THE HINDU CHENNAR FRIDAY, SEPTEMBER 29, 2017

MARKET WATCH

	28-09-2017	% CHANGE	
Sensex	31,282	0.39	
US Dollar	65.50	0.33	
Gold	30,750	-0.81	
Brent oil	57.78	-0.14	

FM urges CPSEs to spend 'aggressively'

Increased capital expenditure by public sector enterprises can boost investment in economy: Jaitley

PRICE CHANGE 1645.85 . 56.10 Adani Ports 372.05 -0.50 Ambuia Cements 268.05 5.65 Asian Paints 1130.00 -30.00 Aurobindo Pharma . 675.80 -13.90 511.80 Axis Bank 5.50 Bajaj Auto 3039.45 8.20 0.05 Bank of Baroda 138.55 Bharti Airtel 382.05 -3.90 Bosch 20682.45 -430.10 BPCL 462.85 -2.75 Cipla. 582.65 . 12.55 Coal India 267.80 . 6.95 Dr Reddys Lab 2375.40 70.70 30185.20... -285.00 Eicher Motors 396.25 GAIL (India) -3.50 HCL Tech. 875.20 0.55 1744.35 25.00 HDFC HDFC Bank 1795.30 18.80 3740.05 12.65 Hero MotoCorp Hindalco 238.45 4.80 -3.10 Hind Unilever 1202.80 ndiabulls HF 1210.20 -12.90 ICICI Bank 275.95 -0.45 IndusInd Ban 1680.75 12.80 Bharti Infratel 392.60 9.95 -3.80 896.00 Infosys Indian OilCorp 397.40 1.75 3.05 ITC. 261.55 25.65 Kotak Bank 1005.25 L&T 1133.35 -3.85 4.50 1004.85 Lupin M&M 1230.55 -1.45 7897.35 157.40 Maurti Suzuki 1.05 NTPC 166.05 171.55 ONGC 0.85 PowerGrid Corp 209.00 Reliance Ind 786.45 2.15 State Bank 252.55 Sun Pharma 499.20 Tata Motors 401.40 -3.50 -1.65 Tata Motors DVR 221.35 Tata Powe 77.25 0.35 Tata Steel 649.70 -18.55 TCS. 2476.45 4.50 Tech Mahindra 454.45 UltraTech Cement 3868.70 . 70.20 -1.45 Vedanta 308.90 285.90 -2.40 YES Bank 350.80 -2.40 Zee Entertai 520.00

EXCHANGE RAT	ΓES			
Indicative direct rates in rupees a unit except yen at 4 p.m. on September 28				
CURRENCY	TT BUY	TT SELL		
US Dollar				
Euro	76.89	77.28		
British Pound				
Japanese Yen (100)				
Chinese Yuan	9.79			
Swiss Franc	67.07	67.41		
Singapore Dollar	48.00			
Canadian Dollar	52.34			
Malaysian Ringitt	15.43			

September 28 rates in rupees with pro

Source:Indian Banl

us rates in parentheses Retail Silver (1g) 42.30.....(42.80) 22 ct gold (1 g). 2,832 (2,853)



ital expenditure plans of important CPSEs, estimated at ₹3.85 lakh crore, the minister also asked them to give "liberal dividends" to the government so that the money could be used for funding physical-social infrastructure.

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spending.

The meeting took place against the backdrop subdued private investments and sagging growth, which slowed to a three-year low of 5.7% in the first quarter of the current fiscal.

Heads of major CPSEs in

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The Centre's digital pay-

ments push, mainly card

payments through PoS ma-

chines, may leave already

capital starved banks bleed-

ing by ₹3,800 crore annu-

ban, the government has

After November's note-

ally, warns a report.

age online payments.

July 2017.

MUMBAI



Cash cows: As most PSUs have very low or no debt, they were asked to raise more debt and rely less on reserves. • PTI

sectors like petroleum, defence, power, road transport, railways, coal, mines, steel and atomic energy have assured the government of raising capital expenditure by an additional ₹25,000 crore, the finance ministry in

"Finance Minister, while addressing the Secretaries

and CMDs, stressed that the CPSEs may not only com-

a release.

'Banks may risk losing

₹3,800 cr. from cards'

Digital push could hurt lenders: report

plete their budgeted capital expenditure but should also look to aggressively push capital expenditure in the interest of boosting investment

in Indian economy," it said. Mr. Jaitley, while appreciating the commitments of the ministries and CPSEs, assured that the government would make available adequate resources but "no slackness under any circum-

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The government plans to

borrow ₹2.08 lakh crore

from the market in the

second half of 2017-18, a top

official said today, reiterating

its commitment to meet the

NEW DELHI

would stances be acceptable".

He indicated that the capital expenditure programme would again be reviewed at the end of November/early December, the statement said. It added that in the discussions for raising capital investments, it also came to attention that most public sector undertakings have very low or no debt on their balance sheet which is reflected in their low debt to equity ratios.

'Pay liberal dividends'

"CPSEs were, therefore, asked to raise more debt and not to rely entirely on cash and free reserves for finding new investments and capital expenditure," the release said.

The CPSEs which have free reserves and surplus cash "were asked to consider declaring liberal dividends" so as to promote more pro-

borrowing at ₹2.08 lakh cr.

Govt. reiterates commitment to meet fiscal deficit target

Centre pegs second-half

ductive use of such resources for financing much needed physical and social infrastructure, the finance ministry's statement said.

The CPSEs were also asked to release outstanding payments expeditiously to help improve the liquidity in the market, besides raising more resources through innovative financing arrangements like InvITs, and monetisation of assets.

After the meeting, Bharat Electronics Ltd. (BEL) CMD said: M. V. Gowtama "Already year-on-year capex has been increased by CPSEs. The government is ensuring we are on track... We have already given ambitious projects, they [government] are reviewing it."

Since private investment is low, public spending along with investment from CPSEs is expected to drive economic activities and help perk up growth.

GST: small firms may get time to file returns

Centre mulling plan for quarterly filing

SPECIAL CORRESPONDENT NEW DELHI

The Centre is considering a proposal from the industry to allow small firms to file quarterly returns even as they pay taxes on a monthly basis under the Goods and Services Tax (GST) regime. This follows the troubles

these small firms are having regarding complying with the GST norms due to their limitations in getting professional help, lack of connectivity and technological glitches.

Sources said discussions were on regarding the threshold limit for small firms who could be granted such a relaxation.

'Lack IT infrastructure' Chandrajit Banerjee, Director General, CII, said in a statement that, "filing of GST return may be made on a quarterly basis, as against the current monthly filing requirement as the MSME sector is still not well equipped with the IT infrastructure and a qualified manpower; this small measure will help bring them into the GST mainstream."

The suggestion was made at finance minister Arun Jaitley's meeting on Thursday with industry bodies and exporters to address their GST-related problems. The Federation of Indian Export Organisations (FIEO) raised demands including seeking exemption for mer-

chant exporters from GST. "Merchant exporters account for over 30% of country's exports who usually work on razor thin margins of 2-4%," FIEO said in a statement. "The imposition of GST has made their costing go haywire, particularly for products having higher GST rate, as they have to pay GST and seek refund after

> They also wanted the Centre to expedite GST re-

retaries of India (ICSI) Council Member Satwinder Singh said concerns regarding reverse charge mechanism (RCM) and refund were raised in the meeting. "Under RCM, threshold exemption for payment of tax may be increased from the present ₹5,000 to ₹50,000 which shall help ease burden of excessive compliances especially for the MSME players," the CII suggested. "Format of re-

turns may also be simplified

and only basic core details

may be required to be furnished," the CII added.



pushed banks into deploygregate annual loss for card ing millions of point-of-sale (PoS) machines to encourtransactions at PoS terminals is around ₹4,700 crore. This has resulted in in-However, the net revenue crease in debit plus credit gain per annum from ON-US cards transactions at PoS from ₹51,900 crore in Octobe around ₹900 crore only.

ber 2016 to ₹68,500 crore in around ₹3,800 crore," SBI Research said in a report.



transactions at PoS would 'Therefore, the total annual loss to the industry is

"We estimate that for OFF-US transactions, the ag-



The government borrowed ₹3.72 lakh crore in the first half and has pegged gross borrowings at ₹2.08 lakh crore in the remaining



S.C. Garg •PTI

nomic Affairs Secretary Subhash Chandra Garg told reporters after a meeting to decide the borrowing calendar. The net borrowings in the October-March period of

₹1.92 lakh crore. Amid talks of stimulus package to boost sagging economic growth, Mr. Garg said deficit targets are set in

the Budget and the finance ministry will stick to them as of now. He further said that the assessment of additional borrowing requirement, if any, would be made in December. He added however that there seems to be

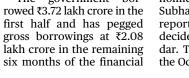
the year has been pegged at

Central Public Sector Enterprises' capital expenditure of more than ₹3.75 lakh crore was moving as per the plan, Mr. Garg said.

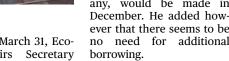
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year ending March 31, Eco-



borrowing.

BUSINESS

funds to help them tide over the liquidity crunch. " ... even in the best of situation,

input tax credit refund would not be available before the first week of November," FIEO said.

'Financial wherewithal'

"Most of the exporters, particularly from MSME category, hardly have financial wherewithal to pay GST liabilities for three months without having refund in the meantime."

"For ease of doing busi-

ness especially for the

MSME, provisional input tax

credit period may be exten-

ded to 6 months from the

current 2 months' period;

this will help cross matching

of invoices through the

GSTN portal and also save

the blockage of the working

capital for the small play-

ers," said the CII's Mr.

Institute of Company Sec-

Banerjee.



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