

GOING FORWARD Absence of competition in railways and state transport bodies has kept consumers deprived of world class facilities, says FM

‘Competition Promotes Innovation & Quality’

Our Bureau

New Delhi: Advent of e-commerce has completely changed the nature of how business is done and has made the market more competitive, Finance Minister Arun Jaitley said on Friday. Speaking at the annual lecture of Competition Commission of India (CCI), Jaitley said innovative technology being used by e-commerce companies was benefiting the customers while promoting competition.



ON EASE OF DOING BIZ

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ARUN JAITLEY

Finance Minister

“E-commerce has provided widest possible choices of goods to the consumers at most competitive prices at the click of a button,” Jaitley said adding, “Competition will provide quality of services and products to the consumers at competitive prices. It promotes innovation, efficiency and quality.” Jaitley also said that absence of competition in railways and state transport undertakings has kept consumer deprived of world class facilities. “Whereas, in the civil aviation sector which was open to competition, the customer gets best of the facilities along with competitive fares,” he said. The minister said India should move faster on its current path of an open economy where customers are benefited with more choices.

He also favoured lesser government monopolies in the interest of promoting competition. “Socialism creates government monopolies where government decide what to produce and how much to produce leading to a shortage economy. Whereas, competition gives wider choices,” he said. Jaitley also said India was improving in the ease of doing business index and recent initiatives like Insolvency and Bankruptcy Code will facilitate ranking improvements for the

country. “The sick industrial companies act was hardly ever able to resolve the problem. No investor would invest in a sluggish economy where there are entry barriers and no option to exit. With the bankruptcy code, we are sure things would change. With the new regime, there will be significant improvement in this area,” Jaitley said. Replying to question on discoms, Jaitley said discoms accounted for one-third of non-performing assets of the banking sector and more reforms were needed.

India a Good Place for Investors, Jaitley Tells World Bank Team

Our bureau

New Delhi: Finance minister Arun Jaitley has said India offers a good opportunity for global investors because of its strong growth, when the world economy is struggling.

“India’s experience of strong economic growth, comfortable price situation, low Current Account Deficit (CAD), and adherence to path of fiscal recovery have projected it as an outpost of opportunity for global investors,” FM told a group of executive directors of the World Bank Group on Thursday.

He said good monsoon forecast, political reform process and low current oil prices were the key drivers of economic growth while also pointing out that India had also benefited from the decline in prices.

Indian economy is forecast to grow over 7.5% in the current fiscal, almost same as 7.6% growth in FY15. Jaitley said the government is focusing on areas like non-conventional power generation, a nation-wide sanitation campaign, electrification of villages, major and minor irrigation projects, and rural housing for all among others. A group of nine World Bank executive directors is currently on a six-day visit to India as a part of its South Asian region visit. He said World Bank should have a larger capital base to support more activity and projects.

8 ‘Special Courts’ to Hear Serious Corporate Cases

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New Delhi: The corporate affairs ministry has designated eight courts in different states and union territories as “special courts” for speedy trials of serious corporate offences. Under the Companies Act, 2013, special courts were to be set up in every state to deal with all company related cases where the accused is charged with offences punishable by imprisonment of at least two years.

The eight courts are in Maharashtra, Jammu & Kashmir, Goa, Gujarat, Madhya Pradesh, West Bengal, Dadra & Nagar Haveli, Daman & Diu, and Andaman & Nicobar Islands.

The government has received the concurrence of the chief justices of the respective high courts and the designated courts will start hearing the cases soon, officials said.

“Earlier the Act said that all cases would be taken up by special courts. After amendment, only very serious offences would come to special courts,” a senior government official said.

More than 50,000 cases of alleged violation of Companies Act are pending across the country. However, hardly 5,000 classify as serious offences where the accused is charged with offences punishable by two years or more.

Black Money Window Not to Accept ‘Corrupt’ Money

Our Bureau

New Delhi: The black money scheme announced in the budget has stringent checks and balances to ensure ill-gotten wealth is not laundered through this route.

Money earned through corruption, income caught in an income tax raid or a survey will not be eligible for declaration under the scheme, according to the frequently asked questions released by the Central Board of Direct Taxes (CBDT).

“The scheme shall not apply in relation to prosecution of any offence punishable under the Prevention of Corruption Act, 1988. Therefore, declaration of such undisclosed income cannot be made,” set of the clarifications issued in the form of Q&A said.

An emphatic ‘No’ was the response to a question on whether a person can declare undisclosed income which has been acquired from money earned through corruption.

If such a declaration is made and it is found that the income represented money earned through corruption, it would amount to misrepresentation of facts and the declaration shall be void and if a declaration is held as void, the provisions of the Income Tax Act shall apply in respect of such income as they apply in relation to any other undisclosed income, it added.

The four-month window which opens on June 1 provides an opportunity

to people having undisclosed income to come clean by paying 30% tax and a ‘Krishi Kalyan Cess’ of 25% on the tax payable, penalty and surcharge adding up to 45% of the income declared.

The 14 FAQs said declarations made under the window will remain confidential as in the case of return of income filed by an assessee.

The declarant, however, will be liable for capital gains tax on sale of such assets declared under the window in future.

A person will not be eligible to make a declaration under the scheme if a search has been initiated and the time for issuance of notice under section 153A has not expired.

The scheme is designed on the same lines as one for those having undisclosed foreign assets that was brought last year.

It will not be mandatory to file valuation report of the undisclosed income represented in the form of investment in asset along with the declaration but the declarant should have the valuation report.

Intermediate Steps to Deal with NPAs Coming Soon: Rai

Our Bureau

New Delhi: Banks will soon get an intermediate mechanism to help them settle the issue of bad loans.

“Resolving the issue of stressed assets is a priority,” Bank Board Bureau Chairman Vinod Rai said, adding that an intermediate mechanism is being worked out to analyse some of the processes to help banks overcome their bad loans. “It will give a lot of comfort to bank decision-makers and it will be very credible.” The proposed mechanism should be in place in a fortnight or three weeks from now and will be in the domain of the banks, outside the BBB, Rai said.

Losses at state-run banks have widened after they set aside large sums to cover bad loans. Punjab National Bank posted a net loss of 5,367 crore in the three months ended March, the largest quarterly loss reported by an Indian lender.

Five other state run lenders – Bank of Baroda, UCO Bank, Central Bank of India, Allahabad Bank and Dena Bank — also reported steep losses in the just-concluded fourth qu-



ON RESOLUTION

There are two kinds of issues. One is the process of resolution and the other is the pricing at which the resolution takes place

VINOD RAI

Bank Board Bureau Chairman

arter of FY16. The level of gross non-performing assets of public sector banks increased to 7.3% as of December 2015 from 5.43% in March 2015. According to government data, the top 50 defaulters of public sector banks had exposure in excess of ₹1.21 lakh crore as of December 2015.

TOI

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Hiranandani Gardens, Powai @ Central Avenue is now free of traffic every Sunday morning – no honking, no smoke, no traffic jams. So come out and enjoy cycling, street art, skating, yoga or just rejuvenate. Wake up to Happy Sundays filled with sunshine, energy & laughter with Equal Streets.

Date : 22nd May | Time : 6:30am to 9:30am | Venue : Powai Plaza signal to City Park Bldg signal

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