

Vol. XVII Issue No. 734  
May 26- June 01, 2019  
Total No. of Pages (including Cover):10



# ASSOCHAM NEWS & VIEWS

WEEKLY

## Highlights

- ⇒ **I**NDEX OF EIGHT CORE INDUSTRIES, APRIL 2019
- ⇒ **C**BDT ISSUED NOTIFICATION FOR AMENDMENT OF FORM NO 15H OF THE INCOME-TAX RULES, 1962
- ⇒ **R**BI NOTIFIED THE REVISED VOLUNTARY RETENTION ROUTE FOR INVESTMENTS BY FOREIGN PORTFOLIO INVESTORS (FPIS) AND OPENS ALLOTMENT 'ON TAP'



THE ASSOCIATED CHAMBERS OF COMMERCE AND INDUSTRY OF INDIA

**CONTENTS****COMMERCE AND INDUSTRY**

INDEX OF EIGHT CORE INDUSTRIES, APRIL 2019

3-4

**FINANCE**CBDT ISSUED NOTIFICATION FOR AMENDMENT OF FORM NO 15H OF THE  
INCOME-TAX RULES, 1962

5

TARIFF VALUE OF EDIBLE OILS, BRASS SCRAP, POPPY SEEDS, ARECA  
NUTS, GOLD AND SILVER

6-7

MONTHLY REVIEW OF UNION GOVERNMENT OF INDIA FOR THE MONTH OF  
APRIL 2019 FOR THE FINANCIAL YEAR 2019-20

8

**RBI**RBI NOTIFIED THE REVISED VOLUNTARY RETENTION ROUTE FOR  
INVESTMENTS BY FOREIGN PORTFOLIO INVESTORS (FPIS) AND OPENS  
ALLOTMENT 'ON TAP'

9

REAL TIME GROSS SETTLEMENT (RTGS) SYSTEM-EXTENSION OF TIMINGS  
FOR CUSTOMER

10

## **MINISTRY OF COMMERCE & INDUSTRY**

### **Index of Eight Core Industries (Base: 2011-12=100) April, 2019**

The Eight Core Industries comprise 40.27 per cent of the weight of items included in the Index of Industrial Production (IIP). The combined Index of Eight Core Industries stood at 127.5 in April, 2019, which was 2.6 per cent higher as compared to the index of April, 2018. Its cumulative growth during April to March, 2018-19 was 4.3 per cent.

#### **Coal**

Coal production (weight: 10.33 per cent) increased by 2.8 per cent in April, 2019 over April, 2018. Its cumulative index increased by 7.4 per cent during April to March, 2018-19 over corresponding period of the previous year.

#### **Crude Oil**

Crude Oil production (weight: 8.98 per cent) declined by 6.9 per cent in April, 2019 over April, 2018. Its cumulative index declined by 4.1 per cent during April to March, 2018-19 over the corresponding period of previous year.

#### **Natural Gas**

The Natural Gas production (weight: 6.88 per cent) declined by 0.8 per cent in April, 2019 over April, 2018. Its cumulative index increased by 0.8 per cent during April to March, 2018-19 over the corresponding period of previous year.

#### **Refinery Products**

Petroleum Refinery production (weight: 28.04 per cent) increased by 4.3 per cent in April, 2019 over April, 2018. Its cumulative index increased by 3.1 per cent during April to March, 2018-19 over the corresponding period of previous year.

## **Fertilizers**

Fertilizers production (weight: 2.63 per cent) declined by 4.4 per cent in April, 2019 over April, 2018. Its cumulative index increased by 0.3 per cent during April to March, 2018-19 over the corresponding period of previous year.

## **Steel**

Steel production (weight: 17.92 per cent) increased by 1.5 per cent in April, 2019 over April, 2018. Its cumulative index increased by 4.7 per cent during April to March, 2018-19 over the corresponding period of previous year.

## **Cement**

Cement production (weight: 5.37 per cent) increased by 0.8 per cent in April, 2019 over April, 2018. Its cumulative index increased by 13.3 per cent during April to March, 2018-19 over the corresponding period of previous year.

## **Electricity**

Electricity generation (weight: 19.85 per cent) increased by 5.8 per cent in April, 2019 over April, 2018. Its cumulative index increased by 5.2 per cent during April to March, 2018-19 over the corresponding period of previous year.

## MINISTRY OF FINANCE

### **CBDT issued notification for amendment of Form No. 15H of the Income-tax Rules, 1962**

Sub-section (1C) of section 197A of the Income-tax Act, 1961 (the Act) read with rule 29C of the Rules, *inter alia*, provides that no deduction of tax shall be made in case of a resident individual, who is of the age of sixty years or more, if he furnishes a declaration in Form 15H to the person responsible for paying any income of the nature referred to in section 192A, 193, 194, 194A, 194D, 194DA, 194EE, 194-I or 194K, to the effect that the tax on his estimated total income will be nil.

Further, Note 10 to Form No 15H provides for non-acceptance of declaration if the amount of income of the nature referred to in section 197A(1C) or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax after allowing for deduction(s) under Chapter VIA, if any, set off of loss, if any, under the head "income from house property" for which the declarant is eligible.

Section 87A of the Act has been amended vide Finance Act, 2019 which provides that a resident individual, having total income up to Rs. 5 lakh, shall be entitled to a rebate of an amount being the amount of tax chargeable or Rs. 12,500/-, whichever is less.

However, at present, the note 10 of Form 15H does not take into account the maximum allowable rebate of Rs 12,500/- provided under section 87A as above, which is available to the assessee in respect of the tax calculated on income, there could be cases, where, though income of the assessee would be above the minimum amount chargeable to income-tax, tax liability may be nil after taking into account the rebate available under section 87A. Deduction of tax in such cases may cause undue hardship to senior citizens.

Accordingly, Income-tax Rules, 1962 have been amended by way of insertion of proviso in Note 10 of Form No 15H and have already been notified vide Notification No G.S.R. 375(E) dated 22nd May, 2019, so as to provide that the person responsible for paying the income referred to in column 15 of Part I shall accept the declaration in the case of the assessee, being a senior citizen, who is eligible for rebate of income-tax under section 87A, and his/her tax liability is nil after taking into account this rebate.

This notification is available on [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in).

## MINISTRY OF FINANCE

### **Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nuts, Gold and Sliver notified**

In exercise of the powers conferred by sub-section (2) of Section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs (CBIC), being satisfied that it is necessary and expedient so to do, hereby makes the following amendments in the Notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3<sup>rd</sup> August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3<sup>rd</sup> August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2 and TABLE-3, the following Tables shall be substituted, namely: -

**TABLE-1**

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	514
2	1511 90 10	RBD Palm Oil	546
3	1511 90 90	Others – Palm Oil	530
4	1511 10 00	Crude Palmolein	552
5	1511 90 20	RBD Palmolein	555
6	1511 90 90	Others – Palmolein	554
7	1507 10 00	Crude Soya bean Oil	709
8	7404 00 22	Brass Scrap (all grades)	3560
9	1207 91 00	Poppy seeds	3350

**TABLE-2**

<b>Sl. No.</b>	<b>Chapter/ heading/ sub-heading/tariff item</b>	<b>Description of goods</b>	<b>Tariff value (US \$)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 356 and 358 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	412 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 357 and 359 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	465 per kilogram

**TABLE-3**

<b>Sl. No.</b>	<b>Chapter/ heading/ sub-heading/tariff item</b>	<b>Description of goods</b>	<b>Tariff value (US \$ Per Metric Tonne)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1	080280	Areca nuts	3932"

## **MINISTRY OF FINANCE**

### **Monthly Review of Union Government of India for the month of April 2019 for the Financial Year 2019-20**

The Monthly Account of the Union Government of India for the month of April 2019 has been consolidated and reports published.

#### **The highlights are given below:-**

The Government of India has received Rs. 97,631 crore (4.69% of corresponding BE 19-20 of Total Receipts) for April 2019 comprising Rs. 71,637 crore Tax Revenue (Net to Centre), Rs. 23,293 crore of Non Tax Revenue and Rs. 2,701 crore of Non Debt Capital Receipts. Non Debt Capital Receipts consists of Recovery of Loans (Rs. 350 crore) and Disinvestment of PSUs (Rs. 2,351 crore).

Rs.49,544 crore has been transferred to State Governments as Devolution of Share of Taxes by Government of India upto this period which is Rs. 6,245 crore lower than the previous year.

Total Expenditure incurred by Government of India is Rs. 2,54,679 crore (9.15% of corresponding BE 19-20), out of which Rs. 2,24,091 crore is on Revenue Account and Rs. 30,588 crore is on Capital Account. Out of the Total Revenue Expenditure, Rs.19,557 crore is on account of Interest Payments and Rs. 68,974 crore is on account of Major Subsidies.



## **RESERVE BAN K OF INDIA**

### **RBI notified the revised Voluntary Retention Route for Investments by Foreign Portfolio Investors (FPIs) and opens allotment 'on tap'**

Reserve Bank of India introduced the [Voluntary Retention Route for Investments by Foreign Portfolio Investors \(FPIs\) on March 01, 2019](#). Limits for investment in debt by Foreign Portfolio Investors (FPIs) were offered for allotment 'on tap' during March 11 – April 30, 2019. Based on the feedback received, and in consultation with the Government, the Bank has made certain changes in the scheme to increase its operational flexibility. The revised scheme has been notified today, vide, [A.P. \(DIR Series\) Circular No. 34 dated May 24, 2019](#).

#### **The revised VRR scheme shall be open for allotment from May 27, 2019 as per the following details:-**

- a. The investment limit shall be ₹ 54,606.55 crores, under the VRR–Combined category, which allows investment in both government securities and corporate debt.
- b. The minimum retention period shall be three years. During this period, FPIs shall maintain a minimum of 75% of the allocated amount in India.
- c. Investment limits shall be available 'on tap' and allotted on 'first come, first served' basis.
- d. The 'tap' shall be kept open till the limit is fully allotted or till December 31, 2019, whichever is earlier.
- e. FPIs may apply for investment limits online to Clearing Corporation of India Ltd. (CCIL) through their respective custodians.
- f. CCIL will separately notify the operational details of application and allotment.
- g. FPIs that were allotted investment limits under the tap that was open during March 11-April 30, 2019, may, at their discretion, opt to convert their full allotment to 'VRR-Combined' by advising CCIL through their custodians. Such conversions shall not use up the investment limit of ₹ 54,606.55 crores indicated in para (a) above

**Yogesh Dayal**  
Chief General Manager

## RESERVE BANK OF INDIA

### Real Time Gross Settlement (RTGS) System – Extension of Timings for Customer Transactions

A reference is invited to [circular DPSS \(CO\) RTGS No.492/04.04.002/2015-16 dated September 1, 2015](#) on 'Changes in RTGS time window' and [circular DPSS \(CO\) RTGS No.1926/04.04.002/2015-16 dated February 4, 2016](#) on 'RTGS service charges for members and customers - Rationalisation'.

2. It has been decided to extend the timings for customer transactions (initial cut-off) in RTGS from 4:30 pm to 6:00 pm. Accordingly, the RTGS time window with effect from **June 01, 2019** will be as under:

Sr. No.	Event	Time
1.	Open for Business	08:00 hours
2.	Customer transactions (Initial Cut-off)	18:00 hours
3.	Inter-bank transactions (Final Cut-off)	19:45 hours
4.	IDL Reversal	19:45 hours - 20:00 hours
5.	End of Day	20:00 hours

3. The time-varying charges for transactions in RTGS from 13:00 hours to 18:00 hours shall be ₹ 5 per outward transaction. The time varying charges structure is as under:

Sr. No.	Time of Settlement at the Reserve Bank of India		Time varying charge per outward transaction (in addition to flat processing charge) (exclusive of tax, if any)
	From	To	
1	08:00 hours	11:00 hours	Nil
2	After 11:00 hours	13:00 hours	₹ 2.00
3	After 13:00 hours	18:00 hours	₹ 5.00
4	After 18:00 hours		₹ 10.00

4. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).

Yours faithfully,

(Sangeeta Lalwani)  
General Manager (Officer in Charge)