

MARKET WATCH

	27-09-2019	% CHANGE
Sensex	38,823	-0.43
US Dollar	70.56	0.44
Gold	38,564	-0.31
Brent oil	62.19	0.81

NIFTY 50

	PRICE	CHANGE
Adani Ports	408.60	-10.55
Asian Paints	1776.30	5.35
Axis Bank	700.60	0.70
Bajaj Auto	2957.50	-12.80
Bajaj Finserv	8550.35	83.75
Bajaj Finance	4057.40	56.60
Bharti Airtel	349.10	5.05
BPLCL	469.80	-10.25
Britannia Ind	3015.10	-77.70
Cipla	439.40	0.95
Coal India	199.35	-3.95
Dr Reddys Lab	2730.80	-44.05
Eicher Motors	17792.40	-119.15
GAIL (India)	134.15	-2.95
Grasim Ind	727.00	-16.80
HCL Tech	1041.05	-4.10
HDFC	2035.90	-27.30
HDFC Bank	1244.20	1.70
Hero MotoCorp	2729.15	-30.95
Hindalco	190.70	-5.25
Hind Unilever	2010.90	-23.50
ICIICI Bank	449.20	-2.75
IndusInd Bank	1480.80	-67.20
Infratech	256.60	-1.95
Infosys	792.20	-0.35
Indian Oil Corp	145.55	1.00
ITC	252.95	2.55
JSW Steel	232.20	-3.25
Kotak Bank	1643.50	16.65
L&T	1472.65	-17.20
M&M	555.10	-11.85
Maruti Suzuki	6773.70	-83.75
Nestle India Ltd.	13740.90	-193.70
NTPC	117.05	0.50
ONGC	131.50	-5.55
PowerGrid Corp	198.10	-1.15
Reliance Ind	1309.05	12.25
State Bank	281.20	-0.65
Sun Pharma	401.70	-10.25
Tata Motors	119.90	-4.60
Tata Steel	359.65	-16.10
TCS	2056.15	-31.45
Tech Mahindra	704.30	-9.40
Titan	1284.05	-4.25
UltraTech Cement	4395.15	-0.45
UPL	582.05	-1.55
Vedanta	157.25	-8.85
Wipro	236.60	-0.50
YES Bank	48.75	-2.30
Zee Entertainment	273.55	-13.15

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on September 27

CURRENCY	TT BUY	TT SELL
US Dollar	70.36	70.68
Euro	76.93	77.28
British Pound	86.60	86.99
Japanese Yen (100)	65.09	65.39
Chinese Yuan	9.87	9.92
Swiss Franc	70.87	71.20
Singapore Dollar	50.93	51.17
Canadian Dollar	53.09	53.33
Malaysian Ringgit	16.80	16.89

Source: Indian Bank

BULLION RATES CHENNAI

September 27 rates in rupees with previous rates in parentheses

Retail Silver (1g)	49	(50.5)
22 ct gold (1g)	3599	(3596)

Capex on track to meet target, says FM

'Ministries told to provide plan for four quarters, release all dues to services and goods suppliers'

SPECIAL CORRESPONDENT NEW DELHI

The government's capital expenditure is on track and will meet the budgeted target by the end of the year, Finance Minister Nirmala Sitharaman said on Friday.

Ms. Sitharaman added that she had given instructions to all the major Ministries to release all pending dues and to also provide a capital expenditure plan for the next four quarters.

Total expenditure

The central government's total expenditure for fiscal 2019-20 through the Budget is ₹27.86 lakh crore, of which the capital expenditure is budgeted at ₹3.38 lakh crore (12.2%).

Apart from this, the total grants-in-aid given to the Mi-



Finance Minister Nirmala Sitharaman chairing a meeting with secretaries and financial advisers of key Ministries. •PTI

nistries and Departments amounts to ₹2.07 lakh crore, taking the total capital expenditure amount for 2019-20 to ₹5.45 lakh crore.

The government on Friday said that as of August, 40.28% of the expenditure

under the capital head, and 39.7% of the expenditure under the grants-in-aid head, had been assigned.

"The government is on track to meet its budgeted capital expenditure by the end of the year, we expect

100% of the budgeted amount to be met," Ms. Sitharaman said at a press conference following a meeting with 21 major Ministries to review their capital expenditure progress and future plans. "We have also asked the Ministries to provide a capital expenditure plan for the next four quarters," she added.

"Some Ministries orally spelt out their plans, but within the next week they will provide a plan to the Expenditure Secretary."

The Finance Minister also said she had made it clear to the Ministries that they must release all the pending dues to their services and goods suppliers at the earliest, and added that the impression she got from the Ministries was that the "little that was

left pending would be released in the next few days".

'Get expenditure going'

"At this stage, we are only looking at getting expenditure going," Ms. Sitharaman said when asked whether the government would meet its fiscal deficit target for the year. "Nearer the time, we will have to look at reconciling this with our budgetary commitments."

Expenditure Secretary Girish Chandra Murmu said that of the about ₹60,000 crore of payments that were pending, about ₹40,000 crore had already been released.

Ms. Sitharaman added that about 90% of outstanding GST refunds that were due had also been released as of August 23.

Bharat-22 ETF fourth tranche on October 3

PRESS TRUST OF INDIA NEW DELHI

The government will launch the fourth tranche of Bharat-22 ETF on October 3, which will help garner up to ₹8,000 crore from investors, sources said.

They added that the issue will open for anchor investors on October 3 and for other institutional and retail investors, the next day. The investors would get a 3% discount over the issue price.

"The offer is likely to have a base issue size of ₹2,000 crore, with a green shoe option to retain another ₹6,000 crore, taking the total amount to ₹8,000 crore," a source privy to the development said.

'Centre looking to ease foreign investment limits in govt. bonds'

Aim is to get securities included in global indices: sources

REUTERS NEW DELHI

India is looking to ease foreign investment limits in government bonds, as it seeks to get its securities included in global bond indices in the next two years, three government officials with knowledge of the matter told Reuters.

New Delhi is considering creating a special window for foreign passive investors that focus on index investing, one of the officials added, even as it seeks to counter the risk posed by hot money flows from more actively managed funds.

The investors in the new window will not face the same caps as India currently



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has on such investments from foreign portfolio investors, the person said.

The officials, who asked not to be named as they were not authorised to discuss the matter publicly, did not provide any timeline as

the issue is still in the early stages of discussion.

The spokesman for the Finance Ministry did not reply to an email and message seeking comments, while the Reserve Bank of India (RBI) declined to comment.

Relaxing investment limits and a removal of restrictions on currency convertibility are among the criteria that firms operating global bond indices consider before including any country and determining its weightage in such indexes.

India currently has limits on the amount of government and corporate bonds foreign investors can hold, and controls on the rupee's convertibility too.

Deadline for filing ITR, tax audit extended

SPECIAL CORRESPONDENT NEW DELHI

The Central Board of Direct Taxes has extended the deadline for the filing of income tax returns and audit reports to October 31, 2019. The previous deadline was September 30.

Tax accountants and small businesses across the country have been complaining that the tax forms are very onerous and that they would need more time to fill them. The tax authorities said they have extended the deadline keeping these concerns in mind.

The new October 31 deadline, as did the earlier one, applies to companies, partnerships, and proprietorships.

Finance Commission to arrive at devolution limit independently

'Formula after balancing all requests'

TCA SHARAD RAGHAVAN NEW DELHI

While the Finance Ministry has been asking the Fifteenth Finance Commission for a lower limit for tax devolution to the States, the Chairman's office told *The Hindu* that the Centre's plea was just one among 30 different requests, including those from the States, and that the Commission would decide its devolution formula independently after balancing all the requests.

The Fourteenth Finance Commission had recommended that 42% of the Centre's tax revenue be transferred to the States, a significant increase from the recommendations of the previous Finance Commission.

The Fifteenth Finance Commission (FFC) has been tasked with, among other things, reviewing this percentage and changing it if needed for the five years starting April 1, 2020.

'Review downwards'

Officials in the Finance Ministry told *The Hindu* that the Ministry had in the past asked the FFC to review downwards the devolution percentage.

However, Finance Minister Nirmala Sitharaman, when asked about this on Friday, said that she had not written to the FFC about this.

It is learnt that the earlier pieces of communication had been sent by the erstwhile Finance Secretary Subhash Chandra Garg, who was recently transferred out of the Finance Ministry to take over as Power Secretary. It has been re-



N.K.Singh

ported that the FFC has since asked the Finance Ministry to send a fresh memorandum containing its requests. This has, however, been refuted by the FFC.

"It is routine for the Commission to ask for updated figures, so it would be wrong to say that we have asked the Centre for a fresh memorandum," the Office of FFC Chairman N.K. Singh told *The Hindu*.

"The Centre is just one of the parties making their requests to the Commission out of 30, and so the Commission will find a balance between all of these. The decision of the Commission will be made independently."

Each of the erstwhile 29 States (now 28 with the reorganisation of Jammu & Kashmir) have also made their presentations to the FFC and have made their requests.

Several of them have asked the FFC to, in fact, increase the devolution limit since the Centre has been shifting its revenues from taxes to cesses, which do not have to be shared with the States.

No-production days declared at Daimler

PRESS TRUST OF INDIA CHENNAI

Amid the slowdown in the automobile sector, Daimler India Commercial Vehicle, the subsidiary of Stuttgart-based Daimler, on Friday announced that there will be non-production days at its plant near here in September and October.

"DICV will have three non-production days in September and three in October," the company spokesperson said in a statement. "We are closely monitoring the situation and adjusting our production line depending on market demand," it said.

Permanent employees have been granted additional vacation days.

Daimler India currently has an over ₹5,000 crore manufacturing facility at Oragadam near Chennai.

'RBI acted in haste in PMC Bank matter'

Inspection officials restrained actions without prior notice: former MD of bank

SPECIAL CORRESPONDENT MUMBAI

Joy Thomas, the former managing director of troubled lender Punjab and Maharashtra Cooperative Bank said the Reserve Bank of India acted in haste in imposing curbs by restricting deposit withdrawals.

"It was a harsh decision on us. Without giving us any time, RBI acted in this manner," Mr. Thomas said, addressing a press conference.

Earlier this week, RBI imposed restrictions on the city-based lender which created panic among depositors as withdrawals were capped at ₹1,000, which later increased to ₹10,000. The board of the bank was superseded and a former chief general manager of RBI was appointed as administrator.

He said the PMC Bank board members met RBI's executive director Rabi Mis-



Joy Thomas

ra on September 19, and informed that the loans to real estate developer HDIL were not disclosed as non-performing for 6-7 years and asked for time from the banking regulator to regularise the account.

"On 20th, inspection officers collected the data from the bank and without any prior notice to the bank, on 23rd restrained the actions of the bank," he said.

"We knew that if the exposure [were to] be reported, it will create a run on the bank and all the depositors and even the bank staff would have to suffer; so we decided to get some helping guidelines, but RBI acted in the manner which we were afraid of. Bank had enough liquidity, which should have been noted by the RBI."

On Thursday, while increasing the deposit withdrawal limits to ₹10,000 from ₹1,000, RBI said the curbs were imposed due to 'major financial irregularities'.

Talking about HDIL, the former MD admitted that the bank extended a loan of ₹2,500 crore in a period of six years. "The company was banking with us since 1989 and they were repaying us the money properly."

"The problem started [over the] last 2-3 years since

they weren't able to pay."

'2.5 times more security'

Mr. Thomas assured the conference that the 'money of the depositors was safe' as the bank has '2.5 times more worth of security than the exposure to HDIL.'

"We have security in the form of buildings and land which are 2.5 times more than the exposure handed."

Mr. Thomas said, "Even after HDIL went bankrupt, we handed them a loan of ₹93 crore, although the sanction of loan wasn't done by the board of directors."

"The loans that were handed to HDIL were left unnoticed in the audit by the RBI since last six to seven years." He emphasised that no fraud had taken place. Rather, it was a technical fault. "I've been told that the withdrawal limit can be increased to ₹1 lakh," he said.

Life-enabling product like insulin should be made affordable: Shaw

Offers rh-Insulin at less than 10 U.S. cents/day in LMI nations

SPECIAL CORRESPONDENT BENGALURU

Kiran Mazumdar-Shaw, philanthropist and founder of Biocon, said she would enable universal access to high quality insulin by making available recombinant human Insulin (rh-Insulin) at less than 10 U.S. cents/day in low and middle-income countries (LMICs).

LMICs, which form most of the world, contribute to 80% of the global disease burden. "My conviction is that a life-enabling product like insulin cannot be priced out of the reach of those that need it on an everyday basis, whether in the United States or in Africa," said Ms. Mazumdar-Shaw.

Ms. Mazumdar-Shaw made the above personal commitment at a United Na-



Kiran Mazumdar-Shaw

tions General Assembly (UNGA) meeting on innovation and universal health access, convened by UNAIDS Health Innovation Exchange, in the presence of the President of Ethiopia, the First Lady of Namibia, Health Ministers from Botswana and Malawi, and representatives from the private sector and deve-

lopment agencies. Biocon's Recombinant Human insulin offer of less than 10 U.S. cents/day in LMICs is for vials sourced by the government directly from Biocon, assuming an insulin dosage of 40 IU per day. Currently, the blended median patient prices in LMICs are \$9 per 10ml vial, translating to 36 U.S. cents/day. The current U.S. list price in retail is over \$5/day.

Biocon Biologics' recombinant human insulin has been developed using scientific expertise, R&D and manufacturing facilities that have allowed it to bring multiple biosimilar medicines to the U.S. and Europe.

So far, the company had provided over 2 billion doses of human insulin worldwide.

ITI unveils cloud services for PSUs

SPECIAL CORRESPONDENT BENGALURU

ITI Limited, a public sector undertaking in the telecommunications technology segment, has launched cloud services and solutions platform for Central and State government entities, banks, PSUs, small and medium enterprises and start-ups in India.

ITI's cloud offering would include Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Software as a Service (SaaS) and Storage as a Service (STaaS).

K. Alagesan, CMD, ITI Limited, said, "The new cloud services offered by ITI Data Center are expected to provide end-to-end IT infrastructure, including new-age cloud services to all its customers in the coming years."

China's Thundersoft to invest \$500 mn in India over 5 years

Company plans to focus on AI and Internet of Things

SPECIAL CORRESPONDENT HYDERABAD

Chinese smart device operating system and platform technology provider Thunder Software Technology Co., which has an IT development centre in Hyderabad, plans to scale up operations in India.

On Friday, chairman and CEO Hongfei Zhao said the company intended to invest \$500 million over the next five years in India towards research and development work for global customers as well as on-board more Indian clients.

It counts Intel, Qualcomm, Microsoft, Amazon, Google and Facebook among its customers. "We need to build a stronger team in Hyderabad... work

Expansion of Hyderabad operations and new centres in Pune and Bengaluru are on the cards

on more technology," he said. Artificial Intelligence (AI) and Internet of Things are focus areas on which the firm is keen to invest more. Thundersoft India vice-president Sudharani Pillai said the Hyderabad development centre worked on smart systems for mobile phones, IoT products, on 5G technology and on smart vehicles. The facility here is the only such for Thundersoft in the country and has completed one year.

Noting that the headcount in India stood at 140, the se-



tonnes of crude oil to India during April to August, almost 12% more than 18.99 million tonnes it had supplied in the same period of the previous fiscal.

India provisionally imported 91.24 million tonnes of crude oil in April-August 2019, down from 93.91 million tonnes a year ago.

Saudi Arabia has traditionally been India's top oil source, but it was for the

first time dethroned by Iraq in the 2017-18 fiscal year. Saudi Arabia, which has since then been relegated to the second spot, exported 17.74 million tonnes of crude oil, up from 15.66 million tonnes in the previous year.

Nigeria ranks third

India stopped importing crude oil from Iran following the reimposition of economic sanctions in May by the U.S., pushing down imports from the Persian Gulf nation to just 2 million tonnes from 13.3 million tonnes in the previous year, data showed.

Nigeria grabbed the third spot vacated by Iran. The African nation supplied 7.17 million tonnes of crude oil in April-August, up from 5.81 million tonnes a year ago.

Elgi opens office in Belgium

SPECIAL CORRESPONDENT COIMBATORE

Elgi Equipments has opened an office in Belgium, which will be the firm's European headquarters. The office at Brussels has training facilities and will foster innovation and collaboration, the company said in a statement.

"Europe is the third-largest market worldwide and presents us with a huge opportunity," said Jairam Varadaraj, MD, Elgi. The focus of Elgi Europe will be on building sales and service teams, added Chris Ringlister, president, Elgi Europe. Elgi has so far focussed on Italy and to some extent, France.

"Our major investment, if any, would be in the form of acquisition of distributors in Europe," Mr. Varadaraj said.