

Together

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Jan- Feb 2017 **Budget Issue**

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THIS ISSUE

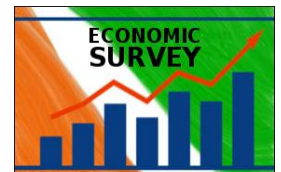
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“Given the general environment of uncertainty both domestically & abroad, the RBI decision to maintain status quo was on expected lines. The change of stance from accommodative to neutral, gives space to move either way.”

– Arundhati Bhattacharya, Chairman, State Bank of India, on the recent RBI Monetary Policy announcement of keeping interest rates unchanged, signalling a possible end to the downward interest cycle.



Amidst low public sentiments & high expectations post demonetization, Budget 2017-18- The 4th Budget of the NDA government in series, was unveiled by the union Finance Minister, in the parliament, on 1st of this month. The government has packed this budget with enough reforms to meet its primary objective of boosting India's GDP growth rate by stimulating public Investment in agriculture, social sector, infrastructure & employment generation. I tried to see the Union Budget 2017-18 from a different set of lenses & interestingly found some newness in this budget, to meet some specific objectives, thus making it different from some past budgets. I think, it is worth pointing out those-

At the outset, it is worth pointing out that, Budget 2017-18 was preponed & presented on 1st February, as against, the usual date of the last working day of February this year. The reason the government cites for this change is- To give sufficient time to the ministries to streamline all activities, for implementation of government schemes, soon after commencement of the new fiscal year. Moreover, we find Budget 2017-18 to be a joint budget- A merger of Railway Budget with the General Budget. The reason the government cites for this change is- To bring railways to the centre of the government's fiscal policy, allocating a total capital expenditure of 1.31 lakh crore for railways, which is up by 8.26% than that of the last budget. Further, in this budget, the government has set a very unique Agenda for FY 2017-18 & has named it as TEC India - "Transform, Energize & Clean India".



By "Transform India" the government means- To transform, the quality of governance in India & transform, the quality of life of people of India. By

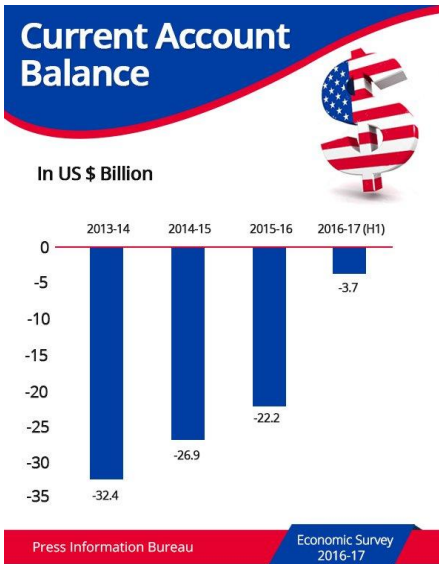
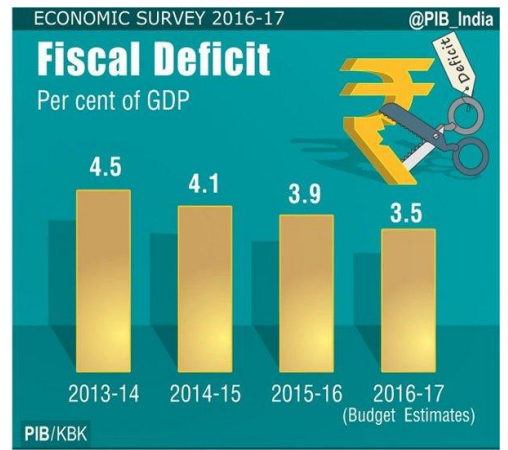
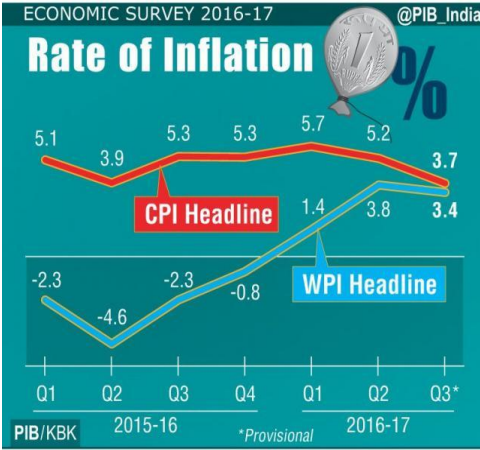
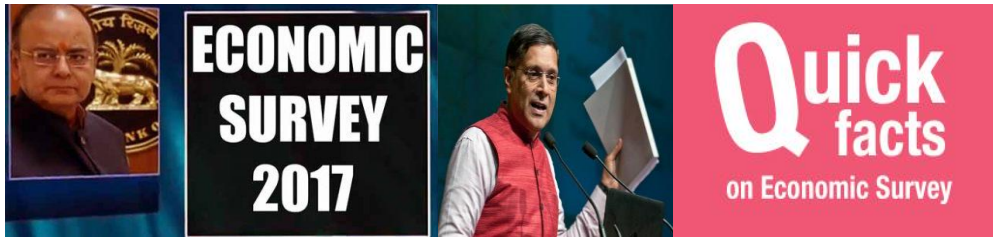
'Energize India' it means- To energize the less-privileged & vulnerable sections of the society like, the SCs & STs, below poverty line people, youth, women & children by creating employment opportunities. By 'Clean India' it means-To clean the country from the evils of corruption, black money & non-transparent political funding.

Budget 2017-18 is unique also in the sense that, this budget will implement a significant policy reform initiative of the previous budget, which is- Removal of Plan & Non-plan classification of government's expenditure. Such a major policy change would be introduced in FY 2017-18, to facilitate a holistic allocation of funds into different sectors, for improved outcomes. One more major policy decision reflected in this budget is to abolish, the long existing, Foreign Investment Promotion Board (FIPB) - The agency which approves foreign investment proposals in India, to promote 'Ease of doing business in India' by further liberalizing FDI inflow into India, only through automatic route of RBI. Finally, it is noteworthy that, for the first time in the history of India, a budget has emphasized on 'quality of education' at different levels & has introduced a system of measuring annual learning outcomes in our education system. With respect to quality higher education, the line in the budget, "Good quality higher education institutions to have greater administrative & academic autonomy" is quite encouraging. A National Testing Agency outlined in the budget speech is a step in the right direction.

Maulana Abul Kalam Azad had once said – "Many people plant trees but few of them get fruit of it". It's true that Prime Minister Modi is trying to put the building blocks together to build India of his dreams, in the coming decade but there are enough past evidences that many big initiatives under previous regimes have failed mainly due to inefficient implementation. So, fingers crossed.... Yet, let's be hopeful & optimistic that, the fruits of this year's budgetary initiatives will impact the country in a wider & substantial manner.


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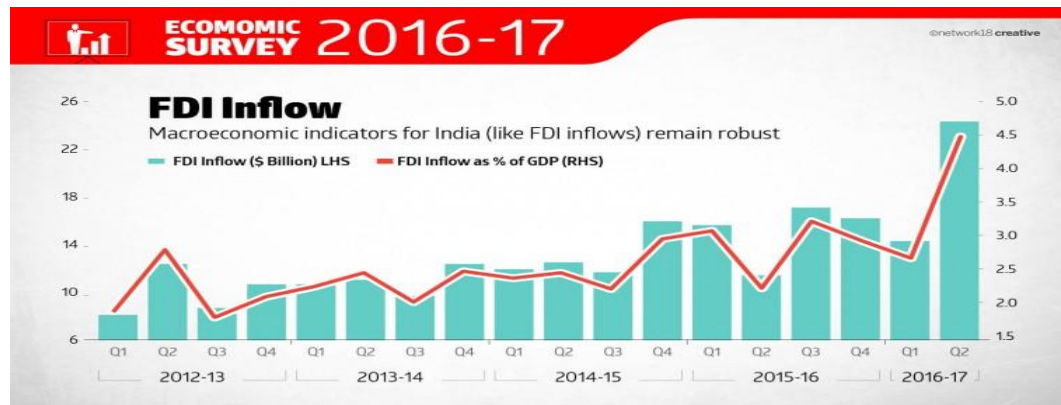
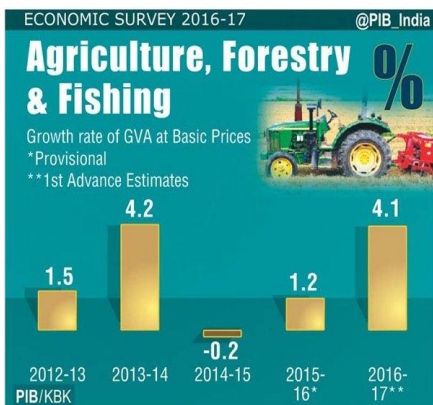
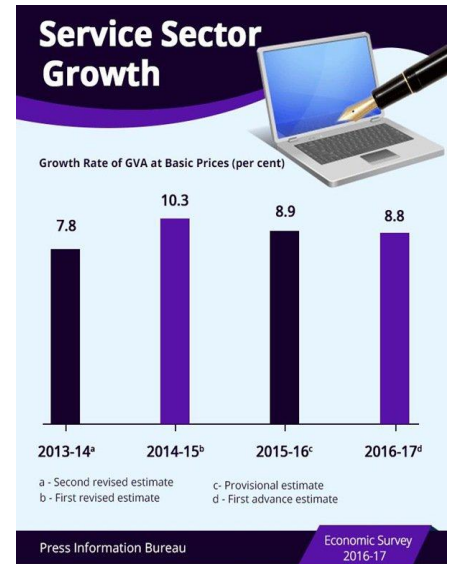
A PRELUDE TO UNION BUDGET 2017-18



ECONOMIC SURVEY 2016-17 HIGHLIGHTS

- Agriculture sector growth 4.1% in FY 2016-17, up from 1.2% in 2015-16.
- Industrial sector growth to come down to 5.2% in 2016-17 from 7.4% in 2015-16.
- Service sector estimated to grow at 8.9% in 2016-17.
- Economic growth in FY 2017-18 between 6.7% and 7.5%.
- Demonetisation risk to growth in next fiscal year.
- Property tax can be tapped to generate revenue at city level.
- Labour migration increasing at accelerating rate.
- Fiscal activism of advanced economies not relevant to India.
- Universal Basic Income an alternative to plethora of state subsidies for poverty.
- Suggests setting up a centralized Public Sector Asset Rehabilitation Agency.
- Current Account Deficit in 1H of FY 2016-17 narrowed to 0.3% of GDP.
- Headline CPI inflation under control in FY 2016-17.
- Decline in Fiscal deficit has continued.
- GDP estimated at 7.1%

NEWS 18



MANAGEMENT

QUIZ-23

MANAGEMENT

QUIZ NO.23 –

Task Ahead



1. Morgan Stanley recently slashed its estimated value of Flipkart to \$____, its 4th such markdown in nine months.
2. Which US-based startup is planning to reintroduce supersonic jet travel to commercial airlines?
3. This member of the Tata family has been marked as a contender for the top job at Tata Sons.
4. “Enduring setbacks while maintaining the ability to show others the way to go forward is a true test of leadership.” Who said it?
5. Fitch became the first global rating agency to lower India’s growth forecasts, dropping the GDP growth forecast from 7.4% to ____% for FY2016-17.
6. The ASEAN CEO of which multinational banking and financial services giant resigned due to personal disclosure lapses?
7. India TV’s Rajat Sharma is in talks to acquire a controlling stake at this Indian media company known for having a host of music channels.
8. Which Malaysian company is looking to sell its 20% stake in Idea Cellular?
9. In FY2016, India’s trade deficit with China rose to \$_____.
10. Which Indian state became the first in Asia to open a cycling highway?

HAPPY QUIZZING!

Students are encouraged to send answers to **Management Quiz No.23**, to the Email: usha@imis.ac.in, latest by 28^h Feb. 2017, to win attractive prizes, for all correct answers..

Answers to Management Quiz No. 22

(Together, Nov-Dec 2016, Vol.6, No.83, p-4)

1. Ather Energy 2. 130th 3. Patanjali Ayurved 4. 2.35 hours 5. Mahesh Samat
6. 2020 7. Cyrus Mistry 8. 96% 9. US\$ 85 bn 10. Tesla Motors

QUICK TAKE-
Budget 2017
Facts & Figures



TEC India

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- Transform the quality of governance and quality of life of our people;
- Energise various sections of society, especially the youth and the vulnerable, and enable them to unleash their true potential; and
- Clean the country from the evils of corruption, black money and non-transparent political funding.



#BudgetForBetterIndia



Agriculture
Double Farmer Incomes in 5 years

Rural India
Boosting Employment and infrastructure creation

Youth
Providing Education, Skills and Jobs

Poor
Holistic Improvement in Quality of Life

Infrastructure
For Efficiency & Productivity

Financial sector
Liberalisation & Institution strengthening

Digital economy
For Speed, Accountability & Transparency

Public Service
Efficient Service Delivery


Prudent fiscal management
Ensuring Optimal Development of Resources

Tax administration
Honoring the Honest

UNION BUDGET 2017-18

At a Glance

(in Rs crore)



	2015-16 Actuals (Prov.)	2016-17 Budget Estimates	2016-17 Revised Estimates	2017-18 Budget Estimates
Revenue Receipts	1195025	1377022	1423562	1515771
Capital Receipts	595748	601038	590845	630964
Total Receipts	1790783	1978060	2014407	2146735
Scheme Expenditure	725114	801966	869847	945078
Exp. on Other than Schemes	1065669	1176094	1144560	1201657
Total Expenditure	1790783	1978060	2014407	2146735
Revenue Deficit	342736	354015	310998	321163
Fiscal Deficit	532791	533904	534274	546532
Primary Deficit	91132	41234	51205	23454

Union Budget 2017-18


Rupee comes from

Borrowings and Other Liabilities: 19p

Corporation Tax: 19p

Income Tax: 16p

Customs: 9p



Non-debt Capital Receipts: 3p

Non-tax Revenue: 10p

Service Tax & Other Taxes: 10p

Union Excise Duties: 14p


Rupee goes to

Centrally Sponsored Scheme: 10p

Central Sector Scheme: 11p

Interest Payments: 18p

Defence: 9p



Other Expenditure: 13p

States' Share of Taxes & Duties: 24p

Finance Commission and Other Transfers: 5p

Subsidies: 10p

Source: Union Budget 2017-18 documents
PIB/KBK

Income Tax Slab Rates for FY 2017-18 or AY 2018-19

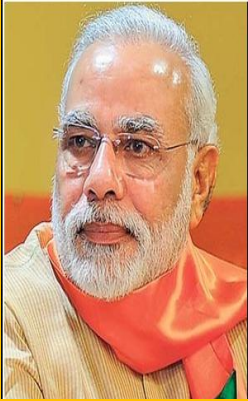
(www.basunivesh.com)

Income Slab	Individuals	Senior Citizens (Age above 60 Yrs but below 80 Yrs)	Very Senior Citizens (Age 80 Yrs and above)
Up to Rs.2,50,000	Nil	Nil	Nil
Rs.2,50,001 to Rs.3,00,000	5%	Nil	Nil
Rs.3,00,001 to Rs.5,00,000	5%	5%	Nil
Rs.5,00,001 to Rs.10,00,000	20%	20%	20%
Above Rs.10,00,000	30%	30%	30%

REACTIONS

UNION BUDGET

2 0 1 7



This budget is a Sanjeevani (new life) and an Arunoday (sunrise) for the last man in the line. This budget converts hopes and aspirations of the people into trust. It adds a new ray of hope for the poor and downtrodden sections of the society.

— Narendra Modi —



“The budget has chalked a clear fiscal path for years ahead and with the proposed changes in the personal income tax at the lowest slab, the target of 3.2% of the GDP may be achieved if new reforms like GST kicks in within stipulated time.”

Arundhati Bhattacharya

-Chairperson and Managing Director of SBI,

Budget 2016 was a bonanza for startups, while Budget 2017 is bonanza for the digital economy.

-Vijay Shekhar Sharma,
Founder and CEO of Paytm
On Budget 2017



We commend the focus on growing the digital footprint in the country.

-Kunal Bahl
Co-founder & CEO, Snapdeal
On Budget 2017



Overall a safe and balanced budget, which could have been bolder. Good allocations for rural development, affordable housing, agriculture and infrastructure sectors. Some incentives for MSMEs but corporate tax reduction linked to job creation and investments was missing which would have spurred much needed private sector investment.

Kiran Mazumdar Shaw

-Chairperson and Managing Director of Biocon Limited



It's a well-balanced Budget which has incentives for agricultural sector, promise of complete rural electrification, a push towards the digital economy, opportunities for start-up world, etc. There are certain lacking too such as the lack of commitment to improve rural telecom infrastructure. Still, the Budget has moved in the right direction, even as there is a lot more to do.

Sachin Bansal

-Executive Chairman of Flipkart

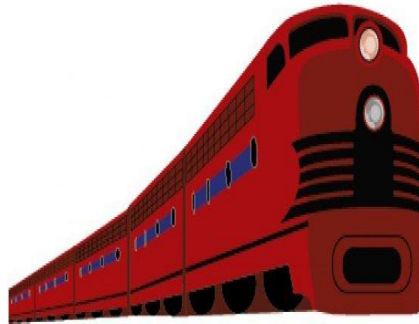
Stock markets seemed to give a resounding thumbs-up to Union Finance Minister Arun Jaitley's Budget 2017. Both the Sensex and Nifty rose steadily as Jaitley's speech progressed in the Lok Sabha and registered gains of around 1 percent by the time he finished. When Jaitley took his seat after finishing his speech, the Sensex was more than 300 points up and the Nifty was up by 80. The rupee too has added of positivity to Budget 2017 day appreciating 24 paise, to Rs 67.63 to the dollar- **TIMES OF INDIA, 1st Feb. 2017**

RAILWAY BUDGET

Vital part of
Union Budget 2017

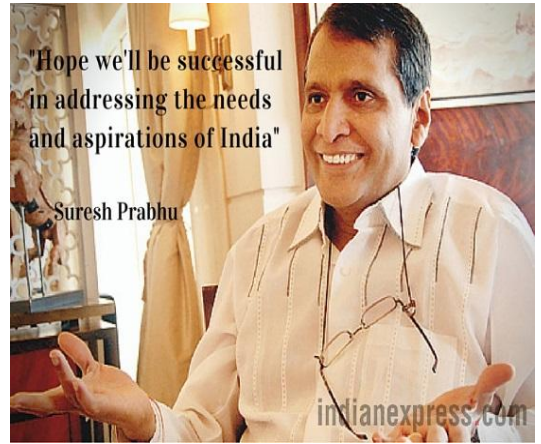


Railway Budget 2017-18 Highlights



"Hope we'll be successful
in addressing the needs
and aspirations of India"

- Suresh Prabhu



Railways



Engine of Growth

- 7,000 stations to be solar powered in the medium term.
- 'Coach Mitra', a single window interface, to register all coach related complaints to be launched.

BUDGET 2017

RAILWAYS

- >> ₹ 1.3L cr investment to modernize, improve infra
- >> ₹ 100,000cr safety fund corpus to be created over 5 years
- >> Bio toilets for all coaches by 2019

500 STATIONS WILL BE MADE DISABLED-FRIENDLY

TOI FOR MORE INFOGRAPHICS DOWNLOAD TIMES OF INDIA APP

Budget-2017-18



Focus of the Budget

- Maintaining the momentum on capacity enhancement despite challenges-slow growth in freight and burden of Pay Commission.
- Safety.
- Improving Railways' modal share in freight.
- Enhancing passenger experience.
- Station Redevelopment.
- Transition to convenient cashless payments.
- Transformational Initiatives-churning from Rail Vikas Shivr.

#BudgetForBetterIndia



RAILWAYS & INFRASTRUCTURE


- Rail safety fund with corpus of Rs 100,000 crore will be created over a period of 5 years
- At least 25 stations expected to be awarded during 2017-18; 500 stations to be made differently abled-friendly by providing lifts and escalators
- Steps will be taken to launch dedicated trains for pilgrimage and tourism: FM Jaitley
- 133-km road per day constructed under Pradhan Mantri Gram Sadak Yojana as against 73-km in 2011-14

HIGHLIGHTS OF RAILWAYS

Rs 55000 cr allocated to Railways.
Total of Rs 1,31,000 cr to be spent in FY 18

New metro rail policy will be unveiled

Service charge on e-tickets booked through IRCTC will be withdrawn

 500 railway stations will be made differently-abled friendly

 Coach Mitra facility to redress grievances related to rail coaches

Rs 1 lakh cr corpus for railway safety fund

All coaches of the Indian Railways will be fitted with bio-toilets by 2019

The Railway Budget has also emphasized setting higher execution targets with commissioning of 3,500 km of railway lines in FY2018 as compared to 2,800 km during FY2017. Furthermore, under the station redevelopment plan, the Budget proposes to award at least 25 more stations, which will provide a fillip to the Public Private Partnership (PPP) model in the sector.



A dozen civic bodies to raise Rs 6k crore through bonds in 2017

Economic Times | Jan 02, 2017

About a dozen municipalities would raise nearly Rs. 6,000 crore through bonds during 2017 for infrastructure projects, according to an estimate by the government. This will be over four times the total municipal bonds raised in the past 20 years across the country. Pune is taking the lead among the 17 smart cities that have completed their credit rating.

Slowdown in new investments post demonetization: CMIE

Economic Times | Jan 03, 2017

Investments have fallen sharply post demonetisation, slipping to their lowest under the current Narendra Modi-led NDA government, data released by the Centre for Monitoring Indian Economy (CMIE) showed. In the quarter to December, new investment proposals worth Rs 1.25 lakh crore were observed, CMIE said, contrasting it with the average Rs 2.36 lakh crore worth of new investments per quarter in the preceding nine quarters of the Modi government.

Reserve Bank of India to give Nepal rupees 1 billion in 100-rupee notes

Economic times | Jan 07, 2017

The Reserve Bank of India (RBI) has agreed to provide Rs 1 billion to the Nepal Rastra Bank (NRB) after its request that the country was facing a shortage of INR 100 denomination banknotes. The NRB's plan to import Rs 100 denomination notes was delayed due to the Indian government's move to demonetise Rs 500 and Rs 1,000 currency notes on November 8.

Income Tax department detects undisclosed income of over Rs.5300 crore

Economic Times | Jan 09, 2017

The Income Tax department has detected un-disclosed income of over Rs 5,343 crore and seized Rs 114 crore of new notes which were allegedly procured illegally in its nation-wide operation against black money hoarders post demonetisation. Official sources said the taxman, exactly after two months after demonetisation was announced, has carried out a total of 1,156 search, survey and enquiry operations under the provisions of the I-T Act since the note ban was declared on November 8.

Barclays becomes first lender to tie up with India Post

Economic Times | Jan 10, 2017

British lender Barclays today became the first bank to have a national tie-up with the India Post which runs over 1, 55,000 post offices across the country. Others like Deutsche Bank, Citi, HSBC and many other domestic banks are also waiting for such a tie-up with the postal department which recently secured a payments bank licence. The tie-up with India Post allows Barclays to extend its services across the 1,55,000 post offices across the nook and cranny of the country.

**Budget
for better
INDIA
2017-18**



DIGITAL ECONOMY:

2 new schemes for BHIM app - cashback for merchants and Aadhaar payment option



RURAL ECONOMY:

Complete rural electrification by May 1, 2018; target for farm credit fixed at ₹10 lakh crore



RAILWAYS: ₹1.3L cr for development; 500 stations to be made disabled friendly; bio-toilets in all coaches



INFRASTRUCTURE: Allocation at ₹3.96L cr, including ₹64,000 crore for highways and ₹2L cr for transport sector

Trade deficit at \$10.4 bn on export, import rise

Economic Times | Jan 14, 2017

Trade numbers for December released on Friday provide more cheer for the economy a day after November industrial growth numbers surprised on the upside, suggesting economy may not have been hit as hard by demonetisation as feared. Exports were up fourth month running, rising 5.7% in December to \$23.8 billion, the highest since March 2015, commerce and industry ministry data showed 18 of the 30 export sectors registered growth.

RBI has pumped in 9.2 trillion rupees of new notes so far

Business Standard | Thu Jan 18, 2017

The Reserve Bank of India (RBI) has injected 9.2 trillion rupees (\$135.21 billion) worth of new currency notes into the banking system to help replace the notes banned in November, a parliamentary source quoted central bank governor Urjit Patel as saying on Wednesday.

India likely to need higher sugar imports, says leading refiner

Money control | Jan 25, 2017

India's sugar production is likely to be lower than government estimates this season, raising the possibility of higher imports by the world's biggest consumer of the sweetener, the chief executive of leading Indian refiner Shree Renuka Sugars told Reuters. The government has forecast production of 22.5 million tonnes for the 2016/17 season.

BSE exchange draws robust demand for \$182 million IPO

Reuters | Jan 25, 2017

An initial public offering from BSE Ltd, the country's second-biggest stock exchange, was well oversubscribed on the last day of the sale, helped by attractive valuations and expectations of robust growth for stocks in the coming years. The IPO, which is seeking to raise 12.43 billion rupees (\$182 million), saw bids for 51 times the number of shares on offer. The strongest demand came from high net-worth individuals, who bid for 159 times the shares on offer, followed by institutional investors who bid for 48.6 times the shares allotted to them.

Airtel Payments Bank- A joint venture between Bharti Airtel and Kotak Mahindra Bank offers you an interest rate of 7.25 per cent on their savings account

Business Today | Jan 27

Airtel Payments Bank- a joint venture between Bharti Airtel and Kotak Mahindra Bank offers you an interest rate of 7.25 per cent on their savings account. The rate looks very attractive when one compares it with 4-6 per cent offered by commercial banks. The Reserve Bank of India main objective behind payments banks is to achieve financial inclusion of millions of people, particularly in the remote areas of the country. It is to serve the need of transaction and savings account in rural areas.

The infographic is set against a purple background. On the left, there is a graphic of a hand holding a brown briefcase with 'Union Budget 2017-18' written on it. In the center, there is a photo of a man in a blue shirt with the text 'Transparent Political Funding' overlaid. On the right, a white box contains the title 'How An Electoral Bond Works' and a five-step process:

- 01** Notified banks are chosen
- 02** The notified bank issues electoral bonds
- 03** The donor buys an electoral bond using a cheque/digital payment
- 04** The donor gives the party of his/her choice the bond within the specified timeframe
- 05** The party deposits the bond in an account, the details of which are with the Electoral Commission

India one of world's largest recipients of FDI: Economic Survey

PTI | Feb 01, 2017

India has become one of the largest recipients of foreign direct investment on account of reform measures taken by the government, the Economic Survey for 2016-17 said today. In the most recent year, it said FDI is running at an annual rate of USD 75 billion, which is not far short of the amounts that China was receiving at the height of its growth boom in the mid-2000s.

Twitter CEO Jack Dorsey, staff donate USD 1.5 million to fight Trump visa ban

Economic Times | 3rd Feb, 2017

Twitter CEO Jack Dorsey and about 1,000 of his colleagues have donated over USD 1.5 million to a leading rights group that has pledged to fight President Donald Trump's temporary ban on refugees and immigrants from seven Muslim-majority countries. The donation has been made to American Civil Liberties Union (ACLU) that has reportedly raised more than USD 24 million in online donations in the past few days.

Delay in filing Income Tax returns will now attract fine upto Rs 10,000

Financial Express | Feb 7, 2017

The Budget has proposed imposing a fine for not filing income tax returns within the due date. For income below Rs.5 lakh, filing returns after July will attract a fine of Rs.1000 while for income above Rs.5 lakh it will be Rs.5000, if it is filed after the due date but on or before December 31 of the assessment year. It has also proposed a fee of Rs.10000 in any other case.

Indian Bank, a century-old state-owned lender, is Asia's top-performing bank stock

Financial Express | Feb 7, 2017

Indian Bank, a century-old state-owned lender based in the country's south, has emerged as Asia's top-performing bank stock in the past year, driven by a focus on consumer loans that are less likely to sour than corporate advances. The Chennai-based firm is aiming to boost retail lending, which includes mortgages and loans underpinned by gold as collateral.

Banks worry govt may not compensate them for waiving digital transaction fees

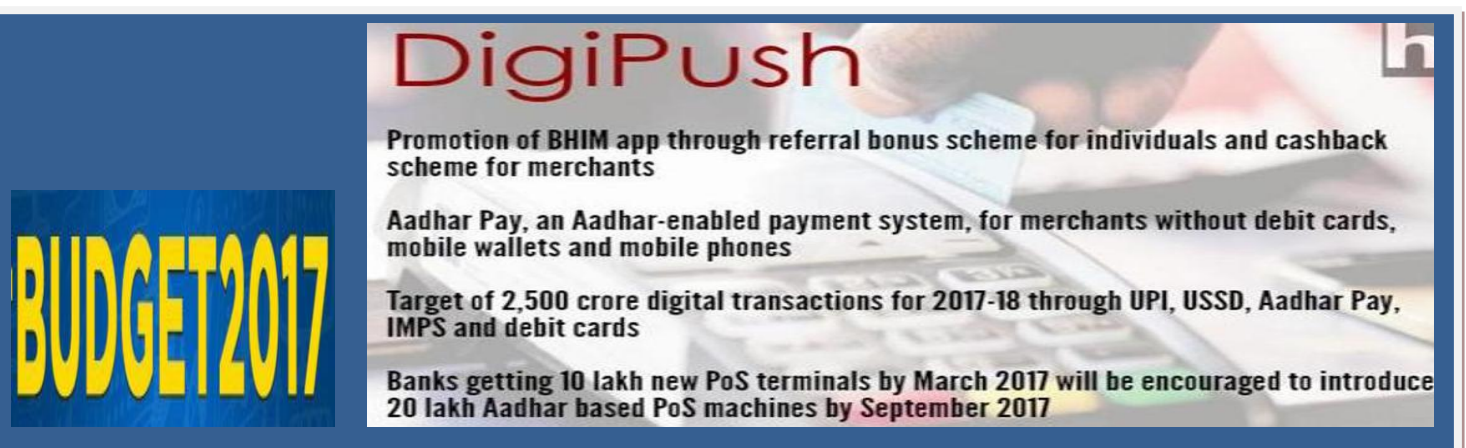
Livemint | Feb 07, 2017

State-run banks are unsure whether the government will keep its promise to compensate them for backing its effort to push digital transactions by waiving transaction fees or commissions. The government had agreed to do this for digital payments at all public sector enterprises and petrol pumps.

ESOPs exempt from budget proposals on long-term capital gains tax

Livemint | Feb 07, 2017

All genuine transactions, including employee stock options will be exempt from the budget proposals on long-term capital gains tax (LTCG), finance ministry officials said on Monday, seeking to assure investors worried about the implications of this provision. The budget proposed to deny LTCG tax exemption on the sale of listed securities if securities transaction tax (STT) of 0.1% had not been paid at the time of acquiring them.



BUDGET2017

DigiPush

Promotion of BHIM app through referral bonus scheme for individuals and cashback scheme for merchants

Aadhar Pay, an Aadhar-enabled payment system, for merchants without debit cards, mobile wallets and mobile phones

Target of 2,500 crore digital transactions for 2017-18 through UPI, USSD, Aadhar Pay, IMPS and debit cards

Banks getting 10 lakh new PoS terminals by March 2017 will be encouraged to introduce 20 lakh Aadhar based PoS machines by September 2017

SBI merger will change the market dynamics

India Infoline News Service | Feb 11, 2017

As proposed by the banking major last year, SBI's merger with its associates could be the biggest advantage as it will place the bank as a global player and will dominate the banking industry post the merger, changing the Indian banking industry's dynamics. Last year, SBI had announced that it would merge itself with its five associates and Bharatiya Mahila Bank.

Banks rush to buy cyber security cover as digital payments rise

Financial Express | Feb 12, 2017

At a time when cyber threats are on the rise for banks for increasing cashless transactions and effects of demonetization, insurers see rise in demand for cyber insurance and cyber liability insurance, in particular. This is despite the fact that the industry base for cyber insurance is currently as low as 60 crore.

Dena Bank in talks with insurance companies to raise capital

PTI | Feb 13, 2017

Public sector Dena Bank is in talks with few insurance companies to raise capital, its CMD Ashwini Kumar said. Besides, the bank was also weighing alternate means to raise capital, he said adding that it would depend on the market conditions.

Operation Clean Money: Income Tax department gets overwhelming response

Financial Express | Feb 13, 2017

The Central Board of Direct Taxes (CBDT) has confirmed that Operation Clean has received an overwhelming response as over 5.27 lakh tax payers have confirmed about 7.41 lakh accounts by responding on the e-filing portal. Out of these accounts, the cash deposit amount has been confirmed in more than 99.5 percent accounts. The Ministry of Finance has also confirmed that about 4.84 lakh taxpayers haven't confirmed their accounts but the IT department is keeping a close eye on them and SMS has been sent on their mobile numbers.

S&P downgrades IDBI Bank to 'BB' on very weak asset quality

Business Standard | Feb 14, 2017

Global ratings agency Standard & Poor's (S&P) has lowered the long-term foreign currency issuer credit rating of IDBI Bank to 'BB' from 'BB+'. The asset quality of the public sector lender is expected to remain very weak over the next 12 month, S&P said.

"Our view is based on the bank's customer concentration and a sizable exposure to the highly vulnerable corporate and infrastructure segments," said S&P Global Ratings credit analyst Nikita Anand.

India's fruits exports jump up by 40% thanks to entry of large corporates

Business Standard | Feb 14, 2017

Triggered by a sharp increase in production led by grapes, India's exports of fresh fruits jumped by a staggering 40 per cent in the first nine months of the current financial year on account of a sharp decline in this seasonal fruit in competing countries. Data compiled by Agricultural & Processed Food Products Export Development Authority showed India's fresh fruits exports jumped to 487,441 tonnes (\$403 million) for the period between April and December 2016 as compared to 348,675 tonnes (\$335 million) in the corresponding quarter last year.



**CHIEF ECONOMIC ADVISOR, GOVERNMENT OF INDIA,
ARVIND SUBRAMANIAN'S IDEA ON THE TABLE.....**

*On the basis of a recent Poverty Alleviation Survey, he has proposed a **Universal Basic Income (UBI)** that ensures every citizen has a right to a minimum income to cover his basic needs as a long term solution to reduce poverty in the country. UBI can replace several subsidy-based social welfare schemes. A UBI, like constitutional rights, would be unconditional & universal. **(The survey has estimated the UBI needed to take one person out of poverty at Rs.7,620 per year.)***

COMPANIES & COMMODITIES



MSME sector growth to be muted due to demonetization: CRISIL

CNBC | Jan 05, 2017

Demonetization will pull down growth of the MSME sector in the current fiscal, even as it engineers a substantial shift away from cash transactions for nearly half of their clients, a nationwide survey by CRISIL has revealed. Unorganized players are expected to struggle more than their organized counterparts, with 37 percent of them likely to report negative revenue growth in the second half compared with a quarter of organized players. As many as 41 percent of MSMEs said their clients have shifted to cheque or electronic payment since demonetization.

Air India takes on Rajdhani Express in fare war

Times of India | Jan 05, 2017

National carrier Air India is all set to lock itself in a straight battle with the Rajdhani Express as it will launch a three-month long sale that offers airfares at the cost of train tickets. The special fares will be on offer on all routes operated by Rajdhani. The sale will continue till April 30 and the travel period will be between January 26 and April 30. The only catch is that the special tickets will be available on the airline website, office and with travel agents, will need to be bought 20 days or more prior to the date of departure.

Amazon.in sees 160% growth in seller base in 2016

CNBC | Jan 06, 2017

In line with its vision "to transform the way India buys and sells through its innovations, technology support and seller-centric services", Amazon.in till date has attracted over 140,000 sellers (160 percent year-on-year growth) across India to the marketplace. With over 50 percent of the seller base residing in tier II and III towns across India, 90 percent of the sellers on platform use Amazon.in's logistics and fulfillment services. Amazon's Global Selling program also witnessed tremendous success in 2016 by empowering over 18,000 Indian sellers to offer over 25 million 'Made in India' products to Amazon's worldwide customers.

Infosys invests over \$62 mn in start-ups; Unsilo, Trifacta, Cloudyn in list

Business Standard | Jan 22, 2017

Infosys has invested a little over \$62 million from its \$500 million innovation fund in start-ups covering areas like IoT, automation and drones. The fund was set up in 2013 with a corpus of \$100 million for start-ups and other innovative businesses outside the company. The size of the fund was expanded to \$500 million in January 2015. Infosys has invested in a dozen start-ups, including Stellaris Venture Partners, Unsilo, Trifacta, Cloudyn and TidalScale using the fund.

Budget for better INDIA 2017-18

1 YEAR OF MODI GOVT.

9 PILLARS OF DIGITAL INDIA

BharatNiti
www.bharatniti.in

- Broadband Highways**
- Public Internet Access Programme**
- Information for everyone**
- Early Harvest Programmes**
- Universal Access to Phones**
- IT for Jobs**
Electronic Delivery of Services
- eKranti**
Electronic Delivery of Services
- E-Governance**
Reforming Government through Technology
- Electronic Manufacturing**
Target NET ZERO Import

JSW bids Rs 25,000 crore for Bhushan Steel

Business Standard | Jan 25, 2017

The Sajjan Jindal-led JSW Steel has submitted a bid of Rs 25,000 crore to banks for the debt-laden Bhushan Steel. Sources close to the development indicated the deal would include taking over the debts of Bhushan Steel, which were Rs 44,477.90 crore in 2015-16, at a substantial discount. However, the Bhushan Steel management is not on board with the deal and JSW Steel is dealing with the lenders directly. Bhushan Steel's market capitalization was Rs 1,202.79 crore at the close of trade on 24th January.

Uber launches hourly cab rental service UberHIRE; cash-only option for now

Business Standard | Feb 06, 2017

UberHIRE will be available across New Delhi, Bengaluru, Chennai, Mumbai, Pune, Ahmedabad, Vizag and Nagpur. Users will be able to utilize the service for a maximum of 12 hours and will be available only between 6 am and 10 pm. The base fare for the service has been set at Rs 449 to Rs 649 depending on the city, with an initial kilometer limit post which customers will be charged per kilometer. It will not attract surge pricing and the service will only accept cash payments for now.

Vodafone-Idea merged entity will beat Airtel in spectrum share

Economics Times | Feb 06, 2017

A potential merger of Vodafone India and Idea Cellular would make the combined entity the biggest spectrum holder in India and knock off Reliance Jio from the top slot on the overall network capacity market share metric. According to the Swiss brokerage, the combined entity would have 35% network capacity share, displacing Reliance Jio, which would have 31%. The merged entity would command a 26% spectrum market share and relegate Bharti Airtel to second place on this score. At present, Sunil Mittal - led Bharti Airtel leads the industry in terms of spectrum holding with a 21% market share, with Jio at second spot with 17%.

Exports from SEZs touch Rs 2.36 lakh crore during April-September period

Economic Times | Feb 07, 2017

Exports from special economic zones (SEZs) have touched Rs 2.36 lakh crore during April-September period of the current financial year, as informed to Parliament. States which have contributed maximum in the exports include Gujarat, Karnataka, Tamil Nadu, Maharashtra, Telengana and Uttar Pradesh. During this period, 16.88 lakh jobs were generated and Rs 4.06 lakh crore were invested, Commerce and Industry Minister Nirmala Sitharaman said in a written reply to the Lok Sabha.

India oil merger may boost efficiency; faces challenges: Fitch

India Infoline | Feb 07, 2017

A proposed merger of India's state-controlled oil companies could reduce inefficiencies across the sector. It would also create an entity that is better placed to compete globally for resources, and less vulnerable to shifts in oil prices. However, a merger would face significant execution challenges, in terms of managing the integration of employees, addressing overcapacity in the merged entity, and winning the backing for the merger from private shareholders. Fitch would expect the merger to give the new entity much stronger bargaining power with suppliers, and greater financial clout to secure oil resources. The aim is to create an integrated public sector 'oil major'.



Tata Steel at its 27-month high; Q3 results show extraordinary improvement

India Infoline | Feb 08, 2017

Tata Steel on the other hand has hit its 27-month high and has also traded on its new 52 week high of Rs 487. The Company has declared its Q3FY17 results on February 7, 2017, turning profitable for the first time in the last five quarters. The net profit of the company in Q3 stands at Rs 232 crore. During the same period a year ago the company had posted a loss of Rs 2748 crore. In the last one year, the stock has doubled and has given a return of 104.36%.

2017 could bring massive quantum of deals in India's Hotels Sector

India Infoline | Feb 08, 2017

2017 has started off with a big bang for hotel real estate transactions in India. Year 2017 saw the acquisition of a majority stake in India's foremost hotel management company, Sarovar Hotels, by The Louvre Hotel Group. This transaction alone has paved the way for 2017 to set a new record in India's fledgling hotel transactions' market. In addition to the Sarovar deal, around 12 to 15 more hotel asset transactions are currently in the works. JLL Hotels' team is confident of closing about 10 to 12 such deals in 1H 2017. New hotel supply in the country slowing to 3-4% (y-o-y) over the next 3-5 years – from a high of 6-8% over the past five years – and the return of growth of India's macro-economic indicators, hotel markets will see strong performance growth in the short-to-medium term.

Infosys and Tata Sons: What happens when trust between founders & those leading an organization breaks down

Economic Times | Feb 09, 2017

Just when a boardroom brawl at the hallowed Tata group was showing signs of ebbing, another is threatening to erupt at an equally sanctified Indian corporation. At the Bengaluru-headquartered Infosys for long a bellwether for transparency and governance, cracks seem to have emerged between the founders and the board, with the former believing that there has been a violation of "Infosys' core values". The alleged violations pertain to a recent appointment of an independent director; a seemingly high severance package for a former senior executive; and a revised compensation of \$11 million for CEO Vishal Sikka.

Tata Motors launches its new subcompact sedan Tata TIGOR

India Infoline | Feb 09, 2017

Tata Motors announced that the KITE 5 concept will be christened as Tata TIGOR. The Tata TIGOR is the next offering of the IMPACT design language and is targeted at young, talented and confident individuals who express their individuality with a unique style of their own. Tata TIGOR will cater to a design and attitude led consumer and will be India's 1st 'Style back'. Tata Motors will announce its commercial launch soon and are excited to see the IMPACT of the 'Style back' on their customers.



BUDGET 2017

In 14 months, more than 150,000 gram panchayats, will have access to high-speed broadband connectivity along with Wi-Fi hotspots and other low-tariff digital services. That's the government's big promise as part of its **BharatNet** project. A **DigiGaon**, initiative with the budgetary allocation of Rs.10,000 crore will be launched to provide these using Wi-Fi hotspots.

Bharat Innovation gets SEBI nod to operate as VC fund

CNBC | Feb 10, 2017

IIM Ahmedabad - backed Bharat Innovation Fund has received market regulator SEBI's approval to operate as a fund. The objective is to support and provide funding (grants, seed capital, venture capital) and business support to innovation-driven start-ups that solve real problems faced by the masses through technology-enabled and rapidly scalable solutions. The focus is on healthcare and life-sciences (including biotech, medical devices), sustainability (energy, agriculture, environment, water) and digital technologies (especially in manufacturing, design).

TCS recognized again as top UK employer

Business Today | Feb 10, 2017

TCS, a leading global IT services, consulting and business solutions provider, has been recognized as one of the UK's top 10 employers by the Top Employers Institute. Tata Consultancy Services was ranked in the top ten of just 78 employers to achieve accreditation as a UK Top Employer. Accreditation is based on in-depth research into nine core HR criteria: Talent Strategy, Workforce Planning, On-boarding, Learning & Development, Performance Management, Leadership Development, Career & Succession Management, Compensation & Benefits and Company Culture.

Ford bets \$1 Billion on start-up founded by Waymo, Uber vets

Indian Express | Feb 11, 2017

Ford Motor is spending \$1 billion to take over a budding robotics start-up to acquire more expertise needed to reach its ambitious goal of having a fully driverless vehicle on the road by 2021. The big bet comes just a few months after the Pittsburgh start-up, Argo AI, was created. The alliance between Argo and Ford is the latest to combine the spunk and dexterity of a technologically savvy start-up with the financial muscle and manufacturing knowhow of a major automaker in the race to develop autonomous vehicles.

NPCI launches BHIM app on iOS platform

Business Today | Feb 11, 2017

National Payments Corporation of India (NPCI) today said Bharat Interface for Money (BHIM), is a smart mobile phone based app that allows simple, easy and quick payment transactions using UPI. It is available on Apple app store for download and use. The BHIM app on iOS platform is equipped with features such as pay to Aadhaar number, customer redressal mechanism with drop down menu. This app will now cater to almost 100 per cent smart phone users in the country. The languages offered currently are English and Hindi.

Aero India-2017: Foreign firms to chase 'Make in India' goals at air show

Hindustan Times / Feb 14, 2017

Top military contractors from countries across the world have firmed up plans to tap new business opportunities under the government's "Make in India" initiative at the Aero India-2017, Asia's biggest air show conducted for five-day that opens in the outskirts of Bengaluru. We will see firms from Russia, Europe, Israel and the United States – among others – hard selling their latest armament technologies to India for setting up manufacturing bases within the country. India signed 51 contracts valued at Rs 1.16 lakh crore.

**"TODAY IS CRUEL.
TOMORROW IS CRUELLER.
AND THE DAY AFTER TOMORROW
IS BEAUTIFUL."**

Jack Ma
Executive Chairman, Alibaba

