

Institute of Management



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TAXABILITY OF SOFTWARE IN INDIA

Sukitha Venkatesh-(1527756)

The taxability of Software has always been a litigate issue. The Intent of the transaction, laws, judgments, must be understood thoroughly to be able to suitably determine its classification as a good or Service. Lack of clarity in tax laws from government, has stopped many software companies to enter into Indian market.

The government headed by Mr. Narendra Modi is taking concrete steps to impress the IT sector (since it is the 'Future

The software industry has been bearing the multiple tax muddle for a long time. It is necessary that the Government takes up this issue and makes suitable amendments so as to simplify the tax provisions, which has been haunting the software industry. It is recommended that the Government amends Section 65 (105) of the Finance Act, 2008 to include merely "services in relation" to I.T. software as a taxable service and not the Development of software and "right to use" software license per se.

Secondly, packaged software should be brought outside the scope of MRP based valuation and levy of Excise duty should be on the basis of transaction value. This would avoid unnecessary confusion and complication. It is also necessary not to let the mode of delivery determine the amount of taxes payable by an assessed.

It must be remembered that simplified and unambiguous tax provisions


of Indian Business') with its proactive moves to bring in GST which shall end much litigation surrounding software taxability. The recent move to introduce Digital India to provide digital governance, infrastructure and digitally empowered society also expresses government interest in Information Technology Services. Once the GST comes into picture, there would be no or reduced requirements for classification of software as a Goods or Service.

lead to smooth implementation as well as less tax evasion. On the other hand, confusing the public and collecting excessive taxes goes against the very



principles of equality laid down in our Constitution. Thus, it is necessary that the Government clarifies all the issues and questions this article addresses, for it is the only way the software industry can be rescued from falling deeper and deeper into the tax muddle.

To avoid overlap between service tax and Excise, an earlier exemption notification has been withdrawn and a new exemption notification has been introduced in relation to information technology



software recorded on a media in respect of which the RSP is not required to be declared under the provisions of the Legal Metrology Act, 2009.

How will GST in India affect the Software Industry?

Once the long awaited GST Bill is passed in India, there will be a lot of changes not only in the taxation that we have been seeing, but also with the consumption of the minutest item. It will be like the Domino Effect where one thing will have a possible and a lasting effect on the other. With GST (Goods and Services) Tax being levied, other taxes like Excise, VAT, Octroi, Service Tax, etc. will likely go away and give way to a single taxation system. GST in India will be divided between the state and the central which will help the taxation system be easier and simpler.

This means there will be some time, effort and work involved in the whole planning, implementation and deciding the division between the Centre and the State, in the meantime, there is a lot of work on a company's side which needs to be done in terms of training their employees, re-working on their invoices and working in compliance with the new regulation.

But the most important work over here is of the software that handles the accounting of the company. Most accounting software in India is designed keeping the regulation in mind. So the tax computing was not a difficult task. But with GST coming in picture, even the software will be affected in the following way:


1. **Adaptability** – Most systems are old and cannot handle more than standard accounting for the company. The advantage with this kind of software is that, they are small and can handle the smaller

transactions easily and are suitable for them. While they may prove to be economical, they are not adaptable and cannot change with the present environment. Many times, their code is not there or the company that initially built the system, themselves have shut. In such a case, it will be difficult to adapt the software to the changing times for moving beyond Excise, VAT to GST.

2. **Scalability** – The small and older systems are also difficult to be scaled to include GST in them. They are also not supportive in a 'Plug and Play' environment, wherein they can have different software for GST plugged into their system and generate a common tax data and compute easily.
3. **Customization** – Many times, customization is also not possible in older software due to various reasons like language, coding, or the company that had developed it, shuts down. In these cases, also the company will face problems with their software as it will be an additional cost to get a development done on it for GST computation.

It is required here that the company thinks beforehand about the investments and the changes that need to be done in the software for getting the company GST ready. Getting a software which can not only compute GST, but also is scalable to plug in any new upcoming taxes easily. Sage Software Solutions is going GST ready with their Sage ERP which has been already successfully implemented in Malaysia by





Sage Malaysia. Once Government of India defines the taxes payable along with the structure, Sage Software Solutions will be releasing GST ready accounting software. This accounting package will not only be GST ready, but also scalable and adaptable to the future changes in Indian Financial Environment.

Apart from giving a further push for indigenous manufacture of certain specific IT products in line with the 'Make in India' agenda of the Government and providing incentives for Start-ups, the proposals do not seem to have met most of the key expectations of the IT sector. These cover extending R&D incentives to the IT sector; transfer pricing issues related to safe harbor margins; no upfront exemption or alternate refund scheme, such as, drawback scheme, to address the woes of service exporters; no changes proposed in place of provision of service in respect of software related R&D and testing services; issue of dual levy on VAT / service tax on software remains unaddressed. Overall there is a muted focus on IT sector in Budget 2016.

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SPILL the Beans

Nagarajan T, works as a Manager-Procurement at Atria Convergence Technologies Private Limited (ACT). Being an ex-Christite, he passed out in the year 2013. Here is what he has to say to our interview team–

1. Your Professional Journey so far..

It's been 3 years since I have started my career as a fresher with ACT and it is a real great learning experience, more than what I could imagine, more interestingly a great place to work. I have been developed and groomed in the ACT's flagship AMDP program and have been encouraged to learn new skills; exposed to the different segments of the business and got the opportunity to handle the procurement function under the commercial wing of ACT. I have worked on various important projects in Finance in the last 2 years and headed an important inventory management project under Commercial function which is currently being used as the major automation tool for the entire ACT group. Besides that, I also had the opportunity to exhibit my technical and managerial skills in various forums. Team handling and market research is very




important in my current role and I am looking forward for more learning and experiences at this juncture.

2. How important is it to take initiative in corporate world? Have you taken any such initiative? Please share with our readers.

I can easily relate this in the current scenario because managers are always brought in with an expectation to bring in a change and improve the current business scenarios. And Finance & Commercials being the major support function of any business, it is of paramount importance in taking initiatives which will drive the business towards growth and control any leakages.

I have got the opportunity to initiate creating proper SOPs (Standard Operating Procedure) in the areas where I operate or be it getting into the problems and arriving at the solutions without deviations. The major challenge which I faced initially was the hesitation and clarity on the scope where I was operating, however I have opted to seek



clarity on ensuring that I do what I wish to do.

3. Correlation between you and your work.

I would say that I am more positively correlated with my work. When I am doing more work, I feel more energetic and vice versa. My work makes me feel more lively and occupied. I feel the values that I personally possess helps me at work and my routine. I need not change my values for my work. It is coherent and very fortunate to have such an environment.

4. Leadership according to you.....

Leadership to me is walk the talk; communicating effectively; inspiring with positive attitude and energizing the people around by being extremely enthusiastic. Leadership is delegation and an excellent execution by trusting the team and subordinates. Business and team is a reflection of its leader. Passionate and being honest are the key which holds it. What are some of the challenges you faced during the initial days of Corporate?

Well during my initial days at ACT, I had to deal with both internal customers and external customers. I have faced many execution constraints as well in the initial days of my career where I was hesitant and took time to understand how to get things done.

5. What are you doing to ensure that you continue to grow and develop in the industry or your organization?

In my current role where I handle the procurement function, I am not only into

purchase contracts and negotiation but also into market research and I have enrolled myself in the material management professional clubs. I also attend various conferences and exhibits to understand the current trends and technological updates in the industry. I personally visit many manufacturing supply partners to understand the processes and know them better.

At a personal level, I get guidance from our senior management directly on my career plan and growth. I have the liberty to choose any training needs for my development where the company takes care of expenses if any.

6. Does your organization provide live projects?

Yes. We do provide various live projects and I myself have been part of projects previously. Before I was placed on the job, I have completed two cross functional projects in Operations and HR as part of the Management trainee program itself. Currently, I have 2 different projects to handle apart from my regular work. Moreover, ACT gives platform to choose and develop projects on your own if it yields business benefit and ensures strict business governance practices.

We have avenues like IdeaFest where a team of people come up together with the new ideas and present it to the management team. Guidance and resources are completely taken care by the company.





7. Do you find MBA from Christ to be practical oriented? If yes, how? If not, how can MBA be made more practical oriented?

I personally feel that the curriculum of Christ cannot be questioned as all the classes are lively and we have an excellent faculty as the major strength. Still few more suggestions would be to insist more mock sessions on budget planning, decision making, financial planning or any of the function specific forum discussions.

8. Additional courses that you will suggest to our young MBAs?

I would suggest business analytics and financial planning could be helpful for any new entrants in the corporate world. To be very genuine, advanced Excel enables us in daily **activities**.

9. Many of us still have confusion about our interest areas or say we have many interest areas. How should our young Christites deal with this?

This is a common confusion. I too wanted to become a politician, a physician, a VJ, a Financial Analyst, a Wealth Manger, etc.. and the list goes on. My advice would be to keep your options open. I feel having many interest areas is good at this stage so that we have multiple options to choose our career path.

10. How is the professional world different from the life in MBA?

We take everything casually as a student in MBA but it matters a lot at workplace to take everything professionally. In MBA, most of the times we do not practice to do the intended things although we know what is right. But, we should even know how to use the right choice of words at workplace as we become the face of the profession and the company. It is also more challenging and exciting as well if you are aligned with your professional goals. Time management in real sense can be experienced at work. We cannot involve in gossips at work as we do in classrooms. Code of Conduct is the major change that one would experience after a student life and you will feel little more responsible in whatever you do.

11. Placement season is going on, what if one lands in a wrong job which was not his/her cup of tea. In this situation what should an individual do?

I would suggest to take up whatever comes on the way as of now if you are really not inclined to what you want to do. Most of us barring a few now would be focused on the job than the role. For a fresher, it's fine to have that mind-set provided you are compromising on your real interests. There is no right or wrong job according to me. If decisions become wrong, we can always look for what's next in store for us.





12. How has MBA from Christ set you apart from your colleagues and peers?

I would say that it is the brand image of Christite that sets us apart. However, it is more of individual characteristics and performance which makes the bigger difference within my peers. I exhibit professionalism and commitment in whatever I do. I can easily stick to the codes of conduct as Christ has always been instrumental in imparting me value based education. There is more to it where I owe myself to Christ for getting me a stand in the corporate world.

13. What was the most beneficial thing you learnt and/or experience you had while in Christ? How do you use this in your current role?

I would definitely say that Christ has groomed me in terms of readiness to pursue my corporate career. More than the text books, I have gained exposures on Corporate Connect, mentoring, friends and faculty. Excel is definitely an important tool that I have learnt at Christ and I am using it in my current role.

14. What was your favorite memory from your time in Christ?

I remember dancing a lot on Ethnic day. Lot more memories on Chrizellez where we had placed a Vada Pav stall with our friends and working together was so much fun. Class room presentations at the last moment, struggling for financial accounting grades and many more... I have made real good friends at Christ and I am gifted to have them as a part of my life.

15. How did you balance your time?

I plan my day early in the morning before the work and maintain a (TDL) To Do List. I have been very successful so far and would definitely continue to do so. Sometimes I really struggle to have work life balance where I devote more time at work and compromise on personal life for important assignments.

16. What were some of the challenges you faced in MBA?

No such challenges that I could really think of.

17. A message for Christites:

Try to keep yourself engaged and this is the right time to put extra efforts to attain the career goal. All the very best for your placements! Enjoy and have fun!

18. For Finance graduates interested in the specific industry you are in-

Procurement professionals are very critical in any organization as they can contribute directly to the bottom line through savings by negotiations. Supply chain is always a most sought after profile in manufacturing and services industry. Having learnt finance, Supply chain is a good combination. Cost effectiveness and Control, Supply Chain Strategy, Increasing shareholders value, Commercial controls and governance are major areas where you would be focussing on. Hence it is a good option to look for if one finds his/her interests lying in this segment





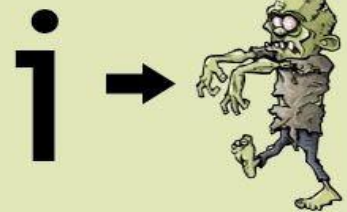
BEER SQUEEZE- A change in market conditions that forces pessimistic investors attempting to profit from price declines to buy back an investment at a higher price than they sold it for. A bear squeeze can be an intentional event created by certain players in the investment markets, usually central banks or market makers. A central bank can create a bear squeeze by increasing exchange rates, while market makers can create a bear squeeze by pushing a stock's price up. A bear squeeze forces bearish investors, who have shorted a stock, to incur a loss. In order to exit their short positions, they must buy the stock back at a rising price. It is also called a "short squeeze."



ZOMBIES- Companies that continue to operate even when they are insolvent or nearing bankruptcy are called Zombies. Zombies often become casualties to the high costs associated with certain operations, such as research and development. Most analysts expect zombie companies to be unable to meet their financial obligations.

You Just Realized...

the letter i looks like
a zombie.

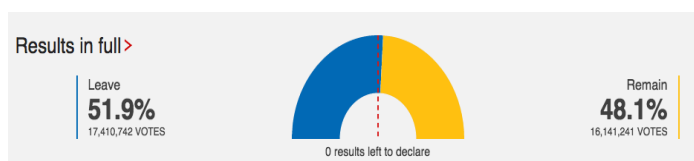


BREXIT

Anjali Didwania-(1527935)

Referendum: This is a type of vote in which every one of the voting age may participate. The voting was held on Thursday, 23rd June 2016. This referendum was held to decide whether UK should leave or remain in the European Union.

Results: 71.8% turned out for the referendum, more than 30 million people came out for voting.



Source: www.bbc.com

European Union: The EU is a political and economic partnership that involves 28 countries. It incepted after the World War II to mainly focus on economic co-operation. The countries which were in this union believed in the idea that the countries which trade together are more likely to avoid war and benefit from one another. This union has its own currency, Euro, which is followed by 19 members of the union. Also, the union has its own parliament, which controls its regulations.

Meaning of Brexit: This is just a combination of two words **Britain** and **exit**. Also, in the same way when Greece left the EU, it was named GREXIT.

Present Situation: UK and the European Union now will come to an agreement known as Article 50 of the Lisbon treaty. This is the first time this article has come into the picture. This process may take some time and hence, UK should abide by the EU laws. UK may not participate in the decision making process. Everything is based on what the UK agrees on with the EU. If the concept of a common market stays, then the residents of Britain can work in the countries of the European Union and vice versa. If the rules mandate works permit restrictions as the United Kingdom independence party wants, the citizen would have to apply for work visas to work. A common market is nothing but a free area where the

countries can trade without paying any tariff. With the help of this, it was possible to set up a business or go for any job in this common area.

Major Cause of UK Leaving EU: The UKIP won the last European elections in May. They



basically campaigned for BREXIT. Most of the members of the party were in the favor of UK leaving the European Union. According to the party Britain was held back in its growth because of the EU. The EU was imposing too many rules on Britain and also, was charging a high membership fee in return for very little.

Against the Referendum: The prime minister of Britain- David Cameron wanted the UK to stay with the EU. He was willing to alter the terms of membership with the European Union. Many members of the prime minister's cabinet wanted this to happen too. Barack Obama was also in the favor of Britain staying with EU as well. Many members of EU such as France and Germany were also against the referendum. They did not want UK to leave because UK was secure with a club of many countries rather than playing by itself. Also, there would be a loss of goodwill for the country as well if it left the EU. Also trade and business was easier when UK was a part of EU.

Impact of Brexit on Investments: If we look at this event from the investment's point of view, India is currently the second biggest FDI for UK. India's gateway to the European union is through Britain. Indian companies, which were operating in UK, were easily providing their services in other European countries as well. If Britain exits the EU Indian companies would not invest in UK. UK also does not want this to happen hence, Britain would provide better incentives to its investors in terms of taxes, regulation policies, etc. To conclude we can say that the investors investing in Britain can expect a less regulated and comparatively free market in Britain.

RECENT NEWS ON BREXIT

1. Brexit may imply some monetary policy reaction: Raghu Ram Rajan

Monetary policy is majorly concerned with the inflation rates and the interest rates of a country. One of the major strength of Raghu Ram Rajan was that he maintained the interest rates. But after this event he himself said that the monetary policy of the country might have some reactions after this event.

2. Tata group co's may be the hardest hit

35% of revenue of Tata motors comes from the UK/EU. Top Tata companies such as Tata motors, Tata steel, TCS, etc., have major exposure to the European union and the United Kingdom hence, this group may be the most volatile in the current position.

3. India has firewall against such events: Finance minister

According to the finance minister, India is prepared for such an event and has firewall to protect its investors. He believes that the countries macro economic variables are strong and can bear the implications of such an event.

4. RBI ensures liquidity

According to Raghu ram rajan, India has sufficient liquidity if there is a need of major funds for the people. He also ensures that India can handle such an event and protect the parties associated with it.

IMPACT OF BREXIT ON THE INDIAN STOCK MARKET



Source: Google finance

The nifty 50 index stood at 8268 points at 23rd June 3:30pm it fell to 8044 points on 24th June 9:30 am and fell even further to 7932 points at 12:30 pm on the same day. However, the index stood up and reclaimed its 8000 level by closing at 8088 points on the same day.

Nasdaq (Jun 24)	4707.98	-202.06
Asia		
Nikkei 225 (Jun 24)	14952.02	-1286.33
Straits Times (Jun 24)	2735.39	-58.46
Hang Seng (Jun 24)	20259.13	-609.21
Taiwan Index (Jun 24)	8476.99	-199.69
KOSPI (Jun 24)	1925.24	-61.47
Shanghai Composite (Jun 24)	2853.63	-38.33
Europe		
FTSE (Jun 24)	6138.69	-199.41
CAC (Jun 24)	4106.73	-359.17
DAX (Jun 24)	9557.16	-699.87

Source: Money control

As we can see from the closing levels of all other stock exchanges we can see that Brexit was a major event for the investors globally. All the indexes fell majorly. The most affected index was Nikkei 225 coming down 1286.33 points.

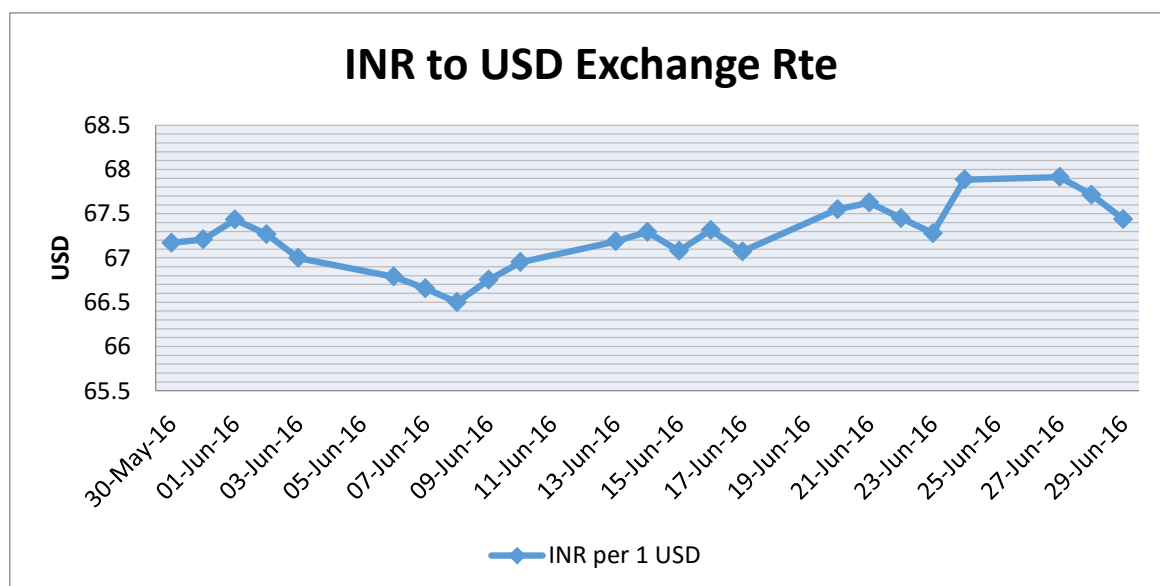
Hence, we say that this event may cause difficulty in the short – term but in the long-term the market will not be affected. If we see on the brighter side, this can be a buying window for the investors because of sudden fall in the prices of the markets but once the market is again in its growth phase,.

RATES AND GRAPHS

Anjali Didwania-(1527935)

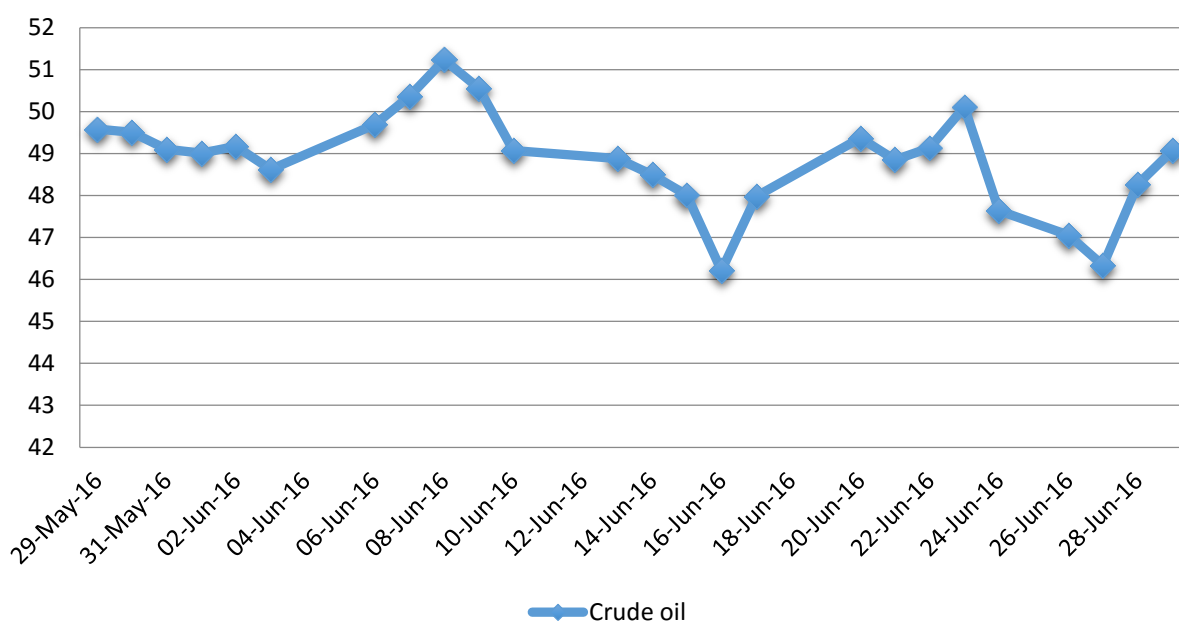
REPO RATE	6.50%
REVERSE REPO RATE	6%
CALL RATE (as on June 28, 2016)	5.40%-6.45%
MARGINAL STANDING FACILITY	7.00%
FOREX RESERVES (as on Feb19 2016)	\$ 329.87 billion
INFLATION RATE (January 2016)	6%
BASE RATE	9.30%-9.70%
CRR	4%
SLR	21.25%
MCLR	8.905-9.15%
BANK RATE	7%

(Source: www.rbi.org.in)

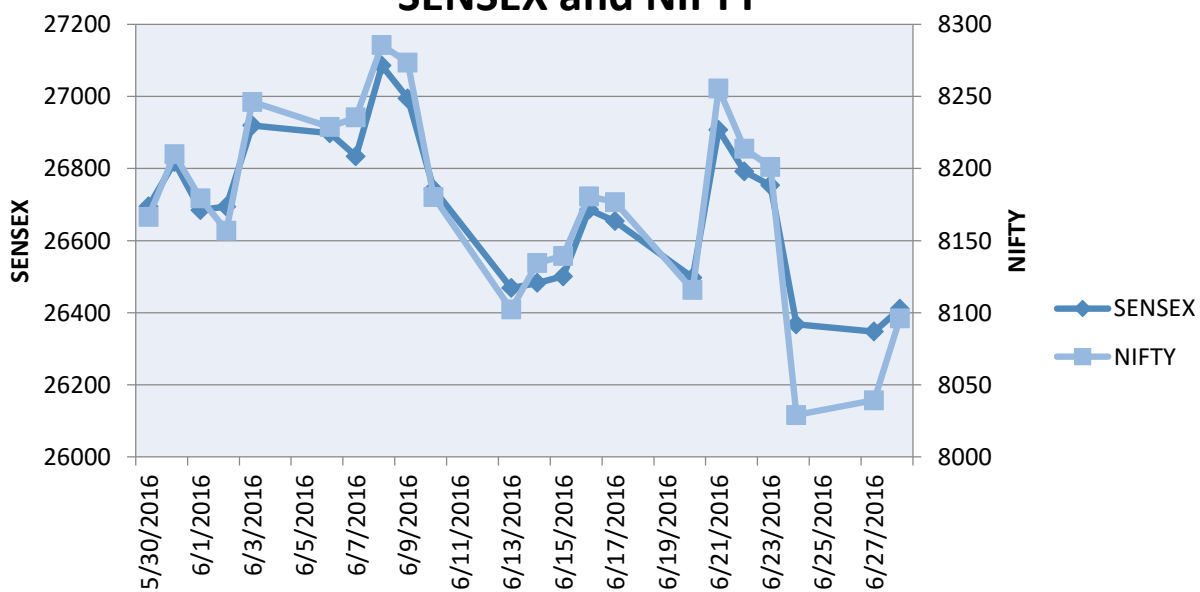




Crude Oil Rates per barrel (\$)



SENSEX and NIFTY



THE HOUSING MARKET MIRRORS BOOM AND BUST

Pallavi Mathur-(1527844)

Movements in the housing market are a reflection of “boom and bust” cycles in the wider economy. These are the periods where an economy’s real output reaches its highest and lowest levels during business cycle, which moves through periods of contraction and expansion, usually over periods of between three and seven years.

There are many reasons why residential investments are high in periods of economic growth. There are more jobs available and a booming economy leads a greater number of people to think about buying their own home. At the same time, mortgage lenders begin to relax their lending requirements, making buying easier, so more houses are sold. As this happens the rising demand means that houses prices rise. Those who sell are able to pay off large mortgages in full. House builders continue to invest in further housing stock to profit from the higher prices.

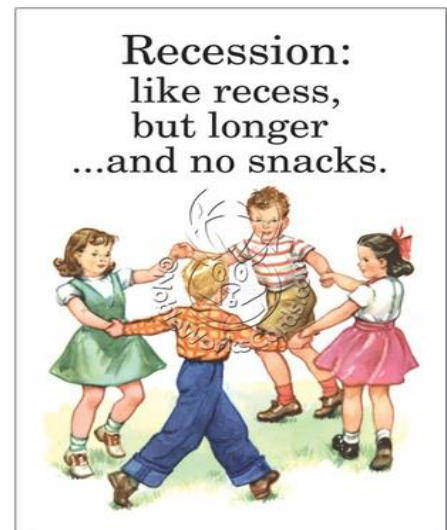
House prices are often relatively resilient, meaning that they do not change quickly in response to factors that could influence them. This is one of the reasons housing is seen as such a good investment, and rather than prices adjusting downwards, they can remain stable even when the volume of sales falls.

Signs of a recession

Although house prices are usually resilient, they have been known to stagnate, the accompanying decline in residential investment is often the first indicator that a recession is about to occur. In most developed countries, the housing market has begun to decline before each major recession of the last 50 years. The housing market recovers only when consumers are confident that the value of their houses will rise. This confidence rises in

step with an improving economy. As residential sales begin to return to a normal level, residential investment increases providing jobs and further fuelling a return to economic growth.

Economists have analysed the relationship between the housing market and the overall economy, and believe that by studying the levels of investment in housing, it is possible to accurately forecast recessions and recoveries. In their 2016 book *Housing Prices and the Macro economy*, British economist Charles Goodheart and Boris Hofmann showed that there is a correlation between economic performance and housing prices. They claim that by following



appropriate policies in the future, it should be possible to strongly mitigate, or even avoid, the worst effects of recession. Unfortunately, this was not the case with the housing “bubble” that burst in the USA in 2008. Here, rapid financial innovations created instability in mortgage financing that led to unwarranted consumer confidence, and an unsustainable boom. The housing market was the cause of the eventual bust.

Sources:

The Economics Book by DK Publishers Housing Prices and The Macro Economy by Charles Goodheart & Boris Hofmann

QUIZ

PALAK SHARMA-1527843

1. Bank of the Middle East, Dubai is maintaining an account with SBI Mumbai. SBI Mumbai call this account as

- [A] Nostro account
- [B] Vostro account
- [C] Loro account
- [D] Mirror account

2. Suppose that a speculator anticipates depreciation of US \$ against Euro 3-months from now from the current 3 months forward rate. To make profit, the speculator should

- [A] Sell US \$ spot and buy Euro 3-month forward
- [B] Buy US \$ spot and sell Euro 3-month forward
- [C] Sell US \$ 3-month forward
- [D] Buy Euro 3-month forward

3. The value of a forward contract at its initiation is

- [A] Zero
- [B] Forward price
- [C] Bid - ask spread
- [D] Spot price minus forward price

4. In a swap transaction where two fixed-floating currency swaps are combined to form a fixed to fixed currency swap is known as

- [A] Roller-coaster swap
- [B] Amortized swap
- [C] Amortizing swap
- [D] Circus swap

5. Which of the following equation is true?

- [A] Short underlying asset + long call = long put
- [B] Short underlying asset + long put = long call
- [C] Long underlying asset + short call = long put
- [D] Short underlying asset + long put = short call

6. Which of the following is an example of systematic risk?

- [A] Risk of non-availability of a major raw material to a company making aluminum bars
- [B] Death of the finance manager of a company providing financial services
- [C] Unexpected entry of a multi-national company in the tea industry
- [D] Reduction of tax rate by the government

7. If a security's return is plotted above the security market line, then

- [A] The risk free rate is equal to the required rate of return on the security
- [B] The security's rate of return is more than the return on the market portfolio
- [C] The security's beta is less than one and hence a conservative security
- [D] The security is to be bought immediately

8. Other things being equal, which of the following will cause an increase in the value of a bond?

- [A] Decrease in the term to maturity
- [B] Increase in the required rate of return on maturity
- [C] Decrease in the discount on the bond on issue
- [D] Increase in the premium on maturity of the bond



9. The amount that can be realized by a company if it sells its business as an operating one is termed as

- [A] Going concern value
- [B] Market value
- [C] Book value
- [D] Replacement value

10. Which of the following is true with regard to the degree of operating leverage (DOL) for a company?

- [A] Irrespective of the level of output, DOL of a company remains same
- [B] DOL of a company is positive above the operating break-even point

- [C] DOL of a company is positive below the operating break-even point
[D] DOL of a company is negative above the operating break-even point

11. Which of the following is a liquidity ratio?

- [A] Return on equity
[B] Return on investment
[C] Acid -test ratio
[D] Debt-equity ratio

12. The objective of financial management to increase the wealth of the shareholders means to

- [A] Increase the physical assets owned by the firm
[B] Increase the market value of the shares of the firm
[C] Increase the current assets of the firm
[D] Increase the cash balance of the company

13. Mr. Suresh deposited Rs.2,000 at the beginning of every month in a bank for five years. If the interest rate is 9% p.a. compounded monthly, the accumulated amount he will get after 5 years is

- [A] Rs.89,910
[B] Rs.1,34,400
[C] Rs.1,43,340
[D] Rs.1,51,980

14. Which of the following players cannot act as a borrower in the call money market?

- [A] Discount and Finance House of India
[B] SBI Mutual Fund
[C] State Bank of India
[D] Securities Trading Corporation of India

15. Consider the following information regarding Satish Ltd:

Annual cost of sales : Rs.36,00,000

Opening stock of finished goods : Rs.50,000

Finished goods storage period : 5 days

Assuming 360 days in a year, the closing stock of finished goods is

- [A] Rs.40,000
[B] Rs.50,000
[C] Rs.60,000
[D] Rs.1,20,000

16. Recently, we read in the Economic Newspapers that Indian rupee has recorded the

biggest drop since December at 1.3% to 54.49 per US dollar, making it the worst-performing currency in Asia this year. In economic language, what is the correct term used for this drop in Indian Rupee?

- [A] Devaluation
[B] Depreciation
[C] Deflation
[D] Depression


17. In context with the falling rupee, a leading newspapers wrote recently that “RBI has used up most of the available ammunition to prevent the rupee’s slide in the over-the counter market, but without much success”. Which among the following steps was taken by RBI that has been referred to available ammunition in this statement?

- [A] RBI sold the foreign currency in market
[B] RBI purchased the foreign currency from market
[C] RBI purchased the stocks from various stock exchanges in India
[D] RBI Revaluated the Indian Rupee

18. A news headline in a leading Business daily mentions that Prime Minister Office (PMO) has proposed to create SPVs to Speed up Infrastructure Projects. Which among the following is a correct statement in context with an SPV here?

- [A] SPV refers to the process of inviting tenders for large projects






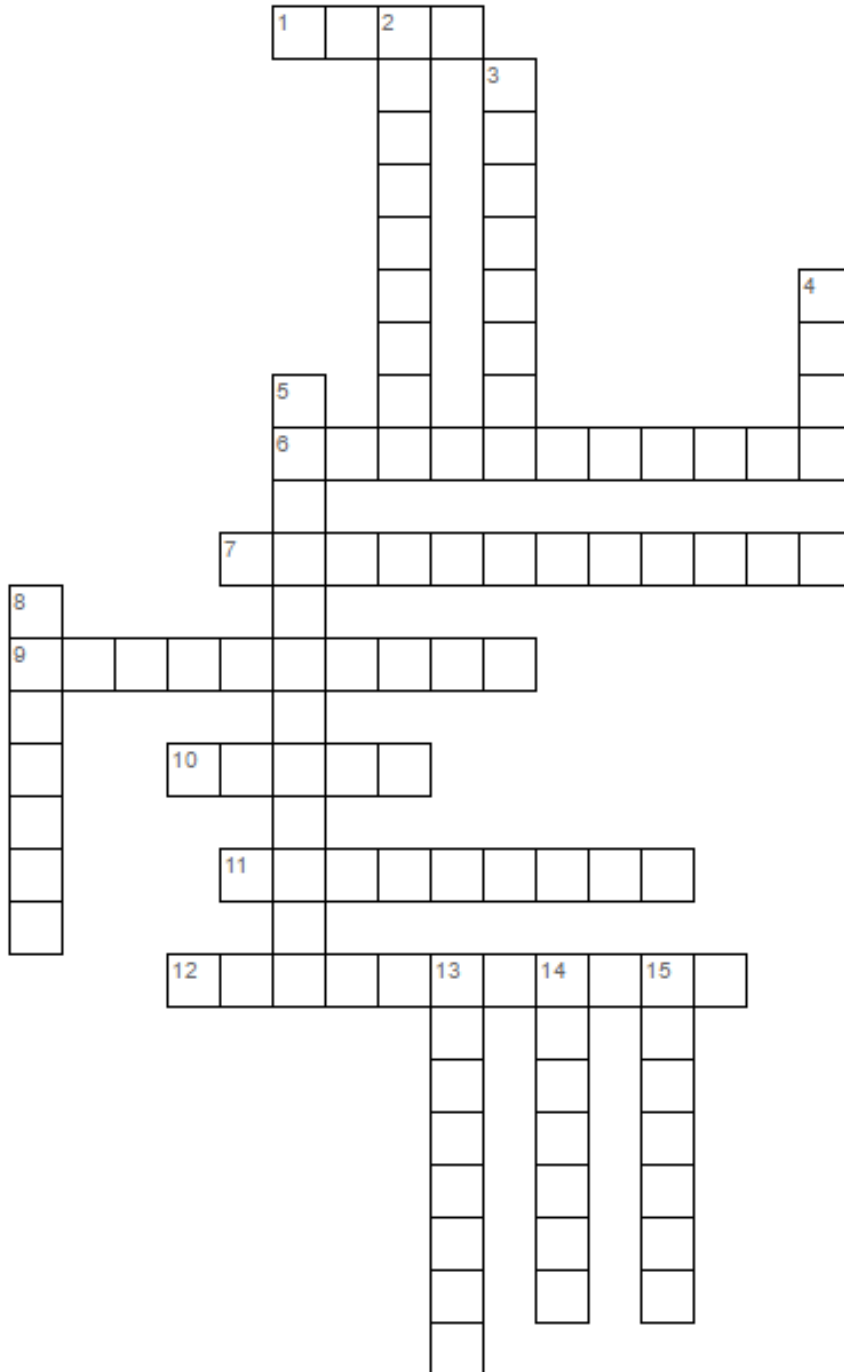
[B] SPV refers to special entity or company created for a particular purpose or project
[C] SPV refers to an agreement between the Government and big corporate contractors
[D] SPV is a project which is completed in Public Private Partnership

19. A retrospective amendment in income tax law that could force British telecom operator Vodafone to pay Rs. 20,300 crore as tax, interest and penalty, has been a hot topic in current politico-economical arena. The Vodafone asked to pay tax on its acquisition of Hutchison's stake in the \$11.2-billion Hutchison Essar deal, which was executed in a tax heaven. Which among the following was this tax heaven?

- [A] Bahamas
- [B] Seychelles
- [C] Cayman Islands
- [D] Virgin Islands

20. Which among the following is an international grouping of industrialized economies of the world?

- [A] G-20
 - [B] G-8
 - [C] G-4
 - [D] OECD
- 


PUZZLE



Across

- 1 Sets accounting standards
- 6 Arrangement with selected providers for discounted services
- 7 Current worth of an amount payable in the future
- 9 Loss record of an insured
- 10 A demand received
- 11 Exercises power and control, management, or disposition with regard to a fund's assets
- 12 Recipient of benefits after death

Down

- 2 Accepting and rejecting risks
 - 3 Used to reflect changes in experience over time
 - 4 Price per unit
 - 5 Gradual reduction of interest
 - 8 right to portion of benefits accrued
 - 13 Procedure which adjusts rating factors
 - 14 The party protected
 - 15 Set aside assets
- 

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ABOUT US

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ANSWERS:

QUIZ:

ANSWERS

1-B	2-D	3-A	4-D	5-A
6-D	7-D	8-D	9-A	10-B
11-C	12-B	13-D	14-B	15-B
16-B	17-A	18-B	19-C	20-B

CROSSWORD:

ANSWERS

1	Gas B	6	Managed care	11	Fiduciary
2	Selection	7	Present value	12	Beneficiary
3	Trending	8	Vesting	13	Indexing
4	Rate	9	Experience	14	Insured
5	Amortization	10	Claim	15	Reserve

