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Ministry of Finance

Recommendations of the 33rd GST Council meeting

Posted On: 24 FEB 2019 5:51PM by PIB Delhi

Real estate sector is one of the largest contributors to the national GDP and provides employment opportunity to large numbers of people. "Housing for All by 2022" envisions that every citizen would have a house and the urban areas would be free of slums. There are reports of slowdown in the sector and low off-take of under-construction houses which needs to be addressed. To boost the residential segment of the real estate sector, following recommendations were made by the GST Council in its 33 meeting held today:

- 2. GST rate:**
 - GST shall be levied at effective GST rate of 5% without ITC on residential properties outside affordable segment;
 - GST shall be levied at effective GST of 1% without ITC on affordable housing properties.
- 3. Effective date:** The new rate shall become applicable from 1 of April, 2019.
- 4. Definition of affordable housing shall be:-**

A residential house/flat of carpet area of upto 90 sqm in non-metropolitan cities/towns and 60 sqm in metropolitan cities having value upto Rs. 45 lacs (both for metropolitan and non-metropolitan cities).

Metropolitan Cities are Bengaluru, Chennai, Delhi NCR (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurgaon, Faridabad), Hyderabad, Kolkata and Mumbai (whole of MMR).
- 5. GST exemption on TDR/ JDA, long term lease (premium), FSI:**

Intermediate tax on development right, such as TDR, JDA, lease (premium), FSI shall be exempted only for such residential property on which GST is payable.
- 6. Details of the scheme shall be worked out by an officers committee and shall be approved by the GST Council in a meeting to be called specifically for this purpose.**
- 7. Advantages of the recommendations made:**

The new tax rate in principle was approved by the Council taking into consideration the following advantages:-

 - The buyer of house gets a fair price and affordable housing gets very attractive with GST @ 1%.
 - Interest of the buyer/consumer gets protected; ITC benefits not being passed to them shall become a non-issue.
 - Cash flow problem for the sector is addressed by exemption of GST on development rights, long term lease (premium), FSI etc.
 - Unutilized ITC, which used to become cost at the end of the project gets removed and should lead to better pricing.
 - Tax structure and tax compliance becomes simpler for builders.
- 8. GST Council decided that the issue of tax rate on lottery needs further discussion in the GoM constituted in this regard.**

The decisions of the GST Council have been presented in this note in simple language for easy understanding. The same would be given effect to through Gazette notifications/ circulars which alone shall have force of law.

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Ministry of Electronics & IT

Cabinet approves the proposal of National Policy on Electronics 2019

Posted On: 19 FEB 2019 8:51PM by PIB Delhi

Decision

The Union Cabinet today gave its approval to the National Policy on Electronics 2019 (NPE 2019), proposed by the Ministry of Electronics and Information Technology (MeitY). The Policy envisions positioning India as a global hub for Electronics System Design and Manufacturing - (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.

Salient Features of NPE 2019

- i. Create eco-system for globally competitive ESDM sector: Promoting domestic manufacturing and export in the entire value-chain of ESDM.
- ii. Provide incentives and support for manufacturing of core electronic components.
- iii. Provide special package of incentives for mega projects which are extremely high-tech and entail huge investments, such as semiconductor facilities display fabrication, etc.
- iv. Formulate suitable schemes and incentive mechanisms to encourage new units and expansion of existing units.
- v. Promote Industry-led R&D and innovation in all sub-sectors of electronics, including grass root level innovations and early stage Start-ups in emerging technology areas such as 5G, IoT/ Sensors, Artificial Intelligence (AI), Machine Learning, Virtual Reality (VR), Drones, Robotics, Additive Manufacturing, Photonics, Nano-based devices, etc.
- vi. Provide incentives and support for significantly enhancing availability of skilled manpower, including re skilling.
- vii. Special thrust on Fabless Chip Design Industry, Medical Electronic Devices Industry, Automotive Electronics Industry and Power Electronics for Mobility and Strategic Electronics Industry.
- viii. Create Sovereign Patent Fund (SPF) to promote the development and acquisition of IPs in ESDM sector.
- ix. Promote trusted electronics value chain initiatives to improve national cyber security profile.

Background

The implementation of the Schemes/ Programmes under the aegis of the National Policy on Electronics 2012 (NPE 2012) has successfully consolidated the foundations for a competitive Indian ESDM value chain. NPE 2019 proposes to build on that foundation to propel the growth of ESDM industry in the country. The National Policy of Electronics 2019 (NPE 2019) replaces the National Policy of Electronics 2012 (NPE 2012).

Implementation strategy and targets

Implementation strategy: The Policy will lead to the formulation of several schemes, initiatives, projects and measures for the development of ESDM sector in the country as per the roadmap envisaged therein.

Targets: Promote domestic manufacturing and export in the entire value-chain of ESDM for economic development to achieve a turnover of USD 400 billion (approximately INR 26,00,000 crore) by 2025. This will include targeted production of 1.0 billion (100 crore) mobile handsets by 2025, valued at USD 190 billion (approximately INR 13,00,000 crore), including 600 million (60 crore) mobile handsets valued at USD 110 billion (approximately INR 7,00,000 crore) for export.

Major Impact

The NPE 2019 when implemented will lead to formulation of several schemes, initiatives, projects, etc., in consultation with the concerned Ministries/ Departments, for the development of ESDM sector in the country. It will enable flow of investment and technology, leading to higher value addition in the domestically manufactured electronic products, increased electronics hardware manufacturing in the country and their export, while generating substantial employment opportunities.

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industries & Commerce Department - MSME - Operational guidelines for implementing the M-Parks Policy 2018-23 – Issued.

INDUSTRIES & COMMERCE (PROG.I) DEPARTMENT

G.O.Ms.No.143

Dated: 26.12.2018
Read the following:

1. G.O.Ms.No.70, Ind. & Com. (Prog.I) Dept., Dt.31.5.2018.
 2. From the Commissioner of Industries, A.P., Single file No.INC02- 20029/29/2018-PLG & ACC-DOI.
- ***

ORDER:

In the G.O.1st read above, Government have instituted a new policy for providing infrastructural support to MSMEs titled Policy for Establishment of MSME Parks (M-Parks) in each Assembly Constituency or M-Parks Policy 2018- 23.

2. The Commissioner of Industries, Andhra Pradesh, Vijayawada in the references 2nd read above, has submitted the draft Operational Guidelines for implementation of M-Parks Policy 2018-23.

3. Government after careful examination of the proposal of Commissioner of Industries, hereby issue the operational guidelines under the M-Parks Policy 2018-23 as appended to these orders.

4. This order is issued with the concurrence of Finance (FMU.I&C) Department Vide their U.O.No.FIN01-FMU.OASD(IC) 26/2018-FMU-I-C, dt.09.12.2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ

SECRETARY TO GOVERNMENT & CIP

For Guidelines : <https://bit.ly/2GWtsUJ>

AGRI & FOOD PROCESSOR'S CONCLAVE – (Finance, Technology & Market)

8th March, 2019 at FTAPCCI, Red Hills, Hyderabad

Ministry of Food Processing Industries, Govt. of India has accorded utmost priority to the development of the Food Processing Sector with a number of schemes for infrastructure development, fiscal relief and incentives.

To give more awareness to the stakeholders on the schemes introduced by the Government of India in Food Processing sector, ASSOCHAM in association with FTAPCCI is organizing “AGRI & FOOD PROCESSOR'S CONCLAVE – (Finance, Technology & Market)” on 8th March, 2019 at FTAPCCI, Red Hills, Hyderabad with the support of Ministry of Food Processing Industry, Govt. of India.

The objectives of the seminar:

- Creating a platform where food MSMEs, Technology providers, Banks, Govt. officials etc. interacts for providing boost to the growth of food processing sector.
- To understand technology trends, finance and lending, inter-alignment of food trade, faster automated processing and packaging.

Respective Senior Government officials, Renowned speakers from Banks, Mega Food parks are being invited for deliberations.

Delegate Fee: -

Rs. 1500/- per participant (including GST) for Non-members and for FTAPCCI Members Rs.1000/- (including GST). The fee is to be paid by way of Cash or Cheque/DD in favour of FTAPCCI payable at Hyderabad. For NEFT: SBI Bazarghat Branch, Hyd. A/c No.10005356049, Code:05893, IFSC SBIN0005893, GST No.36AAFCT2444K1Z6

For further details please contact:

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Interactive Meeting on Employee Pension Scheme

02nd March 2019 @ 04.00 pm

at J S Krishna Murthy Hall, Federation House, Hyderabad
(registration starts at 3.30 PM)

EPFO has issued a circular based on the Supreme Court directions on the implementation of EPS on higher wages from November 2017 with the condition of submitting joint option of Employee and Employer. On January 22, 2019, the EPFO has issued another circular with an amendment allowing members of EPS 95, the benefit of pension on actual salary without insisting for joint option of Employee and Employer.

In this context, FTAPCCI is arranging an interactive meeting on **Amendment to EPS Circular on 02nd March, 2019 at 04.00 PM at J S Krishna Murthy Hall, Federation House, Hyderabad.**

The objective of the meeting is to create awareness about the EPFO circular and to clarify the queries of members on the same.

Members are requested to avail the opportunity and participate /depute senior HR Personnel and to extend the benefit to their employees retired before 1/9/2014 for their well being.

The session will be Question and Answer based and members are requested to send their queries to **srikanth@ftapcci.com on or before 28th February, 2019.**

Prior registration is compulsory to make necessary arrangements

An appeal to Members

PAYMENT OF ANNUAL SUBSCRIPTION FOR 2019-20

We request all the members to pay the Annual Subscription for 2019-20 by 31st March 2019. A request letter detailing the amount due has already been mailed. FTAPCCI Articles stipulate that payments made after the said due date would entail suspension of services as also restrictions in the rights as a member. The subscription amount can be paid by cheque or draft drawn favouring "FTAPCCI" payable at Hyderabad. Payment can also be made by NEFT/RTGS . However on online payment, members have to intimate to FTAPCCI, for updating the records.

We trust we would have your continued support to help us render better and faster services. If you need any help, please contact **"membershelpdesk@ftapcci.com"** by email or call us on +91 40 2339 5524 during office hours on any working days.

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