



**SBS** | *Interns'*  
**Digest**  
An attempt to share knowledge

By

**Interns of  
SBS and Company LLP**

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## AUDIT

### SIA 220 - "CONDUCTING AN OVERALL INTERNAL AUDIT PLANNING"

Contributed by Sarvani. S & Vetted by CA Bhyrav |

#### Introduction

- As discussed in my previous article, currently there are 18 Standards on Internal Audit (SIA's) issued by Institute of Chartered Accountants of India (ICAI). One among these standards is SIA 220 "Conducting overall Internal Audit Planning". It is rightly said that "By failing to prepare, you are preparing to fail", hence planning plays an important role in accomplishing the audit.
- SIA 220 is not yet notified by Institute of Chartered Accountants of India (ICAI), hence it is voluntary in nature.
- Before going into SIA 220 let's learn the definition of Internal Audit which forms the crux of the standard. The definition is defined by ICAI in framework governing internal Audit.
- "**Internal Audit**" provides independent assurance on the effectiveness of internal controls and risk management processes to enhance governance and achieve organizational objectives.
- Institute of Internal Auditors (IIA) also defined "**Internal Audit**". According to IIA Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations.
- To conduct an Internal Audit, a plan is to be formulated. Internal audit planning is conducted at two levels:
  - An overall internal audit plan for the entire entity is prepared for a given period (usually a year) and presented to the highest governing body responsible for internal audits, normally, the Board of Directors, or the Audit Committee.
  - Several specific internal audit plans are prepared for individual assignments to be undertaken covering some part of the entity and presented to the Chief Internal Auditor. Planning of the same is covered under SIA 310.
- In the case of Companies under Companies Act, 2013, which are subject to internal Audit as per section 138. it is a legal requirement for the Audit Committee or its Board of Directors to formulate the overall internal audit plan of the company.

#### SCOPE

This SIA deals with the Internal Auditor's responsibility to prepare the Overall Internal Audit Plan, also referred to as the Annual Internal Audit (Engagement) Plan.

## Objectives

- Ensure that the planned internal audits are in line with the objectives of the organization.
- Confirm and agree with Those Charged with Governance (TCWG) the broad scope, methodology and depth of coverage of the internal audit work to be undertaken in the defined time-period.
- Ensure that overall resources are adequate, skilled and deployed with focus in areas of importance, complexity and sensitivity.

Always ensure that the audits undertaken conform with the applicable pronouncements of the Institute of Chartered Accountants of India (ICAI).

## Planning Process

The Internal Auditor conducting the overall internal audit planning shall use professional judgement for the process to be followed in completing all essential planning activities.

The following aspects are to be addressed at the time of conducting the overall internal audit planning.

### Knowledge of the Business:

- The internal auditor should obtain a level of knowledge of the entity that is sufficient to enable him to identify events, transactions, policies and practices that may have a significant effect on the financial information. Following are some of the sources where from the internal auditor can obtain such knowledge:
  - Previous experience, if any, with the entity or the industry;
  - Legislation and regulations that significantly affect the entity;
  - Discussion with client's management and staff;
  - Visits to entity's plant facilities etc., to obtain preliminary information regarding the production processes of the entity;
  - Visits to the entity's department where the accounting and other documents are generated, maintained, and the administrative procedures are followed.

### Establishing the Audit Universe:

- The next step in audit planning is establishment of the audit universe or the audit territory;
- Audit Universe comprises the Activities, Operations, Units etc., to be subjected to audit during the planning period;
- The Audit Universe should be reviewed periodically and make amendments, wherever necessary;
- In few cases the Audit Universe entirely changes depending on the scope given by the client.

### Establishing the Scope of the Engagement

- The next stage in planning an internal audit is establishing the scope of the engagement.
- The internal audit objectives and the nature of assurance to be provided will also help to establish the scope of internal audit.

- In case of outsourced engagements, the management may define or mandate the scope and may even restrict the coverage of certain areas or transactions.
- When finalizing the scope, it is important to clearly highlight any scope limitations in the internal audit plan as part of the communication to approving body, such as, the Audit Committee.

### Risk Assessment

- The internal auditor shall undertake an independent risk assessment of all the Auditable Units identified in the Audit Universe and align this with the risk assessment conducted by the management and the statutory auditor.

### Technology Deployment

A key element of the overall internal audit planning exercise, involves understanding the extent to which:

- The entity has deployed information technology (IT) in its business, operations and transaction processing, and
- The auditor needs to deploy IT tools, data mining and analytic procedures, and the expertise required for conducting the audit activities and testing procedures. This helps to design and plan the audit more efficiently and effectively.

### Deciding the Resource Allocation

- Once the scope of the internal audit procedures is established, the next phase is that of deciding upon the resource allocation.
- For this purpose, the internal auditor should prepare an audit work schedule, detailing aspects such as:
  - activities/procedures to be performed;
  - Engagement team responsible for performing these activities/procedures; and
  - Time allocated to each of these activities/procedures.

### Documentation

- To confirm compliance of audit procedures with the SIA, all key steps undertaken in the planning process shall be adequately documented to confirm their proper completion.

### Conclusion

- Adequate planning ensures that appropriate attention is devoted to significant areas of audit, potential problems are identified, and that the skills and time of the staff are effectively utilized.
- The internal audit plan should be comprehensive enough to ensure that it helps in achieving the overall objectives of an Internal Audit.

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## FEMA

**OVERVIEW ON PROCEDURE FOR SETTING UP OF SEZ UNIT**

Contributed by Sauchit. V &amp; Vetted by CA Murali krishna. G |

***I. Background:***

India was one among the foremost Asian countries who have considered the idea of setting up an Export Processing Zone (EPZ) model to promote country's exports in early 1970's. In order to attract more foreign investment and provide an internationally competitive and hassle-free environment for export promotion in India, the concept of Special Economic Zone (SEZ) was introduced to replace EPZ.

In the year 2000, the SEZ policy was initially introduced under Foreign Trade Policy 2000. The policy was implemented through piecemeal and ad hoc amendments to different laws, besides executive orders from time to time. In order to overcome these drawbacks and to give a stable long-term policy framework with minimum regulation, the Special Economic Zone Act, 2005 (hereby referred to be "Act") was introduced. The Act provided broad legal framework, covering all important legal and regulatory aspects of SEZ development as well as for Units operating in SEZs.

SEZ is a specific duty-free enclave and shall be deemed to be foreign territory for the purposes of trade operations, duties and tariffs. In other words, SEZ is a geographical region that has economic laws different from the country's economic laws.

***II. Comparison between SEZ and SEZ Unit:***

In general, the terms SEZ and SEZ Unit (herewith referred as "Unit") are considered to be similar, but these are actually two different terms which altogether has two different parameters to be dealt with.

SEZ is a specifically delineated duty-free area/ zone and as mentioned, shall be deemed to be foreign territory for the purposes of trade operations and duties and tariffs which can set up either jointly or severally by Central Government, State Government or by any Person; whereas Unit is an area that can be set up in the processing area / zone of SEZ by any Person.

***III. Scope of the Article:***

This Article will help you to understand the procedure for setting up a Unit in SEZ.

In case of any information related to the overview of procedure for setting up the SEZ, please refer page 13 of the Interns' Digest published for October 2018. For reference, visit:<https://www.sbsandco.com/wiki/document/sbs-digest-e-journal-oct-2018>

**IV. General Terms:**

(a) Person: Person includes

- An Individual, whether resident in India or outside India;
- A Hindu Undivided Family;
- Co-operative society;
- A company, whether incorporated in India or outside India;
- A firm;
- Proprietary concern;
- An Association of Persons/Body of Individuals, whether incorporated or not;
- Local authority and
- Any agency, office or branch owned or controlled by such Individual, Hindu Undivided Family, Co-operative Society, Association, Body, Authority or Company but doesn't include Firm and Proprietary Concern.

(b) Developer: Developer means a person who or a State Government which, has been granted by the Central Government, a letter of Approval(LOA) for setting up an SEZ and carrying on the authorized operations ,against the proposal made by applicant (i.e., person or State Government).

(c) Entrepreneur: Entrepreneur means a person who, has been granted by the Development Commissioner of concerned SEZ, a letter of Approval(LOA) for setting up a Unit in SEZ and carrying on the authorized operations, against the proposal made by person.

**V. Procedure for setting up of Unit in SEZ:**

An applicant planning to setup Unit in a specific SEZ needs to make a physical application (refer point 4 below)to the respective Development Commissioner's Office of SEZ. Before filing an application, the applicant needs to obtain a valid consent letter providing provisional offer of space to the applicant, from the concerned SEZ developer where it intends to set up the SEZ unit. For the purpose of setting up of Unit in SEZ, an applicant needs to follow the following procedure:

- (1) **Creating user ID :**This is the initial stage for setting up a SEZ unit. Applicant need to visit<https://www.sezonline-ndml.com> (henceforth referred as SEZ Online) and is required to create User ID and password under New Unit Registration (NUR) category. While creating the User ID, the applicant should provide basic details such as Name, Phone no, Email ID, User category (Unit/Developer).
- (2) **Raising a Demand Draft:** A Demand Draft of Rs. 10,000/- needs to be drawn in favour of "Pay & Accounts Officer, Ministry of Commerce & Industry, Department of Commerce, payable at New Delhi"and a Banker certificate is to be obtained in respect of designated account that is being maintained for SEZ unit.

(3) **Filing Application in SEZ Online:** Applicant needs to fill and submit the Application in Form-F through online mode (real time only) in the SEZ Online. Relevant details that the application requires, is mentioned below, of which applicant is required to fill the details as applicable to it:

- (i) Basic details such as Applicant name, Demand draft details, Director details etc;
- (ii) Activity to be carried out in SEZ unit as to manufacture of goods / provision of service;
- (iii) Details of source of finance as to Internal finance or Equity issue etc;
- (iv) Pattern of shareholding in the paid-up capital by foreign equity and resident holding;
- (v) Details of Foreign exchange outflow and inflow;
- (vi) Details of Letter of Approvals/Letter of Intents issued to applicant under SEZ/EOU/STP/EHTP scheme.
- (vii) Requirement of infrastructure in respect of Land, built-up area, water, power etc;
- (viii) Value of investments in plant and machinery by way of indigenous or import mode;
- (ix) Value of procurement of capital goods and materials in respect of import or indigenous mode;
- (x) Details as to involvement of foreign collaborator in respect of foreign technology agreement;

(4) **Physical Application:** Once the application is filed SEZ Online, the applicant needs to submit the print out of application filled online along with annexures (in hard copy) to the concerned Development Commissioner of concerned SEZ. Among all annexures, relevant and pertinent annexures are as follows:

- (i) Copy of incorporation certificate, Articles and Memorandum of Association of the company
- (ii) Copy of Registered Partnership deed in case of partnership firm/LLP
- (iii) Copy of Board Resolution of authorised director/person in case of company
- (iv) Copy of power of attorney/authority in case of partnership firms
- (v) In case of companies - Copies of residential address proof (Passport/Ration Card/VoterID/Driving Licence) of Directors, PAN Card and IT returns (for last three years - along with annexures/computation sheet) of Company.
- (vi) In case of partnership firm/LLP/sole proprietary - Copies of residential address proof (Passport/Ration Card/VoterID/Driving Licence), PAN Card and IT returns (for last three years -along with annexures/computation sheet) in respect of partners/Proprietor.
- (vii) Detailed project report that includes detailed description of the business which is intended to carry on, projections relating to foreign exchange earnings, man power and financials for the first five years;
- (viii) Consent letter from the SEZ developer that it intends to lease the premises;
- (ix) Copy of affidavit stating that the details submitted are true and correct;
- (x) No Objection Certificate from pollution board (if applicable);
- (xi) Copy of draft export contract or Master Service agreement;
- (xii) Banker certificate for the purpose of opening separate account;
- (xiii) Copy of audited financials (for past years);
- (xiv) Copy of IEC, if already obtained;

The list of the documents mentioned above is an indicative list and the applicant needs to submit only those documents that are applicable to him which may differ depending on the type and nature of Unit that the applicant intends to set up.

- (5) **Verification of Application:** Applications received will be verified by Development Commissioner (DC) and makes a note of the details before forwarding it to Unit Approval Committee (UAC)\*\* for consideration. If the DC is not satisfied with the submitted documents, he may raise a demand for additional documents and applicant shall submit those documents within the stipulated time period as prescribed in the demand.
- (6) **Attending for Personal Hearing:** Applicant needs to attend the UAC meeting as notified in the SEZ Online.

\*\*The UAC comprises of panel of authorities of various statutory department such as Income Tax, Goods and Services Tax, Customs, State authorities etc. before whom the applicant shall explain as to why they shall be issued a letter of Approval.

- (7) **Scrutiny of Application and issue of LOA:** The UAC shall scrutinize the application in terms of validity of the application, viability of the project, status of the applicant in terms of achievement of positive Foreign Exchange earnings, compliance of provisions of SEZ Act and Rules etc.

If the UAC is satisfied that the applicant will comply with the above terms, they may issue **Letter of Approval (LOA)** for carrying out the authorized operations by SEZ unit and an e-mail will be sent to applicant on the registered e-mail.

In case the UAC disapproves the application, the applicant can challenge the rejection before the Board of Approval (BOA) within 30 days from the date of receipt of order of UAC, which may be extended to 45 days depending upon the facts of the case (BOA consists of various authorities of Central Government including nominee from State Government and other members)

- (8) **Payment of registration fee:** After approval by DC office, a link for payment of registration fee will be enabled in the SEZ Online. On payment of fee, NSDL Database Management Ltd (NDML) representative will verify receipt of payment after enquiring the details of the payment and will authorize the payment upon verification of valid payment entry in SEZ online system. Upon authorization of payment, applicant can create administrator and operational user IDs in SEZ Online which shall be used as a source of submission of various required documents in future time period.
- (9) **Post approval procedures:** Upon obtaining the LOA, the applicant needs to follow further approval procedures such as: -
- (i) Execution of Bond-cum-Legal Undertaking (BLUT) in Form-H: For implementation of the LOA, the Unit has to execute Bond cum legal undertaking in form-H of SEZ Rules on a non-judicial stamp paper of Rs. 100/- of the respective state where the Unit is located and get the same notarized by a Notary Public registered from the same state.
  - (ii) Acceptance of LOA: On receipt of the LOA, the unit has to accept and comply the terms and conditions of the LOA with in the stipulated time and take further action as per terms & conditions mentioned in the said LOA for implementation of the project.

- (iii) Lease deed (for space): On receipt of the LOA, Unit must execute a lease deed with the SEZ Developer and submit copy of registered lease deed to the concerned DC within 6 months from issuance of LOA.
- (iv) Intimation of Commencement: Unit shall commence the production / provision of service within one year from the date of LOA and is required to intimate the date of such commencement to DC in SEZ online.
- (v) Periodical reports: Unit has to submit periodical performance reports as to Foreign exchange earnings, manpower etc from the financial year of commencement of production / provision of service in SEZ Online.

#### **VI. Validity / Extension of Letter of Approval :**

##### **(1) Validity for commencement of authorized operations:**

The Letter of Approval shall be valid for 1 year within which period the Unit shall commence production, service, trading or Free Trade and Warehousing activity.

The validity of the Letter of Approval may be extended for further 2 years by the Development Commissioner for valid reasons to be recorded in writing.

A further extension of 1 year may be granted by the Development Commissioner, provided that two-thirds of activities including construction, is complete, for which the entrepreneur must submit a chartered engineer's certificate.

##### **(2) Validity after commencement of authorized operations:**

The Letter of Approval shall be valid for 5 years from the date of commencement of production or service activity which will also serve as a license for authorized operations. However, after the completion of 5 years, the Development Commissioner may, at the request of the Unit, extend the validity for a further period of 5 years, at a time.

#### **VII. Cancellation of letter of Approval :**

The UAC may cancel the Letter of Approval if the entrepreneur persistently contravenes any of the terms and conditions or its obligations subject to which he had been granted the Letter of Approval. However, the entrepreneur shall be given a reasonable opportunity of being heard, prior to such cancellation.

#### **VIII. Conclusion :**

Government of India has come up with certain comprehensive guidelines on how to apply for setting up of SEZ/SEZ Unit through the SEZ Act and Rules. Though the procedure appears to be complex, but it is a very interesting arena to explore. The procedure outlined above gives you an overview in understanding the process to be followed for setting up of SEZ Unit. Needless to say, this write up is intended to provide an insight on procedural aspects to set up an SEZ unit and not intended to be a professional advice and should not be relied upon unless based on expert advice.

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## FEMA

### **LIBERALISED REMITTANCE SCHEME (LRS)**

Contributed by Sai Laasya. N & Vetted by CA Murali krishna. G |

#### Introduction

The Reserve Bank of India (RBI) is responsible for issuing currency, managing foreign exchange and regulating the financial system of the economy. It plays a key role in managing the flow of money in and out of the country. This is because for two reasons:

- The government wants to ensure that the source of such money being sent into or out of the country does not come from crime or end up being used for an illegal purpose
- To protect the local currency market from being destabilized due to the excessive outflow of the rupees.

#### What is LRS??

The Liberalised Remittance Scheme (LRS), introduced vide AP (Dir Series) Circular number 64, dated February 4, 2004, is one of the steps taken by the government towards easing the controls on foreign exchange movements in and out of the country in the process of liberalisation.

A remittance can be inward (i.e. when the amount comes into India from abroad) and outward (i.e. when the amount is sent from India to abroad). LRS is applicable only for the outward remittances made. This scheme is described as 'liberalised' because till the introduction of this scheme, the individuals were allowed to remit the amount abroad subject to compliances under FEMA (Current Account Transactions) Rules, 2000 and with specific permission from RBI wherever required.

Under LRS,

- *A resident individual can remit the amount abroad*
- *for either of the permitted current or capital account transactions*
- *without specific approval from RBI*
- *upto USD 2,50,000 or its equivalent in other currencies for each financial year. (April to March)*

#### Scheme guidelines

The following can be added to the above, to make it clear:

- Minors are also eligible to remit the amount abroad, subject to signing of declaration form by natural guardian
- LRS is not available to non-residents, HUF, Trusts, Partnership firms and Corporates.
- All the remittances should be routed only through designated Authorised Dealer (AD), and no specific approval up to permitted limit is required from RBI.
- The cap of USD 2,50,000 is for the entire financial year irrespective of the number of times the amount is remitted abroad
- The threshold limit has been revised wherever required subject to changes depending upon macro and micro economic conditions and the limits are given below

Sl. No.	Effective Date	Applicable Limit (USD)
1	04-02-2004	25,000
2	20-12-2006	50,000
3	08-05-2007	1,00,000
4	26-09-2007	2,00,000
5	14-08-2013	75,000
6	03-06-2014	1,25,000
7	01-06-2015	2,50,000

- The present threshold limit of USD 2,50,000 is applicable with effect from 01.06.2015.
- The amount obtained from the loan funds cannot be used to remit under LRS.

### Nature of transactions covered under LRS

Until the Government decides to waive the control on capital account transactions, LRS remains the best available way to remit the money and invest anywhere in foreign countries.

- The amount can be remitted only for such current and capital account transactions that are permissible. Few of the permitted transactions are tabulated below

Current account transactions	Capital account transactions
Private travel and tourism expenses (other than to Nepal and Bhutan)	Opening of foreign currency account with an overseas bank
Gift/ donation to an individual/ organisation outside India	Purchase of property abroad
Business trip	Making investments abroad
Maintenance of close relatives	Setting a WOS or a JV for a bona fide business activity
Medical treatment	Extending loans in INR to NRIs being relatives as per Companies Act 2013 (Only interest free loans with minimum maturity of one year are allowed)
Overseas education	

- Using this window, parents can remit the amount for their children studying abroad for meeting the fees and living expenses without any estimate from foreign university. Also, AD Bank is allowed to remit beyond LRS limit based on the estimate received from the institution abroad.
- Remittance for Medical treatment/ check- up whether planned or inadvertent after proceeding abroad can be made upto the limit without any estimate from the hospital. In case the cost of medical treatment exceeds LRS limit, then AD Bank after obtaining estimate from a hospital/ doctor abroad can permit the remittance under general permission.

In addition, USD 250,000 is also allowed to a person who is accompanying the person for medical treatment.

### **Prohibitions under the scheme**

1. Remittance for any purpose specifically prohibited under Schedule (like purchase of lottery tickets/sweep stakes, prescribed magazines, etc.) or any item restricted under Schedule II of Foreign Exchange Management (Current Account Transactions) Rules, 2000.
2. Remittance from India for margins or margin calls to overseas exchanges / overseas counter party.
3. Remittances for purchase of FCCBs issued by Indian companies in the overseas secondary market.
4. Remittance for trading in foreign exchange abroad.
5. Capital account remittances, directly or indirectly to countries identified by the Financial Action Task Force (FATF) as “non cooperative countries and territories”, from time to time.
6. Remittances directly or indirectly to those individuals and entities identified as posing significant risk of committing acts of terrorism as advised separately by the Reserve Bank to the banks.
7. Gift to Resident Indians, in foreign exchange.

### **Documentation**

The individual seeking to make a remittance should submit Form A2 to AD bank while purchasing the foreign exchange currency under LRS. The form contains particulars seeking

- basic details (applicant name, PAN, name of AD Branch and receiver details)
- purpose and its code for which the individual is remitting the amount,
- declaration by the applicant and certificate by AD that the amount remitted throughout the financial year does not exceed the limit and is not used for the prohibited purposes.

Any other declarations/ information sought by AD bank if the account in such bank is held by the individual for less than one year for ascertaining the source of funds.

### **Penal provisions**

If any person contravenes any provision of this Act, or contravenes any rule, regulation, notification, direction or order issued in exercise of the powers under this Act, or contravenes any condition subject to which an authorisation is issued by the Reserve Bank, he shall, upon adjudication, be liable to a penalty up to thrice the sum involved in such contravention where such amount is quantifiable, or up to two lakh rupees where the amount is not quantifiable, and where such contravention is a continuing one, further penalty which may extend to five thousand rupees for every day after the first day during which the contravention continues.

## Recent Changes

In order to keep a check on the outward remittances, it has made PAN as mandatory requirement for remitting the amount under this scheme. This is to trace the individual and to ensure that the total amount remitted by him through various AD banks do not exceed prescribed limit.

It has also tightened the reporting norms by initiating the daily reporting by each AD bank of the transactions undertaken under LRS which is accessible to all other AD banks.

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## FEMA

**FEMA UPDATES FOR DECEMBER 2018**

Contributed by Sunil.S &amp; Vetted by CA Murali krishna.G |

**I. RBI announces the limit for the stock of External Commercial Borrowings:**

RBI in consultation with the Government of India to have a rule-based dynamic limit for outstanding stock of External Commercial Borrowings (ECB) at 6.5 per cent of GDP at current market prices. Based on the GDP figures as on March 31, 2018, the soft limit works out to USD 160 billion for the current financial year. The outstanding stock of ECB as on September 30, 2018 stood at USD 126.29 billion.

For more details, refer press release: 2018-2019/1422 dated December 20, 2018.

**II. External Commercial Borrowings (ECB) Policy-Review of Hedging Provisions:**

RBI has reviewed the extant hedging provisions of Master Direction No.5 dated 1st January, 2016 on "External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers" vide A.P. (DIR Series) Circular No.15 dated 26th November, 2018.(Refer Notification No. RBI/2018-19/79)

On November 06, 2018, RBI vide A. P. (DIR Series) Circular No. 11 dated, informed that certain eligible borrowers raising foreign currency denominated ECBs under Track I, having an average maturity between 3 and 5 years, are mandatorily required to hedge their ECB exposure fully.

However, on a further review of the extant provisions, it has been decided in consultation with the Government of India to reduce the mandatory hedge coverage from 100 per cent to 70 per cent for ECBs raised under Track I of the ECB framework by eligible borrowers.

Further, it is also clarified that ECBs falling within the aforesaid scope but raised prior to the date of this circular will be required to mandatorily roll-over their existing hedge(s) only to the extent of 70 per cent of outstanding ECB exposure.

**III. Update on Compounding Orders issued under FEMA Regulations:**

RBI has issued several Compounding Orders under FEMA Regulations and we have summarised few such Compounding Orders issued during last week of October, 2018 for reference.

## a. Pran Beverages (India) Private Limited

Regulation	:	Extant Paragraph 9(1)A and 9(1)B of Schedule I to FEM (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 - 'FDI Regulations, 2000'
Contravention	:	Delay in submission of Form ARF after receipt of inflow from a person resident outside India [Paragraph 9(1)A] and Form FCGPR after issue of shares to a person resident outside India beyond the stipulated 30 days [Paragraph 9(1)B] to the Reserve Bank
Date of order	:	31 <sup>st</sup> October 2018
Compounding Fee	:	Rs. 3,14,084/-

## b. Parijat Industries (India) Private Limited

Regulation	:	Regulation 15(i) and Regulation 16(1)(v) of FEMA 120/RB-2004 dated July 7, 2004 - 'ODI Regulations, 2004'
Contravention	:	Receipt of share certificates / proof of investment in overseas entity beyond the prescribed period of 6 months [Regulation 15(i)] and disinvestment involving partial write off within one year of remittance to the JV/WOS [Regulation 16(1)(v)]
Date of order	:	31 <sup>st</sup> October 2018
Compounding Fee	:	Rs. 74,982/-

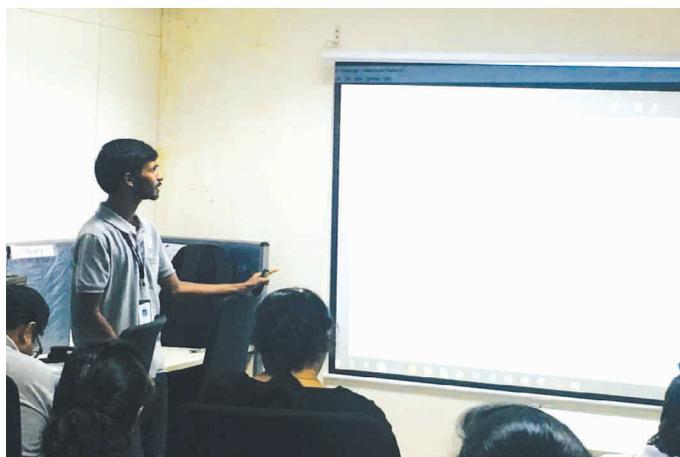
## c. Candor View India Private Limited

Regulation	:	Extant Paragraph 8 of Schedule I to FEM (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 - 'FDI Regulations, 2000'
Contravention	:	Allotment of shares to the foreign investors, persons resident outside India beyond the then available time limit of 180 days from the receipt of the inward remittances
Date of order	:	30 <sup>th</sup> October 2018
Compounding Fee	:	Rs. 31,500/-

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**SATURDAY SESSIONS**

S.No.	Event	Date	Speaker	Venue
1	Section-112A Long term capital gain on sale of shares	09/02/2019	Sai Varun	SBS - Hyd
2	Loans under Companies Act,2013		Arun	SBS - Hyd
3	Permanent Establishment	16/02/2019	Sai Laasya	SBS - Hyd
4	Composition Scheme under GST		Gynaneshwar	SBS - Hyd
5	SA 701 - Communicating Key Audit Matters in the Independent Auditor's Report	23/02/2019	Suma	SBS - Hyd
6	Chapter VI-A deductions(80E, 80EE, 80G, 80GG)		Ravi Raju	SBS - Hyd
7	Standards on Quality Control -1	02/03/2019	Adithya	SBS - Hyd
8	Reporting of Foreign Investment in FIRMS Portal		Sunil	SBS - Hyd

**SESSION TIMINGS: 2:30 to 4:30 PM****Compounding of Contraventions under FEMA, 1999 - Sunil****Section - 285BA of Income Tax Act, 1961 - Murali****Setting of SEZ Unit - Sauchit****Valuation in case of stock transfers Part I - Bharadwaja**



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**Visakhapatnam:** # 39-20-40/6, Flat No.7, Sai Yasoda Apartments, Madhavadhara, Visakhapatnam (Urban), Vizag, Andhra Pradesh

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