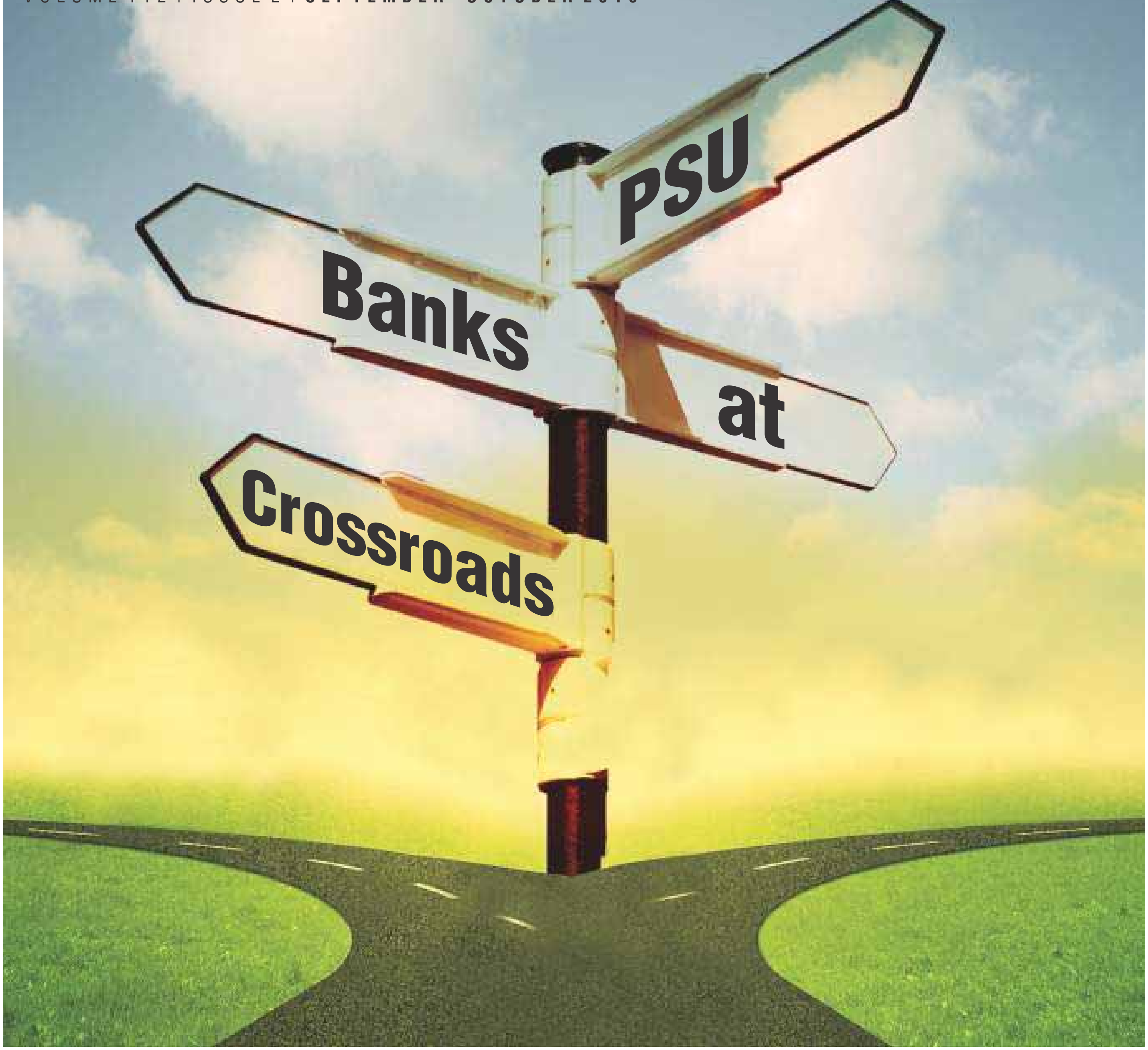
IMC
Chamber of Commerce and Industry

# IMC JOURNAL

VOLUME 112 | ISSUE 2 | SEPTEMBER- OCTOBER 2019






INNOVATE • MOTIVATE • CONSOLIDATE

*President*
*Mr. Ashish Vaid*

*Vice-President*
*Mr. Rajiv Poddar*

*Editor & Publisher*
*Mr. Ajit Mangrulkar*
*Director-General*

*Executive Editor*
*Mr. Sanjay Mehta*
*Dy. Director-General*

*Copy Editing & Concept*
*Ms. Chitra Kamath*
*Jt. Director-Membership*
*Ms. Jayshree Poojary*
*Asst.Director-PR*



*Please send correspondence concerning this journal to:*
*Editor, IMC Journal*
*IMC Chamber of Commerce and Industry*
*IMC Marg, Churchgate,*
*Mumbai- 400 020*
*Tel: +91-022-71226633*
*Fax: 2204 8508*
*E-mail: ajit.mangrulkar@imcnet.org*
*Website: www.imcnet.org*

*Single Copy Price*
*₹ 50/-*

*Annual Subscription*
*(For 6 Issues)*
*₹ 200/- (India) | $ 30 (Abroad)*

*Design & Printing*
*Finesse Graphics & Prints Pvt. Ltd.*
*Tel: +91-022-4036 4600*
*E-mail : info@finesse.co.in*

*Scan this QR Code to download the journal in your smartphone. If you do not have the reader kindly download the one compatible with your device.*

# From the President's Desk

## Mr. Ashish Vaid

**GDP = Goodness, Determination & Peace**

With India well on track to becoming a 5 T$ Economy, I have a few thoughts:

I believe it will happen sooner rather than later as we have a base of 2.7 T$ today and growing even @ 6% compounded it will take 12 years. However, there will be several factors that can give it a boost and make it happen in 5 years. With the US-China tariff war if even some of the giant companies set up their manufacturing in India, we could see a big boost to our GDP. Also the expenditure on infrastructure of ₹ 100 lakh crores proposed in 5 years will be a game changer for our country. With better road network going through our remote villages, the village economy will get a big boost, as will logistics costs reduce substantially. The opening up of waterways will provide the cheapest mode of transport for logistics. We already have a strong air travel network which also will get upgraded with many cities getting new modern airports including Mumbai. Road travel costs ₹ 10/- per km, Railways ₹ 5/- per km & Waterways only ₹ 2/- per km. The metro in the city of Mumbai will make daily commute easier for all.

The race for becoming the top 3 in terms of GDP is all very well, but what I feel is more important is the Happiness of India and the "Ease of Living Index". On our recent trip with the President of India to Iceland, Switzerland and Slovenia, we found that these 3 countries have GDP of 27 B$, 704 B$ & 55 B$ respectively, but they enjoy a very strong infrastructure and the quality of life and ease of living is very high.

Finland is on top in the Happiness Index followed by Denmark, Norway & Iceland. India is @ 140. We should aim at upgrading the Happiness Index and success will follow automatically.

### The Top 10

| *Rank* | *Country* | *Index Rating (Out of 10)* |
|---|---|---|
| 1 | **Finland** | 7.77 |
| 2 | **Denmark** | 7.60 |
| 3 | **Norway** | 7.55 |
| 4 | **Iceland** | 7.50 |
| 5 | **Netherlands** | 7.49 |
| 6 | **Switzerland** | 7.48 |
| 7 | **Sweden** | 7.34 |
| 8 | **New Zealand** | 7.31 |
| 9 | **Canada** | 7.28 |
| 10 | **Austria** | 7.25 |

Similarly the "Ease of Living Index" is an Index which will measure the problems faced by the common man in his day-to- day living activities. Our Hon. Prime Minister has given a call to make the life of the common man easier by reducing the laws, and time taken for simple things of day to day living. Again if we achieve a high 'Ease of Living' rank, output of our society will be higher, resulting in higher production and services, and leading to higher GDP as a result.

On 20th September 2019, the Hon'ble Finance Minister came out with a 'Diwali Come Early Dhamaka' when she made some bold announcements and took some 'out of the box' initiatives:-

1. Reduced the highest corporate tax rate from 30% (effectively about 35% with surcharge and cess) to 22% (effectively 25% with surcharge and cess) for companies which would not avail of exemptions and tax reliefs.

2. Reduced corporate tax from 25% to 22% for MSMEs (effectively 25% with surcharge).

3. Reduced MAT from 18% to 15%.

4. Removed 7% surcharge for individuals having income from capital gains on equities and Mfs.

5. Reduced tax for new companies set up after 01/10/2019 to 15%.

6. Gave an impetus to startups by permitting CSR money to be deployed in incubators approved by Government Institutions.

All this was very well received by corporate India and the stock markets responded positively with a 1900 + points salute. There is nothing that cannot be achieved when we have a listening, pro-active Government, a hardworking 1.34 billion population, a thriving economy with one of the highest growth rates and a great leader in the Prime Minister Narendra Modi who spares no efforts in enhancing the image of our country all over the world.

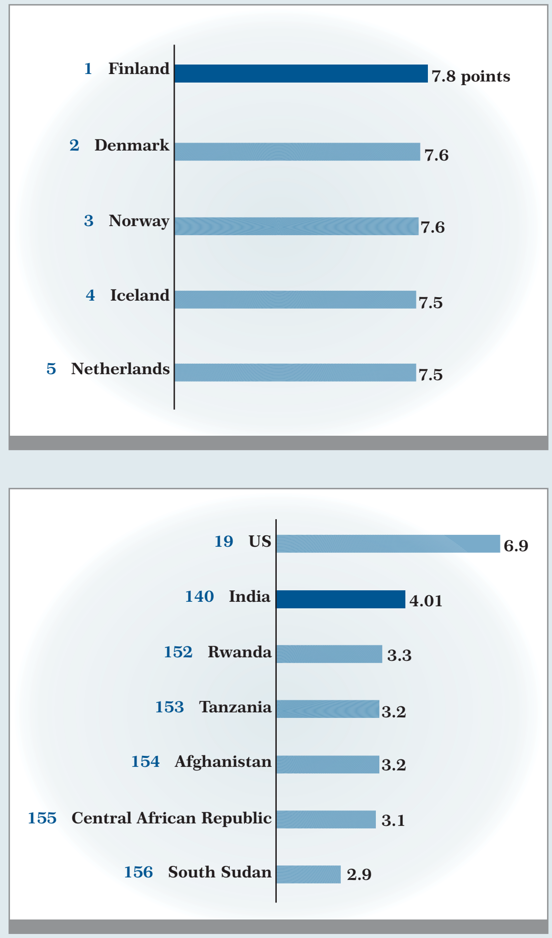
I was recently in a VIP delegation with the President of India to Iceland, Switzerland and Slovenia and the love, respect and adulation we received everywhere was to be seen to be believed. Our team was also in a VIP delegation to the Baltic countries of Latvia, Estonia and Lithuania with the Vice President of India and they shared the same sentiments.

Howdy Modi in Houston, USA, has been a great success where the US President Donald Trump broke protocol and attended and applauded our Prime Minister.

We are on the frontiers of science and technology with our Chandrayaan mission which has had the world in awe. A 5 T$ economy is well within our reach and I am certain we will achieve this sooner than can be dreamt of and also attain a quantum jump in our 'Happiness India'. In fact, at IMC, we have sent an email to all seeking information on the various hurdles we face in day- to -day life for 'making life easier in India'!

## Happiness scoreboard

*The gap between the top and bottom countries is wide*

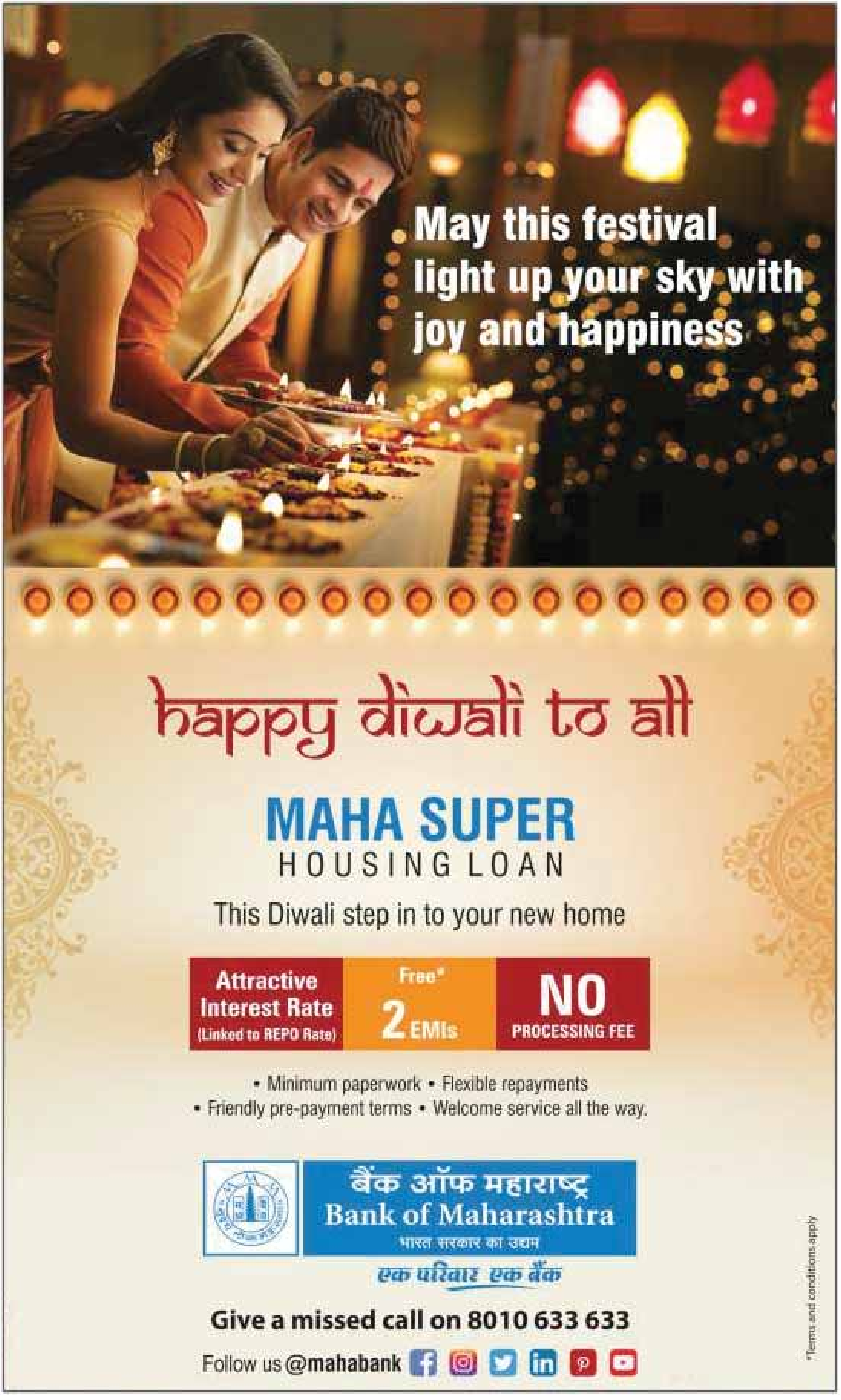



*Source: World Happiness Report*

IMC has been having great events as usual and I am happy to see the great enthusiasm and participation at every event.

We have had a host of dignitaries visit us at the IMC from several nations and this makes us really feel proud that our Chamber is well recognized internationally. Also, we have been in touch with the Government of Maharashtra which was in election mode and the Central Government on various issues and have been actively making representations which affect Business, Trade and Industry.

It has really been an eventful September & October, with all the Diwali celebrations and festivities too. I take this opportunity to wish all our Members and their families a very happy Diwali and a prosperous New Year!


May this festival light up your sky with joy and happiness
happy diwali to all
MAHA SUPER
HOUSING LOAN
This Diwali step in to your new home
Attractive Interest Rate
(Linked to REPO Rate)
Free*
2 EMIs
NO
PROCESSING FEE
• Minimum paperwork • Flexible repayments
• Friendly pre-payment terms • Welcome service all the way.
बैंक ऑफ महाराष्ट्र
Bank of Maharashtra
भारत सरकार का उद्यम
एक परिवार एक बैंक
Give a missed call on 8010 633 633
Follow us @mahabank
*Terms and conditions apply

## Sub: Your feedback to promote Ease of Living.

Dear Member:

Hon'ble Prime Minister of India Shri Narendra Modi in his last Independence Day speech said he wanted to ensure Ease of Living for people of India and called for a right eco-system to be made in this regard.

It is for the first time that Ease of Living has been made a central theme of the government's focus and IMC Chamber of Commerce and Industry whole heartedly welcomes and supports this initiative.

In keeping with our tradition of being in forefront in giving policy inputs to the government and helping promote initiatives which are meant for the wellbeing of the society, IMC will provide suggestions on various aspects of citizens' dealing with government processes and procedures that could be done away with.

While the government has taken several governance reforms and innovative approaches like allowing self-attestation of documents, simplification of the driving license application, etc., to reduce hardships faced by citizens, there are still many such aspects in dealing with government processes that we experience and feel unnecessary, time consuming and could be done away with.

For example,

A person holding valid passport has already undergone the exercise of police verification. Hence such verification for mere renewal or effecting change of addresses of passports should be completely done away with and not left for RPO's discretion to decide when necessary attested documents are furnished. This is causing avoidable hardships and waste of time and resources.

There might be many more such examples that you may have experienced while seeking government services or in day-to-day life.

Please note that we are not talking about bureaucracy or ease of doing business but just services to citizens that need to be looked into to promote ease of living.

We request your cooperation to send us a short and clear note of such instances of government services to citizens which, according to your personal experience, is apparently unnecessary and causing hardship and which needs to be eased to promote ease of living.

We will sort out inputs received from members according to what we feel fits right cases for ease of living and compile them and submit to the government for consideration.

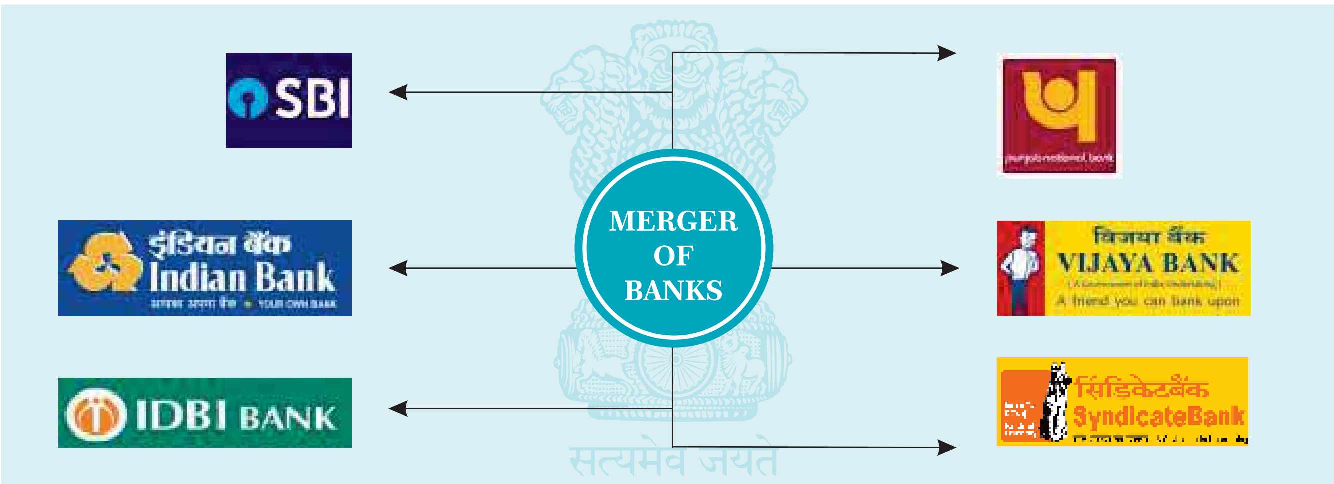
You may send your inputs to easeofliving@imcnet.org

Regards

**Ajit Mangrulkar**
Director General

# PSB Merger, a Pragmatic Move; but Benefits will Accrue Over Time

**G. Chandrashekhar,**
*Economic Advisor,*
*IMC Chamber of Commerce and Industry*




As part of the ongoing effort to make India a $ 5 Trillion economy, in recent times, the government has initiated a number of steps to revitalise the banking sector. This includes upfront release of ₹70,000 crore by providing capital to public sector banks (PSBs). Also, PSBs shall not declare stressed assets of Micro, Medium and Small Enterprises (MSMEs) as non-performing till March 31, 2020.

In addition to linking the lending rates with the Repo rate to enable better transmission, the PSBs have been told to hold open market credit meetings (loan melas, in local parlance) with non-banking financial companies for distributing loans in 400 districts of the country.

The most significant announcement the Finance Minister made on August 30 was the plan to merge ten public sector banks into four large or anchor banks. The objective of the mega merger is to improve the profitability of banks, use resources more effectively and benefit from economies of scale.

The announced mergers include: Oriental Bank of India and United Bank of India will be merged into Punjab National Bank making the merged entity India's second largest PSB; Canara Bank and Syndicate Bank will merge to become the fourth largest PSB; Andhra Bank and Corporation Bank will be merged with Union Bank of India making the combined entity the fifth largest PSB; and Indian Bank will be merged with Allahabad Bank, making it the seventh largest PSB. The capitalization of these banks amounted to ₹52,250 crore.

To reform PSB boards, several governance measures have been announced. Post-merger, there will be 12 banks in the country, down from 27 in 2017. Of the 12 banks, eight will have national presence and four will have regional focus.

However, the consolidation process is likely to take time and effort which means that scale economies will kick in not anytime soon, and there is a long way to go.

Of course, there are many issues to be sorted out and some of them are sure to prove contentious. These could impact interim profitability. Some of the key issues relate to human resources (HR) and information technology (IT) related synchronization, rationalization of branches as well as realigning of NPAs (non-performing assets).

According to banking experts, a big positive is the recruitment of Chief Risk Officer (CRO) at market linked compensation at PSBs. This could improve the underwriting standards at these banks, something that has long been acknowledged as a matter of concern.

Concern is also expressed that the focus of the bank management in the immediate future may willy-nilly shift from the normal banking business activities especially lending. So, adequate care needs to be taken to ensure uninterrupted delivery of banking services. Some bank employee unions have expressed concern over the desirability of the merger as they fear there could be some downsizing going forward. There is also the issue of varying work culture across banks.

But overall, it is good that the country is decisively breaking away from long-time fragmentation of the banking sector and operational inefficiencies to bank consolidation and rationalization of operations. If implemented truthfully, consolidation of state-owned banks has the potential to transform the country's banking sector and usher in a new era in financial services. A sound banking system is a critical tool for sustained economic growth.

*(G. Chandrashekhar is Economic Advisor, IMC Chamber of Commerce and Industry, and Director, IMC-Economic Research and Training Foundation. Views are personal)*

# IMC Chamber of Commerce and Industry

&

# Vidyalankar Consultancy Services

IMC
Chamber of Commerce and Industry

announces

VCS
VIDYALANKAR CONSULTANCY SERVICES

## Joint Certified Skill Development Courses

**At Venue: Vidyalankar Educational Campus, Antop Hill, Wadala(E), Mumbai-40037**

| Course Code | Course Name | Duration | Sessions on | Timings | Fees in ₹ |
|---|---|---|---|---|---|
| 4513811 | Core Python Programming | 6 Days | December 02 to 07, 2019 | 09.30 14.30 | 5,500/= |
| 4513821 | Data Science & Visualization using Python Programming | 6 Days | December 02 to 07, 2019 | 09.30 – 14.30 | 5,900/= |
| 4513841 | Machine Learning using Python Programming | 6 Days | December 02 to 07, 2019 | 09.30 – 14.30 | 5,900/= |
| 4533871 | Web Programming with Angular & Java-script | 10 Days | December 02 to 15, 2019 | 08.00 – 11.00 | 5,900/= |
| 4513812 | Core Python Programming | 6 Days | December 16 to 21, 2019 | 14.00 - 18.30 | 5,500/= |
| 4513822 | Data Science & Visualization using Python Programming | 6 Days | December 16 to 21, 2019 | 14.00 - 18.30 | 5,900/= |
| 4513842 | Machine Learning using Python Programming | 6 Days | December 16 to 21, 2019 | 14.00 - 18.30 | 5,900/= |
| 4513861 | Image Processing with OpenCV & Pillow using Core Python | 6 Days | December 16 to 21, 2019 | 14.00 - 18.30 | 5,900/= |
| 4523815 | Embedded/IoT Designing using Arduino & Raspberry-Pi-3 | 6 Days | December 16 to 21, 2019 | 14.00 - 18.30 | 5,500/= |

**Highlights of the Courses**

Course open to Degree / Diploma / Bsc.IT Students
Intensive & continuous Lab based Hands-on Training
On-line Examination and assessment
Select participants get Industry Internship / Industry live Project in Winter Break
Starter kit with Contents loaded Pen-drive
Placement assistance (Only Final year Students)

**For further Details on Courses, Contact –**
**Website: www.vcslive.com**
**Or**
**WhatsApp No: 93720 03984**
**Or**
**Mail us at: vcs@vidyalankar.edu.in**

**Registrations open by paying fees at –**
**Vidyalankar Campus, Wadala**
**Or**
**All Branches of Vidyalankar Classes**

# India's Latest Bank Mergers Unlikely To Be A Major Catalyst For Loan Growth

*Fitch Solutions Macro Research*

*THIS COMMENTARY IS PUBLISHED BY FITCH SOLUTIONS MACRO RESEARCH and is NOT a comment on Fitch Ratings' credit ratings. Any comments or data included in the report are solely derived from Fitch Solutions Macro Research and independent sources. Fitch Ratings' analysts do not share data or information with Fitch Solutions Macro Research.*

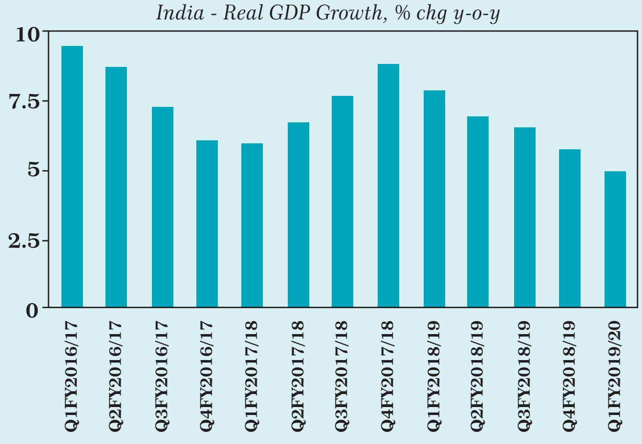
## Key View

- We at Fitch Solutions believe that the latest wave of state bank mergers announced by the Indian government will do little to lift credit growth over the near term.
- While we expect the mergers to yield positive results over the longer term, the short term will likely be clouded by significant integration challenges, which will drag on the performance of the merged entity and also divert management's attention away from raising credit growth.
- We are revising our forecast for India's commercial loan growth to 11.0% and 12.5%, respectively, in 2019 and 2020, from 13.5% and 15.0% previously.

We at Fitch Solutions believe that the latest wave of banking sector measures announced by the Indian government will do little to lift credit growth over the near term. The integration challenges that the concerned entities will face will likely drag on performance of the merged firms and also divert management attention away from accelerating credit growth. On August 30, Finance Minister Niramala Sitharaman announced several measures aimed at lifting credit growth in the Indian banking sector and improving corporate governance. These measures include the merger of 10 Public Sector Banks (PSBs) into four entities, and an INR 552.5 bn. capital injection into eight of the remaining 12 PSBs (which includes the four PSBs post-merger). Other measures announced involve improving corporate governance through better succession planning on par with the private sector and more competitive executive compensation.

**Poor Economic Outlook To Drag On Loan Demand**

*India - Real GDP Growth, % chg y-o-y*

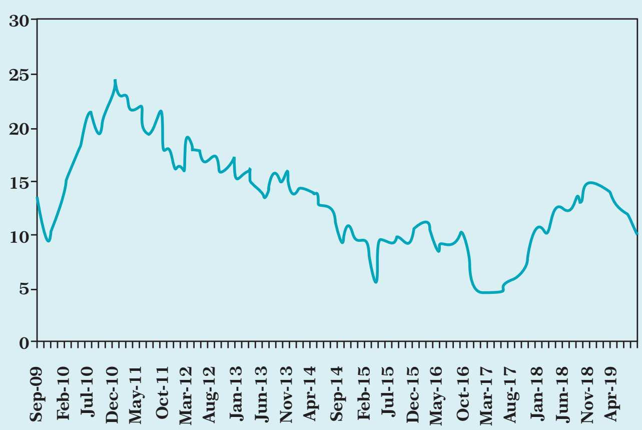



*Source: Bloomberg, Fitch Solutions*

While the government's capital infusion will provide more capital for lending, we expect it to fall short in its goal to significantly lift loan growth. This is due to a still-high amount of non-performing loans (NPL) at PSBs, which hold 80% of total sector NPL stock, still undergoing bankruptcy proceedings. Additionally, a poor economic outlook, in which we forecast growth to rebound to only 6.4% for the full FY 2019/20 (April - March), from 5.0% y-o-y in the first quarter, would also weigh on loan demand. As such, we are revising down our loan growth forecasts to 11.0% in 2019 and 12.5% in 2020, from 13.5% and 15.0% previously. Commercial credit growth has slowed to 10.25% y-o-y at the end of August 2019, from 15.0% y-o-y in December 2018.

**Limited Scope For Rebound**

*India - Commercial Credit To Commercial Sector, % chg y-o-y`*




*Source: Bloomberg, Fitch Solutions*

## Significant Challenges To Overcome In The Short Run

**We expect the mergers to face significant challenges over the next two years, and as such, fail to achieve the government's aims of significantly lifting credit growth**

Cover Story

**and improve operating performance at the larger merged PSBs.** We see three reasons for this; first, the benefits of mergers have a delayed realisation given the challenges faced by the alignment of processes, people, and culture. With the government's announcement, we believe that merger-related issues will now be of primary concern to the leadership of the concerned banks over the near term, which will potentially distract from efforts to expand their balance sheet.

Second, a larger entity could also bring with it additional layers of internal bureaucracy, which is inefficient and could offset some efficiency gains from technological investment opportunities a larger entity would allow for.

Third, the Finance Minister has assured that the bank mergers will not lead to any job losses. We believe that this would be counterintuitive to the government's intent of improving the performance of banks through a possible streamlining of operations for better efficiency. This is because there would likely be a large number of staff performing duplicate roles post-merger which would ideally be required to be reassigned. Even if retraining was possible, tsome new roles may require staff to relocate away from their home city, which could face resistance from the staff themselves. All these challenges could eventually result in the *status quo* persisting even post-merger so as to be in line with the government's promise of 'no job losses'. The worse-case scenario from this outcome could be simply a larger but still inefficient corporation.

Indeed, the Bank of Baroda, which the government announced would merge with Vijaya Bank and Dena Bank in August 2018, has experienced difficulty trimming its workforce in the year following the announcement as the government had also promised no job losses as a result of the merger. According to a Bloomberg report, Dena Bank and Vijaya Bank have offered an exit option to employees under a voluntary scheme to 'disassociate' from the bank, whereby the employees would forego their remainder of their tenure and be paid pensions as per their existing pay scales. This has seen limited success with few exits from the bank, resulting in Dena Bank and Vijaya Bank having to increase their pension provisions. Separately, IT integration remains a challenge a year into the merger, although much progress has reportedly been made.

## *Mergers Have Favourable Long-Run Potential*

We are optimistic that mergers among PSBs have the potential of delivering positive results for the Indian banking sector over the long term for four reasons. First, the merged entities should be able to streamline their resource allocation and rationalise the provision of services.

Second, profitability is likely to be supported by the ability of the larger entity to reap better economies of scale, which would help reduce costs, as well as reduced competition in the industry with a smaller number of players.

Third, a larger entity post-merger will also provide room for better return on investment particularly in technology, given the scale of its operations, which could provide efficiency gains for the bank and boost their ability to compete with the private sector.

Finally, the mergers could also expedite the bad asset resolution as the resolution process would likely require the approval of less entities going forward, given how the stressed assets are usually held by multiple parties. Therefore, the merger has the potential to reduce bureaucracy and accelerate the decision-making process.

**Loan and Deposit Book Size of Merging/ Merged Banks**

| Merging/Merged Banks | Loan Book (INR trn) | Deposit Book (INR trn) |
|---|---|---|
| **State Bank of India** *(Previously merged with five of its associate banks and Bharatiya Mahila Bank in 2017)* | 22.4 | 29.5 |
| **Punjab National Bank + Oriental Bank of Commerce + United Bank** | 7.1 | 10.4 |
| **Bank of Baroda** *(Previously merged with Dena Bank and Vijaya Bank in 2018)* | 6.7 | 9.0 |
| **Canara Bank + Syndicate Bank** | 6.7 | 8.7 |
| **Union Bank + Andhra Bank + Corporation Bank** | 6.2 | 8.3 |
| **Indian Bank + Allahabad Bank** | 3.4 | 4.5 |

*Source: Economic Times, Jefferies India, Fitch Solutions*

However, it must be said that our view for improved PSB performance over the longer term hinges on our assumption that corporate governance and internal processes will eventually improve as a result of the mergers.

Larger banks require improvements in banking regulation and supervision given the systemic risks posed by a more concentrated banking sector.

There is a risk that improvements in corporate governance and risk management do not materialise, with the mergers eventually seeing the previously weaker banks dragging on the performance of the newly formed entity.

While a larger bank could bring with it economies of scale and possibly better deployment of resources, it likely also entails a higher risk appetite with the aim of growing profitability.

Given that larger banks, by definition, would hold a larger proportion of public money, there is also the risk of these banks becoming 'too big to fail' should asset quality rapidly deteriorate due to a negative economic shock, requiring significant government intervention to keep these entities afloat.

Previous merger examples such as that for the State Bank of India and, separately, for the Bank of Baroda also have not appeared to have brought about a significant improvement in bank performance as of yet, which suggests that the road to improvement could be longer than even our current two-year horizon.

**Risks to our credit growth forecast are evenly balanced.** Upside risks stem from a recovery in global growth should the US and China reach a deal over the near term, which would improve domestic business confidence and potential corporate loan demand, although this is not our core view.

Our core view is for no US-China trade deal before the US Presidential elections in 2020. Downside risks will stem from a continued lack of effective fiscal stimulus to boost domestic demand, which could continue to see the uptake of loans remain weak over the coming months. A weaker than expected rebound could ultimately see credit growth underperform our forecast.



*This report from Fitch Solutions Macro Research is a product of Fitch Solutions Group Ltd, UK Company registration number 08789939 ('FSG'). FSG is an affiliate of Fitch Ratings Inc. ('Fitch Ratings'). FSG is solely responsible for the content of this report, without any input from Fitch Ratings. Copyright © 2019 Fitch Solutions Group Limited.*

# Partnering Singapore Companies on Your Digitalisation Journey

***Aaron Zhang***
*Regional Director (based in Mumbai), Enterprise Singapore*



For a small nation like Singapore, where natural resources and manpower are scarce, innovation and digitalisation play a vital role in the development of its economy. Singapore is moving towards being an innovation driven economy. From both economic and social aspects, there are efforts to build a smart nation, empower the population to go cashless, tap on smart urban mobility to enhance public transport, as well as develop online platforms to bundle government services across different agencies. On the industry front, Singapore has rolled out multiple transformation strategies to help each sector identify relevant growth roadmaps, including technological enhancements, and be future-ready.

Amid global competition and the advent of technology, it has become increasingly important for companies to digitalise, in order to stay ahead of the curve. As the agency championing enterprise development, we actively encourage Singapore companies of all sizes to embark on digitalisation. They can start small, but it is an ongoing journey they need to persist with. By embracing digitalisation, businesses can uplift their productivity as they rely less on labour-intensive processes, and are able to enhance operational efficiency and capacity.

Ultimately, this improves their bottom lines. Going digital also means that data can eventually be collected to help business owners make better informed decisions to improve business processes or strategies.

Today, India too is pushing for digitalisation. With the government's Digital India initiative, many companies here are starting to harness technology to create efficiencies, productivity and finding new ways of doing business so as to stay ahead of competition.

A key benefit of digitalisation, is that it creates new opportunities that were previously not possible. Furthermore, it transcends geographical boundaries and enables greater cross-border collaboration. For example, by harnessing new technologies and big data, the financial sector is able to customise solutions for customers real-time and across geographical boundaries. Singapore's homegrown DBS Bank, recently named the World's Best Bank by Euromoney and the World's Best Digital Bank, is a good example. Beyond just creating user-friendly apps for its customers, it has worked hard to embed innovation in all its services and processes. In India, DBS was the first to launch digibank in 2017, a fully digital, paperless and branchless banking service, which makes banking more accessible to the unbanked staying further away from the city centres.

To support the growth of SMEs in India both domestically and overseas, DBS has since launched several initiatives. These include its analytics-based lending, by leveraging both traditional and unconventional data sources, and providing loans through simple and digital customer journey.

This enables the Indian SMEs to secure better loans in a much shorter time. The bank has also integrated its digital banking platform with partners such as Tally, an enterprise resource planning (ERP) solution provider. This helps DBS' clients digitalise their payments and collections processes without the need to invest heavily in a new accounting system.

There are many other emerging digital areas Singapore companies can partner Indian companies in, such as video and data analytics, fintech, and artificial intelligence (AI). For example, AI and video analytics are some technologies that are currently sought after by Indian corporates and government, to help provide better customer service and at the same time, address security concerns. Aligned with such needs, Singapore tech company Graymatics offers smart solutions addressing security and prevention of crimes through face detection and recognition, emotion detection, people and vehicle tracking. Powered by deep learning, its AI and video analytics systems have helped some local companies sieve through massive volumes of data and generate actionable reports.

With 4G infrastructure and high smartphone penetration, India an internet users are growing very quickly. This has resulted in a tremendous growth in e-commerce, attracting online players like Amazon, Flipkart, Snapdeal and Paytm.

However, it has not been easy for some micro SMEs in India to benefit from the rise of online retail. Some do not have the capacity to invest in brand building, last mile logistics management, or implement multiple e-payment gateways and build e-commerce portals. Shopmatic, a Singapore startup, has provided platform solutions that help overcome these.

Its solution brings all the disparate pieces of the e-commerce puzzle into an entire ecosystem, making it extremely easy for any micro, small or medium business to go online. Merchants are able to create full-fledged e-commerce stores in minutes and, to make it absolutely affordable, Shopmatic's basic services starts from just ₹ 50! To meet customers' other needs, Shopmatic provides services to help drive traffic to their customers' sites and also help merchants in the online journey by holding workshops and webinars to support them in fully harnessing the power of e-commerce.

Singapore companies have a good reputation in delivering world class services and unique technologies with proven global track records. Beyond the 3 examples shared above, there are many other firms who will be keen to partner with Indian companies across various sectors. At Enterprise Singapore, we work with numerous Indian businesses to identify problem statements and the digital solutions needed to address their challenges. With a vibrant digital community back in Singapore, we are able to reach out to industry players with suitable technologies. We have much to learn from each other and we have complementary strengths.

Often, the most innovative and relevant solutions stem from working with each other. As more Indian businesses embark on their digitalisation journey, we welcome them to partner Singapore.

*Enterprise Singapore is the government agency that champions Singapore enterprises' development, from building capabilities, innovation, to internationalisation. The agency has more than 35 offices globally, forging partnerships between Singapore and international companies and governments. In India, it has offices in Delhi, Mumbai and Chennai.*



# India again improves its rank in the 'Ease of Doing Business' Index

***Rohit Vadhwana***
*IFS Officer, First Secretary (Economic)*
*High Commission of India*
*Aldwych, London*

The real effect of reforms is visible when the result improves in continuity. Recently, India has made noteworthy progress in improving the 'Ease of Doing Business' rank. It is conducted by the World Bank for 190 nations.

In the recently published index, India reached 63rd place, from 77th in 2018. Ease of Doing Business Index assesses the business environment in Delhi and Mumbai. Some key performance indicators where progress is quick and noteworthy are in getting a construction permit, getting electricity connection, resolving insolvency, payment of taxes, starting a business and trading across borders.

India's rank in getting construction permits has improved from 184th in 2014 to 24th in 2019. It has become much systematic and easier to start new construction. Getting an electricity connection in India is much easier now. Its rank used to be 137 in 2014, now it is 22nd in 2019. It is also remarkable that no village is left unelectrified in India and the pace in giving a connection to rural households is unprecedented.

In resolving insolvency, India has jumped to 52nd rank in 2019 from its erstwhile 137th in 2014. The passing of the Insolvency and Bankruptcy Code 2016 has established a system and helped improve the environment. Ease of paying taxes improved to reach 115th in 2019 from 156th in 2014.

With many facilitations for businesses, it has become much easier to do an export-import business in India. It has resulted in an improvement of rank in trading across borders indicators from 126th in 2014 to 68 in 2019.

Another improver was in the starting of a business, where India's rank has moved to 136th from 158th in 2014. With overall improvement in 7 out of 10 indicators measured for ranking a country under the Ease of Doing Business Index by the World Bank, India improved by 14 ranks in 2019 to reach 63rd position. It may be noted that India was ranked 142nd in 2014.

India remained in the world's top ten improvers for three consecutive years in this index. During the year, India improved in 7 out of 10 indicators taken into consideration. The nation is ranked first amongst the South Asian countries.

India ranked 142 in 2014, 130 in 2015 & 2016, 100 in 2017, 77 in 2018 and now 63 in 2019. Continuous improvement in the 'Ease of Doing Business Index' has helped the country to attract foreign investment. Entrepreneurship amongst the youth is also increasing.

*(Expressed opinions are personal)*

# IMC Business Delegation to Iceland, Switzerland and Slovenia

*9th-17 September, 2019*


IMC delegates led by IMC President Mr. Ashish Vaid joined ASSOCHAM and CII business delegations accompanied Shri Ram Nath Kovind, Hon'ble President of India's State visits to Reykjavik, Iceland, Bern, Switzerland and Ljubljana, Slovenia from September 9 to 17, 2019.

At all three places, delegates got meaningful business interactions with counterparts at business forums and roundtables as well as site visits to understand and explore business and investment opportunities in all three countries. Hon'ble President of India along with Presidents of respective countries addressed joint forums and resolved to enhance bilateral ties. Hon'ble President of India in his address talked about India's transformative growth programs and next-generation infrastructure projects and how these present immense opportunities for companies in Iceland, Switzerland and Slovenia.

In addition, meetings were also arranged with Minister for Industry and Innovation and Minister for Foreign Affairs in Reykjavik, Iceland, President of the Canton of Bern and Swiss State Secretariat for Economic Affairs [SECO] in Bern,

*B2B Meetings in Slovenia*

*IMC delegates with Shri Ram Nath Kovind and H.E. T. Armstrong Changsan*

*Shri Ashish Vaid giving interview*

*(L – R): Shri Sanjay Mehta, Shri Ashish Vaid and Shri Guoni Th. Johannesson*

Switzerland and meeting with Koper Port authority in Ljubljana, Slovenia.

Overall, delegates were satisfied with meaningful engagements and visits organized and very appreciative of support and hospitality of Indian Missions in all three countries.

*IMC delegates with Shri Ram Nath Kovind and H.E. Mr. Param Jit Mann*

# Round Table Discussion on Dubai – A Hub for International Business

**20th September, 2019**


(L-R) - Mr. Sougata Ghosh, Mr. Vikrant Bhansali, Mr. Anant Singhania, Capt. J.S. Gill, Mr. Rajiv Podar, Mr. Dinesh Joshi, Mr. Sameer Nawani, and Mr. Saurabh Shah



Meeting with the Dubai Chamber of Commerce and Industry held on Friday, 20th September, 2019 from 11.00 hrs – 13.00 hrs at IMC

Dubai Chamber along with IMC Chamber of Commerce and Industry organized a Round Table Discussion on "Dubai – A Hub for International Business" on Friday, 20th September, 2019 from 11.00 hrs – 13.00 hrs at H. T. Parekh Conference Room, 4th Floor, IMC Building, Churchgate.

The focus of the meeting was to explore potential business opportunities for investments, collaborations and provide assistance to members to get relevant information on Dubai. There were 3 speakers who were invited by the Dubai Chamber to speak at the event. The members discussed in detail regarding the areas of collaboration and assistance that can be provided to each other and to develop potential business opportunities for both the countries.

Mr. Ashish Vaid, President, IMC welcomed the speakers : Capt. Gill, MD, X-Press Feeders, Mr. Vikrant Bhansali – Chief International Officer, Dubai International Finance Centre and Mr. Sameer Nawani – Head, India Office, Dubai Chamber of Commerce and Industry along with the members who attended the meeting. He informed the visiting delegates that IMC was very keen to associate with them.

Mr. Sameer Nawani gave his presentation on the functions of Dubai Chamber and how it could help Indian businessmen to engage with companies in Dubai for business. He informed that the Chamber started with 400 members and now has around 2,31,000 members. 45 Associations are also registered with the Dubai Chamber. The tourism industry saw an increase and stood at 15.9 million passengers in 2018. The airport saw 59 million passenger traffic. Dubai is the 7th most visited city and ranks 11th in the Ease of Doing Business ratings. Mr. Nawani informed about the Dubai Smart City Vision and presented the focus sectors :

1) IOT / Blockchain Technology
2) Dubai Industrial Strategy – Six sectors
   a) Civil Aviation
   b) Maritime
   c) Food & Beverages
   d) Healthcare
   e) Aluminium – 4th largest producer in the world
   f) Small machinery and tools – contributes 25% GDP

Dubai has a Halal economy and has around 24% of global population, around 1.8 billion people.

Expo 2020 – Investment of $9 billion and will look at attracting 25 million visitors.

Dubai could be a hub for Indian businessmen. The Dubai Chamber has around 10 offices worldwide.

Capt. Gill gave an overview of his business model. He informed that they were the largest feeder company and own 55 ships and operate 110 ships. He informed that costs in Dubai are on the higher side.

Mr. Vikrant Bhansali informed about the following :

1) Financial free zone
2) Issue regulated license
3) They are ranked at No. 12 globally
4) 625 regulated entities
5) DIFC have their own free zone with their own legal system, own judges and courts
6) They have full jurisdiction on all financial and civil matters
7) They also license non regulated entities but not operating companies
8) They have holding companies through DIFC

All the speakers were of the opinion that Dubai is changing towards knowledge economy. It was a very informative session and the 3 speakers then answered questions from the members.

# Meeting with Governor of the State of Indiana, accompanied by Secretary of Commerce

***4th October, 2019***

IMC Chamber of Commerce and Industry organized a breakfast meeting for members with H.E. Mr. Eric Holcomb, the Governor of the State of Indiana, along with Mr. Jim Schellinger, Secretary of Commerce, State of Indiana and his delegation.


*(L-R): Mr. James Schellinger, H. E. Mr. Eric Holcomb, Mr. Ashish Vaid, Mr. Dinesh Joshi and Mr. Anant Singhania*

We are all aware that President Donald Trump at "Howdy Modi" event in Houston announced the first-ever NBA Basketball games in India on October 4 and 5 when the NBA sides Sacramento Kings and Indiana Pacers will play two pre-season games in Mumbai. The Governor of US State of Indiana Eric Holcomb was in Mumbai to witness this unique event.

IMC took this opportunity of his presence in Mumbai, and invited Governor Holcomb to the Chamber to interact and discuss with few IMC members over breakfast, the potential to strengthen economic ties between India and Indiana.

Mr. Ashish Vaid, President, IMC welcomed H. E. Holcomb, Mr. Schellinger, and the other delegates from Indiana along with the members who attended the meeting.

H.E. Holcomb then spoke to the members regarding his State of Indiana and why India should look at associating with the State of Indiana for business purposes. He explained the business environment, the tax implications and other important details which were interesting to the members.

Mr. James Schellinger then gave a presentation on "Why Indiana". It gave a brief description on the State of Indiana, the existing business opportunities, the focus sectors and other details to enable members to get an overview on the State of Indiana.

# Korean delegation from Chungbuk Province, Korea

***9th October, 2019***

Meeting with the Chungbuk Delegation from Korea comprising of high level government officials at IMC as on 9th October, 2019 from 4.00 p.m. – 5.00 p.m. at IMC

The International Business Committee of the Chamber organized a meeting with Chungbuk Province in Korea, led by Mr. Gyeong-Jae Meang, Director General of Economy and Trade Bureau of the Chungbuk Government.

This Korean delegation comprised of approximately 6 delegates.

*(L-R): – Mr. Gyeong-Jae Meang, Mr. Ashish Vaid, Mr. Dinesh Joshi and Mr. Nanik Rupani*

Mr. Ashish Vaid, President, IMC welcomed Mr. Meang, and the other delegates from the Chungbuk Province along with the members who attended the meeting. He informed the visiting delegates that IMC was very keen to associate with them.

Mr. Dinesh Joshi, Chairman of International Business Committee informed the visiting delegation on how IMC can help them to promote their business interests in India.

Mr. Nanik Rupani, Past President of IMC informed the delegation how KOTRA was born in IMC and also that IMC has very old ties with Korea. He shared his experience with Ambassador of Korea and also shared some pictures of his association with Korea.

The purpose of the meeting was to interact with members with an aim to understand about the business opportunities in India and also to promote about the existing trade and investment opportunities in Chungbuk Province of Korea.

Mr. Meang gave a presentation on his province and informed about how the Chungbuk province can be a good destination for Indian businessmen to do business with. Mr. Meang and the visiting delegation then answered queries raised by the members.

# *Meeting with the Delegation from Korea by KICOX*

***22nd October, 2019***

*(L-R seated): Mr. Hong Kee Young, Ms. Sunita Ramnathkar, Mr. Dinesh Joshi, Mr. Dongyeol Lee, Mr. Ashish Vaid and Mr. Ajit Mangrulkar along with all the invitees to the interaction*

The International Business Committee of the Chamber organized a meeting with a trade delegation comprising of 9 Korean companies led by association named as Korea Industrial Complex Corporation (KICOX) in Korea, led by Mr. Dongyeol Lee, Director, KICOX.

This Korean delegation comprised of approximately 15 delegates. The Director General of KOTRA, Mr. Hong Kee Young along with Deputy Director, KOTRA, Mr. Seog-Il Chang were also part of the visiting delegation.

KICOX is a national level apex body for industrial complexes' management and supervising agency; also includes 5 regional bodies with HQ at Daegu City having 18 nationwide branch offices which are operating an industrial complex-based cluster program targeting all industrial complexes nationwide since 2005.

Mr. Ashish Vaid, President, IMC welcomed Mr. Lee, and the other delegates from Korea along with the members who attended the meeting.

The purpose of the meeting was to interact with members with an aim to understand about the business opportunities in India and also to promote about the existing trade and investment opportunities in Korea.

Mr. Lee played a video on KICOX to the members. He informed the members that the automotive, cosmetics and industrial parts manufacturing sectors were important focus sectors for Indo-Korean ties. Mr. Lee informed that they would be meeting Indian businessmen the next day and were hoping that these meetings develop into business opportunities for them.

The Korean companies then introduced themselves and also gave a brief on their operating sector. They showed immense interest to locate business partners.

Few IMC members already showed interest to interact with them for potential business opportunities.

***Shailesh Haribhakti***
*Past President, IMC and a Board Chairman, Audit Committee; Chair and Independent Director at some of the country's most preeminent organizations. He is a well-known thought leader on the Indian Economy and Public Policy*

# Going Phygital: Computing In The Age Of Convergence

The year is 2040. This is Anna's story. Anna is a CEO at a top tier engineering company. She is a well-known and well-regarded Corporate Leader. In her free time, she likes going out with her family for a nice meal and enjoys steaks. She has not had a single sick day in the last 10 years. And, like all of us, Anna hates sitting in traffic. What does her life look like in the year 2040? Her reality, as described by the following four word-pictures, shows a world where the physical and the digital have seamlessly converged to create an arguably better world.

1) In her state-of-the-art manufacturing factories, Artificial Intelligence, Augmented Reality and Blockchain have evolved to create an error free, highly productive engineering shop that delivers consistent quality, error-free air-conditioners.

   Over the last 2 decades, PHYGITAL has emerged at a furious pace (i.e. convergence of Physical and Digital) in manufacturing to deliver scale, accuracy and precision. The skills and dexterity of the worker have improved as "Augmented Intelligence" has taken over to raise productivity levels.

2) Embedded sensors in Anna's body and in every artifact of hers' like a tooth-brush, wearables, bedding, clothing etc. combine with nano-bots in her blood stream to continuously diagnose the root cause of any affliction.

   Instead of expensive medical diagnostic machines, the ubiquitous sensors in the "trillion sensor world" of 2040 provide precision diagnosis and tailor-made treatment, enhancing human life immeasurably. IOT, machine learning, high level analytics and Artificial Intelligence have combined to make Doctors "Augmented Intelligence" possessing humans. These technologies have empowered Anna to understand her body much better such that she can take effective preventive action in time. And thus never fall sick!

3) Anna and her family go to their favourite restaurant for dinner. This restaurant serves the worlds rarest 3D printed exotic steaks and the most nourishing vegetables and fruits. This reality, emerging from vertical agriculture, agtech, and micronutrient provision to soil-less roots watered by a mist fed jet, has combined to change Anna's very concept of 'food'. In 2020, the equation was one of spending more on moving the food to where we eat it.

   In 2040, this has now reversed. Powerful algorithms, machine learnt fertilizing and watering schemes, and a 3D printing front-end has made the "PHYGITAL World" a most exciting place when it comes to food.

4) Anna's day is packed with meetings across the globe. A meeting in Paris. An hour later in London. And 2 hours later in New York. The way she does this is through a "virtual world" where all her business is conducted. Anna "enters" this world through an advanced AR/VR interface from wherever she is.

   The way this "virtual world" operates is very similar to what one has seen in the movie – The Matrix. So while a train ride from New York to DC may take 3 hours, and a plane ride may take an hour, the "commute" in the virtual world is instantaneous. And the interaction is as real as an in-person meeting.

Every aspect of Anna's life – transport, food, products for enjoyment of a better atmosphere, health giving longevity, and education driven skill enhancement have been disrupted.

The world in 2040 is so much more sustainable than the world in 2020 - inefficient, high cost, high polluting systems etc.

This new world has left Anna and the rest of human kind, to contemplate and connect with friends and community through an evolution and a revolution that seemed quite distant in 2020.

Sources of dematerialization (elimination of the material content from useful physical devices), demonetization (removal of costs leading to hyper-disinflation), democratization (ubiquitous availability to the entire human race) and delocalization (being usable wherever we are) has created an empowered, Customer-to-Connected-Customer World that has taken us back to connect, collaborate and evolve.

Coming out of Anna's world and back to our own, we must realize that the convergence of technologies is inevitable as human beings continue to innovate gloriously.

The ''New PHYGITAL WORLD'' of Info, Bio and Nano technologies will emerge, creating a new singularity that will completely redefine progress! If we were to be magically transported to Anna's world in 2040, we might be totally and completely shocked due to what we see in the new world and the transformation! To such a world, all our human ingenuity beckons us!

**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

**September 5, 2019**

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

**Respected Hon'ble Union Minister Shri Piyush Goyal ji,**

On behalf of IMC Chamber of Commerce and Industry, I wish to put on record our appreciation for your efforts to maintain a continuing dialogue with the Chamber, and with industry and business community to facilitate conducive milieu for growth of trade and industry. We also appreciate your willingness to invite suggestions from stakeholders deliberate on them and consider implementing them.

Sir, for your kind consideration, we enclose herewith the compilation of Chamber's suggestions on policy reforms and promotion of trade and commerce that we have put together from inputs received from our members on promotion of commerce and industry, and boosting exports and international trade.

We believe that these recommendations have potential to be the catalyst for growth in trade, both domestic and international, that could in turn stimulate the Indian economy.

We once again thank you for your continuing support and look forward to your comments on our recommendations.

With kind regards,

**Ashish Vaid**
President, IMC

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

Scan to download
the Annexure

IMC
Chamber of Commerce and Industry

Ashish Vaid
President

**September 12, 2019**

**Honourable Member (Investigation),**
Central Board of Direct Taxes ('CBDT'),
Ministry of Finance, Government of India,
128-A North Block, New Delhi

Dear Sir,

**Sub: Representation in respect of guidelines for compounding of offences [in particular for the DELAY IN FILING OF RETURN OF INCOME ('ROI')] [F.No. 285/08/2014-IT(Inv.V)/147] dated 14 June 2019 issued by the CBDT as further clarified by Circular No 24/2019 dated 9 September 2019 [F.No. 285/08/2014-(IT)(Inv.V)/349] and Circular No 25/2019 dated 9 September 2019 [F.No. 285/08/2014(-IT)(Inv.V)/350]**

1. We refer to the new compounding guidelines [F.No. 285/08/2014 -IT(Inv.V)/147] dated 14 June 2019 (hereinafter referred to as 'new guidelines') recently released by the Hon'ble CBDT which replace the compounding guidelines [F.No. 285/35/2013(IT)(Inv.V)/108] dated 23 December 2014 (hereinafter referred to as 'old guidelines') with effect from 17 June 2019. A copy of the new guidelines and the old guidelines has been enclosed herewith as **Annexure 1** and **Annexure 2** respectively. Further, we refer to Circular No 24/2019 dated 9 September 2019 [F.No. 285/08/2014-(IT)(Inv.V)/349] and Circular No 25/2019 dated 9 September 2019 [F.No. 285/08/2014(-IT)(Inv.V)/350] relaxing some conditions mentioned in the new guidelines. A copy of these circulars has been attached herewith as **Annexure 3** and **Annexure 4** respectively.

2. **Intention of the Government is not to harass the taxpayers or create tax terrorism**
   - The intention of the present Government is to standardize the procedure for compounding of offences and encourage taxpayers to come clean by opting for compounding.
   - In their recent interview, the Hon'ble Prime Minister and Hon'ble Finance Minister have reassured the citizens that honest and law-abiding businesses / taxpayers will not be harassed and the Government will take all possible efforts to end the "tax terrorism". It was clarified that the taxpayers making minor or procedural violations will not be subjected to disproportionate / excessive action.
   - By way of introduction of monetary threshold of Rs 25 lakhs for initiation of prosecution proceedings vide the Circular No 24/2019 dated 9 September 2019, the Government has clarified that the intent is not to harass the genuine taxpayers where there was a bonafide delay in filing the ROI for small cases.
   - In this regard, it is humbly submitted that while the thrust of the Government on compliance is understandable, prescribing an unduly high levy of compounding fees (which is virtually tax terrorism) would tend to have a deterrent effect on approach of the taxpayers.

3. Despite that the new guidelines principally remain same as the old guidelines, the new guidelines have introduced some welcome clarifications in the existing framework of prosecution proceedings such as defining the term 'occasion' to connote that a compounding application filed for multiple assessment years would be considered as one 'occasion'. Further, as a one-time measure, the CBDT has clarified (vide Circular No 25/2019 dated 9 September 2019) that compounding applications filed on or before 31 December 2019 would be acceptable even if the same have been filed after 12 months from the date of launch of prosecution proceedings. The introduction of these clarifications was much required and well appreciated by the taxpayers at large. Such clarifications by the CBDT also indicated that the overall approach of the Government, is to be supportive towards taxpayers who wish to cleanse their past defaults and become tax complaint henceforth.

4. Similar to the old guidelines, the new guidelines also classified the offences under Chapter XXII of the Income-tax Act, 1961 ('Act') under the two categories viz. Category A (i.e. Technical type of offences such as delay in deposit of taxes deducted at source, etc) and Category B (i.e. Non-technical type of offences such as non-payment / delay in payment of taxes, interest, etc).

**It is submitted that this representation is in respect of the compounding charges levied for compounding of offence of delay in filing of the ROI (i.e. Section 276CC of the Act) (Category A offence)**

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

| Particulars | Old guidelines | New guidelines |
|---|---|---|
| Category of the offence of delay in filing the ROI | Category B | Category A |
| Number of times the offence can be compounded in the lifetime of the taxpayer | Once | Thrice |
| Compounding charges | 2% per month or part of a month of the tax and interest | ● Where tax on returned income as reduced by tax deducted at source and advance tax, if any, exceeds Rs. 25 lakhs, Rs 4,000/- per day;<br>● In any other case, Rs 2,000/- per day |
| Maximum compounding charges prescribed | NA | Compounding charges are restricted to the taxes paid / payable (after deduction of TDS, advance tax, etc) if such taxes paid /payable on the returned income (after deduction of TDS, advance tax, etc) do not exceed Rs 1,00,000 (subject to a minimum of Rs 10,000). |

***Note – It is important to note that despite the fact that the taxpayers are liable to pay and have already paid full tax and have also paid interest under the provisions of the Act for delay in filing the ROI, the guidelines have prescribed a stark increase in the compounding charges for having the offence compounded.***

It is submitted that this sizeable escalation in the compounding charges under the new guidelines would not be the intent of the law and would not be in line with the true spirit of the guidelines on account of the following reasons:

**A. No co-relation with taxes / interest paid (stark increase in compounding fees at Rs 4,000 per day)**

- Considering that prosecution is initiated for delay in filing the ROI, it would be more appropriate if the compounding charges were co-related to the taxes payable in such ROI (as in the old guidelines).
- However, the compounding charges under the new guidelines have no co-relation with the amount of taxes which have been paid late.

**B. One offence being treated as two separate offences**

- Where the delay in filing of the ROI is consequentially coupled with a delay in payment of self-assessment tax, then the new guidelines construe the same as two separate offences and liable for two separate compounding fees [Para 13.4.1 (e) of the new guidelines] i.e.
  - (i) Delay in filing the ROI (Section 276CC of the Act); and
  - (ii) Delay in payment of self-assessment tax [Section 276C(2) of the Act]
- Such a combined levy was absent in the old guidelines.

**C. Circular No 24/2019 (where threshold limit of Rs 25 lakhs was introduced and clarified that prosecution can be initiated for cases below the threshold limit with the prior approval of the collegium of two CCITs) – Currently not applicable to small taxpayers for whom cases have already been filed in Criminal Courts**

- Point no 5 of the aforesaid CBDT Circular dated 9 September 2019 reads as follows: *"This circular shall come into effect immediately and shall apply to all the pending cases where complaint is yet to be filed"*
- This indicates that the threshold limits prescribed in the above Circular are not applicable where case for prosecution has already been filed in Criminal Court even if there is a delay in payment of small amounts and filing of the ROI.
- In such cases, the taxpayers (against whom cases have been filed in Criminal Court) will have to appear before the Court for hearings and seek a bail from time to time thereby leading to undue hardship and harassment to them.

**D. Instances of harassment / genuine hardship faced by the taxpayers where the case has been filed for prosecution in Criminal Court prior to the issue of the above mentioned CBDT Circular:**

(i) In the below case where a case for prosecution has been filed in the Criminal Court, a taxpayer encountered huge cash outflow on account of steep rise in the compounding charges under the new guidelines:

| Offence committed | Period of delay | Amount of tax paid late (Rs) | Compounding charges under old guidelines (Rs) | Compounding charges under new guidelines (Rs) |
|---|---|---|---|---|
| Delay in filing ROI | 20 months | 4,50,000 | 1,80,000 [Rs 4,50,000 x 2% x 20 months] | 12,00,000 [Rs 2,000 per day x 600 days] |
| Delay in payment of self-assessment tax of above ROI | 20 months | 4,50,000 | NIL | 2,70,000<br>[Rs 4,50,000 x 3% x 20 months] |
| **Total compounding charges** | | | **1,80,000** | **14,70,000** |

(ii) Also, recently, a finance consultant inadvertently missed reporting a small part of her other income and after 10 years she was slapped with a prosecution notice with a jail term. As a result, she had to pay a compounding fee as high as Rs 12 lakhs to have the matter concluded.

- The above examples are indicative of the draconian approach of the compounding regulations and the taxtortion unleased on account of them. They are symbolic of the irrationality in the levy of compounding charges under the new guidelines vis-à-vis the old guidelines.
- As a result, the taxpayers who are forced to pay a huge cost in terms of compounding charges under the new guidelines may get indirectly deterred / demotivated to come forward for compounding of offences.

- Given the extortionate compounding charges in the new guidelines, the taxpayers may choose to fight the case in Court rather than having the offence compounded thereby defeating the entire purpose of compounding guidelines.

**E. Possibility of creation of a deterrent effect on the taxpayers who are willing to compound their offences**

- As per the present practice, notices for initiation of prosecution proceedings are predominantly issued to taxpayers only after they have suo-moto filed a belated / delayed ROI after payment of taxes and interest (which is as high as 2% per month).
- If this approach is paired with initiating prosecution under two separate Sections for the same default, then it may have a deterrent effect on the taxpayers and they would be encouraged to not file their ROI at all.

**Prayer**
In light of the above, with the intention to convince the taxpayers that the Government is taking steps to curb the practice of tax terrorism, it is represented that the following clarifications be provided in respect of the new guidelines:

- The quantum of compounding charges should be restricted to certain percentage (say 50%) of the amount of taxes and interest paid / payable by a taxpayer along with a delayed ROI; and/or
- The limit of Rs 1,00,000 (provided in para 13.4.1 of the guidelines) should be increased to a reasonable amount of say Rs 10,00,000; and/or
- Prosecution under two separate Sections should not be initiated for the same / consequential default. Thus, where the offence of delay in filing of ROI has been compounded, prosecution should not be initiated for a consequential delay in payment of self-assessment tax; and/or
- The CBDT Circular No 24/2019 (where threshold limit of Rs 25 lakhs was introduced) should be applicable to all the pending cases where case for prosecution has been filed in Criminal Court and accordingly, prosecution for such small cases should be directed to be withdrawn.

We hope your Honour/s would accept our request and oblige.

In case your Honour/s need any further information, it would be our pleasure to submit the same.

With regards,

**Ashish Vaid**
President, IMC

Scan to download
the Annexure

**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

**September 12, 2019**

**Mr. Pranab Kumar Das**
Chairman
Central Board of Indirect Taxes & Customs
Department of Revenue
Ministry of Finance
North Block, New Delhi – 110001

**Sub : Representation for extending last date for availing ITC for F.Y. 2018-19 – through removal of difficulty order under section 172**

Respected Sir,

Greetings from IMC Chamber of Commerce and Industry!

1. Section 16 (4) of the CGST Act, 2017 provides for outer limit of period of time by which a taxpayer is eligible to take input tax credit. The section is reproduced below for ready reference:

   A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier. (Emphasis supplied)

2. Further, Proviso to section 37(3) provides for similar outer limit of period of time for supplier to rectify errors or omissions noticed in earlier filed GSTR-1 return. The proviso is reproduced below for ready reference:

   Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier. (Emphasis supplied)

3. Accordingly, recipient can claim input tax credit in respect of invoices raised by the suppliers during the Financial Year 2018-19 latest till the time of filing FORM-GSTR3B for the month of September, 2019. Any credit not claimed will get lapsed by implication.

4. For the invoices issued during the period July 2017 to March 2018, the Government had extended these last dates for availment of input tax credit and also for rectification of errors and omissions by way of issuance of order dated 31/12/18 in exercise of the powers conferred under section 172 of the CGST Act, 2017.

5. It is respectfully submitted that while in respect of matching mechanism there has been considerable improvement for the invoices issued in the subsequent Financial Year 2018-19 both in respect of GSTN issues and awareness/discipline amongst the tax payers, several issues continue to persist which are impeding adherence to the time limit prescribed in the statute. Several of these reasons are attributable to glitches in GSTN which have been flagged with GSTN from time to time through different channels. Some of these reasons are -

   i. The system does not allow download of GSTR 2A bulk file having more than 10,000 transaction line items. The er ror message encountered being "API under maintenance". This impacts matching process adopted by large tax payers. We are given to understand that GSTN is still working to resolve this.

   ii. All invoices uploaded in GSTR 1 by counter party suppliers are not being fetched by API of GSTR 6A. We understand that this system bug is due to delinking process triggered in July 2018 for ISD return. As a result proper reconciliation is not possible for invoices received in ISD registration.

   iii. Release of Amendment API of GSTR 6A was delayed up to May 2019 which has led to pile up of reconciliation work involving such amendments in case of several tax payers. Additional time is required to carry out to complete this reconciliation exercise.

   iv. Excel download of GSTR 6A is not available on GSTN till date for more than 500 entries as is available in case of GSTR 2A. This again impacts reconciliation of invoices received by ISD registrations

   v. Newly released API to capture incremental GSTR 2A is not fully functional for bulk download cases. Therefore, for updating reconciliations each time a taxpayer is required to download the entire GSTR2A and carry out a comparison with the earlier download of GSTR2A to get incremental entries in GSTR 2A filed on a periodic basis.

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

vi. While preparing GSTR-9 for F.Y. 2017-18, taxpayers have noted inexplicable differences in data downloaded in GSTR 2A, when compared with details auto populated in table 8A of GSTR 9. We understand that this issue has been flagged with GSTN and they are still working on it.

vii. Certain invoice details appear twice in GSTR-2A, though with different CFS status of "Y" & "N". This is due to GSTN portal permitting re-upload of same invoice number in a different reporting period. The GSTN portal points out the duplicate invoice error at the final stage of filling of return instead of rejecting it at the initial stage of saving the input of document. This results in two records appearing in GSTR2A and which require manual intervention to carry out the reconciliation exercise.

viii. The data reports released by the department itself, which are widely published in newspapers and social media, have revealed that many of the suppliers are yet to file GSTR-1 for F.Y.2018-19. There is significant gap in number of GSTR-1 and GSTR-3B filed. Unless filing of GSTR 1 is completely enforced, compliant tax payers on recipient end will end up losing input tax credit without any fault on their part.

In addition to the above, errors continue to be committed by tax payers in the process of uploading or booking of invoices which are inevitable considering the very nature and volume of the task. These errors make the invoice reconciliation process heavily time consuming resulting in delays. This particularly impacts small tax payers who do not have sophisticated tools for invoice matching and also large tax payers who have huge number of invoices to match. **Some of such errors, which are common, are -**

i. Invoice Number mismatches due to alpha numeric combinations, with or without hyphens

ii. Invoice date uploaded on portal is different than invoice date on physical copy.

iii. Invoices are uploaded from different state registration of the supplier or in favor of wrong state registration of the recipient leading to mismatch at buyer's end and consequential denial of credits even though appropriate tax has been paid. Rectification of such errors is a time consuming exercise.

iv. In some cases, where suppliers are dealing with different legal entities of same group, the invoice raised on one group-company has been uploaded with GSTIN of other group company. In such cases, though the appropriate revenue has been paid to the Government, the recipient can be denied credit because of the mismatch. Rectification of such mismatches is a tedious exercise as the mistake has to be taken up with each individual vendor who then has to either amend the invoice or issue a credit note for the wrongly loaded invoice followed by issuance of correct invoice.

v. There have been instances of mistakes committed by suppliers of reporting supplies made to ISD registration as supply made to regular registration and vice-versa. This also involves tedious process of rectification even though appropriate revenue has been paid to the Government.

vi. Quite often suppliers because of oversight or carelessness upload invoices on the GSTN portal but do not end up submitting these. Such invoices appear in GSTR 2A of the recipients with CFS status 'No'. Since credit can be denied in such cases also, these also have to be taken up with suppliers resulting in delays in reconciliation exercise

Looking at the above factors, it is necessary that the Government extend the last date, by which input tax credit for F.Y. 2018-19 need to be claimed by the taxpayers at least till March, 2020 and simultaneously extend the time limit provided under section 37(3) for rectification of GSTR-1 also till March, 2020, as was done for Financial year 2017-18.

Considering that there still are gaps and glitches in the GSTN as well as in compliance culture, which is definitely improving otherwise, this accommodation needs to be provided for one more year. Such an accommodation would ensure that genuine and honest tax payer do not end up losing legitimately earned credits on account of mis-match issues and hence would be a major tax payer facilitation exercise.

With regards,

**Ashish Vaid**
President, IMC

**Same letter sent to:**

1. **Mr. Yogendra Garg**
   Commissioner- GST
   Central Board of Indirect Taxes & Customs
   Department of Revenue, Ministry of Finance

2. **Mr. A B Pandey**
   Revenue Secretary, Ministry of Finance

**Ashish Vaid**
President

IMC
Chamber of Commerce and Industry

**19th September, 2019**

**Honourable Member (Investigation),**
Central Board of Direct Taxes ('CBDT'),
Ministry of Finance, Government of India,
128-A North Block, New Delhi

Sir,

**RE: Representation in connection with Revised Compounding Guidelines issued in June 2019**

On behalf of our members and the taxpayers, we would like to thank you for time and again issuing clarifications/ guidelines in line with Government's motto of 'Non adversial regime', in order ease the procedures for the honest taxpayer.

However, in the Revised Compounding Guidelines issued in June 2019, certain parts of the compounding guidelines, has brought in a more stringent framework for compounding offences punishable under the Income Tax Laws. The said portions are contrary to Government Motto of 'Non-adversial regime'. Accordingly, certain aspects need to be clarified/ modified and some monetary cap of compounding fees should be introduced in the guidelines in order to make the same effective.

In this regard, we have enclosed herewith the executive summary of issues which needs clarification and our suggestions and two separate detailed Note explaining issues which needs to clarified/ modified and suggestions for changes thereon, for your reference.

We trust that the issues highlighted, and submissions made would draw your kind attention and necessary measures would be taken to resolve the matters at the earliest in order to avoid unnecessary harassment to the honest taxpayers.

With regards,

**Ashish Vaid**
President, IMC

**Innovate, Motivate, Consolidate**
**IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.**
Tel.: **+91(22) 7122 6633** | Dir.: **+91(22) 7122 6677** | Fax: **+91(22) 2204 8508** | Website: **www.imcnet.org**
**Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978**

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

IMC
Chamber of Commerce and Industry

**Ashish Vaid**
President

**September 23, 2019**

**Smt. Nirmala Sitharaman**
Hon'ble Union Minister for Corporate Affairs & Finance
Ministry of Corporate Affairs
Room No. 436, C Wing
Shastri Bhavan
Rajendra Prasad Road
New Delhi 110 001

Respected Madam,
Greetings from IMC Chamber of Commerce and Industry!
**Sub: Representation on ensuring adequate data protection of financial information provided by private entities**

**1. Background:**

1.1. Private sector corporate entities, such as Private Limited Companies and Limited Liability partnerships ('LLPs'), play a significant role in enhancing the overall economic development of India.

1.2. The total number of active companies registered as on 31 March 2019[1] are as under:

| Sr. No | Particulars | Number |
|---|---|---|
| 1. | Public Limited Companies | 63,989 |
| 2. | Private Companies limited by shares | 10,62,418 |
| 3. | One Person Company | 22,760 |
| 4. | Others (i.e. limited by guarantee and unlimited companies) | 7,207 |
| | **Total active companies as on 31 March 2019** | **11,56,374** |

*(Note - As seen from above, out of total number of active companies - 10,92,385 were private limited companies and rest 63,989 were public limited companies. Further, out of the above, 67.31% of companies (778,345 in number) have authorized capital less than or equal to INR 10 lakh each and about 2.36% of companies (27,352 in number) have authorized capital of above INR 10 crore each. This establishes that the majority of the companies are quite small and are truly private in nature.)*

1.3. The total number of active LLPs registered on 31 March 20191 are as under:

| Sr. No | Particulars | Number |
|---|---|---|
| 1. | Contribution of less than or equal to INR 5 Lakh by each partner | 1,07,824 |
| 2. | Contribution of more than INR 5 Lakh and less than or equal to INR 1 Crore by each partner | 19,289 |
| 3. | Contribution greater INR 1 Crore by each partner | 4,218 |
| | **Total active LLPs as on 31 March 2019** | **1,31,331** |

*(Note - As seen from above, the majority of the LLPs are quiet small and are truly private in nature.)*

1.4. As per the provisions of Companies Act, 2013 ('Companies Act') and Limited Liability Partnership Act, 2008 ('LLP Act'), every Company and LLP is required to electronically file its financial statements and annual returns with the Registrar of Companies ('RoC') within the prescribed time limit.

1.5. The Ministry of Corporate Affairs ('MCA')[2] has been designated to act as a centralised data centre and maintain a secure electronic registry of such electronically filed data. The data stored with MCA is made available to any person, who is desirous to obtain financial information of any company (whether private or public) or LLP, on payment of prescribed fees. The provisions pertaining to the same are highlighted as under:

**2. Provisions under Companies Act (Refer Annexure I):**

2.1. Section 137 of the Companies Act read with Rule 12 of Companies (Accounts) Rules, 2014 provides that every Company is required to electronically file the Financial statements[3] within 30 days of the date of Annual General Meeting ('AGM') with the RoC.

2.2. Further, Section 92 of the Companies Act provides that every Company is required to electronically file the Annual Return[4] within 60 days of AGM – which is also placed on the website of the Company (if any) and form part of the Board Report.

2.3. Provisions of Section 399 of the Companies Act permit any person to inspect the documents maintained in the electronic registry filed by every Company with the RoC on payment of a prescribed fee.

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

**3. Provisions under LLP Act (Refer Annexure II):**

3.1. Section 34 of the LLP Act read with Limited Liability Partnership Rules, 2009 (LLP Rules) require every LLP to electronically file a Statement of Account and Solvency within six months from the end of each financial year with the RoC.

3.2. Further, Section 35 of the LLP Act read with LLP Rules require every LLP to electronically file an Annual Return within sixty days from the end of each financial year, with the RoC.

3.3. Provisions of Section 36 of the LLP Act permit any person to inspect the incorporation documents, names of partners, Statement of Account and Solvency and Annual Return filed by every LLP with the RoC, on payment of prescribed fee.

**4. The Issue – Sensitive information available to all:**

4.1. With the implementation of the MCA portal, public at large have been granted with an easy access to the all the electronically filed financial information, of not only public limited companies, but also private limited companies and LLPs.

4.2. While these provisions under the Companies Act and LLP Act have improved the data transparency and uniformity, the regulators need to be cognizant of the fact that access of such financial information / data, electronically, would also disclose sensitive information provided by the private companies or LLPs in their regulatory filings, such as:

- Total Revenue and income;
- Promoters, directors, key managerial personnel;
- Details of related party transactions disclosed in the notes to financial statements;
- Particulars of loan, guarantee or investments of the Company;
- Particulars of holding, subsidiary and associate companies;
- Borrowing Terms agreed by the corporate entity;
- List of all directors and their remuneration drawn as disclosed in the Annual Report under section 92(1)(g) of the Companies Act;
- Dividend distributed to shareholders;
- Contribution received by LLP partners and distribution of surplus to LLP partners etc.

4.3. Considering that one of the reasons for doing business in a private limited company or an LLP in comparison to a public limited company is that, the former is not subject to same disclosure norms / regulatory guidelines as applicable to the latter, mainly because the public are not really a stakeholder therein.

4.4. Any unrestricted access of financial information to public at large results in unwarranted information which could be misused or misrepresented by competitors, unsavoury elements for extortion, employees etc., causing a violation of data privacy and data protection of the information provided under the statutory provisions of laws.

4.5. As such as would be seen from the above, no public interest is involved in a vast majority of cases, and hence, making private information available to the general public is inappropriate.

Assuming that the entities borrow, then, at the time of seeking funding, the relevant entities already provide the requisite financial information to the Banks or Financial Institutions, thereby making available the financial data to them as and when required in relation to the disbursement of loan. Further, with the promulgation of the Banning of Unregulated Deposit Scheme Ordinance, 2019, the Company or LLP are prohibited from accessing any unregulated deposits, thereby restricting the fund access only from regulated sources, all of whom would have already asked for the required financial information.

**5. Our Representation:**

5.1. Financial information, electronically filed, by private limited Companies and LLPs contain sensitive data which should not be available to the public at large. There should be adequate data protection in order to safeguard the sensitive information provided under the prescribed regulatory filings of Companies Act or LLP Act.

5.2. Considering MCA has a huge data repository of corporate bodies across India, it is strongly recommended that the relevant provisions for public access of financial data, retrieval and dissemination of the financial information of private limited companies or LLPs are amended under the Companies Act and LLP Act, respectively.

With regards,

**Ashish Vaid**
President, IMC

*1. Source of information – Monthly Information Bulletin on Corporate Sector published by MCA – March 2019 publication*
*2. Online website - www.mca.gov.in*
*3. Form No. AOC-4 XBRL*
*4. Form No. MGT-7*

Scan to download the Annexure

IMC
Chamber of Commerce and Industry

**Ashish Vaid**
President

**September 24, 2019**

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

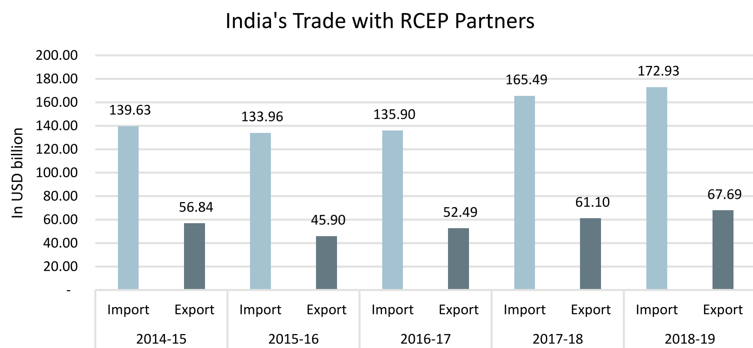
**Respected Hon'ble Union Minister Shri Piyush Goyal ji,**

**Sub: Regional Comprehensive Economic Partnership (RCEP) and India**

**A. Introduction**

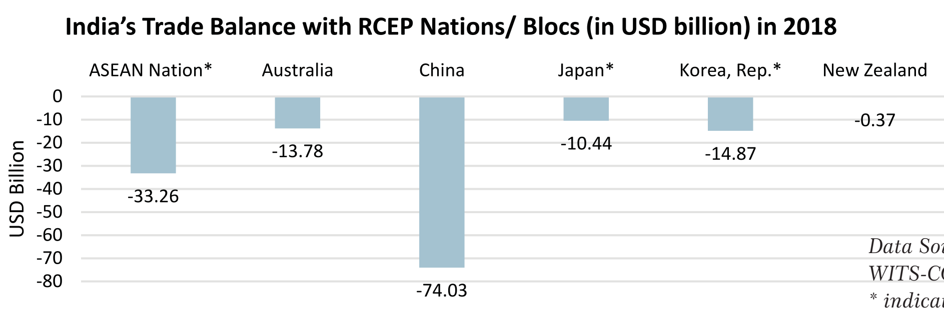
1. The Regional Comprehensive Economic Partnership (RCEP) is a free trade agreement (FTA) currently being negotiated between the Association of Southeast Asian Nations (ASEAN), comprising of Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam; and six countries with which it has an existing FTA, viz: India, China, Japan, South Korea, Australia, and New Zealand.
2. The negotiations started in November 2012 at the ASEAN Summit in Cambodia. Till date there has been around 27 rounds of meeting of the Trade Negotiating Committee (TNC) and India last attended the 8th RCEP Inter-sessional Ministerial meeting held in Beijing on 2-3 August 2019.
3. RCEP member nations comprise of almost half of the global population, account for about 30% of the global GDP and carry out almost half of global exports. The following charts provide some insights into the volume of such trade:

**Figure:**
**India's Trade with RCEP Partners**




*Data Source:*
*Ministry of Commerce, Govt. of India*

**Figure :**
**India's Trade Balance with RCEP Nations/Blocs (in USD billion) in 2018**




*Data Source:*
*WITS-COMTRADE Data*
** indicates the presence of an existing FTA with India*

4. Given the present trade situation between the United States and China, several people feel that this is an opportunity for India to step in and provide an impetus to its 'Make in India' program.

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

5. Indeed on 28 August 2019, the Government of India (GoI) allowed 100% Foreign Direct Investment (FDI) under automatic route in contract manufacturing in India and companies such as Foxconn and Apple are already operating in India. For such operations, a component supply chain is critical, and China plays a vital role there.
6. In the following sections we discuss the trend of India's trade with China and ASEAN. It should be noted that India already has free trade agreements with many of the member nations of RCEP. It is debated whether, in the presence of already existing trade agreements, India should continue to negotiate on RCEP.

**B. India and China – A Trade Analysis**

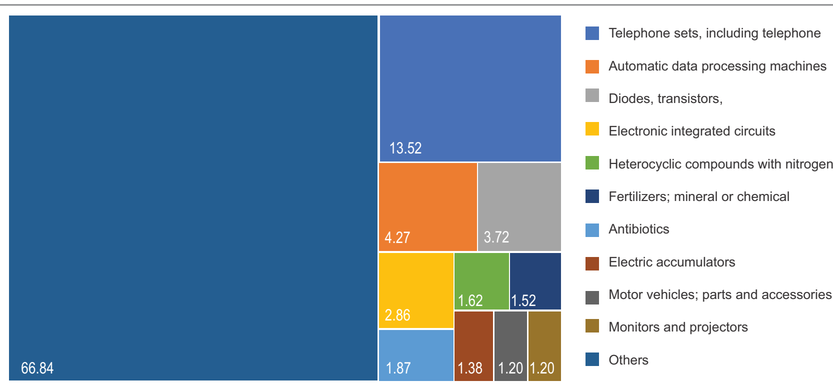
7. China is one of India's significant trading partner. In 2018-19, imports from China constituted 13.68% of India's total imports. However, the balance of trade is not in favour of India as India's export to China constituted only 5.06% of India's total exports in 2018-19. The following chart shows trend of India's trade with China:

**Figure : India's Trade with China**


*Data Source: Ministry of Commerce, Govt. of India*

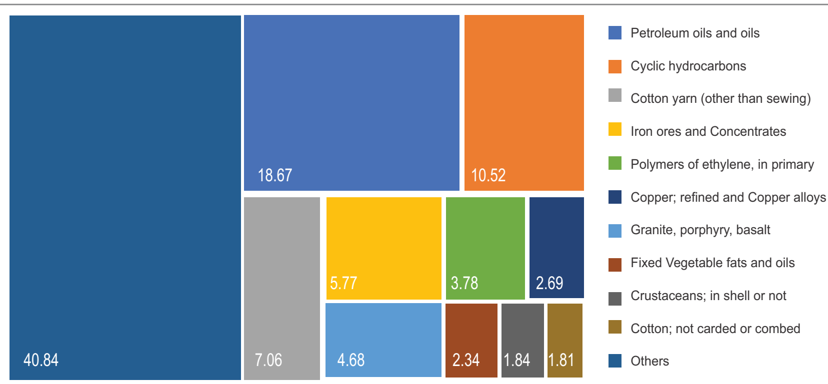
8. Sectoral analysis of India's trade with China shows another aspect of the disbalance of India's trade with China. The following charts show share of top 10 products imported from and exported to China in 2018:

**Figure : India's Top 10 Imports from China, 2018**




*Figures in Percentage Data Source: WITS – COMTRADE Data*

**Figure : India's Top Exports to China, 2018**




*Figures in Percentage Data Source: WITS – COMTRADE Data*

9. We note that in 2018 the majority of imports from China comprises of electronic goods (telephone sets, automatic data processing machines, diodes and electrical integrated circuits, etc.) and processed industrial chemicals (like fertilisers, antibiotics, etc.). Whereas the top 10 products exported to

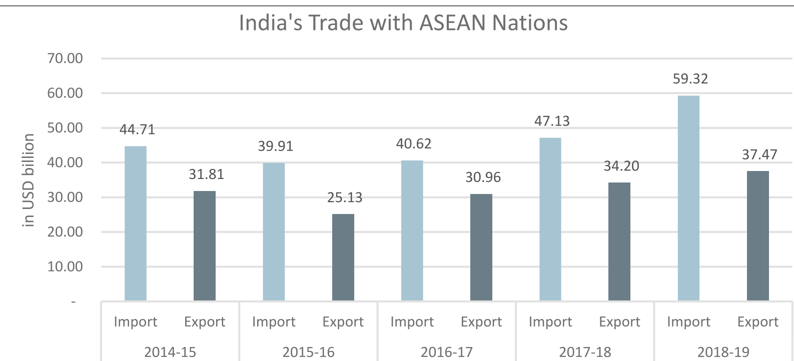
China from India in 2018 comprises primarily of raw material or intermediate goods (eg: petroleum oil, cyclic hydrocarbons, cotton yarn, iron ores, etc). This clearly shows that China is quite ahead in the value chain of products that are offered to be sold to India compared to India.

10. The above shows China has a competitive edge over India in finished electronic products. This opens up the debate whether it makes economic sense for India to provide further market access to China through RCEP.
11. One line of economic argument would lead us to argue that Indian producers too would have greater market access in China. However, it should be noted that there are equally strong players within RCEP who can compete with Indian producers in various sectors.

**C. India and ASEAN - A Trade Analysis**

12. ASEAN comprises of 10 member nations, viz: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. ASEAN members are known for their innovative approach to trade and development. It can be argued that many ASEAN nations have consistently grown over the decades based on the engine of trade. Of late, many ASEAN nations have developed niche in particular sectors and are now competing with the most sophisticated producer nations of the world. For example, Vietnam has developed competencies in manufacturing of intermediate goods in global supply chains with multinational firms such as Intel, Samsung, Adidas and Nike having set up bases in the country.
13. ASEAN member nations have historically been one of India's earliest preferred trading partner. The India-ASEAN free trade agreement was signed almost a decade ago. The following chart shows trend of India's trade with ASEAN nations. It should be noted that India has a negative trade balance with ASEAN as well. However, the gap between imports and exports is not significant, as in the case of China.

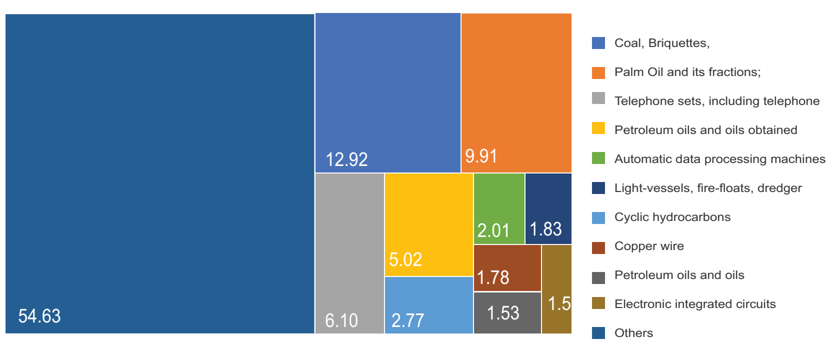
**Figure : India's Trade with ASEAN Nations**




*Data Source: Ministry of Commerce, Government of India*

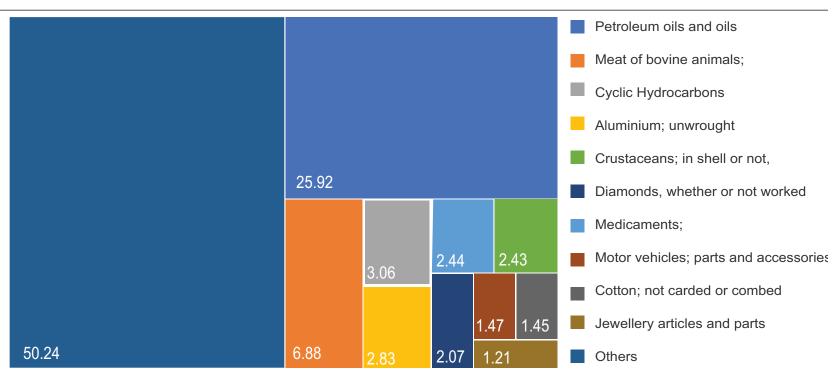
14. The following charts show the top 10 products imported and exported to ASEAN member nations:

**Figure : India's Top 10 Imports from ASEAN Nations, 2018**




*Figures in Percentage*
*Data Source: WITS – COMTRADE Data*

**Figure : India's Top 10 Exports to ASEAN Nations, 2018**



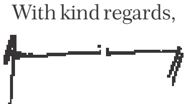

*Figures in Percentage*
*Data Source: WITS – COMTRADE Data*

15. It is quite evident from the above that India is in no particular disadvantage compared to ASEAN nations in terms of the nature of product-mix. India relies on ASEAN nations for raw materials/ intermediate goods like coal, palm oil, petroleum oil etc; while India provides petroleum products, meat, aluminium etc to ASEAN nations. There is a lot of potential for mutual benefit. However, it should be noted that the economic capacity of various ASEAN member nations is developing quite rapidly, and it is debatable if this favourable product mix would continue in the near future.
16. Another matter of debate is whether a separate comprehensive trade agreement is required for India, especially since India and ASEAN already has an existing free trade agreement – which could instead be strengthened.

**D. Conclusion**

17. There is no doubt that being part of such a large and comprehensive trade partnership as RCEP would provide India an important geo-political advantage.
18. Secondly, Indian manufacturing has definitely attained a significant competitive edge in the last few years due to the regulatory and institutional support provided by the Government of India – indeed, India has made tremendous gains in the ease of doing business ranking of the World Bank. From a ranking of 100 in 2017, India now ranks 77 in 2019.
19. Moreover, some of Indian manufacturing sectors have capitalized on their competitive advantage and are poised to explore foreign markets. The pharma industry and the cotton yarn industry already have significant market share in the exports to RCEP nations and are on the lookout for additional market access.
20. Finally, India's service sector is one of the most rapidly growing and matured industries globally; and would benefit vastly with easier access to markets like Japan, South Korea, Australia, New Zealand, and even China.
21. However, the arguments against RCEP are equally compelling. Firstly, India already has free trade agreements with a majority of RCEP nations – and it would be easier to re-negotiate and strengthen these existing free trade agreements on preferred terms bilaterally, instead of negotiating a large multi-lateral agreement like RCEP.
22. Second, several industries in India face immense competition from imports from RCEP nations; eg: dairy, iron & steel, textile, fisheries, chemicals and plastics. Many of these sectors engage a large section of the population – thus a loss of market would directly translate into rise in unemployment in India.
23. Finally, aggressively priced exports from China are the largest threat to India Inc. Chinese products are already dominating the Indian market and India already suffers a large trade deficit with China. With the RCEP, it is feared that this trade deficit will surely worsen. Moreover, China is reported to be deeply entrenched in the so-called "debt diplomacy" with many developing nations whereby the developing nations are dependent on Chinese aid for infrastructure development in exchange for market access. China has already invested in the pan-Eurasia One-Belt-One-Road project to connect major trade hub in Asia and Europe. China has also been accused of currency manipulation in the past. Based on these examples, it might be argued that trading with China rarely happens at a level playing field. In light of the above, it must be debated whether any multilateral trading agreement with China as a trading partner would actually benefit India.
24. The proposition of a multilateral trade agreement like RCEP sounds promising on paper. It has the potential of a lot of benefit to India Inc and the Indian consumers. However, there significant challenges as well.
25. Our members are very apprehensive of the large quantum of imports that will jeopardise the small and medium sector companies in India who are reeling from the demonetization and the shift to the GST regime. Already certain sectors such as toys and sporting goods are flooding the Indian market from ASEAN, Vietnam and China. Unless these sectors are protected, the proposed agreement might very well do more harm than good.
26. On behalf of the IMC and its members, we wish to request the Government to first strengthen the Indian market for local manufacturers with more of ease of doing business initiatives, before opening up our economy to export oriented countries/economies.

With kind regards,



**Ashish Vaid**
President, IMC

*Compiled by Economic Laws Practice, Advocates & Solicitors.*

IMC
Chamber of Commerce and Industry

Ashish Vaid
President

**September 25, 2019**

**Mr. Ajay Tyagi**
Chairman
Securities & Exchange Board of India
SEBI Bhavan
Plot No.C-4/A, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

Dear Mr. Tyagi,

**Greetings from IMC Chamber of Commerce and Industry!**

**Sub: Representation on settlement of listed company shares into private family trust**

**1.Background:**

1.1. Several families set up private family trusts for smooth inter-generation transfer of wealth. A private family trust is convenient and can be used not only for succession planning, but also for managing assets, finances and investing in securities and utilising the returns earned by the trust for the benefit of the beneficiaries.

1.2. A family trust can also be utilised to provide for specific needs of the family, say education or health or travel or marriage and in itself act as a vehicle which holds assets only for that specific purpose, multiplying, safeguarding, managing and securing them for that outlined purpose.

1.3. Following could be the reasons for setting up a Private Trust:

- Creating a robust and sustainable mechanism for effective succession of family businesses to second and subsequent generations, balancing merit and family control;
- Giving children the benefits of family wealth without losing control over key assets;
- Creating a legal framework for the family assets which will last for a long time;
- Allowing administrative, investment and recordkeeping functions and possibly also property management functions to be centralised & handled more efficiently and at a lower cost;
- Having flexibility for providing appropriate benefits to different family members at different points in time, taking into account changing necessities, opportunities, etc., and contributions made by such members for the well-being of the family;
- Having flexibility to have an unbiased independent person for taking decisions on distribution of wealth to various family members and others;

1.4. In many cases, the assets to be transferred to a private family trust under a succession plan includes shares of a listed company belonging to a promoter family.

1.5. The Securities Exchange Board of India (SEBI), vide the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Takeover Regulations), stipulates that any acquisition of voting rights in a listed company in excess of the thresholds specified therein would trigger an obligation to make a mandatory open offer. However, certain general exemptions have been provided under Regulation 10 of Takeover Regulations to such an open offer obligation to circumstances involving inter group transfers, transfers between immediate relatives or promoters, transfers pursuant to transmission, succession or inheritance, acquisitions by lenders pursuant to debt restructuring, etc.

1.6. Where a transaction does not fall into specific exemptions provided under Regulation 10, Regulation 11 of the Takeover Regulations empowers SEBI to grant exemptions to specific transactions on a case to case basis. The acquirer must file an application with SEBI, supported by a duly sworn affidavit, giving details of the proposed transaction and the grounds on which, the exemption has been sought.

1.7. In case of settlement of shares of a listed company in a private trust, it may so happen that the private trust would not be a disclosed promoter for a period of 3 years (a promoter needs to be disclosed for atlas 3 years to avail this exemption). Therefore, in such cases, since direct exemption from giving

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

an open offer is not available under Regulation 10 of the Takeover Code, despite the fact the trustee may be a disclosed promoter and the ultimate beneficiaries are relatives and that the shareholding of the promoter family would ultimately remain the same. Therefore, promoters have been seeking specific exemption under Regulation 11 of the Takeover Code from SEBI.

1.8. To ease the processing of such exemption applications, SEBI vide a circular (Ref: SEBI/HO/CFD/DCR1/CIR/P/2017/131) dated 22nd December 2017 (hereinafter referred to as "Circular") has provided the standard format of application and instructions for transferring listed company shares to private family trust.

1.9. Relevant extract of the aforesaid Circular dealing with transfer of listed company shares to Private Family Trust as provided in Schedule is reproduced hereunder:

**Cases involving Trust as acquirer**

SEBI in the recent past has received a number of applications pertaining to transfer of shares from promoters to Trusts which were referred to the panel of experts (Takeover Panel) as per Regulation 11 (5) of SAST Regulations. Based on the recommendations of the Takeover Panel, SEBI had passed orders granting / not granting exemption to the applicants. In the recent past, grant of exemption were considered if the following conditions were met by the applicants, expressly in trust deed:

i. The Trust is in substance, only a mirror image of the promoters' holdings and consequently, there is no change of ownership or control of the shares or voting rights in the target company.
ii. Only individual promoters or their immediate relatives or lineal descendants are Trustees and beneficiaries;
iii. The beneficial interest of the beneficiaries of the trust has not been and will not in the future, be transferred, assigned or encumbered in any manner including by way of pledge/mortgage;
iv. In case of dissolution of the Trust, the assets will be distributed only to the beneficiaries of the trust or to their legal heirs;
v. The Trustees will not be entitled to transfer or delegate any of their powers to any person other than one or more of themselves.

In addition, the following undertakings were part of the trust deed:

vi. Any change in the trustees / beneficiaries and any change in ownership or control of shares or voting rights held by Trust shall be disclosed within 2 days to the concerned stock exchanges with a copy endorsed to SEBI for its record;
vii. As far as the provisions of the SEBI Act and the regulations framed thereunder are concerned the ownership or control of shares or voting rights will be treated as vesting not only with the Trustees but also indirectly with the beneficiaries;
viii. The liabilities and obligations of individual transferors under the SEBI Act and the regulations framed thereunder will not change or get diluted due to transfers to the Trust;
ix. The Trust shall confirm, on an annual basis, that it is in compliance with the exemption order passed by SEBI. The said confirmation shall be furnished to the company which it shall disclose prominently as a note to the shareholding pattern filed for the quarter ending March 31 each year, under regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
x. The Trust shall get its compliance status certified from an independent auditor annually and furnish the certificate to the Stock Exchanges for public disclosure with a copy endorsed to SEBI for its records.

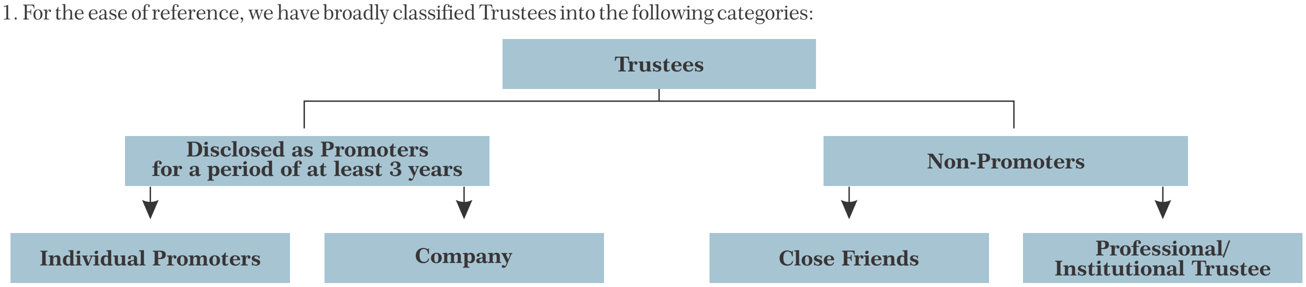
Further, exemptions were granted when the following conditions were complied:

xi. The proposed acquisition is in accordance with the provisions of the Companies Act, 2013 and other applicable laws;
xii. The transferors are disclosed as promoters in the shareholding pattern filed with the Stock Exchanges for a period of at least 3 years prior to transfer (except for holding on account of inheritance);
xiii. There is no layering in terms of trustees / beneficiaries in case of Trusts;
xiv. The Trust deed agreement does not contain any limitation of liability of the trustees / beneficiaries in relation to the provisions of the SEBI Act and all regulations framed thereunder.

The Takeover Panel and SEBI will continue to scrutinise exemption application based on the above conditions. It is further clarified that while the above conditions / undertakings are broad and general in nature, compliance with the above conditions does not guarantee automatic exemption from open offer and all applications will be considered by the Takeover Panel and SEBI on a case to case basis. However, the processing time of applications where the above conditions are complied could be significantly faster.

**2. Issue:**

2.1. For the ease of reference, we have broadly classified Trustees into the following categories:



2.2. As per SEBI Circular, in the recent past, SEBI has exempted transfer of listed company shares from the promoters to a Private Family Trusts where only individual promoters or their immediate relatives or lineal descendants are Trustees and Beneficiaries.

2.3. In the context of appointment of Trustee of Private Family Trust, often there are situations where:
- Transferor Promoter do not have immediate relatives (since the promoter family is small), or
- Transferor Promoter may not be comfortable with the immediate relative being the Trustee.

2.4. Under the above circumstances, for appointment of a trustee, the transferor promoter would like to resort to a close dependable family friend or a Professional / Institutional Trustee.

2.5. However, SEBI does not grant exemption for transfer of shares to a Private Family Trust if the trustee of such family trust is not an immediate relative or a lineal descendant of the Transferor promoter, even though the beneficiaries of such trusts are promoters or their immediate relatives or lineal descendants.

**3. Legal Framework:**
**A) Indian Trust Act, 1882:**
3.1. Trusts in India are governed by Indian Trust Act, 1882 ("Trust Act").

3.2. Section 3 of Trust Act defines a "Trust" as an obligation annexed to the ownership of property, and arising out of a confidence reposed in and accepted by the owner, or declared and accepted by him, for the benefit of another, or of another and the owner. It means transfer of property by the owner to another for the benefit of third person along with himself.

3.3. Typically, there are following parties to a Private Trust:
a) Settlor: The person who reposes or declares the confidence is called the "author of the trust
b) Trustee: The person who accepts the confidence for the benefit of the beneficiaries and is the legal owner of the trust property
c) Beneficiary: The person for whose benefit the confidence is accepted

3.4. The subject matter of the trust is called "trust property". The "beneficial interest" or "interest" of the beneficiary is the right against the trustee as owner of the trust property. The instrument, if any, by which the trust is declared is called the "instrument of trust" (commonly known as the "trust deed" or "indenture of trust").

3.5. The property in case of a trust is not transferred directly to the transferee but is put in control of the trustee for the benefit of the transferee. The trustee depending upon the nature of the trust either transfers the property or its earnings to the transferee at the happening of certain events or applies the property and /or its gains for the benefit of such a transferee.

3.6. Section 10 of the Trust Act provides that every person capable of holding property may be a trustee. But where the trust involves the exercise of discretion, he cannot execute it unless he is competent to contract. According to Section 5 of Transfer of Property Act, all living natural person and /or legal person, such as companies or other entities are entitled to hold property. Section 11 of the Indian Contract Act, 1872 (Contract Act) defines a person competent to contract as every individual who has attained age of majority and who is of sound mind and who is otherwise not disqualified from contracting by any other applicable law. In view of this, a trustee can be an individual, company, or any other entity.

3.7. A trustee acts as a fiduciary for the beneficiaries of a trust and as such is to exercise a high degree of care for the property entrusted to his possession. On declaration of the trust, the title / legal ownership of the trust property is transferred from the settlor to and assumed by the trustee and the trust property is held by the trustee for the benefit of the beneficiaries according to the terms of the trust deed. Trustee can under no circumstances consider such trust property to be his own and commingle with his own separate property.

3.8. In case of Private Family Trust, although Trustee is the legal owner and has powers to deal with the income and the assets, he cannot enjoy the income (except fees if any provided in the Trust Deed) for his benefit. It is the beneficial owner who has right to enjoy the income and the assets distributed by the trustee.

3.9. Further, Individual trustees find it difficult to remain unbiased and neutral about beneficiaries and their access to trust properties; they typically don't understand their "fiduciary" role and are often subject to enormous personal pressures from beneficiaries or their family relatives. In such situation, Professional / Institutional Trustees play a critical role either as a sole trustee of such Private Family Trust or as a co-trustee along with any other immediate relative or close family friend.

3.10.In any case, the beneficiaries also have the power to remove Trustees (whether it be individual family member or close friend or Professional Trustee) provided in the trust deed and appoint another trustee in certain adverse situations.

**B) SEBI Regulations**
3.11. As per the aforementioned SEBI Circular, SEBI requires the following undertaking as a part of the trust deed:
"vii. As far as the provisions of the SEBI Act and the regulations framed thereunder are concerned the ownership or control of shares or voting rights will

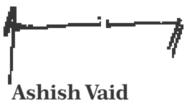
be treated as vesting not only with the Trustees but also indirectly with the beneficiaries"
3.12. Accordingly, SEBI has recognised that the ownership or control of shares/ voting rights indirectly vests with the beneficiaries.

**4. Our Representation:**

4.1. In view of the above, it is submitted to include in the general exemption under Regulation 10 of SEBI SAST Regulations, transfer of listed company shares from the promoters to private family trusts where individual promoters or their immediate relatives or lineal descendants are beneficiaries, irrespective of whether the Trustee is individual promoters or their immediate relatives or lineal descendants or close family friend or Professional / Institutional Trustee.

4.2. Alternatively, it is submitted to relax the requirement under the aforementioned SEBI circular from "only individual promoters or their immediate relatives or lineal descendants are trustees and beneficiaries" to "only individual promoters or their immediate relatives or lineal descendants are beneficiaries." thereby removing the conditions for trustees to be individual promoters or immediate relatives or lineal descendants.

With regards,



**Ashish Vaid**
President, IMC

IMC
Chamber of Commerce and Industry

**Ashish Vaid**
President

**October 9, 2019**

**Smt. Nirmala Sitharaman**
Hon'ble Union Minister for Finance
North Block
New Delhi 110 001

Respected Madam,

**Greetings from IMC Chamber of Commerce and Industry!**

**Representation regarding Taxation Laws (Amendment) Ordinance, 2019**

**1. Background**

1.1 The Taxation Laws (Amendment) Ordinance, 2019 ('TLAO') has been a momentous event in Indian taxation history and is, undoubtedly, one of the boldest and most laudable direct tax reforms; in a single stroke, it has brought India at par with other Asian countries, in so far as corporate tax is concerned.

1.2 The IMC Chamber of Commerce ('Chamber') lauds this bold initiative of the Government, but wants to make a few recommendations for consideration of the Government, so that appropriate Circular/Amendment can be introduced, if acceptable to the Government.

**2. Non corporate assessees**

2.1 Running a business in the form of a company involves significant compliances, and often, businesses, especially MSMEs, prefer to operate in the form of a partnership firm or a Limited Liability Partnership ('LLP'). We are aware of the fact that DDT is not applicable to partnerships and LLPs and this seems to have been one reason why LLPs and partnerships are not brought at par with companies, which now have a lower rate.

2.2 We may point out that, normally, all the profits earned by companies are not distributed as dividend, and assuming that 50% are distributed, the overall tax rate is as under:

| | **25% rate for normal companies** | **17% rate for new manufacturing companies** |
|---|---|---|
| PBT | 100 | 100 |
| **Less:** Tax | 25 | 17 |
| Profit after tax | 75 | 83 |
| **Less:** DDT at 21% on dividend distributed | 8 * | 9 # |
| Net | 67 | 74 |
| Effective tax | 33@ | 26@ |
| **Add:** Dividend taxation in the hands of recipient if individual | 4 | 4.5 |
| **Effective tax overall** | **37** | **30** |

** 21% of 37.5 # 21% of 42 @ Corporate tax plus DDT*

2.2.1 If 50% of profit is distributed as dividend, a regular company (to whom 25% rate is applicable) would have an "effective" tax rate only slightly higher than a partnership or LLP, but a new manufacturing company would be much lower, as seen from the table above. It may be noted that the dividend is taxable in the hands of the recipient assuming that the recipient is again not a company.

2.2.2 There are many companies which declare much lower dividend than the 50% assumption made above. Incidentally, we may point out that the percentage of dividend to profit after tax of the top 5 companies (based on market capitalisation) in India (i.e. Reliance Industries Ltd, Tata Consultancy Services Ltd, HDFC Bank Ltd, Hindustan Unilever Ltd and HDFC Ltd) is in the range of 15-40% only.

Innovate, Motivate, Consolidate
IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, India.
Tel.: +91(22) 7122 6633 | Dir.: +91(22) 7122 6677 | Fax: +91(22) 2204 8508 | Website: www.imcnet.org
Branch Offices : Andheri: Tel.: 022-2623 1937, Navi Mumbai: Tel.: 022 2784 2466, New Delhi: Tel.: 011 2373 0978

ISO 9001-2008 certified organisation | CIN: U74999MH1969NPL014218

Recommendation: It is recommended that the tax rate for partnerships and LLPs, which constitute a bulk of MSMEs, should be brought down to be at par with companies or at least somewhere in between – say, 30% for regular partnerships and LLPs, and 25% for new manufacturing partnerships and LLPs.

**3. New manufacturing companies vis-à-vis new manufacturing unit**

3.1 Historically, exemptions have been linked to "units" and "undertakings" rather than companies.

3.1.1 This has worked reasonably well in the past in sections such as section 80-IA, section 80-IB or sections 10A or 10B.

Recommendation: It is recommended that the lower tax rate under section 115BAB should be linked to a new undertaking rather than a new company, since anyway, there are adequate safeguards in terms of quantum of new machinery, the conditionality regarding splitting up or reconstruction and applicability of specified domestic transactions under section 92BA.

3.2 There could be a case where the manufacturing company will have surplus funds generated out of manufacturing activity and therefore, may have some incidental income. It could not have been intended to deny the exemption in such a case. It could also be possible that there may be some other small trading income etc.

**Recommendation:**

The TLAO must be amended to provide that, so long as the entity is primarily engaged in manufacture or production, the concessional rate will be available; perhaps, a threshold of 50% of income can be provided.

Note: If the exemption is linked to a unit, the above recommendation will not even be relevant.

3.3 If, for some reason, there is a controversy in assessment and the lower tax rate is denied, there must be a provision that the 25.17% rate under section 115BAA will apply; the reason for this controversy can be that the assessee company would not have opted for the 25.17% rate under section 115BAA before the due date for filing the return if it had claimed the rate under section 115BAB.

**Recommendation: As above**

4. MAT credit and carry forward of additional depreciation

4.1 The CBDT has issued Circular No. 29 dated 2nd October 2019 which has not permitted MAT credit/set off of additional depreciation for companies that avail lower tax regime.

4.2 As many judicial precedents such as Tulsyan NEC [2011] 330 ITR 226 (SC) and Shah Sadiq & Sons [1987] 166 ITR 102 (SC) have held that vested rights cannot be denied, the issue needs to be relooked at. Further, in case of additional depreciation, there is also the impact that the written down value of the block of assets has already been reduced by the additional depreciation claimed but carried forward, resulting in a lower current depreciation allowance.

Recommendation: Brought forward MAT credit and additional depreciation should not be denied; possibly the quantum may need to be clarified.

With regards,

**Ashish Vaid**
President, IMC

# *Seminar on New Wage Code, 2019*

***19th September, 2019***

IMC's Labour Laws & People Management Committee organised an interactive discussion on recently passed Code of Wages Bill 2019 at IMC on 19th September 2019


*(L-R): Adv. Vedika Puri, Adv. Ravi Paranjpe, Adv. Sundeep Puri & Mr. Sougata Ghosh*

Advocate Sundeep Puri, Chairman, IMC's Labour Laws & People Management Committee and Corporate and Labour Laws practitioner gave a detailed overview of the Code, which, he said would be applicable to whole of India and to all establishments irrespective of category and status of employees; and would apply to all employees irrespective of their wages.

All employees including supervisors, managers and in administration are covered under this Code. The Code, would replace the following hitherto prevailing laws:

- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Payment of Bonus Act, 1965
- The Equal Remuneration Act, 1976

Advocate Puri elaborated on various aspects and definitions under the Code and how such definitions as Accounting Year, Appropriate Government, Employee, Employers, Establishments, Wages and Workers differ from replaced laws as stated above. He also explained Minimum Wages, Payment of Bonus, etc. under the Code and concluded saying that the codification of labour laws has removed the multiplicity of definitions and authorities, without compromising on the basic concepts of employee welfare and benefits and would digitization through introduction of web based inspection scheme, calling of information electronically for inspection, composition of offences, etc. He alluded that this Code could be taken as a model for other ministries when it comes to enforcement. According to Advocate Puri because the Code is easier for employers to understand, it would ease the compliance process resulting in more enterprises being set up creating more employment opportunities.

About 220 participants who attended the seminar included top management of HR and Legal Departments of leading corporations from diverse fields.



# *Refresher Course on Insolvency and Bankruptcy Code*

***28th & 29th, September, 2019***

*Participants at the Refresher Course*

The importance of Bankruptcy and Insolvency Code, 2016, is an essence to the Indian system of law. To understand the different nuances of the Code when dealing with the corporate insolvency and bankruptcy process and different components of the Code, IMC Chamber of Commerce and Industry in association with KIP Academy- M. R. Sureka & Co. conducted its 12 hours Refresher Course on 28th and 29th Sept, 2019.

The Course was designed to understand and enhance Corporate Bankruptcy Code, insolvency and liquidation process, the procedural process and how to use the law to safeguard company interest. Several Case Studies and recent judgements related to the subject were analysed and discussed. The participants were mainly advocates, chartered accountants and legal managers from legal firms and business houses. At the end of the Course the participants were given Certificate of participation.

# MDP on "Fundamentals of Lending Decisions"

*12th October, 2019*

IMC Chamber of Commerce and Industry and Aditya Institute of Management Studies and Research jointly organised the MDP program on "Fundamentals of Lending Decisions" at AIMSR campus.


*Participants at the MDP on Fundamentals of Lending Decisions*

The session was attended by industry professionals from various sectors. CA Rupesh Shah discussed in detail basics of lending, types of borrowers and lendings, process of building up credit, due diligence, document checks, analysing data from various financial statements, various formulae, Ratio analysis, Cash Flow Analysis followed by various case studies. It helped participants understand various situations of lending decisions and considerations in making the decisions.

The program was highly interactive as the speaker encouraged discussions and experience sharing by the participants.

At the end of the program certificates of participation was handed over to all attendees.

# Lecture Meeting on Paradise Regained | *24th September, 2019*


*Mr. Ashish Vaid presenting a memento to Lt. Gen. Syed Ata Hasnain (Retd.)*

"The Impact of the Momentous Decisions of 5th August 2019" by Lieutenant General Syed Ata Hasnain, PVSM, UYSM, AVSM, SM, VSM (Bar).

Speaking at an interactive session on Paradise Regained: The Impact of the Momentous Decisions of 5th August 2019 by Lt. Gen A S Hasnain (Retd), stressed on the need to counter hybrid war launched by Pakistan since 1989, though the earlier conventional wars of 1965, 1971,the Kargil saw it to be thoroughly routed.

He said the need of the hour was to dismantle the eco system which sympathizes with the terror activities in the state. He said many J & K based institutions, such as media, NGOs, lawyers, intellectuals and money suppliers have been raising false and malicious propaganda against India, at the behest of Pakistan, to influence and delineate the local populace. He said India is now in a better position economically, militarily and also diplomatically to take on Pakistan.

The international community is now supporting India's fight against the terror, which is emanating from and being abetted by Pakistan, not only against India but also in the entire region of Afghanistan, Pakhtoons and Balochs. He said the conventional war has now been transformed into proxy wars and cyber wars with the unchecked social media acting irresponsibly in whipping up the passions of the locals. He complimented the government to have courageously taken the stand of abrogating Article 370 and 35 A and in its efforts in inter-region integration by keeping J & K together and focusing for development in the hitherto neglected Ladakh. He suggested that the long term aim of the country should be to integrate the local population into the mainsteam of economic development, opening vistas of tourism and industry and developing the agriculture and horticulture potential of the state. He also described in detail the issue of Siachin and the efforts of the government in retaining the difficult terrain of extreme cold weather. He mentioned the various social initiatives the armed forces have been taking under the Sadbhavna banner to serve the local population especially the girl and women population.

Earlier Mr. Ashish Vaid, President IMC Chamber of Commerce and Industry, welcomed the speaker and offered complementaries.



# World Tourism Day 2019 | *26th September, 2019*

Scan QR Code for downloading event video


*(L-R): Mr. Sougata Ghosh, Mr. Farhat Jamal, Ms. Vinita Vaid Singhal, Mr. Ashish Vaid and Mr. Sushil Bhatt*

To commemorate September 27 being World Tourism Day, IMC's Travel Tourism and Hospitality Committee organised on September 26, a discussion on Tourism and Jobs. the theme of the 2019 World Tourism Day.

There were two panel discussions – one on Hospitality Education & Job Creation and the other on Tourism – The game changer for job creation & economic transformation.

The Chief Guest for the evening was Ms. Vinita Vaid Singhal, IAS, Secretary Tourism and Cultural Affairs, Government of Maharashtra. In her opening remarks, she said that Maharashtra has an unlimited scope in terms of forts, beaches, wildlife, nature, adventure and many such touristic attractions and there was a need to create awareness about them. While the government of Maharshtra's Ministry of Tourism is doing its best to do that, all stakeholders of tourism industry should also help project places of interest in Maharashtra.

Earlier welcoming the Chief Guest, President, IMC Mr. Ashish Vaid said India offered wide variety of choices in tourism. He said with 30 heritage sites, India could be a most favourite destination. He was happy to note that Mumbai was gearing up for cruise tourism.

Mr. Farhat Jamal, Chairman of IMC's Travel Tourism and Hospitality committee said celebrating World Tourism Day. was celebrating a festival.

A panel discussion on **Hospitality Education & Job Creation,** was moderated by Editor of Safforn Media with panellist from IHM Mumbai, IHM – Aurangabad, Chalet Hotels Ltd, Concept Hospitality Pvt. Ltd. and Jalesh Cruise. The panel discussion focused on job creation in the hospitality sector.

The key points were:

- Challenges and overcoming the hospitality education to current demand in the industry.
- Adequate exposure and training to the students or new entrants for higher position or other areas of hospitality required for the sector.
- Various avenues of job opportunities on this sector.
- Tailor made education according to the industry need is a must and need of hour.

The other panel discussion on **Tourism – The game changer for Job Creation & Economic Transformation,** was moderated by Chairman IMC's Travel Tourism & Hospitality Committee with panellist from India Tourism, Veena World, Charson Advisory, School of Excellence – Travel Institution, AAA Healthcare and Oman Air. The panel discussion focused on economic transformation in the tourism industry.

The key points were: Relevant training and upskilling by the institutes have helped the industry to become a game changer. Airline and Healthcare sector still face problems on employing relatively professional personnel.



# *Seminar on Strengthening and Growing Family Business*

***4th October, 2019***

IMC Chamber of Commerce and Industry launched an innovative interactive seminar on strengthening and growing the existing family businesses. The seminar sought to orient the young scions of the family business with knowledge, skills and attitudes, which are critical to tackle challenges that are specific to Family Managed Business. The focus of the seminar was to develop and strengthen a cordial father–son relationship. The older generation with its vast experience in business would help guide the younger generation. It would help the new generation to experiment with new ideas emanating out of the IT enablers for growth and development of existing as well as new businesses.

*(L-R): Mr. Ajit Mangrulkar, Mr. Rasesh R. Doshi, Ms. Payal Gupta, Mr. Ashish Vaid, Mr. Vinesh Mehta, Mr. Suresh Kotak and Mr. G. Chandrashekhar*

The maiden program was jointly organized with the Federation of Associations of Maharashtra (FAM). About 25 participants, including 10 teams of father and sons, interacted and participated at the various case studies and role plays. The activity helped to better connect between father and sons, for exploring ways and means to take business to next level of growth.

Earlier welcoming the participants, the President IMC Chamber, mentioned the need to have a better coordination of purpose between the two generations to help scale up the businesses. A presentation on Steel Industry was also made by the ERTF Dept. to acquaint the participants of the current industry trends. The seminar was led and moderated by Ms. Payal Gupta, CEO and Director, Celebrity Network and Education. The launch of a structured training course in Family Managed Business (FMB) for the FAM members was also announced at the event.

# Seminar on Business Intelligence and Data Analytics for International Business

**5th October, 2019**

IMC Chamber of Commerce and Industry and IITC jointly organized Seminar on Business Intelligence and Data Analytics for International Business on 5th October, 2019 at IMC. The session was conducted by Mr Vinit Thakur – Trainer, Educationist and Consultant.

The importance and practical application about Business Intelligence and Data Analytics for International Business was elaborately discussed. Sources of information, extracting information and developing insights, assessing market potential with trend analysis, campaigning with Adwords, Web scraping for market intelligence, leveraging social media for international marketing were the important topics that were discussed with live examples and case studies.

The participants included IMC members and the students of the Advanced Certificate Course in International Trade offered by IMC Chamber of Commerce and Industry at its recognized Institute IITC.


*(L-R): Ms. Falguni S. Mirani, Ms. Ila Pathak Jha, Mr. Vikrant S Urval, Mr. Vinit Thakur, Mr. Sandesh S. Urval*

# Panel Discussion on 'Challenges facing the SME Sector'

**10th October, 2019**


*(L-R): Ms. Anita Naik, Mr. G. Chandrashekhar, Mr. Dev Dutt, Mr. Deepak Doshi, Mr. Ashish Vaid, Mr. Jayant Khadilkar, Mr. G. Chokkalingam, Mr. Ajit Mangrulkar and Mr. Sougata Gosh*

IMC Chamber of Commerce and Industry and Business Standard, organised a Panel Discussion on what is arguably a hot topic these days: 'Challenges facing the SME Sector'.

The panellists included, Mr. Jayant Khadilkar, MD, Jay Elastomers Pvt. Ltd., Mr. G. Chokkalingam, MD, Equinomics Research & Advisory Services, Mr. Deepak Doshi, Director, Star Paint & Oil Industries & Past President (Indian Small Scale Paint Association), Mr. Dev Dutt Business, Development and Sustainability, Foods and Inns and Mr. G. Chandrashekhar, Director, IMC ERTF.

The discussion was moderated by Mr. Krishna Kant, Senior Journalist, Business Standard.

In his welcome address, Mr. Ashish Vaid highlighted the important role SME played in our economy.

More than 60 million units in this sector contribute to about 30% of the country's GDP. SME's create jobs, generate revenue and bring export earnings, he pointed out.

IMC President also said that SME sector faces the twin problem of having to manage the current business and at same time engage in succession planning for the future.

The moderator set the ball rolling by highlighting the role and importance of SME sector in the Indian economy.

The Panellists analyzed many of the challenges confronting the SME sector.

The main challenges included access to bank finance, skill development, dealing with customers who usually are large corporates, risk management and so on.

It was noted that the government was supportive of the SME sector. Recent decisions of the government included the grant of ₹ one crore loan in one hour, expeditious GST refund for MSME's and interest subvention.

After due deliberation by the Panellists the following suggestions emerged:

Banks must allow preferential interest rate for SME's.

For SMEs, a smart card containing relevant financial information will help banks expedite processing of loan application.

For capacity building Enterprise Development Centers should be established.

A consortium approach to raw material buying would result in scale economies and better bargaining power.

SME's should modernize and move to Industry 4.0.

Risk management and building resilience against downturn.

During the open house discussion many participants made pertinent observations and raised questions which were satisfactorily answered by the panellists.



# *IMC Membership Drive in Mulund*

***12th October, 2019***


*(L-R): Mr. Atmaram Parab, Mr. Rohit Raul, Mr. Mahesh Mudda, Mr. Ashish Vaid and Mr. Sanjay Mehta.*

# Meeting with Shri Bhagat Singh Koshyari, H.E. Governor of Maharashtra

**14th October, 2019**

*(L-R): Mr. Ajit Mangrulkar, Mr. Ashish Vaid, Shri Bhagat Singh Koshyari and Mr. Sanjay Mehta.*



# Networking with New Members of IMC

**16th October, 2019**

*IMC Chamber of Commerce and Industry organized a networking welcome session on October 16, 2019 at Library Lounge IMC. The session was organized for the new members of the Chamber for the year 2019 – 2020.*

# The APQO Governance Mark Certificate

**15th-16th-17th October, 2019**

*Glimpses of Core Council Meeting APQO*



The Asia Pacific Quality Organization Inc (APQO) is an autonomous, non-political, non-profit, scientific and technical organization domiciled in the Asia Pacific region. Asia Pacific includes countries in Asia and those located near the Pacific Rim.

It is more than a thirty years old nonprofit umbrella organization that has brought together professional quality organizations that border on the Pacific Ocean. It includes organizations representing countries like Australia, China, India, Indonesia, Korea, Malaysia, Mexico, Nepal, New Zealand, Peru, Philippines, Russia, Saudi Arabia, Singapore, Sri Lanka, United Arab Emirates, United States and Vietnam. It is incorporated and headquartered in New Zealand with its Secretariat based in Sri Lanka.

IMC Chamber of Commerce and Industry is on the Core Council Committee of APQO and through the activities of IMC Ramkrishna Bajaj National Quality Award Trust (RBNQA) has been involved in various activities of APQO.

Winners of the IMC RBNQ Awards go on to further participate in the Global Performance Excellence Awards of APQO. For the past eighteen years the IMC RBNQA winners have been winning at various levels of the APQO recognitions. This has helped focus on the winning organizations getting calibrated at an international level.

At the Core Council meeting of APQO during the 25th APQO International Conference held at Bali, Indonesia on Sunday, 13th October 2019, India represented by IMC Chamber of Commerce and Industry received the APQO Governance Mark certificate.

*Ms. Maya Desai receiving the Certificate on behalf of IMC*

CERTIFICATE

AGM

IMC Chamber of Commerce & Industry, India

The Certificate was presented for successfully meeting with the Governance framework guidelines of APQO.

Ms. Maya Desai, Director, IMC RBNQA Trust received the certificate on behalf of the Chamber.

# *Talk By Prof. Rembrand Koning – Harvard Business School*

**17th October, 2019**

An interactive session with Prof. Rembrand Koning of Harvard Business School was organized by IMC.


*(L-R): Mr. Dushyant Dave, Mr. Dinesh Doshi, Mr. Tanil Kilachand, Prof. Rembrand Koning, Mr. Anant Singhania, Mr. Raj Nair and Mr. Mark Fernandes*

Mr Tanil Kilachand, Past President IMC and an Alumni of Harvard Business School of the class of 1961, welcomed the Professor and spoke of the various initiatives undertaken for academic excellence at IMC. He said such lectures and interactions help in increasing the proficiency levels at the Chamber.

In his inaugural address Mr. Anant Singhania, Chairman Industry Committee of the Chamber, informed the participants of the progress made by the Committee to help, and assist MSMEs in areas of :

- Make in India.
- Skilling and upskilling the work force.
- Building thought leaders who would carry forward the mantle of the small sectors to greater heights.
- Enter into technical and managerial cooperation with the international agencies.

He also mentioned the various e-initiatives by the Chamber to help the sector.

Professor Koning in his talk, spoke of the many unforeseen challenges which the sector has to face in terms of technology and skill upgradation.

In a curated the case study of Walmart and Amazon, the Professor dealt on various aspects of performance and financial impacts on the ventures when encountering competition.

The case study threw lot of innovative ideas and helped participants to appreciate the new thought process that goes into facing challenges of competition.

He also administered a questionnaire to the participants on their views and ideas on various aspects of business and what it takes to strategies to face the challenges for the small sector.

The talk was attended by over 30 finance and management professionals, entrepreneurs from SME sectors, IT professionals and others.



# *Seminar on Decoding SRoI - Social Returns on Investment*

**17th October, 2019**

Scan QR Code for downloading event video

As large funds are deployed, and time and energy is spent for CSR activities in our country, a scientific system to evaluate the effectiveness of various CSR activities and their positive outcomes on stakeholders will be of immense value to help maximize welfare gains and minimize social and economic costs, if any. In regard to this, the CSR committee of IMC Chamber of Commerce and Industry and S. P. Jain Institute of Management and Research had jointly organized the seminar on Decoding SRoI.

In his welcome address, Mr. Ashish Vaid, President, IMC stated about Developing Key Performance Indicators (KPI) and how it can help to measure changes relevant to stakeholders. The theme address about the subject was shared by the Chairman, Mr. Ramesh Daswani.

SRoI being a very new concept in the Development sector, many large Corporate and Government agencies expect to measure the Impact on the investment they make towards a community or a cause.


*(L-R): Ms. Anita Naik, Dr. Vivek Mendonsa, Mr. Anjani Agrawal, Mr. Ashwini Saxena, Mr. Saurabh Singh, Mr. Ramesh Daswani, Ms. Afreen Siddiqui, Mr. Sushant Verma, Dr. Rukhiya Joshi and Mr. Mahindra Punwani*

In order to unravel this concept Mr. Jignesh Thakkar, Associate Director, Sustainability & CSR Advisory from KPMG India and Prof. Rukaiya Joshi, Chairperson, CEdSS-SPJIMR took the Masterclass on the subject.

They even shared the results of the survey conducted to understand the present situation of implementing SRoI by corporates in India.

Panel discussion on 'Perspectives and Experiences on SRoI – A way Forward' with eminent panellists: Mr. Ashwini Saxena, COO - JSW Foundation, Ms. Afreen Siddiqui, State Focal Point Maharashtra-UNDP, Mr. Saurabh Singh, President-ICICI Foundation and Mr. Sushant Verma, Asia Regional Director-Trickle Up Inc brought different perspectives on the subject. Mr. Anjani Agrawal, Chairman—Think through Consulting moderated the panel.

Throughout the day there was active participation from the audience and whatever questions were raised were satisfactorily answered by the panellists.

## *Interactive Session by Abhishek Agarwal by IMC YLF*

***18th October, 2019***


*Mr. Ashish Vaid addressing the audience. On the dias: Ms. Vidhi Doshi, Mr. Abhishek Agarwal and Mr. Ameya Prabhu*

# MSME – Bank Meet

***24th October, 2019***


*(Seated L-R): Mr. Nirav Shah, Mr. Vipin Mohan, Ms. Neelam Laddha, Mr. Rajesh Sharma, Mr. Ashish Vaid, Mr. Ajit Mangrulkar, Mr. Sanjay Mehta, Mr. Sougata Ghosh and Mr. Upendra Shah. Others seen are executives from the Ujjivan Small Finance Bank, ICICI Bank, HDFC Bank and Union Bank of India.*

MSME meet with Banks was organized by IMC to provide MSMEs on the spot connect with Banks. HDFC, ICICI, Union Bank of India and Ujjivan Small Finance Bank were the participating banks at the meet.

Mr. Ajit Mangrulkar, Director General, IMC explained in brief that this meet is to try and fulfill the gap of MSME's financial requirements through the various products offered by the banks by way of financial assistance.

*ICICI Bank*

Mr. Ashish Vaid, President, IMC welcomed the participants at the meet and thanked them for the overwhelming response. He also thanked the Banks for sparing their valuable time for this

*HDFC Bank*

meet. He further mentioned that most of MSMEs continue to remain as Micro enterprises and have always found it challenging to grow for various reasons. One important reason is the difficulty to raise financial resources from banks.

Presentations were given by Ujjivan Small Finance Bank, ICICI Bank, HDFC Bank and Union Bank of India. They gave a detailed explanation about their products and also addressed the issues of the participants.

The meet ended with a well-deserved Vote of Thanks by the Director General, IMC.

This was followed by one-to-one interactions of the participants and the banks. The participants had already given their preferences for their preferred bank.


*Ujjivan Small Finance Bank*

*Union Bank of India*

## Time & Priority Management | 9th September, 2019

Mr. Vincent D'Silva, Principal Consultant, Silva Management Services showcased some of the best practices followed by successful people who plan and prioritize tasks, deal with frequent distractions, overcome procrastination and remain in control of their lives.

He further enlightened members on how to achieve work-life balance by practicing the effective time and priority management.

*(L-R): Ms. Neela Parikh, Ms. Vanita Bhandari, Mr. Vincent D'Silva, Ms. Anuja Mittal, CA Pushpa Shah, Ms. Samira Shah and Ms. Sudha Bhusan*

---

## Tryst with the Himalayas | 18th September, 2019

The majestic Himalayas have been a source of inspiration and awe to countless individuals from time immemorial.

Ms. Leena Vaidya, one of the Past Presidents of IMC Ladies' Wing, shared her experiences, emotions as well as benefits she has accrued at different levels during these treks through breathtaking audio visuals which will transport us to these enthralling mountains!

The interesting session explored how Himalayas can play an inspiring role in an individual's life.

*(L-R): Ms. Anuja Mittal, Ms. Leena Vaidya, Ms. Anar Shah, Ms. Reena Rupani and Ms. Jyoti Doshi*

---


## MindSpa Urjaa | 25th September, 2019

Dr. Kanan Khatau Chikhal, Happiness Coach addressed members on tapping into the vast pool of energy and potential within, using mind tools and insights of MindSpa.

The members audited their energies, understanding productivity cycles of the brain and quick learned mind hacks for enhanced energy and identify true potential and self-confidence.

*Dr. Kanan Khatau Chikhal addressing the audience*

---

## Garba Celebration | 3rd October, 2019

The Garba Celebration was truly a joyous affair. The astounding performances kept the crowd moving with the infectious rhythms of famous garba songs.

Enthusiasm was witnessed among the members of every age group. Special competition for members was organized to recognize their efforts as best dressed, best dancer and much more!

*Garba Celebration*

## Gender Awareness & Gender Sensitisation

**11th October, 2019**

(L-R): Ms. Snehalata Paranjape, Ms. Renu Parekh, Ms. Kavita Chandan, Ms. Rajyalakshmi Rao, Mrs. Roshan Dalvi, Ms. Vanita Bhandari and Ms. Anuja Mittal

The event was organized with an aim to create gender awareness, aiming at increasing general sensitivity, understanding and knowledge about gender equality.

Mrs. Roshan Dalvi – Former Justice, Bombay High Court shared her thoughts and insights, facilitated the exchange of ideas, improved mutual understanding and helped in developing competencies and skills necessary for societal change, in the face of an ever increasing modernity.

## Screening of the Documentary Film "Bunkar – The Last of the Varanasi Weavers"

**14th October, 2019**

IMC Ladies' Wing hosted the screening of the documentary film "Bunkar – The Last of the Varanasi weavers", in collaboration with Indus at Films Division, Peddar Road

The film was an excellent attempt to awaken society to the reality of the life of a handloom weaver of Varanasi and preserve our Indian legacy and meditated over society's role in helping preserve this treasure.

Director, Mr. Satyaprakash Upadhyay and textile revivalist Ms. Smriti Morarka shared interesting trivia and insights about the movie and weavers of Varanasi.

*Mr. Satyaprakash Upadhyay and Ms. Smriti Morarka*

## Heart to Heart with Dr. Eric Borges

**16th October, 2019**


Renowned interventional cardiologist, Dr. Eric Borges walked members through some of the important evolutionary, biological, behavioural and environmental systems that have caused people to fall prey to heart disease.

He explained practical ways and means to prevent heart disease and also the methodologies to deal with it.

*Dr. Eric Borges - Renowned interventional cardiologist and Guest Speaker*

## Classic Miniature Costumes

**22nd October, 2019**

Textile artist Ms. Geeta Khandelwal curated the display of miniature garments that she has meticulously recreated showcasing ceremonial and everyday attire of the maharajas of India.

The event was held at Mumbai's most historical sites – Dr. Bhau Daji Lad Museum.

Post the exhibition viewing members got a guided tour of the museum.

*Ms. Geeta Khandelwal curating the exhibition – Classic Miniature Costumes*

# IMC in NEWS

## Banker - MSME Meet at the IMC

As a first of its kind to bring the banks and the borrowers on one platform, IMC organized a Bankers - MSME meet in Mumbai for about 100 borrowers representing the SME and MSME sector with the 4 banks - HDFC Bank, ICICI Bank, Union Bank of India and the Ujjivan Small Finance Bank. The Banks laid out their special product range for the MSME sector in both fund and non fund based lending for term loan and

OD categories. Many innovative products for prompt lending and with less of paper work, such as linking the loan eligibility to the GST returns etc, were informed to the participants. The issue of collateralized lending, which many SMEs find it hard to comply with the banks' requirements, were also discussed. The 59 minute Mudra loan sanctioning received an enthusiastic response from the borrowers.

**Business Standard**

## Banker – MSME Meet at the IMC Chamber Of Commerce And Industry

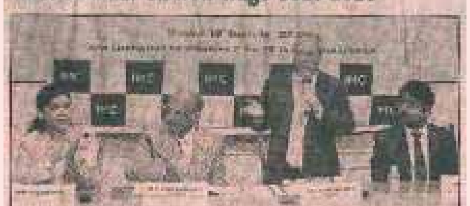
As a first of its kind to bring the banks and the borrowers on one platform, IMC organized a Bankers – MSME meet in Mumbai today for about 100 borrowers representing the SME and MSME sector with the 4 banks – HDFC Bank, ICICI Bank, Union Bank of India and the Ujjivan Small Finance Bank. The Banks laid out their special product range for the MSME sector in both fund and non fund based lending for term loan and OD categories. Many innovative products for prompt lending and with less of paper work, such as linking the loan eligibility to the GST returns etc, were informed to the participants. The issue of collateralized lending, which many SMEs find it hard to comply with the banks' requirements, were also discussed. The 59 minute Mudra loan sanctioning received an enthusiastic response from the borrowers. Earlier welcoming the delegates, the President IMC, Ashish Vaid called upon the banks to be flexible in their approach for the promising SMEs within the broad lending parameters, considering the current pain points of the downward economic spiral. The Director General, IMC, Ajit Mangrulkar also spoke on the occasion. Later, a one-on-one meeting of the Banks with the SME members was organized to access their credit requirements.

**Free Press Journal**

## આઈસીઆઈસીઆઈ બેન્કે ઓફર કરી ગોલ્ડ મેટલ લોન અને જીએસટી બિઝનેસ લોન

**Janmabhoomi**

## IMC: Seminar on New Wage Code 2019



Speaking at the seminar, Adv. Sandeep Puri, Partner, Sandeep Puri Associates & Advocates and Chairman and IMC's Labour Laws and People Management Committee welcomed the enactment of the new Bill at the interactive discussion on the newly passed Code of Wages Bill 2019 organised by IMC Chamber of Commerce & Industry on Thursday, September 19, 2019.

**Business Standard**

**Janmabhoomi**

इंडियन मर्चेंट चेम्बर ऑफकामर्स एंड इंडस्ट्री द्वारा मुम्बई में बैंकों एवं मध्यम एवं लघु उपक्रमों की एक बैठक का आयोजन किया गया। बैठक में चार बैंक – एचडीएफसी, आईसीआईसीआई, यूनियन बैंक एवं उज्जीवन बैंक मौजूद रहे। करीब 100 एमएसएमई प्रतिनिधियों ने भी हिस्सा लिया। बैंकों ने एमएसएमई के लिए विशेष सरकारी योजनाओं की जानकारी दी। आईएमसी प्रेसिडेंट आशीष वैद ने स्वागत किया। डायरेक्टर जनरल अजीत मॉंगरूलकर ने भी विचार रखे। फोटो- प्रात:काल

**Prathakal**

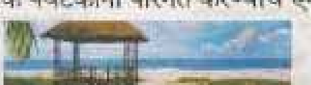
## IMC conducts Seminar on New Wage Code 2019

Adv. Vedika Puri, Advocates, Adv. Sandeep Puri, Partner, Sandeep Puri Associates & Advocates and Chairman and IMC's Labour Laws and People Management Committee, Adv. R V Paranjpe, Partner, Sandeep Puri Associates & Advocates and Co-Chairman and IMC's Labour Laws and People Management Committee and Sougata Ghosh, Dy. Director-General, IMC at the Seminar on New Wage Code 2019 in Mumbai recently.

**Free Press Journal**

## पर्यटनस्थळांची माहिती 'थ्रीडी'द्वारे पोहोचवण्याची गरज

### तंत्रज्ञानाद्वारे स्थानिक पर्यटकांना पारंगत करण्याचे एमटीडीसीचे उद्दिष्ट



**Sakal**

Sougata Ghosh, Deputy Director-General, IMC; Farhat Jamal, Chairman, Travel Tourism and Hospitality Committee, IMC; Vinita Vaid Singhal, IAS, Secretary, Tourism and Cultural Affairs Department, GoM; Ashish Vaid, President, IMC and Sushil Bhatt, Co-Chairman, Travel Tourism & Hospitality Committee, IMC were at IMC's panel discussion on World Tourism Day.

**Free Press Journal**

# Exquisite Venues of the Chamber for all Occasions


Walchand Hirachand Hall
**Capacity : 300**

Choice of Venues for
Corporates /Social Events
in the Heart of city's financial hub

Having a business meeting?
Holding a Conference?
Hosting an awards ceremony?
Convening Arbitration and
Mediation meetings?

The IMC Chamber of Commerce and Industry
located at Churchgate Mumbai,
Vashi & New Delhi offers you a choice
from 17 splendid, multi-purpose venues.


Babubhai Chinai Committee Room
**Capacity : 100**


Kilachand Conference Room
**Capacity : 50**


Pravinchandra Gandhi Board Room
**Capacity : 15**


H. T. Parekh Conference Room
**Capacity : 25**


Jolly Conference Room
**Capacity : 12**


M. L. Bhakta Room
**Capacity : 25**


Ved Prakash Goyal Room
**Capacity : 12**


Jaswant Thacker Room
**Capacity: 25**


V. B. Haribhakti Room
**Capacity : 25**


Bhagwandas Thakker Room
**Capacity : 12**


Ashok Birla Board Room
**Capacity : 25**


Ramona Taru Lalvani Boardroom
**Capacity : 12**


Walchand Centre for Business Training
**Capacity : 35**

For further information contact:
**Mr. Sunil Kadge – Asst. Director**
**Ms. Bhantik Waghmare – Asst. Director**
T: 022-71226681 / 71226664 (Direct Line)
M: 9821602081
Email: venue@imcnet.org


Library Lounge
**Capacity : 50**

For Booking Venue at Vashi Branch :
**Mr. Anil Panchal – Asst. Director**
T: 022-27842466
Telefax: 022-27842467
Email: imcvashi@imcnet.org


IMC Vashi Conference Room
**Capacity : 20**

For Booking Venue at New Delhi:
**Mr. Vipul Srivastava – Director**
T: 011-23730978
Email: vipul.srivastava@imcnet.org;
imcdelhi@imcnet.org


IMC New Delhi Conference Room
**Capacity : 14**

IMC
Chamber of Commerce and Industry

Address: IMC Building, IMC Marg, Churchgate, Mumbai 400020
Tel: 91-22-7126633 Website:www.imcnet.org