

MARKET WATCH		
	05-09-2017	% CHANGE
Sensex	31,809	0.33
US Dollar	64.12	-0.10
Brent oil	53.39	1.83

NIFTY 50		
	PRICE	CHANGE
ACC	1804.95	33.85
Adani Ports	390.30	5.45
Ambuja Cements	282.45	5.65
Asian Paints	1206.35	9.30
Aurobindo Pharma	744.25	-4.40
Axis Bank	503.40	1.65
Bajaj Auto	2950.70	35.55
Bank of Baroda	138.40	1.60
Bharti Airtel	406.50	-9.90
Bosch	22236.20	-232.55
BPCL	539.25	8.10
Cipla	559.60	-2.10
Coal India	253.85	7.35
Dr Reddys Lab	2209.15	14.05
Eicher Motors	31935.30	181.75
GAIL (India)	378.70	-0.90
HCL Tech	859.90	-0.70
HDFC	1767.30	11.90
HDFC Bank	1755.35	4.45
Hero MotoCorp	3970.45	-8.45
Hindalco	241.90	-0.55
Hind Unilever	1205.20	8.05
Indiabulls HFL	1240.85	5.50
ICICI Bank	297.60	0.50
IndusInd Bank	1684.75	15.30
Bharti Infratel	371.85	-5.90
Infosys	901.90	1.70
Indian Oil Corp	431.85	2.80
ITC	282.85	-0.25
Kotak Bank	988.40	10.30
L&T	1126.65	-4.00
Lupin	992.65	-4.90
M&M	1324.65	-3.65
Mauriti Suzuki	7817.20	-4.30
NTPC	169.50	1.25
ONGC	162.80	1.00
PowerGrid Corp	216.20	-1.40
Reliance Ind	1632.60	19.25
State Bank	276.55	-1.20
Sun Pharma	491.85	-8.85
Tata Motors	388.15	4.75
Tata Motors DVR	218.90	-0.90
Tata Power	79.35	-0.10
Tata Steel	652.10	5.55
TCS	2484.35	28.15
Tech Mahindra	427.85	11.75
UltraTech Cement	4097.85	97.45
Vedanta	318.10	2.30
Wipro	297.25	-0.05
YES Bank	1778.25	14.15
Zee Entertainment	520.70	-0.90

EXCHANGE RATES		
Indicative direct rates in rupees a unit except yen at 4 p.m. on September 05		
CURRENCY	TT BUY	TT SELL
US Dollar	63.92	64.24
Euro	75.98	76.36
British Pound	82.81	83.24
Japanese Yen (100)	58.44	58.74
Chinese Yuan	9.76	9.81
Swiss Franc	66.56	66.90
Singapore Dollar	47.15	47.40
Canadian Dollar	51.58	51.86
Malaysian Ringgit	15.00	15.08
Source:Indian Bank		

BULLION RATES CHENNAI		
September 05 rates in rupees with previous rates in parentheses		
Retail Silver (1g)	44.10	(44.10)
22 ct gold (1 g)	2,869	(2,881)

Centre asks banks to restrict accounts of 2.09 lakh firms

Company names struck off records; banks exhorted to be diligent on loans

SPECIAL CORRESPONDENT NEW DELHI

The finance ministry has advised all banks to take immediate steps to restrict transactions in bank accounts of more than 2.09 lakh companies, whose names have been struck off the Register of Companies.

Banks have also been advised to step up due diligence while dealing with all firms in general and been alerted that even if a firm is ‘active’ in the corporate affairs ministry database, it should be seen with ‘suspicion’ if it has failed to file statements or returns.

“...Prima facie, the company is not complying with its mandatory statutory obligations to file this vital information for availability to its stakeholders,” the finance ministry has reasoned.

On July 1, Prime Minister



By the stroke of a pen: Directors of companies struck off the records will now become ex-directors. ■ GETTY IMAGES/ISTOCK

Narendra Modi had first revealed the government’s decision to cancel the registrations of one lakh companies that had suspicious and questionable operations, identified on the basis of data mined from the deposit of bank notes following last November’s demonetisation of ₹500 and ₹1,000 notes.

The PM had promised

more action would follow on two lakh similar firms and 38,000 shell companies. Tuesday’s statement reveals that progress has been made in scrapping another 1,09,032 firms under the Companies Act since then.

‘Directors barred’
“The existing directors and authorised signatories of

such struck-off companies will now become ex-directors or ex-authorised signatories. These individuals will therefore not be able to operate bank accounts of such companies till such companies are legally restored under Section 252 of the Companies Act by an order of the National Company Law Tribunal,” the ministry said, disclosing ‘stepped up decisive action’ against errant companies.

“Since such ‘struck off’ companies have ceased to exist, action has been initiated to restrict the operation of [their] bank accounts. The Department of Financial Services has, through the Indian Banks Association, advised all banks ... [to] take immediate steps to put restrictions on bank accounts of such struck-off companies,” the ministry said.

Apparel exporters seek refund of IGST

SPECIAL CORRESPONDENT NEW DELHI

The Apparel Export Promotion Council (AEPCC) – the apex body for apparel exporters in India – has asked the finance ministry for refund of Integrated Goods and Services Tax (IGST) paid on import of machinery used by exporters from the sector.

In a letter to the finance ministry, the AEPCC said post GST from July 1, apparel exporters are required to pay IGST up to 18% on assessable value plus the basic customs duty while clearing shipments of capital goods under Export Promotion Capital Goods scheme.

The incidence of a high IGST without corresponding



relaxation for export obligation has rendered the EPCG scheme unattractive, it said.

In the letter, AEPCC Chairman, Ashok G. Rajani said the only way for apparel exporters to claim IGST refund was through input tax credit. However, exporters who import capital goods normally export 100% of their products.

SC stay for home buyers helps Jaypee Infra too: IDBI

Bank objects to halt in realty major’s insolvency process

KRISHNADAS RAJAGOPAL NEW DELHI

IDBI Bank on Tuesday objected to the Supreme Court’s stay of insolvency proceedings before the National Company Law Tribunal (NCLT), saying it virtually gives the reins of the company back to Jaypee Infratech.

“This court’s order staying the insolvency proceedings before the NCLT has the effect of a *status quo ante*. That is, it virtually gives the company back to Jaypee,” senior advocate Abhishek Manu Singhvi submitted before a Bench led by Chief Justice of India Dipak Misra in an urgent mention-

ing. The bank, which had instituted the insolvency proceedings before the NCLT, even alleged that some home buyers had approached the Supreme Court to favour Jaypee Infratech.

He argued that the Insolvency Resolution Professional appointed by NCLT would take care of the claims of the over 30,000 home buyers.

“IDBI Bank has a debt of ₹4,000 crore out of a total consortium debt of ₹10,000 crore. This ₹10,000 crore is also public money. Your Lordships’ stay order has the unintended effect of giving the company from the IRP to

Govt. to bring out policy to develop agri-clusters

Minister Prabhu promises to work on global supply chains

SPECIAL CORRESPONDENT NEW DELHI

The government will soon bring out a policy to develop agricultural clusters and boost farm exports, said commerce minister Suresh Prabhu.

Speaking at the 10th Agriculture Leadership Summit 2017 on Tuesday, Mr. Prabhu said, “If there are clusters for industry, why should we not think about clusters for agriculture. Farmers have the right to access global markets and get better prices (for their produce) and for that we will put in place a good policy framework soon.” He added, “We have to develop global supply chains and we will work on that.”

Trade restrictions
The minister said at the multi-lateral level too there was work to be done to elim-



Fair deal: Farmers have the right to access global markets, get better prices, says commerce minister Suresh Prabhu. ■ AP

inate trade restrictions. Mr. Prabhu said he would be soon meeting trade ministers in Manila and Seoul in this regard. On the World Trade Organisation-level negotiations, he said there would be a ministerial conference in Argentina in December. “Our agenda is

going to be very aggressive. This is a development round ... We will ensure that Indian farmers get their due by getting better price from global markets. This is very important and this is going to be part of the strategy to increase farmers’ income in India,” he said.

Services sector contracts on GST woes

Orders, jobs fall slower than in July

PRESS TRUST OF INDIA NEW DELHI

Services sector contracted for the second month in a row in August as business activity and new work orders were hit by disruptions caused by the new GST regime, a monthly survey showed on Tuesday.

Business orders and jobs fell at a slower rate than in July, as per the PMI survey. The Nikkei India Services PMI Business Activity Index improved slightly from 45.9 registered in July to 47.5 in August, but remained below the crucial 50-mark for the second straight month.

A contraction for two

consecutive months was last seen in November-December 2016 after the government’s demonetisation decision.

While manufacturing sector rebounded into growth zone during August, a composite index for services and manufacturing sectors continued to show contraction.

“Services acted as a drag on the private sector economy in August, with the reduction in business activity offsetting growth of manufacturing production,” said Pollyanna De Lima, Principal Economist at IHS Markit, and author of the report released on Tuesday.

India to flag worry on pace of services talks at RCEP

Irked by slow progress, even as goods trade talks move fast

ARUN S NEW DELHI

At the forthcoming ministerial-level meeting on the proposed Free Trade Agreement (FTA) involving 16 Asia-Pacific nations, India will raise concerns regarding the ‘slow’ pace of negotiations on services trade liberalisation as opposed to ‘higher priority’ being accorded to commitments to open up goods trade in the region.

The mega-FTA is known in official parlance as the Regional Comprehensive Economic Partnership (RCEP). It involves the 10-member ASEAN bloc and its six FTA partners including India, China, Japan, South Korea, Australia and New Zealand.

‘First for new Minister’
Official sources said the new commerce minister Suresh Prabhu will be representing India during the fifth RCEP Ministerial Meeting, which is slated to be held on Septem-



Suresh Prabhu. ■ PTI

ber 10 in Manila on the sidelines of the ASEAN Economic Ministers Meeting and related meetings with ASEAN’s major trading partners. This would be Mr. Prabhu’s first major international trade meeting as the new commerce minister.

India is learnt to be upset that other RCEP nations seem to be focused more on “extracting as much (binding commitments) as possible on eliminating tariffs to open up goods trade”, instead of sticking to the RCEP ‘Guiding Principles and Objectives’ which state that the

“negotiations on trade in goods, trade in services, investment and other areas will be conducted in parallel to ensure a comprehensive and balanced outcome.”

The sources said India will “talk tough and state that any more discussions” on opening up goods trade will be only after ensuring that negotiations on services trade liberalisation “catch up” with talks on goods trade. India is keen that in return for agreeing to open up goods trade (where most RCEP nations have an advantage), other member nations must commit to substantial liberalisation of services trade - including on easing norms on movement of professionals and skilled workers across borders for short-term work.

India is seeking support for its proposal on an ‘RCEP Travel Card’ for the purpose. India is relatively strong in services with its vast pool of professionals.

ICICI Lombard gets SEBI nod for IPO

PRESS TRUST OF INDIA NEW DELHI

ICICI Lombard General Insurance Company has got SEBI’s go-ahead for its estimated ₹6,000 crore IPO, which could be the first by a general insurer in the country.

Two State-run general insurers – General Insurance Corp of India and New India Assurance Company – as also two life insurance firms (SBI Life and HDFC Standard Life) have also lined up IPO plans and are awaiting SEBI’s go-ahead for their respective draft papers.

Among these, SEBI is awaiting “clarification” from insurance regulator IRDAI with regard to IPOs by HDFC Standard Life, New India Assurance and General Insurance.

In case of SBI Life, the market regulator received the required details from IRDAI on August 28 and the case is currently “under process” at SEBI’s end.

‘Undersea line from Iran to port cheap gas’

Proposed 1,300-km line can save \$1 billion annually; will avoid Pakistani waters

PRESS TRUST OF INDIA NEW DELHI

A 1,300-km undersea pipeline from Iran, avoiding Pakistani waters, can bring natural gas from the Persian Gulf to India at rates less than the price of LNG available in the spot market, proponents of the pipeline said on Tuesday.

Releasing a study on the Iran-India gas pipeline, former oil secretary T.N.R. Rao said natural gas imported through the more than \$4-billion line would cost \$5-5.50 per million British thermal unit at the Indian coast, cheaper than the rate at which some of the domestic fields supply gas.

Liquefied natural gas, or LNG, imported through ships costs about \$7.50 per



Sage counsel: The pipeline is designed to carry 31.5 million standard cubic metres gas per day. ■ GETTY IMAGES/ISTOCK

million British thermal unit.

‘Via Oman to Porbandar’
Mr. Rao, who is the chairman of the advisory board of South Asia Gas Enterprise Pvt. Ltd. (SAGE) – the firm wanting to lay the undersea line – said the pipeline can

first travel to Oman, and then onwards to Porbandar in the state of Gujarat.

According to the study, “The cost of landed gas through an undersea pipeline will be at least \$2 cheaper than importing LNG, saving about \$1 billion

annually.” South Asia Gas Enterprise wants the Indian Government to support the pipeline and help buyers enter into contract.

The pipeline is planned to carry 31.5 million standard cubic metres gas per day and will be built in two years from the date of necessary approvals and a gas sale and purchase agreement (GSPA) being signed.

The subsea pipeline is being seen as an alternative to the on-land, Iran-Pakistan-India pipeline. New Delhi has not been participating in talks on the 1,036-km Iran-Pakistan-India gas pipeline since 2007 citing security and commercial concerns. But, it has never officially pulled out of the \$7.6 billion project.

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