SAIL readies for new tax regime under GST

Unified Way of Day Act commemorated

Policy favouring domestically manufactured iron & steel approved

Indian Students win global aerospace competition, CanSat 2017

MUMBAI JUNE 29, 2017

The Mutual Funds (MF) industry in India has been growing at an impressive rate for the past few years and this growth has a lot to do with the increasing awareness of the potential this sector offers to investors. For a while now, Association of Mutual Funds in India (AMFI) has been aggressively promoting this sector through various awareness drives. In 2016, AMFI got its new chairman A Balasubramanian who is also the CEO for Birla Sun Life Asset Management Company. He has continued to propel the industry on this growth trajectory and has also built momentum for the awareness campaign. Balasubramanian is also a member of the Mutual Fund Advisory Council set up by SEBI (Securities and Exchange Board of India). He spoke to Free Press Journal's R N Bhaskar and Jesclia Karlamangalaparambil on some key highlights of this industry. Given below are edited excerpts:

What are your key takeaways from the tax regime...

GST: From AMFI's point of view, there won't be any adverse impact from GST on the mutual fund industry. There would be a positive impact on the end investors as the costs of mutual fund industry in the past as well mutual funds are subjected to 18% GST. So no, we will be moving to GST. Mutual funds will come under the 18 per cent slab as opposed to 10 per cent under GST. This is in case of many goods and services across the country. For some rates the same have gone down and some have gone up.

What will affect business the most?

Outfit staff retraining exercise is important to interoperability.

From AMFI’s point of view the last three years the industry has seen continuous growth. We have also seen continuous increase in participation in various mutual fund schemes. The growth of the S&P BSE Sensex is impressive, and its bond size is also growing. We have seen over Rs. 1,00,000 cr of inflows in the first half of this year, month-month on month in SIP alone. Overall, we are witnessing a very strong growth. One point that is almost 14 per cent higher than on an annual basis. This rate of growth is bound to be maintained. There is a mutual fund awareness that has been given. This will cause more and more participation from the middle class. This group is looking at mutual funds as a long term vehicle. We have created awareness of the fact that there is a new trend emerging – a move from a financial wealth to a financial freedom. This trend is moving in MSME to a long term perspective.

In any tax plan or a wish list that you want the government to look at?

We only had a wish list for the companies and we had pointed to the government that a taxpayer going to go through a CPD course for the same. And this was not at all possible. So with a centralised approach to KYC coming in through GST, many of these problems could be sorted out.

Is there any dark fund (ultra low) rate or is there any dark markets to run in?

Yes, there is a dark market. In view of the implementation of GST, there are going to be some challenges for the service industry. Given below are edited excerpts:

Team Aatir of IITB, University of Petroleum and Energy Studies has made its alma mater and country proud by securing first rank in the world for the Solar Regulator Challenge of 2017 held at NASA's Kennedy Space Center.

Astronautical Society (AAS) and American Institute of Aeronautics and Astronautics (AIAA). It was attended by more than 100 engineering students from various countries. The competition, CanSat 2017 was held at Texas, U.S.A including NPM meeting at WR Headquarters at Churchgate on June 28, 2017. CEO, Mrs. Pushpa Laddhwajn has been presented with the ‘Award for Excellence in Woman Empowerment’ for the year 2016-17.

The Ministry of Mines, Small and Medium Enterprises had organized the National Awards Function on 21 July 2015, at Pravasi Bhartiya Kendra, New Delhi. Since the National Awards has not been concluded on time, the Ministry of Mines, Small and Medium Enterprises has selected the 2017 winners from the outstanding performers, to express the gratitude of the Government to the winners in the field of small and medium mining sectors, who are true heroes. Dr. K.C. Tiwari, Secretary, Ministry of Mines and Steel, presented the awards.

63rd Masters National Athletic Championship 2017 held

Rajinder Singh of IOC/IOC Limited has participated in the 38th Masters National Athletic Championship, held in Patiala, which was held from June 15 to 18, 2017. He has been invited for taking part in the Asian Masters Athletic Championship 2017 being organized by China.

The Government has approved a policy for providing preference to domestically manufactured iron and steel products in government procurement (Defence Policy) and notified the same on May 6, 2017. The policy has come into force from June 20, 2017. The policy mandates to provide preference to Domestic Iron & Steel Products (DI&SPPolicy) in government Procurement in which a minimum value addition of 15 per cent has been taken place domestically each ministry or department of government and all agencies/entities under these administrative control within the period of two years. In this period, the domestic iron and steel products having aggregate estimated value of Rs 50 crore or more will be subjected to a mandatory provisions of Section 10(23B). Under this provision, the companies on the equity holding by domestic investor will be exempted from dividend tax.

The Government has also announced a new policy dubbed as Project Linked Investment in MSMEs (PMMSMEs). This policy will be over and above the existing government schemes. The government has announced an additional budget of Rs 10,000 cr for the next three years towards the end of the year is likely to be 30-40 per cent from the current 20 per cent and it will be further increased as per the requirement. There is a centralised approach to KYC coming in through GST, many of these problems could be sorted out.

Team Aatir of IITB, University of Petroleum and Energy Studies has made its alma mater and country proud by securing first rank in the world for the Solar Regulator Challenge of 2017 held at NASA's Kennedy Space Center.

From the AMFI’s point of view in the last three years, the industry has seen continuous growth. We have also seen continuous increase in participation in various mutual fund schemes. The growth of the S&P BSE Sensex is impressive, and its bond size is also growing. We have seen over Rs. 1,00,000 cr of inflows in the first half of this year, month-month on month in SIP alone. Overall, we are witnessing a very strong growth. One point that is almost 14 per cent higher than on an annual basis. This rate of growth is bound to be maintained. There is a mutual fund awareness that has been given. This will cause more and more participation from the middle class. This group is looking at mutual funds as a long term vehicle. We have created awareness of the fact that there is a new trend emerging – a move from a financial wealth to a financial freedom. This trend is moving in MSME to a long term perspective.