Telecom panel for

Move will aid mergers, acquisitions

SPECIAL CORRESPONDENT

which is reeling under fi-

raising the cap of overall

spectrum that can be held

by an operator in a circle to 35% from the current 25%.

commission was the overall

and intra-band cap on spec-

trum held by telecom ser-

vice providers in the context

of restructuring of stressed assets. The commission has

concurred with the TRAI re-

commendations," an official

said, adding that the deci-

sion would now be sent for

TRAI had, in November,

also recommended that the

current cap of 50% on intra-

band spectrum holding be

removed, and instead be a

cap of 50% on the combined

spectrum holding in the

sub-1 GHz bands (700 MHz,

800 MHz and 900 MHz

The commission's deci-

sion comes at a time when

the telecom industry is see-

ing rapid consolidation. The

move, if approved by Cabi-

net, is likely to benefit Voda-

fone and Idea, which are in

recently announced that it

would acquire spectrum,

tower, optical fiber network

and other wireless assets

Communications.

Besides, Reliance Jio also

the middle of a merger.

Cabinet approval.

bands).

from

"One of the issues for

NEW DELHI

nancial stress.

lifting spectrum cap

### MARKET WATCH

	09-01-2018	% CHANGE
Sensex	34,443	0.26
US Dollar	63.71	-0.31
Gold	30,500	0.06
Pront oil	67.00	0.50

NIFTY 50		
		CHANGE
Adani Ports		
Ambuja Cements		
Asian Paints		
Aurobindo Pharma		
Axis Bank		
Bajaj Auto		
Bajaj Finance		
Bharti Airtel		
Bosch		
BPCL	496.10	1.10
Cipla	615.60	0.55
Coal India	304.05	16.60
Dr Reddys Lab	2457.80	-18.80
Eicher Motors	28596.95.	600.45
GAIL (India)	500.95.	3.55
HCL Tech	893.85	6.65
HDFC	1735.05	-5.90
HDFC Bank	1863.70	3.10
Hero MotoCorp	3749.45	37.30
Hindalco	271.50	-4.65
HPCL		
Hind Unilever	1361.30	7.10
Indiabulls HFL	1216.80	-8.50
ICICI Bank	312.60	-1.55
IndusInd Bank		
Bharti Infratel	368.40	-6.00
Infosys		
Indian OilCorp		
ITC		
Kotak Bank		
L&T		
Lupin		
M&M		
Maurti Suzuki		
NTPC		
ONGC		
PowerGrid Corp		
Reliance Ind		
State Bank		
Sun Pharma		
Tata Motors		
Tata Steel		
TCS		
Tech Mahindra		
UltraTech Cement		
UPL		
Vedanta		
Wipro		
YES Bank		
1 F 2 R9UK	341.35	/./5

EXCHANGE RATES				
Indicative direct rates in rupees a unit except yen at 4 p.m. on January 09				
CURRENCY	TT BUY	TT SELL		
US Dollar	63.51	63.83		
Euro	75.75	76.14		
British Pound	85.98	86.44		
Japanese Yen (100).	56.36	56.65		
Chinese Yuan	9.73	9.78		
Swiss Franc	64.58	64.94		
Singapore Dollar	47.53	47.81		
Canadian Dollar	51.09	51.35		
Malaysian Ringitt	15.84	15.93		

Zee Entertainment ..... 580.05.....-13.85

Retail Silver (1g).

# \_ Sensex hits

new high for

third day

PRESS TRUST OF INDIA

The benchmark BSE Sen-

sex built on gains to close at a record high for a third

straight session on Tues-

day, riding on smart jumps

in Coal India, Reliance In-

dustries and ITC amid pos-

itive leads from global

run for the third consecutive day, the 30-share Sen-

sex closed at a fresh life

high of 34,443.19, eking out

gains of 90.40 points after

a choppy trade. The widebased Nifty of the NSE also

settled at record high of

10,637, rising 13.40 points,

or 0.13%, even as 19 of its

constituents advanced and

31 dropped. Caution pre-

vailed as crude prices

surged to the highest level since 2015. The index has

risen 559.41 points in the

previous three sessions.

Extending the record

markets.

# Direct tax collections jump 18.2%

At a multi-year high, growth attributed to demonetisation, Centre's emphasis on digital transactions

SPECIAL CORRESPONDENT

Net direct tax collections grew at a multi-year high of 18.2% in the April to December period, according to official data released Tuesday.

"The provisional figures of direct tax collections up to December 2017 show that net collections are at ₹6.56 lakh crore which is 18.2% higher than the net collections for the corresponding period of last year," the government said in a release. "The net direct tax collections represent 67% of the total Budget Estimates of direct taxes for financial year 2017-18 (₹9.8 lakh crore).'

Net direct tax collections grew 12% in the same period of the previous financial



Trend changes: Growth in personal advance tax has surpassed that in corporate advance tax, says Naveen Wadhwa.

year. Tax experts ascribe this quicker increase in direct tax collections to the government's efforts to widen the tax net and increase com-

pliance. "Undoubtedly, the increase in collection of direct tax was expected," Naveen Wadhwa, deputy general manager at Taxmann said.

"Such an unprecedented increase in revenue could be attributed to demonetisation, GST and the government's emphasis on digital transactions," he said.

'Tax arrears pursued'

"In December 2017, the CBDT had issued instructions to step up efforts in tax collection by pursuing tax arrears and expediting even non-time barring cases where there was a possibility of raising tax demand," Shefali Goradia, partner, Deloitte India said. "Increase in the tax collection may be in response to this initiative."

The release added that ₹3.18 lakh crore had been collected as advance tax up to December 2017, which amounts to a 12.7% increase over the advance tax collections in the same period of the previous financial year.

"The growth in [advance tax payments for] corporate income tax (CIT) is 10.9% and that in personal income tax (PIT) is 21.6%," the release said.

'Compliance simplified' "Growth in personal advance tax has surpassed the increase in payment of corporate advance tax," Mr. Wadhwa noted

The increase in advance tax receipts could also be the result of a simplification in the compliance processes for small business entities and increasing the threshold limit for opting for the Presumptive Taxation Scheme under income tax, he added.

#### The Telecom Commission on Tuesday favoured easing the cap on spectrum holding by telcos, a move that would aid mergers and acquisitions in the sector Agreeing with regulator TRAI's recommendations, the Telecom Commission, which is the highest decision-making body in the Telecom Ministry, approved

Approval was given to raise the cap on overall spectrum held by an operator to 35%.

Rajan S. Mathews, DG, COAI welcomed the deciconsideration before the sion as "it will facilitate mergers and acquisitions in the sector."

#### 'Network for Spectrum'

The Telecom Commission also approved increase in budget for 'Network for Spectrum' project, under which a dedicated communications network is being set up for defence forces in lieu of airwaves vacated for civilian use, from ₹11,330 crore to ₹24,664 crore. This decision would also be sent to Cabinet for approval.

The official added that the Telecom Commission had also approved upgradation of an earlier project to provide 2G mobile services in Andaman and Nicobar islands to 4G mobile services at a cost of ₹343 crore, as against the earlier approved ₹262 crore. Further, a proposal to provide satellite connectivity to 5,298 gram panchayats, of which about 4,240 GPs are in North East and about 800 GPs are in Jammu and Kashmir, at a cost of ₹916 crore for three years had also been ap-

### Risk-based system for insurers picks up pace

IRDAI seeks EOI to prepare framework

SPECIAL CORRESPONDENT

The Insurance Regulatory and Development Authority of India (IRDAI) has invited expression of interest (EOI) from consultants to assist it in implementation of riskbased capital framework for the insurance sector.

The call for consultants, who would "provide necessary and essential advice and guidance," comes in the backdrop of IRDAI's decision to shift from the existing solvency capital regime.

Risk monitoring

The proposed risk based supervisory framework is "for effective and efficient monitoring and evaluation of potential risks in the insurance

PRESS TRUST OF INDIA

which seeks to promote

emerging sectors, will be re-

leased within a few months,

Commerce and Industry Mi-

nister Suresh Prabhu said on

cy should be [released] in

the next few months," he told reporters. The pro-

posed policy, a draft of

which has been prepared by

the Ministry, will completely

revamp the Industrial Policy

of 1991. Among other things,

it would endeavour to re-

duce regulations and widen

In August, the Depart-

ment of Industrial Policy

and Promotion had floated a

draft industrial policy whose

aim is to create jobs over the

the purview to new indus-

tries currently in focus.

"The new industrial poli-

NEW DELHI

Tuesday.

IRDAI had constituted two committees - on roadmap for risk-based capital approach in insurance sector; and on risk-based capital approach and market consistent valuation of lia-

Both committees had submitted their reports. The latter had suggested

a time-frame of March 2021 for implementation of the proposed RBC regime. In September, the regulator had also constituted a

10-member steering com-

mittee to implement the RBC regime. According to the EOI document, the regulator plans to move towards a RBC regime that is appropriate and

tailored for the Indian insu-

New industrial policy in a few

months: Commerce Minister

August draft envisaged attracting \$100 billion in annual FDI

next two decades, promote

foreign technology transfer

and attract \$100 billion in

Mr. Prabhu also said that on

Tuesday, he had chaired a

meeting of the task force on

artificial intelligence (AI).

The 18-member panel was

FDI annually.

AI task force

Seeking accord: WTO's mini-ministerial meet, to be organised

by India, will be held in March, says Mr. Prabhu. • PTI

# Infosys signs U.S. tax pact

'Reversal of \$225 mn in provisions to lift 3Q EPS by \$0.10'

SPECIAL CORRESPONDENT

Infosys Ltd. on Tuesday said it had signed an Advance Price Agreement (APA) with the U.S. Internal Revenue Service (IRS) that would enable it to reverse tax provisions of about \$225 million in the quarter ended December 31, 2017.

The tax reversal would boost consolidated basic earnings per share for the three months ended December by about \$0.10, the Bengaluru-based software services provider said in a filing to stock exchanges.

'Enhance predictability' "The APA will enhance the predictability of the company's tax obligations in respect of its U.S. operations," Infosys said in the filing. Preliminary discussions

2021, according to the filing.

On account of the APA

2015. As per the terms of the accord Infosys and IRS agreed on the methodology to allocate revenues and compute the taxable income of the company's U.S. operations. The pact covers financial years starting 2011 to

methodology, Infosys expects its overall effective tax rate to be lower by about 100 basis points for future periods covered under the pact.

"In accordance with the APA, the company expects to reverse tax provisions of approximately \$225 million made in the previous periods which are no longer required. Further in line with the APA the company expects to payout approximately \$233 million due to the taxes payable for prior periods as per the APA and the actual taxes paid for such periods."

The amount will be paid out during the next "few quarters," according to the statement.

Infosys is scheduled to announce its third-quarter earnings on January 12.

## BusinessLine



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Last date for nomination is Jan 10th 2018. For Queries write to blchangemakers@thehindu.co.in





Deloitte.

# Microsoft halts AMD patches as PCs freeze

Software updates meant to guard against Meltdown and Spectre security threats

FRANKFURT

Microsoft Corp. said on Tuesday it had suspended patches to guard against Meltdown and Spectre security threats for computers running AMD chipsets after complaints by AMD customers that the software updates froze their machines.

Microsoft said in a support blog that it was working with AMD to resolve the issues and would resume Windows operating system software updates to affected AMD devices via its Windows Update process as soon as possible.

### 'Temporary pause'

"To prevent AMD customers from getting into an unbootable state, Microsoft will temporarily pause sending the following Windows operating system updates to dev-



Code blue: Microsoft said the patches had caused some PCs running AMD chipsets to have 'blue screen errors.' • AFP

ices with impacted AMD processors at this time," Microsoft said in its statement.

Microsoft said it had received complaints from AMD customers that their machines stopped loading the Start menu or taskbar after installing Windows operating system security updates.

Upon investigation, Microsoft said some AMD chipsets did not conform to technical documentation the chipmaker had provided, preventing Microsoft from successfully patching affected machines.

In its blog post, the software giant said the patches caused computer screens to freeze up, or have so-called "blue screen errors" on Windows 10, Windows 8.1 and Windows 7.

constituted to explore possi-

bilities to leverage AI for eco-

statement that the members

drafted preliminary propo-

sals that were discussed at

the meeting. Mr. Prabhu said

WTO's mini-ministerial meet

to be organised by India

would be held in March.

The Ministry said in a

nomic transformation.

**Memory corruption** 

Meltdown and Spectre are two memory corruption flaws which could allow hackers bypass operating systems and other security software to steal passwords or encryption keys, on most types of computers, phones and cloud-based servers.

AMD said last week that differences in its chip designs from rival Intel Corp. meant its products were at "zero risk" from Meltdown flaw but that one variant of the Spectre bug could be resolved by software updates from vendors such as

AMD was not immediately available for further comment.