

The Accounting Times



By Department of Accountancy, Patuck-Gala College, Santacruz (E)

Volume No.09

Issue No.40

September 2023

Global IT Hardware Cos Bat For Lifting Of Important Rustication

Global IT hardware manufacturers, including HP, Dell, Acer, and Asus, have expressed their concerns to the Indian government about the recent inclusion of IT hardware imports in the restricted category list with import licensing requirements effective from November 1. These companies have requested the government to lift these import restrictions temporarily, allowing time for the local ecosystem to mature before implementing licensing rules. They emphasized that the current requirements put unnecessary pressure on the industry and could lead to price increases for consumers. The industry also sought an objective assessment of the impact of the revised production-linked incentive (PLI) scheme on domestic production. The government's response to these concerns will be important for the future of the IT hardware industry in India.

(HARSHADA MANDAVKAR/ TYBMS/ 27)

Government Ready, Poll Plane to Take Call on Timing of Elections in Jammu & Kashmir: Centre to SC

Mehta said that the legislative assembly elections in Jammu and Kashmir are likely to be held after panchayat polls and municipal polls. It is, however, for the State Election Commission and the Central Election Commission to decide which election should take place first, he added. "There are three elections which are due. For the first time, the three-tier panchayat raj system is introduced. The first elections would be for panchayats. District development council elections have already taken place," Mehta told the five-judge Constitution bench headed by Chief Justice of India DY Chandrachud. While the government refrained from giving a specific timeframe for restoring statehood for Jammu and Kashmir, it clarified that Union Territory status is temporary. "So far as statehood is concerned, I have already made a statement but that apart, the statement of the home minister on the floor of parliament - UT is a temporary thing, we are dealing with an extremely extraordinary situation," he said.

Conclusion

The Centre has informed the Supreme Court that it is ready to conduct elections in Jammu and Kashmir anytime, but the timing will be determined by the J&K Election Commission and the Election Commission of India. Solicitor General

Tushar Mehta started that the first election will be held for panchayats, and the Election Commission of India and the state election will decide on the polls. The Solicitor-General of J&K, Amit Mehta, has stated that the Union territory of J&K has the characteristics of a state, but restoration may take time due to persistent disturbances. The central scheme for J&K is 28,400 crores, and there has been a 45.2% drop in terrorist-initiated incidents in 2023. Infiltration and law-and-order events have also decreased. Security personnel casualties have also decreased by 65.9%. J&K experienced a 45.2% decrease in terrorist-related incidents in 2023, with no bandhs, 97.2% reduction in law and order incidents, 90.2% reduction in infiltration, and 65.9% reduction in security personnel casualties. Peace in Jammu and Kashmir is not solely achieved through political means; 32 out of 53 projects worth 58,474 crores have been completed. A tourism boom has generated employment. The Constitution Bench has emphasized the importance of restoring democracy in Jammu and Kashmir, which has been converted into a Union territory after Article 370 abrogation. Mehta has assured the bench that J&K will not remain a Union territory forever, stating that full statehood will be restored once "normalcy" returns. The Centre cannot provide an exact time frame for J&K's restoration of full status, and out of 53 projects worth 58,474 crores, 32 are complete. *(DIVYA SALVI/TYBBI/07)*

Strong start: Q1 GDP Growth at 1 - Year High Of 7.8

India's economy experienced significant growth, expanding by 7.8% in the June quarter of FY24, showing acceleration from the previous quarter's 6.1% growth. This growth was primarily driven by a smart recovery in the services sector and evidence of increased investment, with gross fixed capital formation rising by 8% year-on-year. Consumer demand also showed signs of improvement, with private final consumption expenditure (PFCE) rising by 6% in the first quarter of FY24. However, there are multiple risks on the horizon, including high inflation, elevated interest rates, concerns about monsoon rainfall, and a challenging global economic environment. These factors are expected to moderate growth in the future. The monsoon in 2023 is expected to be below normal, with August being one of the driest months in 122 years, which raises concerns about agricultural yields. The government's sustained capital expenditure is seen as a positive factor crowding in private investments. In conclusion, while India's economy showed robust growth in the June quarter of FY24, there are challenges and uncertainties that may impact future growth prospects, making it important to monitor these economic indicators closely. *(SEJAL VISHAWAKARMA/ TYBBI/ 05)*

GST Collection Up 11% in Aug on Domestic Demand

The August GST collections in India showed a promising increase of 10.8% to reach Rs 1, 59,069 crore, despite disruptions caused by heavy rains, particularly

affecting states like Himachal Pradesh. This growth in GST collections is viewed positively, especially as it coincides with the onset of the festive season, during which consumer spending typically rises. Although Himachal Pradesh witnessed only a meagre 2% increase in GST collections due to rain-related disruptions, other states, including Uttarakhand, experienced significant growth ranging from 10% to 23%. This suggests that domestic demand is a significant driving force behind the increased tax revenue, supported by improved compliance and tax collection efficiency. The government is relying on these higher-than-budgeted GST collections to meet its fiscal deficit target and address the economic challenges, including higher pre-poll spending and shortfalls in disinvestment receipts. This growth in GST collections, despite adverse conditions, provides a glimmer of optimism for India's economic prospects.

(MANDAVKAR HARSHADA /SYBCOM-A/57)