a sole one point agenda to save one's own life while rushing to safer places in cases of fire. He complimented his staff and officers wherein for the call of duty, many of them were put under critical circumstances and some also lost their lives, while saving others.

Later the dignitary interacted with the members of IMC and responded to various suggestions and issues on the subject.

*Audience at the meeting*

# ETRise Dialogues: Industry shows way forward

***17th January, 2020***


*(L-R): Mr. Amit Vadera, Mr. Shariq Khan, Mr. Sanjay Narayan, Mr. Ashish Vaid and Mr. Yadvendra Tyagi*

The Micro, Small and Medium Enterprises (MSME) sector has often been envisioned as a sector which has great potential to help in realising the $5 trillion economy dream for India. The sector plays an important role in the growth of the Indian economy, contributing over 28 per cent of GDP, more than 40 per cent of exports, while creating employment for about 11 crore people. However, the plethora of challenges faced by MSMEs needs practical solutions that can pave the way forward and upscale such enterprises.

A range of issues pertaining to MSME challenges of land, labour, capital as well as the changes for taxpayers in GST 2.0 came up for discussion in an engaging ETRise Dialogues panel session held recently in Mumbai.

The first session on challenges crippling the growth of the MSMEs had professionals from HR, banking, fintech etc., brainstorm on the logical next steps for the industry to get the much-needed facelift. Panel member for the session included Amit Vadera, Regional Head, Teamlease; Sanjay Narayan, Deputy General Manager, Union Bank of India; Yadvendra Tyagi, Co-Founder, EnKash and Ashish Vaid, President IMC.

While Sanjay Narayan spoke about how the government's 'PSB loans in 59 minutes' scheme is well publicised now with many availing its benefits, Mr. Amit Vadera, said that the widening skill deficit needs to be addressed urgently.

Talking about the land acquisition issue, Mr. Ashish Vaid, President, IMC deliberated on how the archaic system of title investigation and the approval warranted from a number of ministries over acquiring land for industrial purposes needs to be tackled better. Rooting for single window clearances, he said that this can go a long way in making MSMEs more proficient in their business.

He also added that global players need to be encouraged to come and set up industries in the country with all the necessary incentives so that when they export from here, the advantage for India as a nation will be immense. The second session on "Challenges and Changes that taxpayers can expect under GST 2.0" saw insightful conversations that highlighted how GST has seen several changes since its introduction in 2017. Industry professionals spoke about how a lot many changes are in store for taxpayers that could help in plugging leakages and enable a more transparent system in place. Panel members for this session included M. S. Mani, Partner, Deloitte India; Mahendra Sanghi, Ex-President, Assocham and Group Chairman, Sanghi Group of Industries; Kirti Oswal, Chartered Accountant; and N. Anantha Padmanaban, Chairman, All India Gem and Jewellery Domestic Council.

M. S. Mani explained how the current form of GST aims to make things simpler and hence is starkly different from what it was during its launch. Panellists also discussed how the year 2020 has seen some of the most significant changes under the GST regime, with a new set of return filing forms coming into play from April this year. The debate eventually veered towards another notable change of e-invoicing. Panellists went on to explain how the system can help to reduce the number of fraudulent cases and keep a check on non-compliant taxpayers. Given this backdrop, the panel concluded, the next few months would be significant for taxpayers.

*(L-R): Mr. Pranbihanga Borpuzari, Mr. M. S. Mani, Mr. Mahendra Sanghi, Mr. Kirti Oswal and Mr. N. Anantha Padmanaban*

KNOWLEDGE SERIES

# IMC International ADR centre(IIAC) - Interaction with Parliamentary Standing Committee on the subject "Functioning of ADR Mechanisms"

*18th January, 2020*

IMC International ADR Centre "IIAC", an Alternative Dispute Resolution (ADR) institution for Arbitration, Mediation and Conciliation in Mumbai. ADRs are recognized methods and processes used for the purpose of resolving conflicts or disputes in a speedy and efficient manner, and aim to provide services that meet parties' specific interests.

The Government of India, Ministry of Law and Justice, Department of Legal Affairs (the Department) in its communication dated December 31, 2019 to IIAC among a few select institutions in Mumbai, informed of the study visit of the 'Parliamentary Standing Committee' on Personnel Public Grievances, Law and Justice to Mumbai on 18th January 2019 to interact with experts and stakeholders from IIAC (amongst the very few other institutions named and invited) on the subject of 'Functioning of ADR Mechanisms', inviting IIAC to attend for interaction with the members of the high powered Parliamentary Standing Committee, and also, to provide a brief write up (including IIAC's List of empanelled Arbitrators/ Mediators) on the subject. IIAC responded promptly on 2nd January, 2020 with a fairly detailed write-up as requested and introduction about IIAC and its institution Rules on Arbitration and Mediation.

The Department sent another communication dated January 2, 2020 with a questionnaire on subject: 'Functioning of Alternative Dispute Resolution (ADR) Mechanisms'.

IIAC with the assistance of the Chairman and Co-Chairman of the IMC Arbitration Committee, as well as, of the Chairman of the Mediation Committee, quickly reverted back to the Department with a fairly detailed response to the Questionnaire on January 3, 2020. Following IIAC's response, a communication dated January 8, 2020 was received from the Department, requesting details about IIAC's representatives attending on January 18, 2020. IIAC responded to very promptly on the January 9, 2020 with a brief write up, details, and the names of representatives who will be attending the interactive hearing on January 18, 2020 on behalf of IIAC.

*IMC - Delegates alongwith Parliamentary Standing Committee*

IIAC also prepared and had circulated in advance on January 17, 2020, brief pointers for consideration of the Parliamentary Standing Committee members, for discussion during the interactive hearing/meeting (along with, a specially prepared IIAC brochure) to be held on January 18, 2020 at Rendezvous Hall, Roof Top, Taj Towers Gateway, from 9.30 am to 12 noon in Mumbai on the subject of Arbitration, the Functioning of Alternative Dispute Resolutions (ADR) mechanisms, Arbitral Institutions, the practical difficulties faced by Arbitrators, Arbitral Institutions, and also, under the Arbitration and Conciliation Act along with its amendments. '

On the day of the interactive hearing on Januray 18, 2020, Chairman Hon'ble Shri. Bhupendra Yadav of the Parliamentary Standing Committee, an expert on Parliament Select Committees, titled as the "Committee Man", introduced the other present Hon'ble members of the high powered Parliament Standing Committee and the Department of Personnel, Public Grievances, Law, and also, greeted, welcomed and addressed the representatives of the Arbitral and Mediation Institutions.

The Parliamentary Committee had only invited 5 Arbitral and Mediation institutions from Mumbai:

1. IMC International ADR Centre (IIAC);
2. Indian Institute of Arbitration and Mediation (IIAM) ;
3. Bombay Chamber of Commerce and Industry (CMC = Centre of Mediation and Conciliation);
4. Mumbai Centre for International Arbitration (MCIA); and
5. International and Domestic Arbitration Centre.

IIAC was represented by the following eminent and key persons:

1. Hon'ble Justice Mrs. Sujata Manohar (Retd.), a former Justice of the Hon'ble Supreme Court of India, a current member of IIAC's Apex Advisory Council and, an eminent Arbitrator of great experience and repute;
2. Mr. Shailesh S. Vaidya, Chairperson of IIAC, Past President of IMC, Past Chairman of IMC's Law Committee, an Advocate and Solicitor and, a Partner of M/s. Kanga and Company, Advocates and Solicitors;
3. Mr. Gautam T. Mehta, Chairperson of IMC's Arbitration Committee, a practicing Advocate-Counsel in the High Court at Bombay, an Arbitrator, a Main Speaker at IMC Arbitration Committee's annual 7 Day Arbitration Course and a member of IIAC's Governing Council;
4. Mr. Prathamesh D. Popat, Chairman of IMC's Mediation and Conciliation Committee, an Advocate-Counsel in the High Court at Bombay, an eminent and well recognized Mediator and Mediator Trainer, a Speaker of Mediation at various institutions, and a member of IIAC's Governing Council;
5. Mr. Bhavesh V. Panjuani, Co-Chairman of IMC's Arbitration Committee, an Advocate and Solicitor and, a partner of M/s. Mulla & Mulla and

Craigie Blunt & Caroe, Advocates and Solicitors;

6. Mr. Ajit Mangrulkar, Director General of IMC Chamber of Commerce and Industry.

Members of the IIAC/ IMC Secretariat – Advocate Ms. Nancy Y. Siodia and Advocate Mr. Prajakt Palladwar also attended the meeting. At the hearing before/meeting with the Parliamentary Standing Committee, Mr. Gautam T. Mehta spoke on behalf of IIAC and placed IIAC's views and suggestions on both arbitration and mediation. Hon'ble Justice Mrs. Sujata Manohar (Retd.) was given great respect by the Parliamentary Standing Committee and accorded the honour and special privilege of giving her views, suggestions and making the 'closing remarks' on the subject.

The members of the Parliamentary Standing Committee sought the views and comments of IIAC on several points, and expressed their pleasure at IMC Arbitration Committee's 7 Day Arbitration Course, which is being conducted annually each year for the past 14 to 15 years.

Following the interactive hearing, and as requested by the Parliamentary Standing Committee and its members, IIAC on January 30, 2020 in its response sent its suggestions, which were separately prepared by Hon'ble Justice Mrs. Sujata Manohar (Retd.), and Mr. Gautam T. Mehta and Mr. Bhavesh V. Panjuani, which laid emphasis and focus on:

a) Elements of law, practice and functioning of arbitrations and mediations in India (with emphasis on 'Domestic arbitrations and mediations');

b) Legislation and Government policy again with emphasis is on 'Domestic' ADR Mechanisms;

c) Need for Arbitrations, Mediations/ Conciliations to receive support in terms of policy to gain momentum and succeed in India;

d) India had taken some pragmatic and innovative steps in arbitration, e.g. the introduction of Section 29-A in The Arbitration and Conciliation Act, 1996 (ACA) (in 2015), under which stringent time limits have been imposed for completion of domestic arbitrations;

e) The ACA was legislated following the UNCITRAL Model and replacing the (Indian) Arbitration Act, 1940. Even, the ACA has been amended substantially in 2015, and recently in 2019;

f) There is a need, a necessity to recognize, consider and work towards:

i) encouraging and fostering a mindset and culture on priority basis for ADR in India;

ii) Promoting and encouraging all Institutions rendering ADR services, and over the present ad-hoc methods of ADR;

iii) Giving primacy to Institutions over ad-hoc through legislation and policy;

iv) Creating wider awareness about ADR mechanisms, as preferred, suitable and appropriate alternative to Court disputes resolution mechanism;

v) Making ADR mandatory in the very first instance as a mechanism of disputes resolutions, especially in all Commercial Disputes in private, public sector, PSUs, SMEs, MSMEs, trade bodies and business associations ('spreading the net wide' in all commercial matters);

vi) Not making any preferences or distinctions between different ADR methods and mechanisms. Encouraging all, and all must be promoted. It required to be understood and accepted that each ADR mechanism has a separate efficacy and applicability, depending on the nature of disputes and parties;

vii) Not grading of institutions, as is now contemplated under the newly added Part I-A 'Arbitration Council of India' by virtue of the 2019 amendment to the ACA and, with insertion of Sections 43-A to 43-M, 8th Schedule, and more particularly Sections 43-I and 43-J read with the 8th Schedule thereof, which contemplate grading of Arbitral Institutions, as well as, norms for accreditation of Arbitrators.

These to say the least are mis-conceived and may prove retrograde in the long run to encouraging the practical acceptance, growth and popularity of ADR in India, especially domestic ADR;

viii) Not taking away in any manner the basic and fundamental principle of "Party Autonomy" from parties in ADR and creating a unhealthy system of making the pool of Arbitrators a restricted one, when it should be the other way around, that is to increase the pool of Arbitraors / Mediators / Conciliators in India;

ix) Creating a national register of Arbitrations and Mediations on a voluntary basis, to only have some statistical data for the Government, legislature and policy makers to realize and become aware of the quantum of disputes that are being dealt with under the ADR mechanisms;

x) Under Section 11 sub-section (3-A) of the ACA, which has been introduced pursuant to 2019 amendment, and which may be notified, the Supreme Court and High Courts have been given the powers to designate Arbitral Institutions from time to time, which are graded by the Arbitration Council of India under Section 43-I of the ACA.

Also, Section 11 sub-section (6-B) provides that the function of designation is not to be considered as delegation of judicial powers. These amended provisions of the Act do *prima facie* create an avoidable apprehension and ambiguity as to what would be the criteria and basis for such designation by the Supreme Court or High Courts, for grading institutions to be designated, or even despite being graded not designated. It is obvious that this will cause grave concerns in the minds of the stakeholders in the ADR Mechanisms. Peculiarly, this seems to apply only to Arbitrations, while Mediators/ Conciliators covered under Part-III of the ACA have been ignored from similar provisions

xi) the fact being ignored, not fully, effectively and properly implemented that though under The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (4 of 2016), by virtue of the provisions of recently added (2018) Part III-A Section 12A, it has become mandatory for parties to go to mediation before initiating proceedings under the Act, which relate to Commercial matters and disputes, unless some urgent relief is required;

xii) For ADR to function well, effectively and efficiently in India, there also is a need for an All-India ADR Bar, consisting not only of people from the legal field such as lawyers, counsel, retired judges, but also, persons, including other professionals, businessmen practicing in the field of ADR, but also domain experts;

xiii) need for thinking 'out of the box' and keeping in mind the ground realities to make ADR work effectively and successfully in India.

# Training programme on New GST Return

**21st January, 2020**

*Mr. Deore along with GST Officials, Mr. Ganeshan Pillai and Mr. Anil Panchal*

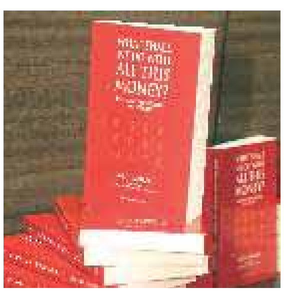
IMC Vashi recently organised a training Program on the New GST return. The GST officials such as Mr. Megharaj Deore & Mr Chetan Doke, Dy Commissioner (GST), Mr Deepak Dangar & Mr N K Dighe, Asst Commissioner, elaborated the various technical and practical aspect of the newly designed user-friendly Sahaj and Sugam formats of the scheme which is not only make it easy to comprehend but also easy to file.

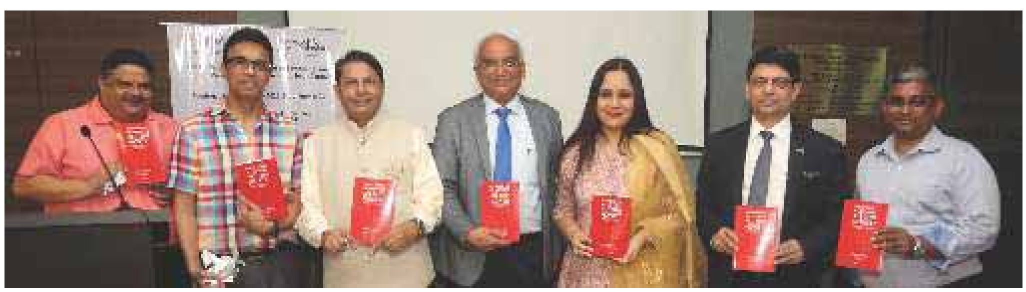
It has also taken into consideration all format of transactions under the B2B and B2C mode as a predefined financial turnover.

The new format has also dealt with practical difficulties faced by the vendors and others in case of errors and late submission. The new GST Return System has option available to file quarterly return for taxpayers whose aggregate annual turnover in the previous financial year was up to Rs. 5 crore and NIL return can be filed through SMS. It also has features to upload Invoice details by suppliers and the same can be viewed by the recipient on real time basis. Matching tool is available which will help the taxpayer to match their Input Tax Credit based on their FORM GST ANX - 2 and purchase register.

# Book Launch: "What shall we do with all this money?: Inspiring perspectives on wealth

**22nd January, 2020**





*(L-R) Mr. Harsha Bhatkal, Mr. Suketu Shah, Mr. Jayesh Parekh, Mr. Ashish Vaid, Ms. Mukta Mahajani, Mr. Ajit Mangrulkar, Mr. Vijay Thakur*

Book Launch and a panel discussion on "What shall we do with all this money? :Inspiring perspectives on wealth" authored by Mr. Jayesh Parekh, Co-Founder, Sony Entertainment Television was organized by IMC Chamber of Commerce and Industry in association with Popular Prakashan.

At the book launch - an interesting perspective emerged wherein the discussion led to the question of how much money one needs to say that enough is enough.

Mr. Parekh said the current trend is a complex one wherein, while millionaires want to upgrade themselves to billionaires, and then to very HNI and then to ultra HNI…the greed for more money is endless.

He pondered whether all the wealth leads to happiness or one is stuck with more money for better lifestyles and luxuries but still being unhappy.

He advocated a rational way of doing more with the money in terms of philanthropy, and spending for the good of society.

# Commodity Market Fundamentals Forum

**23rd January, 2020**

Seminar titled "Commodity Market Fundamentals Forum" was jointly organised by IMC Chamber of Commerce and Industry (IMC) and Multi Commodity Exchange of India (MCX) to deepen and widen the commodity derivatives market. Inaugurating the seminar as Chief Guest, Mr. A. S. Mithwani, Chief General Manager, SEBI, highlighted the many developmental steps SEBI took since 2015 in order to raise the level of participation in the commodity derivatives market. These included allowing more products and new participants including institutional participants. Given that India has large exposure to a variety of commodities including energy products, industrial and precious metals as also agricultural goods, he said that we should strive to become price-setters in the market rather than price-takers as at present.

Mr. Mithwani also said, SEBI was always open to consultations and receiving constructive feedback about commodity derivatives market. He saw a bright future for the futures industry in the years ahead. Mr. P. S. Reddy, MD & CEO, MCX, in his special address urged all market participants to pursue 'Trade in India' on the lines of "Make in India". He underlined that the country's largest commodity derivatives exchange, MCX has robust internal control systems that inspire the confidence of market participants. In the business sessions that followed, Dr. V. Shunmugam, Head, Research, MCX, outlined the various drivers of the commodity markets covering crude oil, bullion, base metals and agriculture.

(L-R): Dr. V. Shunmugam, Mr. G. Chandrashekhar, Mr. A.S. Mithwani, Mr. Ashish Vaid, Mr. P.S. Reddy, Mr. Atul Joshi and Mr. Ajit Mangrulkar

Mr. Sandeep Daga, Director, Regsus Consulting made a presentation on base metals market fundamentals and observed that most metals may move from deficit to surplus in 2020.

Mr. Kunal Shah, Head, Commodities Research, Nirmal Bang, discussed the bullion market drivers and highlighted that global uncertainties and risk aversion are likely to benefit gold which is a safe haven asset.

Mr. G. Chandrashekhar, Economic Advisor, IMC, presented the palm oil and cotton market fundamentals, and showed how the recent thaw in the US-China trade tiff would impact the commodities. He also briefly said the global crude oil market was well supplied in the first half of 2020 with output in the US and non-OPEC origins creating a small surplus in the market, while growth concerns continue to weigh on the market.



# Seminar on Commodities as India's Basic Building Blocks

**27th January, 2020**

A seminar on "Commodities as India's Basic Building Blocks" was organised and powered by MCX IPF, India's leading commodity derivatives exchange. ITnium, Sangli supported the event.

The entire session covering macro economy and risk management was handled by Mr. G. Chandrashekhar, Economic Advisor, IMC and Director IMC ERTF. Given the huge uncertainties in the marketplace, there is keen desire among commodity value chain participants to learn more about price risk management through hedging. Because of which there is now a huge economic interest in commodities.


(L-R): Ms. Anita Naik, Mr. Nilesh Takale, Mr. G. Chandrashekhar and Mr. Ajay Shah

Over all the seminar elicited a positive response.

# Conducive Startup Ecosystem: Scaling Up & Talent Management

***28th January, 2020***


*(L-R): Mr. Ashutosh Ghanekar, Mr. Neel Lalka , Mr. Harshal Shah, Mr. Ameya Prabhu, Ms. Nidhi Raina and Mr. Sumit K Mody*



One day program titled "Conducive Startup Ecosystem : Scaling Up & Talent Management" was organized by IMC Chamber of Commerce and Industry (IMC) - Start-up Committee and Young Leaders' Forum (YLF) and MillionMinds.

Mr. Ashish Vaid, President, IMC, in his welcome address pointed out the start-up disruption in the country, tremendous wealth generated by the Unicorns and the challenges of the ecosystem.

Ms. Paula Mariwala traced the history of the technological startups in US and India and highlighted the many challenges of a typical start-up, which include challenges of scaling up and challenges of Talent management and retention. Her speech was followed by Mr. Sanjoy Chakraborty of Million Minds, who addressed the gathering and expanded on the theme of the program challenges of the Startup Ecosystem: Scaling-up & Talent Management.

Mr Neel Lalka of Maharashtra State Innovation Society addressed the gathering on the role of Maharashtra State Innovation Society in nurturing the start-up ecosystem in the state of Maharashtra and also informed the audience of the start-up week program organized by the Maharashtra start-up Week to support the startup ecosystem in the state which provides a platform for budding entrepreneurs to grow by showcasing their innovative solutions to the Government of Maharashtra.

The speeches were followed by panel discussion on the topic: Scaling Up, moderated by Mr. Ameya Prabhu (Duesberg Bosson Financial Services) and the Panelists, Mr. Harshal Shah (AIC NMIMS Incubation Centre), Mr. Sumit K Mody (Healthpassion Funds), Mr. Ashutosh Ghanekar (ANG Capital), Ms. Nidhi Raina (Quonscious), Mr. Neel Lalka (Maharashtra State Innovation Society).

The second panel was on the Topic "Talent Management" moderated by Mr. Sanjoy Chakrabarty (MillionMinds) with panelists, Mr. Abhijeet Kumar (Ah! Ventures), Mr. Yagnesh Sanghrajka (100x VC), Mr. Vishal Rupani (Canvas M), Mr. Avinash Jhangiani (Play to Transform), Ms. Nidhi Raina (Quonscious).

The final talk was given by Mr. Ashish Fafadia- Blume Venture, who shared his experience on funding startups, and explained the various challenges the start-ups face and the way his investee companies overcame them.


*Mr. Ashish Fafadia- Blume Venture*

These sessions were interactive with the experts answering several questions raised by participants on venture funding, scaling up, talent management.

The program ended with a networking session between panelists, speakers and the audience.

*(L-R): Mr. Abhijeet Kumar, Mr. Vishal Rupani, Mr. Sanjoy Chakraborty, Ms. Nidhi Raina, Mr. Yagnesh Sanghrajka and Mr. Avinash Jhangiani*

# Half-Yearly Ordinary General Meeting of IMC

***30th January, 2020***


*(L-R): Mr. Manoj Sonawala, Mr. Ketan Dalal, Mr. Rishikesh Deshpande, Mr. Ashish Vaid, Mr. Shailesh Haribhakti, Mr. Ajit Mangrulkar, Mr. Sanjay Mehta and Mr. Sougata Ghosh*

At the half yearly review meeting, the Mr. Ashish Vaid, President, IMC gave an overview of the developments at the Chamber during the past 6 months. He specifically highlighted the growing presence of the Chamber at the national and international level. He gave instances of the inclusion of a high powered IMC delegation, as part of the President and Vice President's visits to Baltic and European countries.

At these delegations, the IMC Chamber was able to interact with the heads of institutions for business needs and in promoting good governance. Mr Ashish Vaid also mentioned the participation of the Chamber at acclaimed think-tanks and mentioned the IMCs intellectual capabilities at the series of discussion held by the Centre of Joint Warfare Studies (set up under the aegis of the defense ministry).

The President mentioned that the theme of the IMC – "Innovate, Motivate, Consolidate" is being reflected in true spirits in the various activities, participation and advocacy.

To make the government decision more conducive to the business environment, IMC has been sending suggestions, representations delegations and also meeting the policy maker's across the various ministries.

IMC was invited to the pre-budget meeting of the Union Finance Minister, wherein we put across our suggestions of various nature to the FM and also to the senior officers of the ministry and tax departments. He further mentioned that the Chamber has been able to connect to the various ministries, bureaucrats, think-tanks and policy makers and implementers across the central and state governments. The Chamber has been organizing, seminars, talks, study sessions, hosting in and outbound trade delegations and such others in the past six months. He applauded the initiatives of the publicity department for putting up the developments of the Chamber in print and social media space.

The increase in fan following on twitter speaks of the growing popularity of the Chamber in terms of the events, intellectual discussions, meetings, seminars and the views that are being communicated to the policy and decision makers in the government and elsewhere.

He also mentioned the growing stature of the Chamber wherein the Indian Ambassador to Czech Republic contributed an article to our IMC Journal. Another hallmark was the series of articles which are being contributed by an IFS Officer on regular basis to the IMC Journal. He also complimented the Secretariat organizing events, programs, and talk sessions which enhanced the image of the Chamber and also helped in increasing its the membership. Later, at the special talk and an interactive session on the turnaround potential of the Indian economy, Mr. Shailesh Haribhakti expressed his optimism for the country being at the cusp of a remarkable turnaround and economic ability to clock higher rates of GDP in the next 6 months on the pace of the structural reforms underway.

Mr. Ketan Dalal, Chairman of the Direct Tax Committee of the Chamber, gave an overview of the developments of the country's fiscal space and desired reduction of the personal income tax in the forthcoming budget. He also appreciated the government's initiative undertaken in rationalization of many direct taxes under the ease of doing business, and desired that the pace of reforms should continue to help the country achieve many significant milestones.

At the conclusion, the Director General proposed a vote of thanks highlighting the support and guidance of the past presidents and other senior members of the Managing Committee in its smooth functioning.


*Mr. Ashish Vaid presenting a bound volume of IMC Journal to Mr. Rishikesh Deshpande on behalf of Mr. Raj Nair*

# IMC Ramkrishna Bajaj National Quality Awards Recognitions 2019

*31st January, 2020*

*Panel of Judges : Seated: (R-L): Mr. Vivek Talwar, Mr. Nayan Patel, Dr. Lalit S. Kanodia, Mr. Pradeep B Chinai, Mr. Jairaj Purandare and Mr. Govind Shrikhande. Standing: (R-L): Mr. Ajit Mangrulkar, Mr. Sougata Ghosh, Mr. Suresh Lulla, Mr. Niraj Bajaj, Ms. Maya Desai, Ms. Ashita Hegde, Ms. Natasha Swamy and Ms. Manjusha Babu*

Recognitions for the 2019 Awards cycle of IMC Ramkrishna Bajaj National Quality Awards & IMC Juran Quality Medal were declared by the Panel of Judges. The meeting was chaired by Dr. Lalit S. Kanodia, Chairman, Datamatics Group of Companies. The Members of the Jury included Mr. Govind Shrikhande, Former MD, Shoppers Stop; Mr. Jairaj Purandare, Chairman, JMP Advisors Pvt. Ltd.; Mr. Nayan Patel, Executive Director, Packam Controls Pvt. Ltd.; Mr. Pradeep B. Chinai, Managing Director, Exedy India Ltd.; Mr Vivek Talwar, Founder, Chrysalis

**Winners of IMC RBNQ Award are:**

- Bannari Amman Institute of Technology, Sathyamangalam, Tamil Nadu – **Education Category**
- BSES Yamuna Power Limited, Delhi – **Service Category**
- Ganga Medical Centre & Hospitals Pvt. Ltd., Coimbatore, Tamil Nadu – **Health Care Category**
- Global Indian Education Private Limited (Global Indian International School, Tokyo) – **Overseas Category**
- Marico Limited, Perundurai, Tamil Nadu – **Manufacturing Category**
- Samta Purushottam Agrawal Memorial Foundation, Mumbai – **NGO Category**

**IMC Juran Quality Medal 2019** goes to Harsh Mariwala, Chairman, Marico Ltd.; CMD, Kaya Ltd.

# Union Budget 2020-21

*01st February, 2020*


*(L-R): Mr. Rajiv Poddar, Dr. Niranjan Hiranandani, Mr. Ashish Vaid, Mr. Ajit Mangrulkar and Mr. Sanjay Mehta at Union Budget discussion 2020-21*

## *Mr. Ashish Vaid, President, IMC views on Budget 2020-21*

IMC congratulates the FM for having presented a budget which takes care of the social and economic needs of the country. The amounts allocated to build excellence in higher education sector, promotion of 'Study In India' concept through on-line studies at the universities and the internship scheme for engineers at the urban local bodies is a unique and welcome initiative.

The extension of Ayushman Bharat scheme and increased allotments for health care and for the senior citizens, is a step for making a healthy India. IMC appreciates the increased focus on girl child in elementary education and nutrition based spending for women.

The Chamber appreciates the focus on infrastructure such as developing strategic highways, 100 new airports, 11,000 km of track electrification, all of which are the steps to bring about all round sectoral development. The provision of solar pumps to Rs. 20 lakh farmers will reduce traditional power consumption and help in water conservation. The Chamber congratulates abolishing of DDT to boost corporate investments, applauds steps to end harassment by tax authorities by raising the threshold limit for audit of MSMEs from Rs. 1 crore to Rs. 5 core, introduction of digital refund for duties for exporters, and the faceless scheme for tax appeals.

The Chamber opines that the extension of credit guarantee to MSMEs, Infra, Education and the agriculture sector will kickstart the credit flow to these sectors which were earlier starved of funds.

The Chamber appreciates the rate cuts for personal income tax, however there was expectation that it would match up the corporate rates of tax, which perhaps was not possible incurrent circumstances. Putting more money in the hands of the tax payer helps kickstart the economy as it encourages higher consumption.



*Mrs. Bhavna Doshi giving interview to India Today*


*Mr. Ajit Mangrulkar giving interview to ANI*


*Mr. Shailesh Haribhakti giving interview to Zee News*

### *Mr. Ajit Mangrulkar, Director-General, IMC views on Budget 2020-21*

Spending on social indices of health, education and nutrition with special focus for girl, women and senior citizens is welcome.

On the economic front, the Chamber appreciates abolition of the DDT in the stock markets which will help boost corporate investments, reduction in personal income tax rate for those who forgo exemptions under the new option, resulting in more money in their hands for more consumption. Spending on infrastructure such as developing strategic highways, 100 new airports, 11,000 KM of track electrification, are the steps to bring about all round sectoral development.

The provision of solar pumps to 20 lakh farmers will reduce traditional power consumption and also help in water conservation.

The Chamber appreciates steps to end harassment by tax authorities by raising the threshold limit for audit of MSMEs from Rs. 1 crore to Rs. 5 crore, introduction of digital refund for duties for exporters, and digital scheme for faceless litigation.

The extension of credit guarantee to MSMEs, Infra, Education and Agriculture sector will kickstart the credit flow to these sectors which were earlier starved of funds.


*Dr. Lalit Kanodia giving interview to E TV*

*Mr. Niraj Bajaj giving interview to media*


*Mr. Sanjay Mehta giving interview to ANI*

## Springboard '20

***02nd February, 2020***

*Students of Sydenhm Institute of Management Studies, Research and Entrepreneurship Education's Entrepreneurship Cell*

*CA. Shardul Shah and Ms. Vidhi Doshi welcomed by a Student*

IMC Young Leaders' Forum and Education Dept. of IMC Chamber of Commerce and Industry supported the Event "Springboard '20" organized by Sydenhm Institute of Management Studies, Research and Entrepreneurship Education's Entrepreneurship Cell. CA Shardul Shah and Ms. Vidhi Doshi, Co-Chairs, Young Leaders' Forum, were invited as the esteemed speakers on the topic "Is Entrepreneurship the need of the hour, for the young and bright minds of India?"

# Interactive meeting on Exploring Bilateral Business Opportunities between India and Indonesia

***04th February, 2020***


*His Excellency Mr. Agus P. Saptono and members*

IMC Vashi Branch organised an interactive meeting with His Excellency Mr. Agus P Saptono who has been recently appointed as Hon'ble Consul General of the Republic of Indonesia in Mumbai for exploring bi-lateral trade with Indonesia.

Mr. R. K. Jain, Chairman, IMC, Navi briefed about IMC and spoke about the evolution of Navi Mumbai which is not only a vibrant city but also an Engine of Economic growth propelled by Large and MSMES engaged in Chemical, Engineering, IT/ITES, Textiles, Dyeing, Pharmaceuticals, Service sector and others. This infrastructure boom expected to create Lakhs of jobs and includes the new airport, the expansion of Jawaharlal Nehru Port trust, a metro project, affordable housing and highway expansions. APMC Asia's biggest wholesale agri and grain market is located in Vashi, Navi Mumbai. HE Mr. Agus P Saptono spoke about the close cultural and economic ties India and Indonesia has been enjoying and the growth in the bi-lateral trade over the years.

Some of the trade issues related to export of agro-products, spices, etc were highlighted which was noted by the Officials of the Consulate for appropriate action.



# Union Budget Analysis at Jai Hind College

***04th February, 2020***

IMC Young Leaders' Forum and Education Dept. along with Jai Hind College jointly organized a session on "Union Budget Analysis" for the students of Jai Hind College.

CA. Shardul Shah, Ms. Vidhi Doshi and CA. Raghav Bubna gave insights on Budget and its impact.


*(L-R): CA. Raghav Bubna, Ms. Vidhi Doshi, Dr. Ila Pathak Jha, Dr. Udhav Zarekar, CA. Santosh Ghag, CA. Shardul Shah, Prof. Reshma Jaisinghani, Prof. Fatema Fanuswala, Prof. Bhagyashree Sawant and Prof. Tanveer Kerawala*

# Meeting with Minister for Labour and State Excise, Government of Maharashtra

***04th February, 2020***

At an interactive session with the members of the Managing Committee of IMC Chamber of Commerce and Industry, the Hon'ble Minister of Excise, Shri Dilip Walse Patil said the home department order of 19th September, 2019 needs a scrutiny.

Many IMC members had raised issue to differentiate between a private gathering and a public function for implementing the provisions of this notification. The current provisions, make it difficult for law abiding citizens to consume and serve liquor at home at private functions. It was also pointed out that the need to maintain the receipt of the liquor bought from the Duty Free Shops and which is to be used for personal consumption was fraught with inconsistencies. The Minister agreed with the suggestion to have a review of the entire issue in totality in which the conditionality of the limits prescribed for physical storage of liquor bottles was outdated and need a revisit and a review.

He assured that the provisions of the Maharashtra Prohibition Act do not apply to the private gathering at residences.

He allayed fears that the provisions of the law would be used to harass the citizens who want to hold get-togethers and parties at their residences.

He further assured the members that the requirement of carrying liquor permits to the private get together would be reviewed.

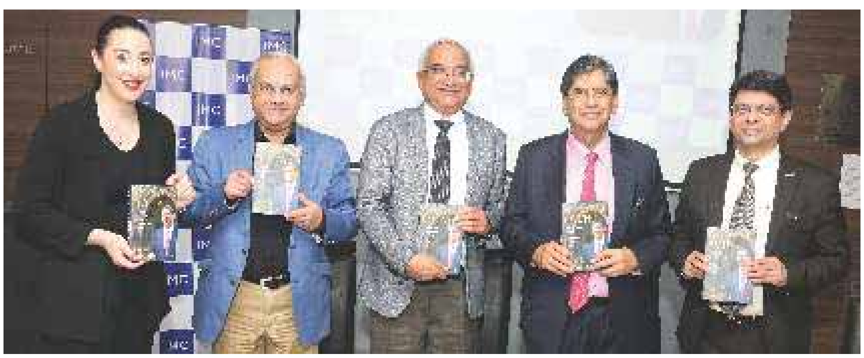
*Mr. Ashish Vaid presenting a memento to Shri Dilip Walse Patil. Also seen : Mr. Rajiv Podar*

The Minister complimented the Chamber for taking up issues of social importance and which affect a wide cross section of the populace.



# Book Launch – Honour Bound: Adventures of an Indian Lawyer in the English Courts

***05th February, 2020***



*(L-R): Ms. Emily Simons, Mr. Ashis Ray, Mr. Ashish Vaid, Mr. Sarosh Zaiwalla and Mr. Ajit Mangrulkar*

IMC Chamber of Commerce and Industry had organized a Book Launch of the book "Honour Bound : Adventures of an Indian Lawyer in the English Courts" authored by Mr. Sarosh Zaiwalla, Sr. Partner at Zaiwalla & Co., International Lawyer, Arbitrator and Mediator based in London.

Mr. Ashis Ray, Indian Foreign correspondent based in London who has been serving in BBC, ITN, Times of India moderated the session along with Special Guest Mr. Jimmy Pochkhanawala, Senior Counsel, Supreme Court of India.

Mr. Zaiwalla is the Senior Partner of Zaiwalla & Co. Solicitors which has been in the City of London for the past 35 years. He shares his adventures and experiences of his life and career through his book "Honour Bound: Adventures of an Indian Lawyer in the English Courts".

There are about 104 reported judgments in the English law reports where his firm had acted for one of the parties.

The book looks back on his career – from his passage to England at a time when diversity had barely begun to take root in its legal circles to now leading a groundbreaking law firm.

This is the story of a solicitor who made his way on his own terms, with creativity but without ever compromising on his values.

While he still has many chapters ahead of him ("A lawyer never retires after all), some of the cases concluded have created a storm in India.

His memoir is filled with drama and intrigue, from instructing a young barrister to deal with some of the biggest cases ever heard. Earlier welcoming the author, Mr. Ashish Vaid, President, IMC appreciated efforts of the library in organizing such talk sessions and encouraged the library to organize more such sessions of eminent speakers.

# Post Budget Analysis of Tax Related Proposals in Pune

***06th February, 2020***


*(L-R) : Mr. Abhishek Anand, Mr. Abhay Pitale, Mr. Upendra Shah and Mr. Nitin Bhapkar*

IMC Chamber of Commerce and Industry recently organized a Seminar on Post Budget Analysis of Tax Related Proposals.

The Seminar was presented by Mr. Abhay Pitale, Partner - Tax & Regulatory Services, BDO India LLP and Mr. Abhishek Anand, Partner - Indirect Tax, BDO India LLP, who shared their views on the planning, advisory and implementation of key initiatives pertaining to Tax issues post budget and their implications on Trade & Industry. Mr. Abhay Pitale in his crisp presentation on Economic Survey, Macro-Economic Announcements, Direct Tax proposals and opined on the following area:

1. Personal Tax Rates
2. Personal Taxes - New Regime
3. Dividend Distribution Tax
4. Non Resident Taxation
5. Start-up Taxation
6. Withholding Tax
7. Tax Collected At Source
8. Dispute Resolution
9. Key Due Dates Reshuffle

Further, Mr. Abhishek Anand conferred on Indirect Tax Proposals and furnished the participants with a detailed presentation covering the following topics:

1) Customs
   - Amendment in Registration Provisions
   - Amendment in Transition Provisions
2) Chapter VAA introduced in the Customs Act to administer imports under FTA by submission of Certificate of Origin (COO) 1/2
3) Chapter VAA introduced in the Customs Act to administer imports under FTA by submission of COO (2/2)
4) Electronic Duty Credit Ledger
5) Safeguard measures
6) Prohibition measures
7) Health Cess
8) Increase in National Calamity Contingent Duty ("NCCD")
9) Exemption from levy of SWS
10) Customs Duty Rate Changes
11) Anti-Dumping Duty/Countervailing Duty



# Insight — Global Youth Economic Summit

***06th February, 2020***


*Mr. Ameya Prabhu delivering keynote speech*

Global Youth Economic Summit, a youth oriented conference that was held on the lines of the World Economic Forum, an initiative of insight with an aim to create an environment conducive to learning where every attendee's ideas and thoughts are nurtured while planting seeds for new avenues of knowledge.

"Insight" is the annual Business, Finance and Economics meet of Narsee Monjee College of Commerce and Economics which was supported by the IMC and IMC Young Leaders' Forum(YLF).

Mr. Ameya Prabhu, Chairman, YLF was invited as keynote speaker wherein he spoke on "Futuristic Outlook for Global economy".

Networking

# International Responsible Investors Network

***07th February, 2020***


*(L-R): Prof. Ujjwal K. Chowdhury, Mr. Ashish Vaid, Shri Nawab Malik, Ms. Harsha Mukherjee and Mr. Uttam Bagri*

Sustainable development is a global challenge being faced by all Corporates and Governments across the world. To address them every industry is taking measures. With strong linkages being established between Sustainability and growth, shareholders and the investment community are emphasizing the need to invest in companies which are sustainable and socially responsible. The focus of the event was on:

- Understanding the Global Shift in Sustainable Finance
- Innovative Financial Products and Services Promoting Responsible Investments
- Measuring indicators and frameworks for Sustainable economy
- Sustainable Stock exchanges
- ESGs vs. SDGs what is better framework, what is better for Present Investment Community?

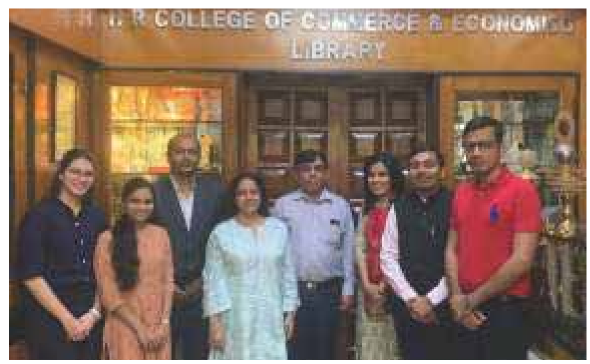
# Union Budget Analysis at HR College

***08th February, 2020***

Session on Union Budget Analysis was organized by IMC YLF and HR College.

The speakers of the session were CA. Shardul Shah, CA. Raghav Bubna, CA. Aarti Agrawal and CA. Kunal Sawani.

The session was aimed to educate students on the Union Budget announcements, especially related to taxation and their impact on industry. Ms. Vidhi Doshi spoke about the various initiatives of YLF and the need of collaborative activities done by Industry and Academic Institutions.




*CA. Shardul Shah, CA. Raghav Bubna, CA. Aarti Agrawal and CA. Kunal Sawani with CA. Parag Thakkar and faculties of HR College*

# Impact of Union Budget 2020-2021 on the Trade & Industry

***11th February, 2020***

CA Narendra Mangal, IMC Member and Former Chairman of Navi Mumbai branch of WIRC, ICAI made a presentation on the highlights of the Union Budget 2020-21 its impact on the trade, industry and individual.

Some of the queries raised by the members from the export and IT/ITES fraternity were duly answered. Booklet on The Union Budget 2020-21 – Analysis was given to the participants.

*Mr. Pramod Shah felicitating CA. Narendra Mangal*

# IMC Awards to Mumbai Police Personnel for Outstanding Public Service - 2018

*07th February, 2020*


*Mumbai Police Awardees along with Mr. Sanjay Mehta, Mr. Ajit Mangrulkar, Mr. Rajiv Podar, Mr. Sanjay Barve, Mr. Ashish Vaid and Mr. Ram Gandhi*

In acknowledgement to the outstanding services rendered by the Mumbai Police personnel and as a mark of its sincere appreciation and gratitude, IMC Chamber of Commerce and Industry established "IMC Awards for Outstanding Public Service for Police personnel". This was 3rd Award Ceremony and consecutive year of the said IMC Police Awards. Shri Sanjay Barve, IPS, Commissioner of Police - Mumbai was the Chief Guest for the Award ceremony. While expressing thoughts about IMC Awards he said that the Police Force works day and night for the citizens to keep Law & Order in the City and all they need is acknowledgement. He praised IMC Police Awards by saying that he is extremely glad that IMC has initiated an Awards system like this which motivates and inspires the forces to do better. Mr. Ashish Vaid, President IMC said that; as citizens we are completely dependent on the police force for our safety and security. This is a platform where we can convey our gratitude towards the real life heroes. The scrutinizing committee comprising senior representatives from Mumbai Police and IMC has shortlisted winners from many nominations received for the 2018 Cycle. The Awardees were awarded with a Trophy, Citation and a Cash Price of Rs. 1,00,000/- each.

Following are the awardees under their respective categories of nominations.

| Sr. No. | Category and Title | Awardees & Designation |
|---|---|---|
| 1. | Category-1 \| Best detection of crime | Police Inspector Shri Vinay Baburao Ghorpade |
| 2. | Category-1 \| Best detection of crime | Woman Police Inspector Smt. Lata Dattatray Sutar |
| 3. | Category-1 \| Best detection of crime | Asst. Police Inspector Shri Sachin Sadashiv Mane |
| 4. | Category-2 \| Best conviction of crime | Police Sub Inspector Shri Prakash Bhiva Kadam |
| 5 | Category-3 \| Best Recovery of Property involved in Crime | Police Inspector Shri Pradeep Rajaram Khanvilkar |
| 6. | Category-5 \| A most courageous act to safe guard human lives and property to maintain law and order while on duty or otherwise | Asst. Commissioner of Police Shri Jayram Dattaram More |
| 7 | Category-6 \| Outstanding work done by Traffic Department | Asst. Police Inspector Shri Vishal Prakash Nazare |
| 8. | Category-6 \| Outstanding work done by Traffic Department | Police Naik Shri Nandkumar Narayan Ingale |
| 9. | Category-7 \| Outstanding work done to curb narcotic drug menace under NDPS Act | Asst. Police Inspector Shri Prashant Dilip More |
| 10. | Category-8 \| Best investigation conducted in cyber crime | Asst. Police Inspector Shri Atul Shantaram Avhad |
| 11. | Category-9 \| Help provided to victims women & victims juvenile and best investigation done in this regard | Police Inspector Shri Sunil Dharma Mane |
| 12. | Category-10 \| Excellent Investigation in crime against Women Exploitation and aid given to them | Women Police Inspector Smt Asha Vishwanath Korake |

IMC is very proud of this initiative to honour the bravery and valour shown by many police personnel who make us feel indebted to their spirit of duty and sacrifice for providing security, law and order to our city.

# 7-Day Course in Arbitration

***10th February, 2020***

For the past about 13 years, the annual 7-Day Course in Arbitration has since become a flagship program of the IMC and it's Arbitration Committee.

This course was initially developed under the initiative and guidance of past Committee Chairman of several years, Late Mr. D. M. Popat (Advocate & Solicitor, and Senior Partner of M/s. Mulla & Mulla and Craigie Blunt & Caroe until his demise in December 2015) and is implemented and updated by the Committee Members.

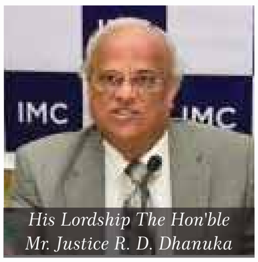
The objective of the course is to spread knowledge in the said field and to promote and encourage Arbitration in India. This fairly detailed and exhaustive course (under the Arbitration and Conciliation Act 1996, as amended from time to time) comprises of a total of 14 sessions, i.e. 2 sessions on each day from 5.15 p.m. to 8.30 p.m. on weekdays and from 10.15 a.m. to 1.30 p.m. on Saturday.

To maintain standards and quality, a very limited number of 55 seats are made available strictly on a 'first-come-first-served' basis each year. The response to the Course was excellent, and the seats were filled up with a short waiting list.

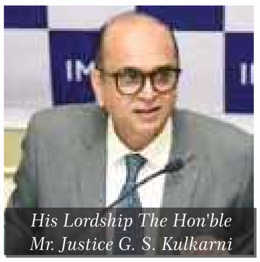
This year's course again was conducted by eminent main speakers, consisting of four Hon'ble Sitting Judges of the Bombay High Court, and seven Senior Counsel, and Counsel/Advocates having in-depth knowledge, expertise and practical experience on the subject.

The main speakers were ably assisted by Associate Speakers, who are also Advocates and Counsels having experience in the field, as follows:

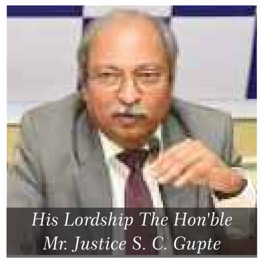
His Lordship The Hon'ble Mr. Justice R. D. Dhanuka, His Lordship The Hon'ble Mr. Justice S. C. Gupte, His Lordship The Hon'ble Mr. Justice K. R. Shriram and His Lordship The Hon'ble Mr. Justice G. S. Kulkarni; Senior Advocates/ Counsel - Mr. Janak Dwarkadas, Dr. Milind Sathe, Mr. Arif Bookwala, Mr. Pradeep Sancheti, Mr. Ketan Parikh, Mr. Rajiv Kumar and Mr. Rahul Narichania; Advocate Mr. Anant Shende and Counsel Mr. Gautam T. Mehta (the Chair of the Committee). The main speakers were assisted by the following Associate Speakers: Mr. Naushad Engineer (Committee Member, who, in absence of His Lordship the Hon'ble Mr. Justice B.P. Colabawalla due to ill health, conducted his session), Mr. Arvind Giriraj, Mr. Bhushan Deshmukh, Mr. Trushar Bhavsar, Mr. Raj Patel, Ms. Rishika Harish, Ms. Mahek Bookwala Shetty, Mr. Vyom D Shah,



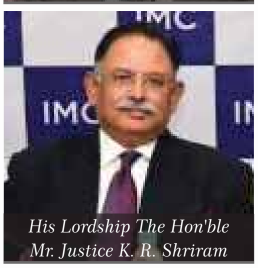
*His Lordship The Hon'ble Mr. Justice R. D. Dhanuka*



*His Lordship The Hon'ble Mr. Justice G. S. Kulkarni*

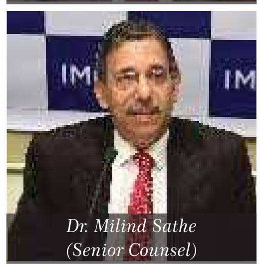


*His Lordship The Hon'ble Mr. Justice S. C. Gupte*



*His Lordship The Hon'ble Mr. Justice K. R. Shriram*

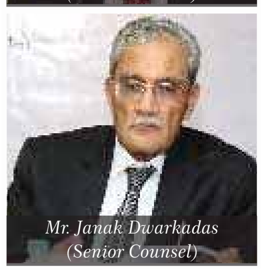
*Mr. Rajiv Kumar (Senior Counsel)*



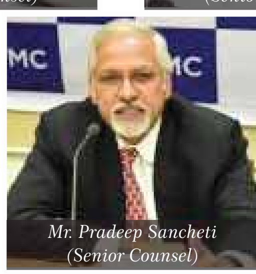
*Dr. Milind Sathe (Senior Counsel)*

*Mr. Rahul Narichania (Senior Counsel)*

*Mr. Ketan Parikh (Senior Counsel)*

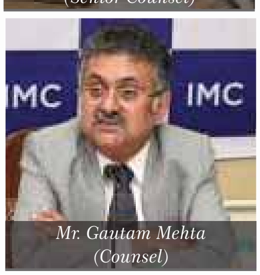


*Mr. Janak Dwarkadas (Senior Counsel)*

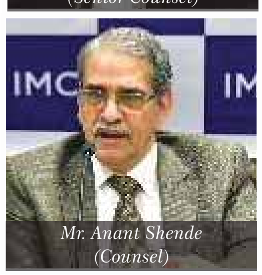


*Mr. Pradeep Sancheti (Senior Counsel)*

*Mr. Arif Bookwala (Senior Counsel)*



*Mr. Gautam Mehta (Counsel)*



*Mr. Anant Shende (Counsel)*

KNOWLEDGE SERIES



IMC Chamber of Commerce and Industry

Mr. Om Prakash Jha, Mr. Kirti Munshi, Ms. Sheetal Kumar, Mr. Darshit Jain and Mr. Vishal Muglikar.

This course is designed to and does impart, a fairly detailed knowledge of various legal and practical aspects of arbitration and the Arbitration and Conciliation Act, 1996, including its recent amendments in 2015 and 2019, and case laws in a systematic manner. It covered various topics and aspects of Arbitration Law under the following heads:

1) Introduction to Arbitration;
2) Arbitration Agreements;
3) Initiation and Invocation of Arbitration;
4) Powers of Courts of Law (before, during and after Arbitral proceedings);
5) Practical Aspects of Arbitral proceedings;
6) Arbitral Award (Final and Interim);
7) Post Award matters;
8) Foreign Awards.

Participants benefitted from the Speakers in each session. The Speakers very graciously gave their invaluable time, shared their knowledge and experience, and also, interacted with participants during the questions and answers at the end of each session. At the end of the Course, Chairperson of Arbitration Committee – Mr. Gautam T. Mehta addressed the participants and conveyed thanks, and expressed IMC and its Arbitration Committee's deep sense of gratitude to each and every Main and Associate Speaker, and especially the Bombay High Court sitting Judges – Their Lordships The Hon'ble Mr. Justice R. D. Dhanuka, The Hon'ble Mr. Justice S. C. Gupte, The Hon'ble Mr. Justice K. R. Shriram and The Hon'ble Mr. Justice G. S. Kulkarni.

Study Material on the topics addressed by Main and Associate Speakers for their respective sessions of the Course were provided to the participants, which is considered of immense value and benefit to the participants. The participants were very happy and applauded the Course and all involved in conducting this course. Many participants stated that this course is unique, detailed and one of its kind on arbitration in India.

The function for distribution of Certificates to all eligible participants who have successfully completed the Course is scheduled on Friday, 24th April 2020 at 5.30 p.m. at the IMC, when all the Speakers are invited, and Their Lordships the Hon'ble Mr. Justice R. D. Dhanuka, Mr. Justice S. C. Gupte, Mr. Justice K. R. Shriram and Mr. Justice G. S. Kulkarni have accepted our Chamber's and Committee's invitation to grace this occasion, distribute the Certificates and briefly speak on the practice and growth of arbitration as an effective and speedy ADR mechanism.



# Securing India's Maritime Interests and Harnessing the Blue Economy

***11th February, 2020***

Travel, Tourism and Hospitality Committee organized the Interactive Session with Admiral Robin K. Dhowan (Retd) on' Securing India's Maritime Interests and Harnessing the Blue Economy'. Admiral Robin K. Dhowan (Retd), PVSM, AVSM, YSM, India's former Chief of Naval Staff addressed the audience about the Indian Ocean Region that has emerged as the world's center of the gravity in the maritime domain. It is the 3rd largest water body covering an area of 68.5 million sq km and the countries on the ocean rim are home to one third of world's humanity. He also stated that the ocean is rich in oil and mineral resources and 66% of the world's oil, 50% of world's container traffic and 33% of world's cargo traffic transits over the waters of the ocean.

Admiral Dhowan further highlighted that our blue planet, the Earth has a dominance of the maritime domain with over 70% of the Earth's surface covered by water, nearly 80% of the world population living within 200 nautical miles from the coast and about 90% of the world's trade which transits by sea.


*(L-R): Mr. Ashish Vaid, Admiral Robin K. Dhowan (Retd) and Mr. Farhat Jamal*

Moreover, Admiral Dhowan also alarmed about the pollutions of the oceans and contamination of the natural marine habitat has led to adverse impact of climate change on oceans. He also shared that 80% of the pollutants in the seas emanate from land and if the current rate of pollution continues, in a few decades there will be more plastic in the oceans than fish. Harnessing the ocean based Blue Economy therefore calls for efficient utilization of marine resources without substantial environmental impact and ensuring a sustained development of the oceans.

In his speech Admiral Dhowan talked about Prime Minister Narendra Modi's maritime vision for the Indian Ocean through SAGAR which stands for 'Security and Growth for All' in the region. He also opined about the 'Sagarmala' project which has been launched as a port led development initiative for port modernization, connectivity of major and minor ports with the hinterland, augmentation of coastal shipping and inland waterways.

# IMC Digital Marketing Seminar

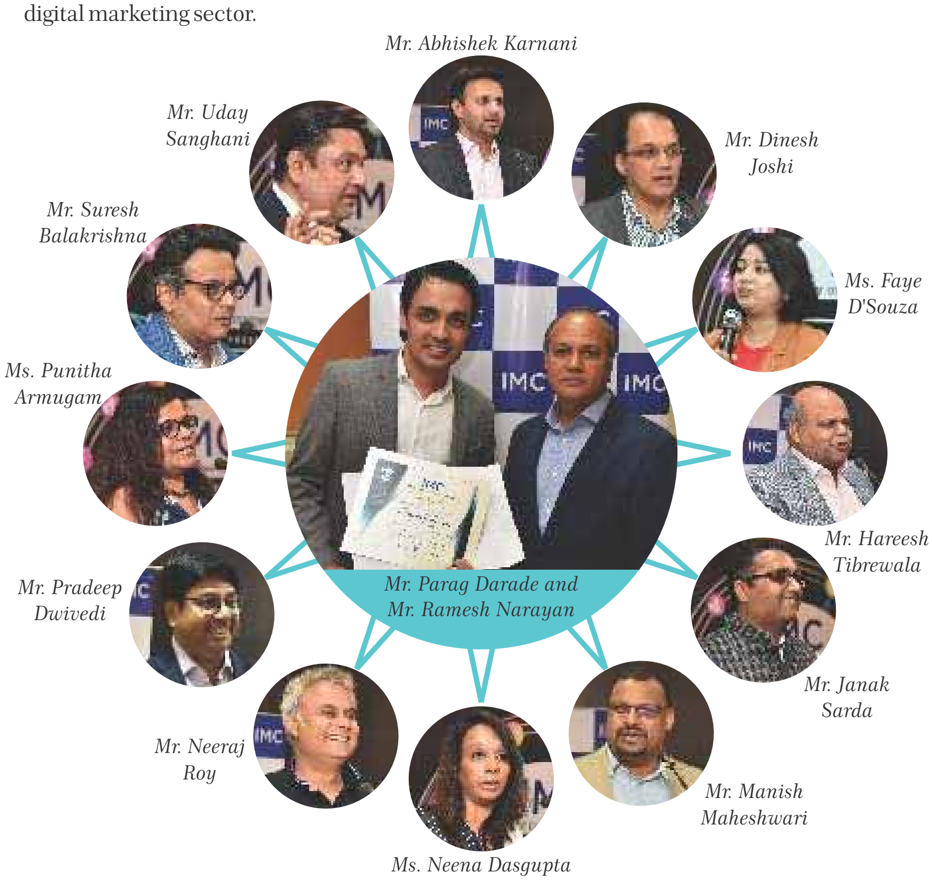
***13th February, 2020***

IMC organized "IMC Digital Marketing Seminar" which was supported by Zee Entertainment Enterprises Ltd and the Media Partners were The Hindu Group and the Free Press Journal.

The event was headed by Mr Ramesh Narayan, Chairman of IMC's Branding and PR Committee. In his key note address Mr Manish Maheshwari MD, Twitter India exhorted businesses to use twitter as a platform for transmission of ideas and selling of information. He said the medium can be used for a good brand building exercise and gave the example of Tesla to convey the brand that it is building. Brand building and digital marketing workshops and seminars help understand how business enhances their digital foot prints for increased revenues and customer engagements. IMC organized a digital marketing seminar on 13th Feb which was addressed by who's who of the digital marketing sector.

Many interesting talks centered round the need for bringing a revolution in brand building which the social media formats which have been bringing about ideas, content and marketing of the goods and services. With increased focus on customers, brand building under the typical formats have given way to a new breed of movers of public opinion – the influencers.

Ms. Neena Dasgupta of Zirca Digital, spoke in detail about these influencers who hold key to the acceptability of a product or a service. She said that large number of followers of influencers; ensure its increased transparency and monitoring. She further said that an affordable mobile phone with equally affordable internet connectivity has brought a resurgent India, with a major contribution to marketing campaigns from the rural India, which has broken the barriers of language and geography.




*Mr. Parag Darade and Mr. Ramesh Narayan*

Mr. Neeraj Roy, Founder & CEO of Hungama Digital Services talked of the need to have a friendly digital media which could look at both external and internal systems to suit the business needs. He said that the entertainment platforms are now leading viewers to e-commerce and thus altering the entire system at which the typical entertainment canvas used to operate earlier.

Ms. Punitha Armugam, Founder of Arumugam & Consultants spoke about Decoding the Digital Chaos.

Mr. Janak Sarda, Founder & CEO, Blue Logic Digital Advertising LLC said that the with 5 Bn users, covering 60% of global population, BOT eco system is now driving the customer services and has placed India at the forefront with the vibrant young population using the messaging platforms extensively. He said India is a training ground for the likes of google and FB to leverage their upcoming models of engaging digital marketing for suite business interest.

Mr. Uday Sanghani, KPMG felt that tier 2 and 3 cities with growing e-commerce preferences and using cashless B2C formats, is emerging as the largest market for businesses and digital marketing companies should encash on the growing trend as the traditional radio, TV and print media is showing a declining trends.

Mr. Hareesh Tibrewal, a serial entrepreneur, CEO, Mirum Digital Marketing company stressed the need to build good websites and increase the usage of google as it allowed sharp targeting of their marketing needs of the companies. Towards the end of the seminar, Award Winning Journalist Ms. Faye D'Souza, spoke to need to have the self-regulation in journalism. She said the basic tenant of journalism which was to serve humanity with fairness and impartiality has sadly given way to sensationalism and a partisan journalism. She called upon the viewers to use their discretion when subscribing and viewing the news channel.

# Seminar for Family Businesses Owners and their Children

*18th February, 2020*

To address the growing concerns and educational needs of Indian family businesses, IMC Chamber of Commerce and Industry and Celebratory Network jointly organized a Seminar for Family Businesses Owners and their Children.

*(L-R): Mr. Sougata Ghosh, Ms. Payal Gupta, Mr. Ashish Vaid and Mr. Probir Roy launching the Certificate Course in Family Business Management*

The Seminar was set up as a platform to offer family business owners an exclusive forum to discuss the most pressing issues they faced today and to work a path that is unique to their family business. The session was catered for the family members in the business - father, mother, son, daughter, brother, sister, cousins etc.

Ms. Payal Gupta, CEO and Director of Celebratory Network, a Family Business Practitioner, equipped the participants with the knowledge and inspiration to unlock the growth potential of their family business.

Effective leadership, succession planning, family governance and next generation engagement were the main topics up for the discussion.

The workshop focused on bringing the generations together to explore different perspectives that impact the way family businesses function and the dynamics it creates in the sustainability of the business and the unity of the family.

After the resounding success of the seminar and the ardent request from the participants, IMC has launched a Certificate Course in Family Business Management by the hands of Mr. Ashish Vaid, President, IMC, Mr. Sougata Ghosh, Deputy Director General, IMC, Ms. Payal Gupta, Founder and CEO, Celebratory Network and Mr. Probir Roy, Director, Celebratory Network. The details of the course are available with the Education Dept. of IMC Chamber of Commerce and Industry.



# Advisory on Corona Virus Seminar

*27th February, 2020*

IMC Chamber of Commerce and Industry in association with Indo American Chamber of Commerce and Industry and Lilavati Hospital organized Seminar on Awareness Program on Corona Virus.

The Seminar was addressed on Medical Advisory on Corona Virus by Dr. Vasant Nagvekar, Lilavati Hospital and Travel Advisory Farhat Jamal, Group Advisor-Hospitality at Hiranandani Communities.

The event was hosted by Mr. Naushad Panjwani, President, Indo-American Chamber of Commerce, West India Council. Dr. Nagvekar briefed about corona Virus and precaution to be taken to avoid infection.


*(L-R): Mr. Ashish Vaid, Mr. Ajit Mangrulkar, Mr. Farhat Jamal, Mr. Naushad Panjwani, Dr. Vasant Nagvekar, Mr. Nanik Rupani and Ms. Rajyalakshmi Rao*

Mr. Farhat Jamal spoke about the deadly blow received by the Hospitality Business.

He mentioned that Luxury hotels of 600 rooms like Shangrila, Hilton etc., are having bookings of only 4-5 rooms.

The seminar was attended by around 60 participants.

# Ease of Doing Business — An Initiative taken by MCA

***27th February, 2020***

*(L-R):Mr. Manoj Sonawala, Mr. Anil Yadav, Mr. Rakesh Tiwari, Mr. Manmohan Juneja, Mr. Ashish Vaid, Mr. Shaunak Thacker, Mr. Ajit Mangrulkar and Mr. Saurabh Shah*



IMC under the auspices of its Law Committee conducted an interactive session on "Ease of Doing Business - An Initiatiive taken by MCA" on Thursday, 27th February 2020 at IMC Building. Object behind organizing this session was to understand the steps taken by Ministry of Corporate Affairs (MCA) and to elicit views and concerns of concerned corporate interests.

The august guests for this session were Mr. Manmohan Juneja, Regional Director – Western Region, MCA, Mr. Rakesh Tiwari, Joint Director – Western Region, MCA and Mr. Anil Yadav, Dy. Registrar of Companies – Mumbai.

Mr. Manmohan Juneja through his presentation has apprised participants about details of the various initiatives taken by the Regulators to endorse Ease of Doing Business in India and the Initiatives taken by the MCA in this regard.

During his presentation and discussion with participants he explained about various points and put forward a clear picture of the perception of the regulators on the key initiatives and reforms initiated by the MCA to facilitate expansion and ease of doing business. Some of the points which were emphasized upon by Mr. Juneja are as follows which are the reforms under consideration and likely to be notified soon for Ease of Doing Business in India.

1. Demat of shares of all Pvt. Ltd. companies also. Currently it's for all listed and unlisted public companies.

2. SBO forms may be revised and need to be filed as soon as possible

3. Corporate Social Responsibility: Companies are required to comply and explain it in directors report why not complied. CSR not spending will be considered as violation.

4. Section 241: if any director is proved guilty of oppression and mis-management than that director will be considered as not fit and proper person and debarred to act as director for 5 years.

5. Section 8: ROC will cancel the license of section 8 Company if it's a shell Company and then that company can be struck off under section 248

6. Merger/Amalgamation/restructuring application to be made to Regional Director and not to NCLT. This is to declog NCLT.

7. As per Companies (Auditor's Report) order, 2020 [CARO] now reporting are increased like registered immovable property if not in the name of the company need to be reported by the Auditors same way the reporting is required to confirm that the stock statement given to bank is as per books of accounts. If any benami transaction is made by the Company etc. This will be monitored by ROC office.

8. MCA is trying to get a single sign off to be implemented as Singapore is doing so that no KYC is required.

9. He said days are not far for India that ITR will be filed by the System and if Assessee wants to change ITR he has to file an appeal. This is in many other overseas jurisdictions.

10. MCA can fund program for investors education as it has huge funds for use of it and appealed to WIRC office to take advantage of it.

11. Sections 165, 167 and list of many sections of the Companies Act 2013 will be made applicable to LLPs also.

12. There is national CSR data portal which is auto updated and one must visit the portal.

13. National Financial Reporting Authority (NFRA) and Insolvency and Bankruptcy Code (IBC) to resolve matters.

14. For generating public awareness MCA has initiated following.

a) CSR data portal

b) IEPF portal

c) Investors Awareness program

d) Monthly newsletter

e) Press release and interviews of Secretary

f) Invitation of public comments on various matters.

15. He also said there may be few reforms for LLPs also.

It was wonderful interactive session with Regional Director and participants have requested him to look into approval of LLP forms like form LLP 3 sooner or through "Straight Through Process" (STP). It was also proposed to consider if similar Form DIR 11 may be allowed in LLP by resigning partner or if section 25(6) of LLP Act 2008 can be considered by ROC.

The guests very graciously gave their invaluable time, shared their knowledge and experience, and also, interacted with participants during the questions and answers at the end of the session. The participants comprised IMC member companies, Chartered Accounts, Company Secretaries, Key Managerial Personnel, Compliance Heads, Advocates and other professionals. The topic addressed by Mr. Juneja is considered of immense value and benefit to the participants. The participants were very happy and applauded the Accountants session.

# Women Power Group Launch

***23rd January, 2020***

IMC Navi Mumbai Committee launched the IMC Women power group with an objective to inspire, motivate and encourage women to participate in entrepreneurial activities amongst ladies of Navi Mumbai and to create a bridge between Women Voice of Navi Mumbai and Government / Semi Government and Local Authorities.

The all women attendees consisting of Doctors, Chartered Accountants, Advocates, Lawyers, Company Secretaries, Life Coach, Management Trainer, Social Entrepreneurs, Exhibition organizers, Directors, Managing Directors, CEO's of SME's were present in large number at the Launch function.

*Women Participants at the Event*

Ms. Divya Momaya, Mrs Netra Shirke, Corporator, Navi Mumbai Municipal Corporation, Dr. Shilpa Aroskar MD, DNB, DCH who work for the upliftment of the underprivileged women, and Dr. Prof. Swati Padoshi Director - Indira Institute of Business Management ( IIBM ), were some of the few key speakers at this event



# Cyclothon 2020

***19th February, 2020***

*(L-R): Mr. Ramesh Daswani, Mr. Sumit Mullick, Mr. Ashish Vaid, Mr. Stefan Voormans, Mr. Rajiv Mehta and Mr. Bernhard Steinrücke*

Cyclothon 2020 was an initiative to spread awareness about orthopedic disability through Cycling. IMC supported Ratna Nidhi Chairtable Trust in organizing Cyclothon 2020. The focus of this event was to sensitize communities in India towards the needs of disabled people, make our infrastructure accessible to them and our society more inclusive. The cyclothon was flagged-off on 12th February from Kolhapur at 07:00 am and culminated in Mumbai on 19th February at 09:00 am.

Mr. Stefan Voormans an award winning paraplegic cyclist from Germany was the lead cyclist of Cyclothon. He peddled with hands in lying down positioning form Kolhapur to Mumbai covering a distance of about 650 kms over a span of a week.

For organizing Cyclothon there was an active participation from the Rotary Community, Collectors of Kolhapur, Satara, Nashik, Pune, Government Medical Colleges, schools and corporates.

A caravan, a car, a doctor and a physiotherapist had accompanied Mr Stefan & cycling team throughout one-week for the purpose of any medical emergencies. For his valiant endeavour completing Cyclothon 2020, Mr. Stefan Voormans was felicitated at IMC in presence of Chief Guest Shri Sumit Mullick, State Chief Information Commissioner, Government of Maharashtra on February 19, 2020 at IMC, Mumbai.

# Jankidevi Bajaj Puraskar 2019

***07th January, 2020***

*(L-R): Ms. Nayantara Jain, Mr. Prasoon Joshi, Mrs. Ruma Devi, Mrs. Vanita Bhandari and Mr. Mukul Upadhyaya*

The prestigious IMC Ladies' Wing- Jankidevi Bajaj Puraskar 2019 was awarded to Smt. Ruma Devi - President of Gramin Vikas Evam Chetna Sansthan, (GVCS) situated in Barmer, Rajasthan by eminent Chief Guest – Mr. Prasoon Joshi - lyricist, screenwriter, poet, chairman of McCann Worldgroup, Asia Pacific and CEO & CCO McCann Worldgroup, India.

Mr. Prasoon Joshi's address at the event was really inspiring, insightful and supportive of the many women aspiring for more in a man's world.

His speech on gender parity and equality greatly supported the objectives of the Wing and the theme for the year, "Me- The Change-maker".

The audience was truly enthralled by his speech and completely in awe of his poetic and oratory skills.

# Screening of the Film "Unlimited Girls"

***20th January, 2020***

*Ms. Yama Maskara presenting memento to Ms. Jeroo Mulla*

IMC Ladies' Wing hosted the screening of the documentary film Unlimited Girls - a Fearless Tale of Feminism.

The film was a quintessential work of digital art, an evocative primer on thinking about a feminist life, and for a new generation of film watchers, a look into recent histories.

The screening was followed by a tête-à-tête with Ms. Jeroo Mulla - former Head of the Social Communications Media Department, Sophia Polytechnic.

Ms. Mulla discussed her outlook on introducing feminism to her students and turning them into power-packed women.

# Animal Care and Welfare

***22nd January, 2020***

IMC Ladies' Wing hosted a panel discussion on "Animal Care and Welfare" with a vision to acquaint members with the existing animal protection laws, so that loopholes can be filled-in, and the laws can be made to be properly applied.

- Ms. Arti Surendranath - Actor, Producer; Influencer; Devoted to Animal welfare
- Ms. Ambika Hiranandani – Lawyer and Animal Rights Activist
- Mr. Meet Ashar- Associate Manager, Emergency Response Team at PETA India and Advisor to Maharashtra Animal Welfare Board
- Ms. Priyasri Patodia - Co-Founder and Owner of Priyasri Art Gallery

*Legal Committee Members with the panelists*

They shared their insights on how they are striving hard to fight against the inhumane actions with law and make social quotient of awareness towards animal welfare and rights.

The session was moderated by Ms. Nishiki Bhavnani.

# Meditation with Sound Healing

***24th January, 2020***

Ms. Kanan Jhaveri, a certified practitioner of sound bowl healing from The International Academy of Sound Healing based in Kolkata, spoke about the benefits of sound healing and demonstrated healing techniques to dissolve physical, emotional and psychological blockages as well as overcome daily stress.


*Ms. Kanan Jhaveri along with other Events Committee members*

# Women Leaders-Creating Opportunities

***28th January, 2020***


*(L-R): Ms. Saumya Roy, Ms. Revathi Roy and Ms. Sonali Saini*

IMC Ladies' Wing hosted a panel discussion on Women Leaders – Creating Opportunities with two of the most renowned Social Entrepreneurs: Ms. Sonali Saini, Founder Director, Sol's ARC and Ms. Revathi Roy, Co-Founder, CEO, Hey Deedee - Serial entrepreneur.

The session was moderated by Ms. Saumya Roy.

The discussion highlighted how world over, a growing number of women are starting or running businesses and have, for long, been proactively contributing towards diverse sectors. It further dwelled on how social entrepreneurs can help in alleviating several social issues by putting those less fortunate on a path towards a worthwhile life.



# Will the Budget 2020 be by a Woman for Women

***05th February, 2020***

CA. Sudha G. Bhushan - Co-Founder, Taxpert Professionals and Mr. Ambuj Agrawal - Chief Financial Officer, Safeway Concessions - TOT Roads shared their insights on the Union Budget for FY 2020.

They further dwelled on how the allocation of funds for women initiatives will help in uplifting the status quo of women, better and equal wages and help in bridging the gap of gender disparity.


*(L-R): Ms. Neela Parikh, Mr. Ambuj Agrawal, CA. Sudha G. Bhushan, Ms. Anuja Mittal*

# Majestic Flamingos Viewing

***10th February, 2020***

*Members at the Thane Creek Flamingo Sanctuary*

IMC Ladies' Wing organised an exciting visit to welcome the winter guests – the majestic flamingos at Thane Creek.

It's was quite a rare sight to watch a field full of beautiful flamingos, the one hour boat safari in the creek was a good bird watching experience and gave immense photographic opportunities to members.

# Visit to Jamnagar

***18th to 20th February, 2020***


*Members at Reliance Refinery at Jamnagar.*

The Travel and Cinema & More Committee of IMC Ladies' Wing jointly organized trip to Jamnagar.

The 3 day trip included visit to Reliance Refinery and Complex, Lakhi Baugh, Elephant rescue center and visit to Lakhota Palace and Museum and much more.

The trip was graced by Ms. Nita Ambani – Chairperson and Founder of the Reliance Foundation.

Members had a great time staying at Reliance Residency with the amazing range of cuisines, relaxing in a beautiful surrounding and the very personalized services.

# Never too Old to Workout

***19th February, 2020***

Ms. Bhavna Harchandrai, an Internationally Certified, renowned fitness instructor in South Mumbai and fitness writer for over two decades took members through an informative session on why keeping fit is essential for everyone, no matter what your age.

The session included a lively and easy warm up dance and workout session that members can safely follow at home regularly.

*Ms. Bhavna Harchandrai at the workout session*

# Travel Fest 2020

***26th February, 2020***

Ladies' Wing hosted the fourth edition of Travel Fest 2020 to showcase tourist attractions of three unique countries - Poland, Russia and Singapore. The representatives from these countries showcased their culture through presentation of best places to visit in their countries and delectable cuisine.

The versatile and Ace Chef - Ms. Asha Khatau demonstrated a delectable vegetarian dish of each country.

*Committee members with representatives from the Consulate of Russia, Singapore and Poland*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| Category of Members | Local | | Out of Mumbai ** | |
|---|---|---|---|---|
| | Admission Fee Rs. | Subscription Fee Rs. | Admission Fee Rs. | Subscription Fee Rs. |
| **Public Limited Company/ Statutory Corporation/ Government Company** (As per Turnover given below from A to F) | | | | |
| A) Turnover less than 5 Crore | 30,000 | 30,000 | 30,000 | 30,000 |
| B) Turnover between 5 Crore to 10 Crore | 35,000 | 35,000 | 35,000 | 35,000 |
| C) Turnover between 10 Crore to 20 Crore | 40,000 | 40,000 | 40,000 | 40,000 |
| D) Turnover between 20 Crore to 50 Crore | 45,000 | 45,000 | 45,000 | 45,000 |
| E) Turnover between 50 Crore to 100 Crore | 50,000 | 50,000 | 50,000 | 50,000 |
| F) Turnover more than 100 Crore | 55,000 | 55,000 | 55,000 | 55,000 |
| **Private Limited Company/LLP** | 16,500 | 16,500 | 6,600 | 6,600 |
| **Partnership Firm** | 6,600 | 6,600 | 4,000 | 4,000 |
| **Sole Proprietor** | 6,600 | 6,600 | 4,000 | 4,000 |
| **Associate Individual** | 6,600 | 6,600 | 4,000 | 4,000 |
| **Association / Co-operative Society/Trust/ Edu.Inst.** | 4,400 | 4,400 | 3,000 | 3,000 |
| **Associate Association Member** | — | 5,500 | — | 5,500 |
| **Young Leaders' Forum** | | | | |
| Individual Membership | 1,000 | 3,000 | 1,000 | 3,000 |
| Couple Membership | 1,000 | 5,000 | 1,000 | 5,000 |
| **Annual Patron Membership** | | | | |
| | 2,00,000 | | 2,00,000 | |

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