

# Scope for further rate cut by RBI: FinMin

As the government scrambles for measures to boost the slowing economy, a top finance ministry official yesterday said there is scope for an RBI rate cut at the next policy review as retail inflation continues to be low.

The statement comes ahead of the Reserve Bank's bi-monthly monetary policy decision to be announced on October 4. "There is scope for monetary easing because of inflation projections," the official said, adding that all the government analysis is made on the basis of inflation remaining under 4% in the medium term.

In its last policy review in August, the RBI reduced the repo rate by 0.25% to 6% in August, citing reduction in inflation risks. The rate cut was the first in 10 months and brought policy rates to a near 7-year low. However, retail inflation rose to a five-month high of 3.36% in August due to costlier vegetables

and fruits.

The consumer price index (CPI) based inflation was 2.36% in July. Asserting that the slowdown in the manufacturing sector is due to various reasons, the official said the response has to be from across the board, including interest rate, exchange rate for boosting the manufacturing sector.

"Once the effect of demonetisation and GST substantially reverses, we should expect those sectors picking up. But those sectors have been affected by appreciation of currency. So it's combination of these one of the factors plus appreciation of currency," the official said.

The RBI has been intervening heavily to prevent appreciation of the rupee for the last three months and the real competitiveness of the domestic currency has improved a

little bit but still not enough to offset the loss in the previous six months, the official added.

"One other good news is that volume of world exports has increased significantly. So manufacturing will pick up after impact of demonetisation and GST wearing off," he said.

With regard to the Goods and Services Tax (GST), the official said problems with regard to returns filing is coming down. There is a serious concern over behaviour as people tend to file tax returns towards the last date, the official said, adding that collections so far seem to be all right.



## Trident Texofab Ltd to enter Capital Market

By A Business Reporter

Trident Texofab Ltd, Surat based manufacturer and supplier of exclusive range of Garments & Textile Fabrics. Our range comprises of Formal Fabrics, Scarfs & Pareos, Dobbys, Jacquards, Causal Fabrics & Technical Textile Fabrics is entering the Capital Market with an IPO of 11.76 lakhs Equity Shares of Rs. 10 each at a price of Rs. 30. The issue opens on September 21, 2017 and closes on September 26, 2017. Guinness Corporate Advisors Pvt. Ltd. & Indian Overseas Bank are Lead Manager to the Issue and Karvy Computershare Pvt. Ltd. is the Registrar. The company will be listed on BSE-SME segment. The proceeds of the Issue will be uti-



<<Hardik Desai, MD, Trident Texofab Ltd.

lized for Working Capital Requirements, General Corporate Purposes and Issue Expenses.

Trident Texofab Ltd., manufactures multi-product finished, unfinished fabric range includes home furnishing, bedsheets, scarfs, pareos, suiting and shirting and technical textile fabrics, etc. at there state of art, ultra modern manufacturing unit at Surat having latest R&D center. Other range includes Home Furnishing Fabrics, Ladies Dress Material, Scarf Fabrics and Technical Textiles Fabrics are manufactured using quality-approved yarns and basic material.

The company has reported excellent results for the year ended march 2017 with revenues increasing from Rs. 6603.29 lakh to Rs. 7619.20 lakh.

## Indiabulls Mutual Fund launches Tax Savings Fund

Indiabulls Mutual Fund has announced the launch of their "Indiabulls Tax Savings Fund", an open ended Equity Linked Savings Scheme (ELSS), which helps you to save tax now and earn capital appreciation in the future. The investments in Indiabulls Tax Savings Fund in a financial year are qualified for a deduction under Section 80C of the Income Tax Act, 1961, subject to the fulfillment of the relevant conditions.

The investment objective of the Indiabulls Tax Savings Fund is to generate income and long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related

Securities

"Digitisation of the economy and roll out of GST will ensure widening of tax base in the country. More people will invest in notified Sec 80 C investments like ELSS for tax rebates. The Indiabulls Tax Savings Fund is launched to help investors avail the dual benefits of Saving Tax as well as the Potential to Grow their savings. Since the investments are made in equity and equity related securities, the returns post completion of the mandatory 3 year lock-in are tax free in the hands of the investors" said Akshay Gupta, Group Executive Head & CEO- Indiabulls Asset Management Co Ltd.

## Extend transitional provision for duty drawback: Texprocil

By A Business Reporter

The Cotton Textiles Export Promotion Council (Texprocil) has demanded extension of transitional provision for duty drawback till March 2018. "The major area of concern for the exporters is the inordinate delay in the refund of GST. Exporters who had shipped their goods in July are yet to receive their refunds of the input tax credits or the IGST paid on export goods," Texprocil chairman Ujwal Lahoti said.

"This has caused serious work-



ing capital problems for a large number of exporters. Since no exemptions are available at any stage under the GST law for exports, we urged the government to grant the refunds of GST on exports immediately after the Export General Manifest (EGM) is filed instead of the current requirement of linking the refunds to the filing of the monthly returns," Lahoti said.

## Suriname offers tremendous opportunity for Indian companies to access Latin America and EU markets, says Hoefdraad



<<Gillmore Hoefdraad, Minister of Finance, Republic of Suriname (second left) shaking hands with Andrei Nikolaevich Zhiltsov, Consul General, Russian Federation in Mumbai (third left). Also seen are: Rupa Naik, Senior Director, MVRDC World Trade Centre (left) and Vijay Kalantri, Vice Chairman, MVRDC World Trade Centre (right).

By A Business Reporter

"Suriname is very keen on strengthening relations with India and the vision of our Hon'ble President is to further strengthen South-South Co-operation and with the BRICS trading blocks. There are tremendous opportunities for Indian companies in sectors such as Oil & Gas, Mining, Gold, Solar Energy to explore and I am here to further facilitate and initiate dialogue to work closely with India and Indian counterparts," said Gillmore Hoefdraad, Minister of Finance, Republic of Suriname at the Suriname Business Forum organized by MVRDC World Trade Centre Mumbai and All India Association of Industries.

Although, the population of Suriname is half a million it has tremendous natural resources in the areas of Mining, Gold, Bauxite, Oil & Gas and Copper. This offers Indian entrepreneurs tremendous opportunity to set up industry and supply CARICOM and Latin American Countries (LAC) countries in the

light of the Free Trade Agreement (FTA) with them and further, to explore the preferential markets in Europe and ACP states, stressed Hoefdraad.

Earlier in his welcome remarks, Vijay Kalantri, Vice Chairman, World Trade Centre and President, All India Association of Industries (AIAI) said, "India's bilateral trade with Suriname stands at USD 56 million today. I expect this trade volume to double in the next three years through greater co-operation between both the countries. WTC and AIAI are willing to promote bilateral trade by partnering with trade promotion organizations and industry bodies in Suriname."

The event was attended by consul generals, representatives of MSMEs, delegates from corporate houses, financial institutions and others.

During the interactive meeting, entrepreneurs from sectors such as jewellery, agriculture, mining, shipping and logistics had interactions with Hoefdraad to explore on business opportunity in Suriname in these sectors.