

KNOWLEDGE UPDATES (28-AUG-14)



By Anshul Singhal

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Quotes of The Day



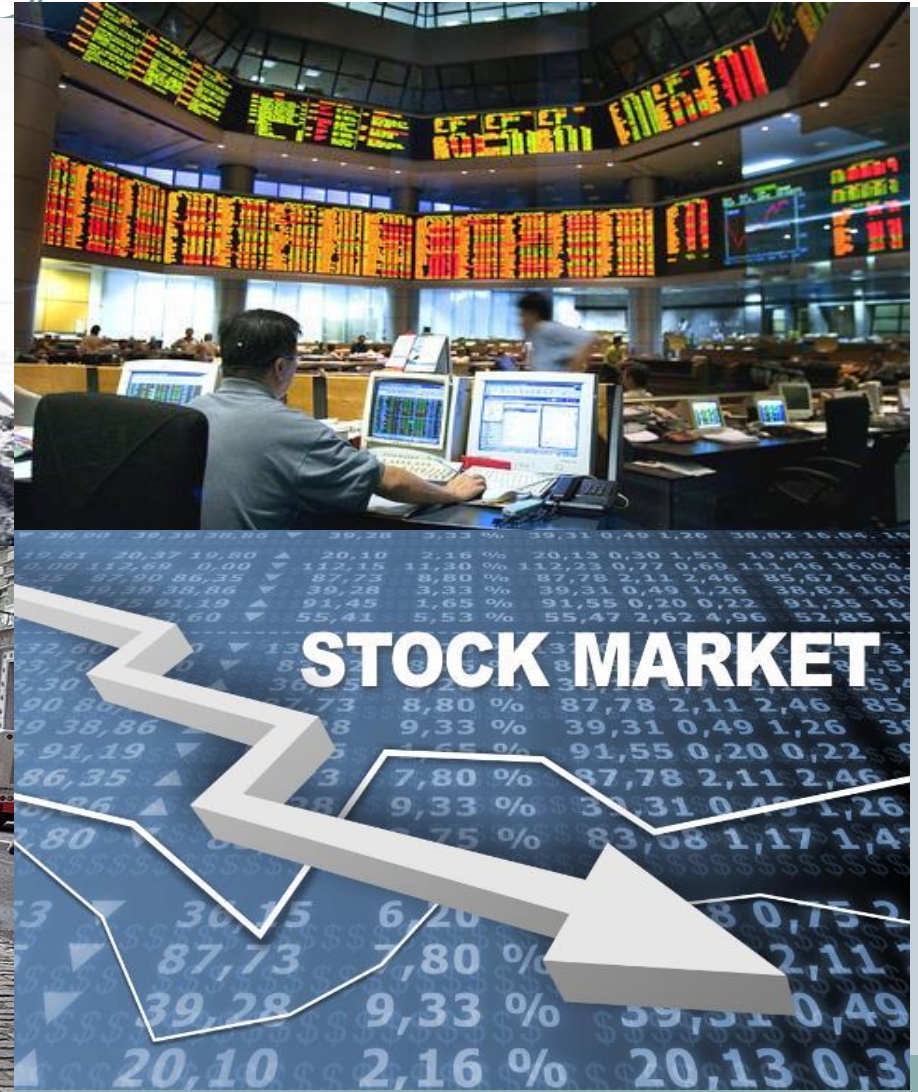
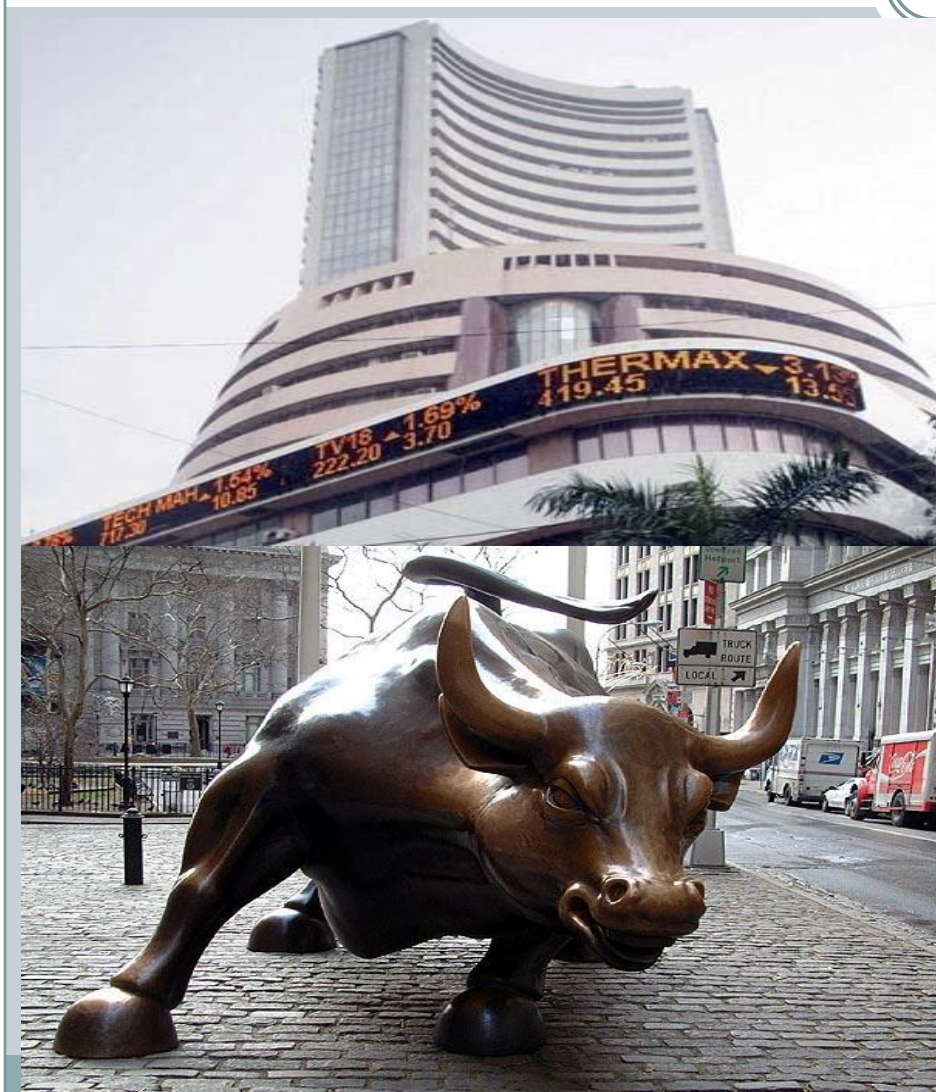
Life is like riding a bicycle.
To keep your balance, you must
keep moving.

— Albert Einstein

photo by Dana Dyer
VERYBESTQUOTES.COM



Section 1 (Market Watch)



Markets Today



Stock Indices	Particulars	Up/Down
Sensex	26,560.15	117.34
Nifty	7,936.05	31.30
NSE	7868.3	28.5
BSE	3229.9	12.6
Gold	27,783	-112.00
USD	60.45	-0.01

Section 2 (Economy Updates)



M.A.M. Ramaswamy eased out Chettinad Cement board

- M.A.M. Ramaswamy, Chairman of Chettinad Cement Corporation, was eased out of the board by the shareholders at the company's 51st Annual General Meeting held here on Wednesday.
- When a resolution for his reappointment as director came up for approval, some shareholders opposed it and proposed an amended resolution seeking not to reappoint Mr. Ramaswamy. They also sought to restrain the management from filling up the vacancy arising out of his retirement.
- The amended resolution was then put to vote and carried out successfully.
- Ramanathan Palaniappan, who retired as director and was eligible for reappointment, however, said he was not keen on reappointment. Hence, both the vacancies have not been filled up.
- Addressing the shareholders, Mr. Ramaswamy's adopted son and Managing Director M.A.M.R. Muthiah recalled the services rendered by his father to the society. He also announced that he would be talking to the board members to make his father as Chairman Emeritus of the company for life. The board is scheduled to meet on September 4.

Govt notifies rules allowing 100% FDI in Railways

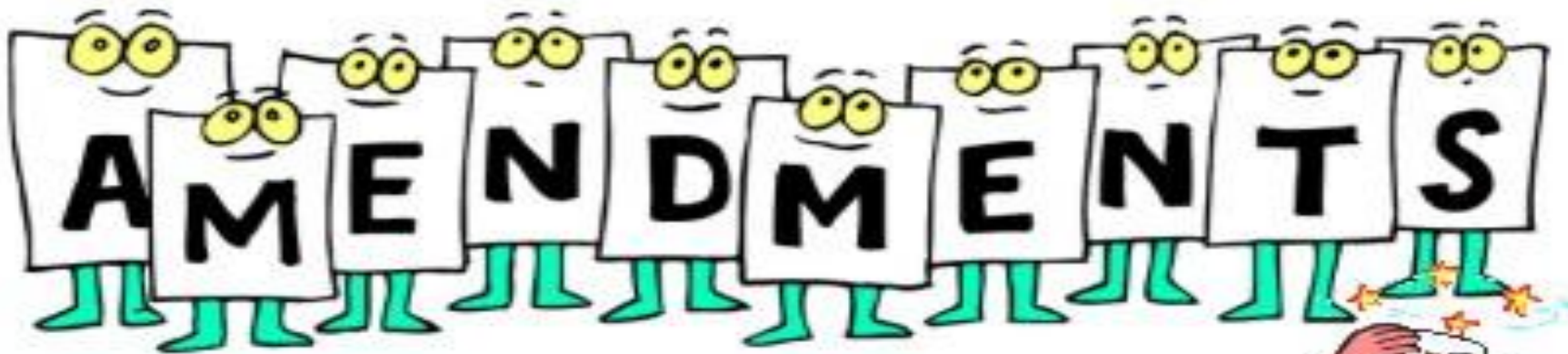
- The Government has notified new foreign direct investment norms for the Railways allowing 100 per cent foreign investments through the automatic route in a number of areas.
- These include suburban corridor projects through the public private partnership (PPP) route, high-speed train systems, rolling stock including trans sets, coaches manufacturing and maintenance facilities, railway electrification, signalling systems, freight terminals, passenger terminals and infrastructure in industrial parks like railway line and sidings.
- However, FDI will not be allowed in train operations and safety.
- The decisions are in line with the decision taken by the Union Cabinet earlier this month.

VVIP Chopper scam: Finmeccanica to pay Rs.60 crore fine to Italian government

- Defence major Finmeccanica which has been embroiled in corruption charges in the 2010 VVIP Chopper deal with India has agreed to pay the Italian government a fine of Rs.60 crore as part of a plea bargain with prosecutors in return of the company not being held liable for the alleged corrupt practices of its former top executives.
- Details have emerged of the plea bargain agreement that is likely to be ratified in a court in Busto Arsizio on Thursday that specify a Rs.60 crore or 7.5 million Euro fine on the company that has been under fire after its subsidiary AgustaWestland was charged with international corruption to fix the deal for 12 Choppers with India after a two year investigation in 2012.
- The news comes even as India has gone ahead on Tuesday to notify a new set of rules for dealing with the tainted company that specify that Finmeccanica and its subsidiaries will not be considered for any fresh contracts but ongoing projects with the armed forces would be allowed to continue.

Section 3 (Amendments)

AMENDMENTS



80-IB: An “industrial undertaking” can be formed by taking P&M on hire. Not necessary for the assessee to “own” the P&M. Dept’s tendency to try to unsettle matters strongly disapproved

- **CIT vs. Jyoti Prakash Dutta (Bombay High Court)**
- (i) The argument of the department that if an assessee does not own plant and machinery, it cannot be an industrial undertaking is extreme and misconceived. S. 80-IB permits an undertaking to be formed by ‘hire’ of plant and machinery and does not require the assessee to own the same. A film production unit formed by engaging cameraman, editor, sound technicians and using their equipments for filming, processing, sound recording and mixing machines on contract basis is an “industrial undertaking” eligible for s. 80-IB deduction (**D.K. Kondke** 192 ITR 128 (Bom) followed, **Textile Machinery Corp** 107 ITR (SC) distinguished);

Companies Act

Auditor Appointment and Rotation

[section 139]

Term of appointment

As per the 2013 Act, instead of the present provision of appointment from one AGM to the next, individual or a firm to be appointed as auditor for a five-year term. Change of auditors before the five year term would require special resolution after obtaining the previous approval of the Central Government. Further the auditor concerned would have to be given a reasonable opportunity of being heard

However the appointment has to be ratified at every AGM. If the appointment is not ratified, it appears that the process for change of auditor would have to be followed.

Rotation of auditors

Listed companies or companies belonging to such class of companies as may be prescribed cannot appoint or reappoint an audit firm (including an LLP) as auditor for more than two consecutive terms of five years each (in case of an individual there would be one term of five years).

There is a cooling off period of five years for both individual auditors and audit firms. Audit firms having common partner or partners to the outgoing audit firm will also not be eligible for appointment till the cooling off period of the outgoing firm has expired.

Companies need to be compliant with the provisions relating to rotation within three years from the date of the commencement of the Act.

Central Government may, by rules, prescribe the manner of rotation. As per the draft rules, this requirement has been extended to all companies except small companies and one person companies.

Section 4 (Seminar)



Seminar

**Seminar Jointly with Tri Nagar Keshav Puram CPE Study Circle of NIRC on
Cash Flow Management, Direct Tax & Company Audit**

Day and Date	05th September 2014 (Friday)
Timings	04.00 PM to 09.30 PM Limited Seats. Registration on First cum First Serve.
Registration Timings	03.15 PM to 04.00 PM
Venue	Parkash Palace Banquet, 13, Wazir Pur Press Area, Behind Punjab Kesri, New Delhi-110035
CPE Hours Credit	5(Five) CPE Hrs.
FEE	Rs. 500/- No Fee for All Study Group Members of NIRC (2014-15)
Topics	• Cash Flow Management • Recent Changes in Direct Tax (Special Emphasis on Wealth Tax and Tax Audit Report) • Company Audit
Speaker/Faculty	• CA. Jagmohan Singh Bons • CA. Sanjay Agarwal Central Council Member, ICAI • CA. Pramod Jain

Source: <http://nirc-icai.org/seminar/12-aug.pdf>

Section 5 (JOB / Empanelment)



Empanelment

**Panchayat And Rural Development Department -
Raipur Chhattisgarh**

Last Date : 30/08/2014

Expression of Interest (EOI) for Appointment of Chartered Accountants Firm for Audit Of State Employment Guarantee Fund (SEGF), Chhattisgarh, Maintained Under Mahatma Gandhi National Rural Employment Guarantee Council (MGNREGC).

Address: Commissioner, MGNREGA Indrawati Bhawan Room No.36, Second Floor, Naya Raipur – 492 002, Chhattisgarh.

SECTION 6 (SPORTS UPDATE)

SPORTS

at pppst.com



MODI'S RETURN WILL ALTER BCCI EQUATIONS, SAYS MODI'S LAWYER

- ✘ The Delhi High Court order to restore Lalit Modi's passport will prove as a "rallying point" in altering power equations in the BCCI, Modi's lawyer Mehmood Abdi has said. A two-judge bench of Badar Durrez Ahmed and Vibhu Bakhru reversed the three-year old-order that revoked Modi's passport, paving the way for his return to India. However, Abdi said Modi hasn't yet decided on his schedule to shift his base from London, where he has been based for more than four years.
- ✘ "When he is back in India, the equations in BCCI will be altered," Abdi told ESPNcricinfo. "All the people who are feeling suffocated and who are looking to have some telling voice to take on Srinivasan will be relieved to see Lalit Modi back in India. Because he is the only person who can take on Srinivasan."
- ✘ The order came as a fillip to Modi, who was recently elected as the president of the Rajasthan Cricket Association despite having been expelled for life from Indian cricket by the BCCI.

SECTION 7 (POLITICAL UPDATE)



LPG CONSUMERS CAN AVAIL 12 CYLINDER QUOTA AT ANYTIME OF YEAR

- ◉ In a relief to consumers, the Cabinet on Wednesday lifted the restriction of supply of only one subsidised cooking gas LPG cylinder to a household in a month, saying consumers can avail their quota of 12 bottles at anytime of the year.
- ◉ While raising quota of subsidised 14.2-kg LPG cylinders that a household can avail in a year to 12 from previous nine, the government had in February put a restriction of one cylinder per month.
- ◉ "The Cabinet today came to a conclusion that this system is causing problem to the people. Sometimes people do not need one, sometimes during festive season demand is more. So there was a feeling that if someone has not taken one cylinder in a given month, then in remaining months he won't get it," Telecom and Law Minister Ravi Shankar Prasad said in New Delhi.
- ◉ Briefing reporters about the decision taken by the Cabinet headed by Prime Minister Narendra Modi, he said the restriction has been done away with.

Source: <http://businesstoday.intoday.in>

Section 8 (movies updates)



Kids should not watch 'Mardaani' because of its language: Aamir Khan

- Bollywood superstar Aamir Khan, who had praised actress Rani Mukherjee for her work in 'Mardaani', has said young children should not watch the film, primarily because of "kind of language" used in it.
- "There are some words in the film that I will not want children to watch. I don't want young children to see it because of the kind of language it has and I don't want very small children to see violence (on screen)," Aamir told reporters here at an event.

Section 9 (Amazing Facts)

AMAZING
FACTS
TO BLOW YOUR MIND





Amazing facts

- Your stomach has to produce a new layer of mucus every two weeks or it will digest itself.
- The dot over the letter “i” is called a tittle.

Section 10 (Educational)



Companies required to appoint internal auditor:-

(1) The following class of companies shall be required to appoint an internal auditor

or a firm of internal auditors, namely:-

(a) every listed company,

(b) every unlisted public company having –

(i) paid up share capital of fifty crore rupees or more during the preceding financial year; or

(ii) turnover of two hundred crore rupees or more during the preceding financial year; or

(iii) outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year; or

(iv) outstanding deposits of twenty five crore rupees or more at any point of time during the preceding financial year; and

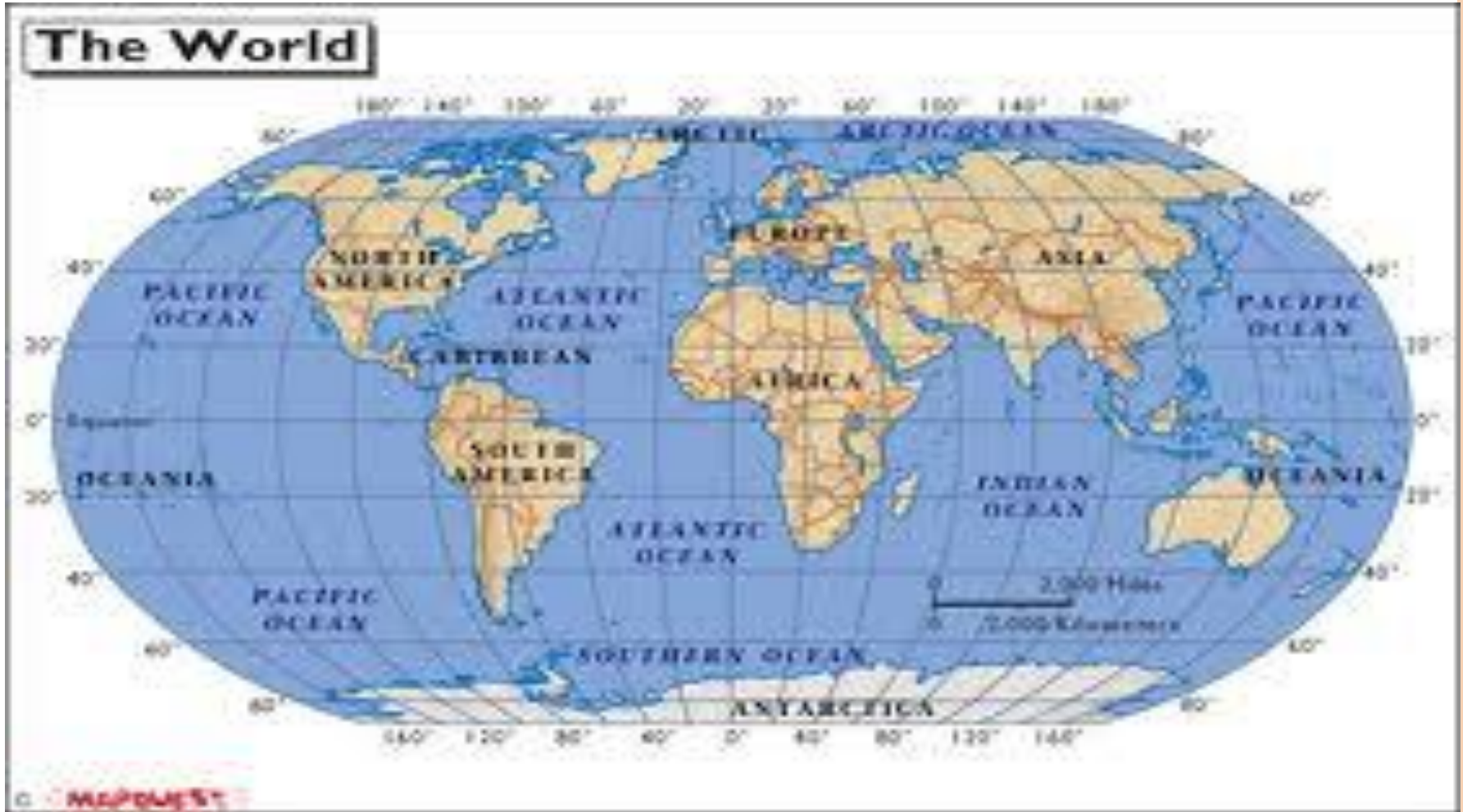
(c) every private company having –

(i) turnover of two hundred crore rupees or more during the preceding financial year; or

(ii) outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year.



SECTION 11 (WORLD NEWS)



FRENCH UNEMPLOYMENT HITS NEW HIGH

- Unemployment in crisis-hit France struck a new high in July, official statistics show, in another blow for the deeply unpopular President Francois Hollande.
- The labour ministry said there were now 3.424 million people out of work, a rise of around 26,000. The 0.8 per cent rise compared to the previous month was the ninth consecutive gain in the monthly unemployment figures.
- "This rise reflects zero growth in the eurozone and in France," Labour Minister Francois Rebsamen said in a statement on Wednesday.
- According to the latest quarterly figures published by national statistics office INSEE, the rate in the first quarter in France was 10.1 per cent. Figures for the second quarter are due to be released on September 4.
- France, Europe's second biggest economy, is battling a political and economic crisis seen as the worst since Hollande took power more than two years ago.

SECTION 12 (SCIENCE AND TECHNOLOGY)



INDIA, UK JOIN HAND FOR RESEARCH ON SOUTH ASIAN MONSOON

- Scientists from India and UK will collaborate to improve forecast of South Asian monsoon, especially by using atmospheric research aircraft and ocean gliders to gather fresh data in the region, UK's Secretary of State for Energy and Climate Change Edward Davey said on Wednesday.

The drivers of variability in the South Asian Monsoon research programme will receive combined funding of around 8 million pound from the UK's Natural Environment Research Council (NERC), the Indian Ministry of Earth Sciences and the UK Met Office.

The programme will also examine the monsoon's physical processes through a large-scale observational campaign. It will use the UK's BAe-146 atmospheric research aircraft and ocean gliders, and Indian research ships to gather fresh data on the region in more detail than ever before.



SECTION 13 (SPIRITUALITY)



व्रत एवं पर्व

- अगस्त सन् 2014
- विक्रम संवत् 2071
श्रावण शुक्ल पंचमी से भाद्रपद शुक्ल षष्ठी तक
- शक संवत् 1936
राष्ट्रीय श्रावण 10 से राष्ट्रीय भाद्रपद 9 तक
- हिजरी सन् 1435
शव्वाल 4 से जिल्काद 4 तक

28 अगस्त

हरितालिका (बडी) तीज व्रत, गौरी तीज (उडीसा), केवडा तीज, वाराहावतार जयन्ती, त्रिलोक तीज (दिग.जैन), सामवेदी श्रावणी





THANKING YOU



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- 2- The Information is mainly compilation of information from various sources and professionals, for sharing of information in core group.