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KNOWLEDGE UPDATES (06-FEB-14)

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Quotes of The Day

Section 1 (Market Watch)

LATEST RESULTS

Company	Sales (Rs cr)	Net Profit (Rs cr)	EPS(Rs)*
Aadhaar Ventures	3.33	0.02	-
Advance Meter.	2.86	-8.07	-
Ajcon Global	1.94	0.09	0.42
Amrit Corp	12.44	2.75	-
Apple Credit	0.00	-0.08	0.00
Aurangabad Paper	0.00	-0.23	-
Bharat Forge	832.08	93.97	14.22
Cummins India	1023.01	147.23	-

Markets Today

Stock Indices	Particulars	Up/Down
Sensex	20261.03	49.10
Nifty	6022.40	21.50
GOLD (MCX 10 GM)	28770.00	138.00
SILVER (MCX 1 KG)	44498.00	941.00
CRUDE OIL (RS/BBL)	6092.00	17.00
(RS/$)	62.54	-0.04

Section 2 (Economy Updates)

Spectrum auction: Bids worth Rs 50,000 crore on Day 3

- NEW DELHI: Aggressive bidding by firms like Reliance Jio,Airtel and Vodafone raked in bids of around Rs 50,000 crore at the end of third day of wireless spectrum auction today, surpassing landmarks of previous two sales.

  In all 21 rounds of bidding were concluded by end of day-3 with bids pouring in for all the 22 circles or regional zones.

  "Bids of around Rs 50,000 crore received at the end of 21 rounds on third day of spectrum auction," Telecom secretary MF Farooqui said.

Steel Exchange secures additional gas from ONGC

- **HYDERABAD, FEBRUARY 5:**
- Steel Exchange India Ltd (SEIL) has secured additional gas of 15,000 standard cubic metres per day of gas from ONGC Ltd for its captive power plant at Kothapeta, based in Andhra Pradesh.
- The gas will be supplied from Kammapalem field located in the Rajahmundry asset on fall-back basis in pursuant to Ministry of Petroleum & Natural Gas guidelines for allocation of gas from small and isolated fields and marginal fields.
- With this, SEIL, a private steel manufacturer listed on the exchanges, will have access to supply of 75,000 SCMD of gas per day. SEIL has facility to generate up to 12 MW at its Kothapeta plant. Currently, it is supplying the unutilised power of up to 9 MW to APTransco.
- B Satish Kumar, Managing Director, SEIL, said, “We are very happy ONGC has approved our bid and allocated the gas.

‘By 2032, Navi Mumbai airport should be able to handle 60 million passengers’

- After many years of delay and regulatory hurdles, the Navi Mumbai airport project is finally off the ground, with the Request for Qualification (RFQ) floated for airport developers on Wednesday. The City and Industrial Development Corporation of Maharashtra (CIDCO), the lead project developer, has taken every conceivable regulatory clearance for the airport project, which will cost about ₹5,500 crore in the first phase. Sanjay Bhatia, Vice-Chairman and Managing Director of CIDCO, tells *Business Line* that if all the processes fall in place by December 2017, Mumbai metropolitan region could well get a new airport.

Govt clarifies policy on FDI in insurance

- The Government has clarified that the 26 per cent cap on foreign investments in the insurance sector also applies to intermediaries such as brokers, third party administrators and surveyors.
- In the case of insurance companies, the 26 per cent cap will include foreign direct investment (FDI), foreign institutional investments (FIIs) and investments from non-resident Indians (NRIs), according to a Press Note issued by the Department of Industrial Policy and Promotion on Wednesday.
- The earlier policy only talked about allowing 26 per cent FDI in the insurance sector without elaborating on what activities were covered under the cap and how FII and NRI investments were to be treated.
- The UPA Government was keen on increasing the FDI cap in the insurance sector from 26 per cent to 49 per cent, but chance of it happening during the current tenure is slim.
- The Insurance Bill, which proposes to raise FDI in the sector to 49 per cent, is unlikely to be passed in the Winter Session of Parliament which started on February 5. This session would be the last session of Parliament before the General Elections tentatively scheduled in mid-April.

Section 3 (Amendments)

Anupam Tele Services vs. ITO (Gujarat High Court)

- **No s. 40A(3) disallowance for cash payments even if Rule 6DD(j) exception does not apply if there is no dispute as to genuineness of payment and business compulsion**

- S. 40A(3) and Rule 6DD are not intended to restrict business activities. The terms of s. 40A(3) are not absolute. Considerations of business expediency and other relevant factors are not excluded. Genuine and bona fide transactions are not taken out of the sweep of the section. It is open to the assessee to furnish to the satisfaction of the AO the circumstances under which the payment in the manner prescribed in s. 40A (3) was not practicable or would have caused genuine difficulty to the payee. It is also open to the assessee to identify the person who has received the cash payment. On facts, though the case of the assessee did not fall within the exclusion clause in Rule 6DD (j), s. 40A(3) will not apply because (a) there is no doubt as to the genuineness of the payment nor the identity of the payee, (b) the assessee was compelled to pay cash owing to the insistence of its principal and if it had not abided by the direction, the business would have suffered & (c) the exceptions in Rule 6DD are not exhaustive and the rule must be interpreted liberally (**Attar Singh Gurmukh Singh** 191 ITR 667 (SC), **Hynoup Food & Oil Industries** 290 ITR 702 (Guj) & Harshila**Chordia** 298 ITR 349 (Raj) referred)

Section 4 (Seminar)

Seminar

- **POU:** Central Delhi CPE Study Circle of NIRC
- **Topic:** Taxtation Provisions Related to TDS & Charitable Institutions
- **Place:** Fraternity Hall, Masonic Club Janpath
- **Date:** 8th Feb, 2014 10:30 - 17:00
- **ContactDetails:** 9311024242
- **CPE Hrs:** 6

Section 5 (JOB / Empanelment)

Job posts in Baroda Uttar Gramin Bank Jan-2014

- Baroda Utttar Pradesh Gramin Bank invites applications from Indian citizens, for the post of Officer and Office Assistant (Multipurpose) who have appeared at the Common Written Examination for RRBs conducted by IBPS in September/ October 2013 and declared qualified :
  Officer Scale-II (IT) : 09 posts, Pay Scale : Rs. 19400-28100
- Officer Scale-II (CA) : 01 post, Pay Scale : Rs. 19400-28100
- Officer Scale-II (Law) : 08 posts, Pay Scale : Rs. 19400-28100
- Officer Scale-II (Treasury Manager) : 01 post, Pay Scale : Rs. 19400-28100
- Officer Scale-II (Marketing Officer) : 01 post, Pay Scale : Rs. 19400-28100
- Officer Scale-II (Agricultural Officer) : 01 post, Pay Scale : Rs. 19400-28100
- Office Assistant (Multipurpose) : 633 posts, Pay Scale : Rs. 7200-19300
- How to Apply : Apply Online at Baroda UP Gramin Bank from28/01/2014 to 11/02/2014 only.

  Please visit http://www.barodagraminbank.com for details and online submission of application.

SECTION 6 (SPORTS UPDATE)

NARAIN KARTHIKEYAN TO RACE IN 2014 SUPER FORMULA SEASON

- ndia's top racing driver Narain Karthikeyan has confirmed his participation in the Japan-based Super Formula single seater series.
- Karthikeyan participated in the 2013 Auto GP World series where he was a title contender and scored a record five wins and four pole positions during the course of the season.
- In 2014, he will drive for Team Impul Hoshino Racing which finished third in the Super Formula title standings last year.
- "I am really excited to confirm that I am driving in the Super Formula series this season with Team Impul", said Karthikeyan on the sidelines of the Auto Expo here Wednesday.
- "With a new chassis and turbocharged powertrains this year, along with a really strong grid of drivers, means it is going to be a fast and intensely competitive campaign," he said.

SECTION 7 (POLITICAL UPDATE)

KOLKATA RALLY: NARENDRA MODI ATTACKS THIRD FRONT; GOES SOFT ON MAMATA

- Kolkata: Bharatiya Janata Party's prime ministerial candidate Narendra Modi on Wednesday slammed the Gandhi family for denying the coveted post of prime minister to Pranab Mukherjee twice - in 1984 and 2004 - despite his qualifications.

  While addressing a massive rally at Brigade Parade grounds, Modi said, "When Indira Gandhi was assassinated Rajiv Gandhi was in Kolkata and he went back. Under a democracy, that time the senior-most minister in Indira Gandhi's government was Pranab Mukherjee. It would have been good had he been sworn in as the country's prime minister."

  "They didn't give it. Not only that, the family (Gandhi) felt that something is going on. So when the Rajiv Gandhi government was formed, senior-most minister Pranabda was not even taken as a minister," PTI quoted Modi as saying.

Section 8 (movies updates)

Pepsi, MTV give birth to indie pop channel

- Soft drinks major PepsiCo and youth channel MTV India on Wednesday joined hands in a first-of-its-kind alliance to launch a 24-hour Indie Pop channel Pespi MTV Indies that will go live by month-end. It will air locally sourced pop music from leading local languages.
- The channel will be available on TV, mobile, web, and at other on-ground live events, according to PepsiCo India Senior Marketing Director for Colas, Juices and Hydration Homi Battilwalla, and EVP & Business Head at Viacom18, which is the equal JV of Viacom and Network18 Group, Aditya Swamy, told PTI.
- MTV India India is a part of Viacom 18 in India.
- Both the persons refused to talk about investment, saying there isn't much investment needed considering the infrastructure Viacom already has.
- Battiwalla said for Pepsi, this is not just a brand association but an actual commercial partnership.
- Swamy said the new channel, which will be available in both HD and SD version, will be based in Mumbai and manned by the Viacom management.

Section 9 (Amazing Facts)

Amazing Facts

- The palms of your hands and the soles of your feet cannot tan, or grow hair.

- The right lung of a human is larger than the left one. This is because of the space and placement of the heart.

Section 10 (Educational)

Most Important Financial Ratios

1. __Debt-to-Equity Ratio__

- The debt-to-equity ratio, is a quantification of a firm's financial leverage estimated by dividing the total liabilities by stockholders' equity. This ratio indicates the proportion of equity and debt used by the company to finance its assets.
- The formula used to compute this ratio is
- **Total Liabilities / Shareholders Equity**

2. Current Ratio

- The current ratio is a liquidity ratio which estimates the ability of a company to pay back short-term obligations. This ratio is also known as cash asset ratio, cash ratio, and liquidity ratio. A higher current ratio indicates the higher capability of a company to pay back its debts. The formula used for computing current ratio is:
- **Current Assets / Current Liabilities**

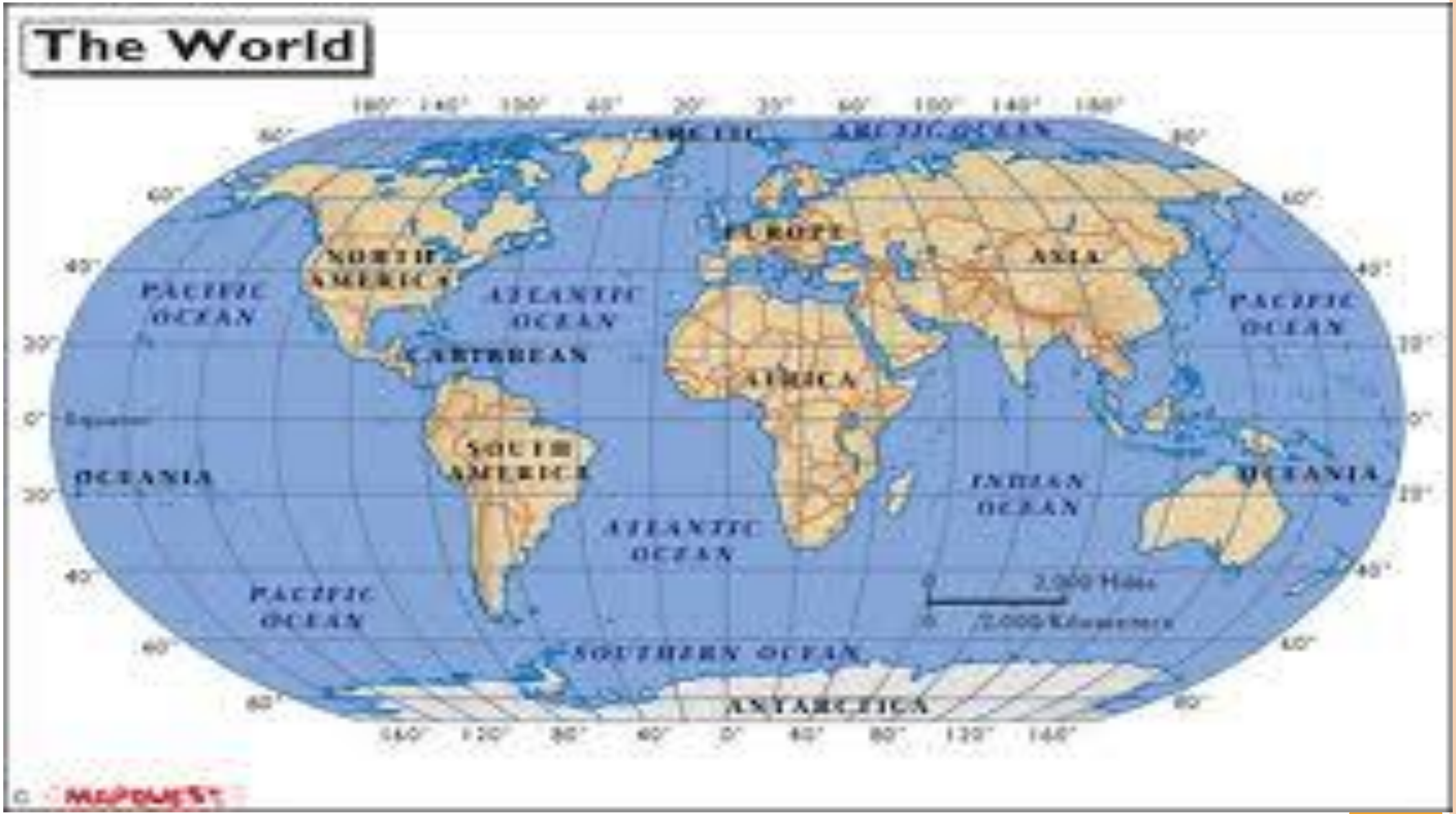
3. Quick Ratio

- The quick ratio, also referred as the “acid test ratio” or the “quick assets ratio”, this ratio is a gauge of the short term liquidity of a firm. The quick ratio is helpful in measuring a company’s short term debts with its most liquid assets.
- The formula used for computing quick ratio is:
- **(Current Assets – Inventories)/ Current Liabilities**

4. Return on Equity (ROE)

- The return on equity is the amount of net income returned as a percentage of shareholders equity. Moreover, the return on equity estimates the profitability of a corporation by revealing the amount of profit generated by a company with the money invested by the shareholders. Also, the return on equity ratio is expressed as a percentage and is computed as:
- **Net Income/Shareholder's Equity**

Section 11 (World News)



Iraq violence: Baghdad bomb blasts kill 33

- **At least 33 people have been killed in a series of bomb attacks in Iraq's capital, Baghdad, officials say.**
- Two car bombs exploded outside the foreign ministry, near the heavily-fortified Green Zone, while a suicide bomber struck a restaurant nearby.
- Another car bomb went off in Khilani Square in the city's commercial heart. Later, three car bombings were reported in the south-east of capital.
- There has been a surge in sectarian violence in Iraq in the past year.
- Iraqi government data says more than 1,000 people died in January, which would be the highest monthly toll for almost six years.
- There was no immediate claim of responsibility for Wednesday's bombings, but al-Qaeda-linked Sunni militants have been waging a campaign of violence against the Shia-dominated government.
- "Iraqi political leaders should show national unity in dealing with such threats and unite against terrorism," the UN envoy to Iraq, Nikolay Mladenov, said in a statement.
- On Tuesday, at least seven people died in a series of bombings, while two rockets also exploded inside the Green Zone, which houses parliament, government buildings and some foreign embassies.
- On Monday, 23 people died in car bombings in and around the capital.

Section 12 (Science and Technology)

‘Hejje’, mobile application for tracking tigers launched

- *It is an indigenously developed Android-based app*
- Tiger-tracking and wildlife conservation have a new mobile application for vigorous monitoring and better coordination of anti-poaching camp personnel at Bandipur.
- For, “Hejje” (Pug mark), an indigenously developed Android-based application, was launched at Bandipur on Monday. It will help coordinate foot patrolling of forest staff apart from providing the range forest officers live update of their respective anti-poaching patrolling activities such as patrol time, water level in lakes, suspicious activities, tree population and forest fires.
- The application, launched by Conservator of Forests and Director of Bandipur Tiger Reserve H.C. Kantharaj, has been developed by KeyFalcon Solutions of Bangalore.

THANKING YOU

You can also download this Updates from these websites		
S.N.	Site Name	URL
1	CA Club India	http://www.caclubindia.com/share_files/files_display_list_by_member.asp?member_id=54381#.UusuTT2SyzY
2	You Tube	https://www.youtube.com/channel/UClIcO4BqJj8MeiPZnZvRbfg
3	PRM Google Group	https://groups.google.com/forum/#!forum/prm-updates
4	Linkedin	http://www.linkedin.com/pub/ca-anshul-singhal/32/736/896
5	Facebook	https://www.facebook.com/anshul0012
6	Slide Share	http://www.slideshare.net/CAAnshulSinghal