

MARKET WATCH

	06-09-2017	% CHANGE
Sensex	31,662	-0.46
US Dollar	64.10	0.03
Gold	30,550	-0.16
Brent oil	54.04	1.21

NIFTY 50

	PRICE	CHANGE
ACC	1807.10	2.15
Adani Ports	385.05	-5.25
Ambuja Cements	282.60	0.15
Asian Paints	1206.05	-0.30
Aurobindo Pharma	747.35	3.10
Axis Bank	492.85	-10.55
Bajaj Auto	2920.55	-30.15
Bank of Baroda	138.35	-0.05
Bharti Airtel	402.50	-4.00
Bosch	2166.90	-574.30
BPL	534.90	-4.35
Cipla	558.30	-1.30
Coal India	255.80	1.95
Dr Reddys Lab	2196.90	-12.25
Eicher Motors	32082.60	147.30
GAIL (India)	382.25	3.55
HCL Tech	851.05	-8.85
HDFC	1775.00	7.70
HDFC Bank	1759.90	4.55
Hero MotoCorp	3950.65	-19.80
Hindalco	245.80	3.90
Hind Unilever	1206.40	1.20
Indiabulls HFL	1264.30	23.45
ICICI Bank	295.35	-2.25
IndusInd Bank	1684.80	0.05
Bharti Infratel	371.45	-0.40
Infosys	895.60	-6.30
Indian OilCorp	428.25	-3.60
ITC	275.70	-7.15
Kotak Bank	996.15	7.75
L&T	1117.60	-9.05
Lupin	971.35	-21.30
M&M	1316.55	-8.10
Mauriti Suzuki	7846.65	29.45
NTPC	169.95	0.45
ONGC	162.30	-0.50
PowerGrid Corp	214.30	-1.90
Reliance Ind	1645.40	12.80
State Bank	274.25	-2.30
Sun Pharma	474.25	-17.60
Tata Motors	382.70	-5.45
Tata Motors DVR	214.90	-4.00
Tata Power	78.00	-0.35
Tata Steel	653.00	0.90
TCS	2453.20	-31.15
Tech Mahindra	424.60	-3.25
UltraTech Cement	4150.25	52.40
Vedanta	318.25	0.15
Wipro	297.20	-0.05
YES Bank	1793.95	15.70
Zee Entertainment	520.05	-0.65

EXCHANGE RATES

Indicative direct rates in rupees a unit except yen at 4 p.m. on September 06

CURRENCY	TT BUY	TT SELL
US Dollar	63.90	64.22
Euro	76.17	76.56
British Pound	83.34	83.77
Japanese Yen (100)	58.70	59.00
Chinese Yuan	9.79	9.84
Swiss Franc	66.82	67.17
Singapore Dollar	47.25	47.49
Canadian Dollar	51.58	51.84
Malaysian Ringgit	15.07	15.17

Source: Indian Bank

BULLION RATES CHENNAI

September 06 rates in rupees with previous rates in parentheses

Retail Silver (1g)	44.40	(44.10)
22 ct gold (1g)	2,886	(2,869)

'Corporate governance panel report to come by month end'

Scope for significant improvement in corporate disclosures, says SEBI chief Tyagi

SPECIAL CORRESPONDENT
MUMBAI

At a time when boardroom tussles at storied companies have put the spotlight on corporate governance, the committee appointed by the Securities and Exchange Board of India (SEBI) to look into such issues is all set to submit its report.

The Uday Kotak chaired committee will submit its report by this month end, said SEBI chairman Ajay Tyagi.

Speaking at a capital market seminar organised by industry body FICCI, Mr. Tyagi said there was scope for significant improvements in corporate governance and disclosures regarding related-party transactions and board accountability.

"We feel much needs to be done on corporate governance... Improved disclo-



Plugging holes: Accountability and evaluation of boards seriously need looking into, says Ajay Tyagi. ■ PAUL NORONHA

ures on related-party transactions and accountability and evaluation of boards are issues that seriously need to be looked into," he said.

Among other areas, the 24-member panel was tasked to submit recommendations for "ensuring independence

in spirit of independent directors and their active participation in functioning of the company" along with "disclosure and transparency-related issues".

Reuters reports: A senior SEBI official warned

about the impact of "huge" foreign investments on the rupee and called for ways to manage the inflows through "a calibrated system."

The comments, by Whole-Time Member G. Mahalingam, mark the strongest public comments this year from a regulator about the effects of strong inflows in pushing up the currency.

Foreign investors have bought a net \$23.1 billion in Indian debt so far this year.

They have been net buyers of \$6.8 billion in shares.

"A huge amount of foreign inflows into the country at a time when the currency in the country has been showing a substantial amount of appreciation is something which the regulator is going to be concerned about," Mr. Mahalingam said.

Govt. warns directors of 2.09 lakh scrapped firms

Penal action against unauthorised use of bank accounts

SPECIAL CORRESPONDENT
NEW DELHI

The government has warned directors of the 2.09 lakh companies, which have been struck off the Register of Companies, against siphoning funds out of these firms' bank accounts, for this could attract punishment that includes at least six months up to three years of imprisonment.

The finance ministry had, on Tuesday, urged banks to freeze bank accounts of 2.09 lakh firms. On Wednesday, the ministry warned that the 'two to three lakh directors' of firms that have been disqualified would face 'strict action' even if they have 'siphoned off any money prior to' banks imposing restrictions on such accounts.

Newly appointed Minister of State for Corporate Affairs P.P. Chaudhary said more



P.P. Chaudhary

shell companies were being identified, as efforts were under way to identify the ultimate beneficiaries behind firms already struck off.

'Professionals identified' Professionals such as chartered accountants, company secretaries and cost accountants associated with such shell companies and involved in illegal activities had been identified in cer-

tain cases and action against them was being monitored, he added. "The weeding out of shell companies would not only help in checking the menace of black money but also would promote an ecosystem of 'Ease of Doing Business' and enhancing investors' confidence..."

"The financial status of the companies would be reflected in a true and fair manner which would minimise the possibility of frauds and tax evasion... the availability of funds for illegal purposes will also be choked," the minister said.

"... in case the director... of any 'struck off' company tries to unauthorisedly siphon-off money from its bank account, he/she may attract punishment of imprisonment of not less than six months extendable to 10 years," a statement said.

EEPC seeks 90% GST refund for exporters

Apex body asks minister to intervene

SPECIAL CORRESPONDENT
NEW DELHI

The apex body for the country's engineering exporters, EEPC India, asked commerce minister Suresh Prabhu to intervene with the Finance Ministry and the Goods and Services Tax (GST) Council and push for release of at least 90% GST refunds to exporters immediately after the shipping bills are filed.

In a statement on Wednesday, EEPC India said while the government had extended the dates for filing of July returns for GST to September 10, 25 and 30, as

well as for August to October 5, 10 and 15, "ironically, it would mean blocking of GST refunds for exporters, who are in any case hard pressed for cash and have been significantly disadvantaged by the continuous rise in value of the Rupee against the U.S. dollar," said an EEPC India statement.

GST refunds of at least ₹1,520 crore would be held up till the third week of October for the month of July. If the Integrated GST paid by exporters is added, the dues to exporters would be in excess of ₹1,700 crore for July itself, it added.

'District-wise plan to help boost manufacturing'

'Make In India' to be re-evaluated, says Suresh Prabhu

SPECIAL CORRESPONDENT
NEW DELHI

The new commerce and industry minister Suresh Prabhu on Wednesday outlined his priorities. They include firming up a district-wise industrial investment plan to help boost the share of manufacturing in the country's GDP, as well as improving India's economic diplomacy to spur exports and investments.

His priorities also include addressing challenges being faced by exporters owing to the Goods and Services Tax, integrating India's exports

into the global supply chain, improving logistics to reduce transaction costs of exporters and bringing out an agricultural export policy.

'Basis of decisions'

Addressing reporters, Mr. Prabhu said he had held a meeting with 'Invest India' (the government's investment promotion and facilitation arm), and sought a district-wise plan for boosting investments in manufacturing and other sectors. "Ultimately every investor makes their investments in districts, and base their de-

isions on factors including the district's human resources, natural resources and the law and order situation." Noting that each district had core competencies, Mr. Prabhu said he would work with state governments to bring out a plan.

The minister said there would also be a re-evaluation of the 'Make In India' initiative to find out more ways to revitalise manufacturing. He also called for laying emphasis not only on the 'Make in India' initiative but also on 'Design In India' for attracting investments.

Centre sets up panel to suggest on new jobs

Task force to report by November

SPECIAL CORRESPONDENT
NEW DELHI

The NDA government has constituted a new task force led by NITI Aayog vice-chairman Rajiv Kumar to recommend measures to increase employment by promoting labour-intensive exports.

"While the Indian workforce has high aspirations, a majority of the workers are still employed in low-productivity, low-wage jobs in small, micro and own-account enterprises. An urgent and sustained expansion of the organized sector is essential to address In-

dia's unemployment and under-employment issue," the NITI Aayog said in a statement on Wednesday.

Key strategy

"An important strategy is to enable a shift towards more labour-intensive goods and services that are destined for exports. Given the importance of exports in generating jobs, India needs to create an environment in which globally competitive exporters can emerge and flourish," the Aayog noted. The committee has been asked to submit its report by November 2017.

INTERVIEW | RAGHURAM RAJAN

'In circumstances, RBI has to make decisions that banks skirt'

Ultimately, right resolution is to have bankers make the commercial decisions

RAGHUVIR SRINIVASAN
CHENNAI

Former RBI governor, Raghuram Rajan's latest book "I do what I do - On reform, rhetoric and resolve" was released on Tuesday in Chennai. Ahead of the book's release, he spoke on a wide range of subjects including tackling the NPA mess and independence of the RBI and the controversies over his public speeches. Asked if he'd return to serve India in a higher position, he termed it "hypothetical", and said there was no need for his services at this point in time, adding: "I'm happy being where I am." Excerpts:



■ BIJOY GHOSH

There is some criticism of the powers given to the RBI to give directions to banks to act against defaulters. Is it a good idea for the RBI to roll up its sleeves and get into what is obviously the turf of banks?

■ Well, if you put it in that way, the answer is that it is not the RBI's job to make commercial decisions. The more into the nitty-gritty that it gets into, the more that the RBI moves away from its traditional job as regulator. That said, there might be special circumstances in which, at least temporarily, it has been requisitioned to make decisions that the banks will not do. Ultimately, the right resolution is to get bankers to make the commercial decisions that they have to make and not have either the government or the regulator to tell them what to do.

Is the move to get RBI actively involved born out of the realisation that banks are unwilling to act?

■ I think it is important that we clean up the banking system. When you push entities on to the

bankruptcy court, you're basically saying that bankruptcy code and its process internally is going to decide what the clean up is going to be.

You're not making the commercial decision yourself, though triggering the bankruptcy code is itself sometimes a commercial decision.

So, it's a small step you're taking from the central bank. If the central bank is also going to approve haircuts, this and that, and the extent of it, then it perhaps becomes going beyond what one could reasonably expect the expertise of the central bank to be. But yes, this probably stems from the banks themselves being unwilling to take the ultimate decisions partly for fear of being blamed when they take haircuts and so on.

What do you think of the idea of merging the weak banks with stronger ones to contain the NPA mess?

■ You have to be careful in any kind of merger that you don't merge and get a big weak bank! You'd hope that the strong bank would clean up the weak bank's problems but there are very

few banks without problems today in the public sector. So, the question you have to ask is are there any dangers in distracting the bankers once again with a new set of issues such as headache with mergers and so on and not resolving the real problem which is cleaning up their balance sheets.

But at a philosophical level, there's this argument that our biggest bank is small by global standards and hence not able to fund mega projects or assume greater risks...

■ That may well be but at this point your most urgent task is to clean up the banks and recapitalise them. Once they're on an even keel you can worry about that decision. But tell me, which are the mega projects that are waiting there to get financed by the big banks? It's not clear to me that our demand for investment is that strong right now. There might well be some obvious

mergers, I haven't been looking at this in close detail. But I wouldn't use mergers as yet another way to escape the necessity for cleaning up and hope that somehow you put a stronger bank with a weaker bank and figure out a way to clean up. It's not clear to me that we have that many strong banks to believe that process will magically happen.

Some of your speeches during your terms as governor lead to adverse attention. If you were to give those speeches again now, do you think you would word them differently?

■ I don't think so. I think that the alternative is not changing the speeches, the alternative is not speaking! Because, if you have a situation where people are looking for a certain angle, they'll find it in whatever you say.

The point is not what you say but the fact that you're speaking at all; in fact, the fact that you're governor at all! In that kind of an environment I don't think there's the easy option of speaking different things. As I said in the book, the challenge is to make sure that every word stands on its own taken out of its context. That's an impossible challenge!

You're relatively young, experienced, been a central banker...is it right for me to assume that at some point in the near future you'll return to India to a more powerful position?

■ It's a good question, a hypothetical one.

I said in my letter to the RBI that I was open to coming back to work for the country if and when it needs me. At this point there's no such need and I'm pretty happy working where I am.

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The proposals are to be submitted online on www.etenders.gov.in

Proposal Submission - Online 19.09.2017, 20.09.2017, 25.09.2017 & 26.09.2017 upto 11:00 AM	Proposal Submission (at NHA! HQ) - Physical 20.09.2017, 21.09.2017, 26.09.2017 & 27.09.2017 upto 11:00 AM	Opening of Proposal 20.09.2017 (6 Nos) 21.09.2017 (5 Nos) 26.09.2017 (7 Nos) & 27.09.2017 (16 Nos) at 11:30 AM
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