

NEWS FLASH

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# Sensex tanks 374 points after investors turn to US Prez debate

Equities started the week on a distinctly weak note after the Sensex tumbled 374 points yesterday -- the most in two weeks -- tracking global sell-off ahead of the US presidential debate and an OPEC meeting due this week. The barometer closed at 28,294.28, a nearly 1-month low. Also, the broader NSE Nifty broke below the 8,800-mark level.

Investors are also anxiously waiting for the upcoming monetary policy review on October 4, the first to be held under new RBI Governor Urjit Patel. Sentiment was in tatters after heavy losses in Asia and a lower opening in Europe, mirroring weekend losses at the Wall Street due to lower crude oil prices.

The slide came on the heels of a global rally last week fuelled by relief that US and Japanese central banks had decided to maintain their easy-money policies. Shares have lost their momentum after hitting their highest close in 18 months last week after valuations turned expensive, with most sectoral indices ending in the red.



The 30-share index stayed in the negative zone for the whole day and settled lower by 373.94 points, or 1.30% -- its biggest single-day fall since September 12 -- at 28,294.28. This is the weakest closing since August 29 when it had closed at 27,902.66. It had lost 105 points on Friday.

The broader Nifty also succumbed

to selling pressure and slipped below the 8,800-mark to hit a low of 8,715.10 before ending at 8,723.05, down 108.50 points, or 1.23%. "The market had mirrored the downswing in global equities which is impacted due to yesterday's US presidential election debate. Additionally, the upcoming meeting on Wednesday of oil producers will be eagerly watched for any potential freeze in oil production, given the drop in oil prices," said Vinod Nair, Head of Research, Geojit BNP Paribas Financial Services.

ONGC was the top Sensex loser, skidding 3.84% to close at Rs 250.50, followed by Tata Motors, which fell 3.22% to Rs 535.55. Others that weighed included ICICI Bank, NTPC, GAIL, Bharti Airtel, ITC, M&M, Hero MotoCorp, Hind Unilever and L&T, falling by up to 3.16%.

Coal India, however, struck a contrarian note as it topped the gainers list by rising 1.19%. RIL gained 0.58% to close at Rs 1,109.35 after touching a 7-year high of Rs 1,128.90 on the back of strong fundamentals.

## Start-ups can take long-term risk with Indian money: Nilekani

Infosys co-founder Nandan Nilekani is all for Indian start-ups, saying they have entered an 'exciting phase' with focus on India-specific problems and opportunities, and domestic money is fuelling risk appetite. "I am very bullish on the Indian start-up scenario", the brain behind Aadhaar told PTI in an interview.

"I think we are entering a new phase where we are seeing breadth and depth of start-ups". On several start-ups shutting shop, Nilekani said it's the nature of the business. "The very nature of start-ups is that many ideas get funded; some ideas succeed; and some have to be revisited or pivoted...That's the nature of this whole venture economy".



large firms, it's an exciting time if one looked at the larger scenario. He said more and more start-ups are being set up and their quality is also increasing with players doing "very interesting things".

There is a huge buzz on college campuses, which themselves are becoming pro-startups and encouraging their graduates to start companies, Nilekani said. "Lot more Indian money is also coming into the start-up world. So, people like us who already built a company are now providing funding and being mentors and all that", he said.

Painting a positive picture, Nilekani said Indian money flowing into the sector is meant to build companies in the country and people with operative experience having already served in companies can chip in with advice for start-ups. "It's private money (Indian money) so they (start-ups) are not obligated to their LPs (limited partners), or exits or returns to other shareholders...Nothing of that type. So, they can take longer term risk. So, it's good stuff," he said.



He said that in the start-up business, some companies would succeed and some would not. Some companies will start with an idea but then pivot couple of times before they stabilise on a sustainable idea. "So, that's the nature of the activity. That does not bother me the least," he said. Nilekani also said that many start-ups would not succeed but entrepreneurs gain tremendous experience and can go to another start-up.

"They can learn from the experience of the previous failed start-ups. I see it as part of that," he said. According to him, while there might be some challenges on follow-on funding for very

## Tax dept unveils draft rules for registration under GST

In less than a week after the first meeting of the GST Council, the tax department yesterday came out with three draft rules and their formats relating to registration, invoice and payments which would be finalised by week-end. The Central Board of Excise and Customs (CBEC) has invited comments on draft rules by Wednesday. The draft rules provide for online registration by residents within three days of submission of application.

For non-residents who will come under the purview of GST, they will be required to electronically submit the application for registration at

least 5 days prior to the commencement of business and shall also deposit full tax liability in advance. The government aims to implement the new indirect tax regime Goods and Services Tax (GST) from April 1, 2017, and to that effect the GST Council will hold its second meeting on September 30. The meeting would finalise rules for GST.

The draft rules also provide that if a tax official fails to take action on registration application within a stipulated time frame, the application for grant of registration shall be deemed to have been approved. As per the draft norms, the applicant seeking

registration will have to submit PAN, mobile number, email address on the common portal or through a facilitation centre.

The tax authorities will use PAN, one time password and Aadhaar number to verify the details of the applicant. In case all documents are in order, the tax official will approve registration in three working days from the date of submission of application.

In case there are defects, the applicant has to be intimated within three working days and after receiving clarification, he will be granted registration within 7 days from the date for receiving of reply.

## Eazy ERP introduces solution catering to the Food Processing industry

By A Business Reporter

Majority of SMEs work either traditionally using spreadsheets and excel sheets or accounting software in the name of technology. To get SMEs to move from traditional systems to an International technology system requires huge amount of money, time and human resource. That is where customization plays its part. EAZY-ERP is specifically designed for SMEs. Moreover, customization for food processing industry makes it even more fit to suit Indian SME Food Processing Industry.



"Easy ERP is cur-

rently targeting the food processing and garment industry. The unique feature of our ERP is its integration with Tally," said Kunal Singhal, MD, Eazy ERP

Huge process changes leads to the failure of implementation of ERP due to lack of adaptation. EAZY-ERP minimizes this, which allows SMEs to have benefits of using an ERP without having to worry about huge investments of time, money etc. a) "EAZY-ERP for Food Processing Industry" is customized as per the business processes allows smooth working of the employee and quick acceptance of the software, and b) No need to change the business flows which means the software is implemented as per company's requirements, not the other way round.



Shri Neeraj Kulshreshta, Chief Business Operations, BSE speaking during the Panel discussion of 'BSE-PIF Financial Sector Policy Series - 2' on 22<sup>nd</sup> September, 2016 at BSE.

