

Daily Economic News Summary: 23 March 2017

1. Not just cash restrictions: Govt proposes 40 changes to Finance Bill

Source: Business Standard ([Link](#))

The government on Tuesday proposed to lower the cap for cash transactions to Rs 2 lakh from April 1, make biometric identifier Aadhaar mandatory for filing tax returns and allow cheque only contributions to electoral trusts as part of the tirade against black money. Jaitley said the government will amend several laws including the RBI Act and the Income Tax Act to allow political parties to raise funds through electoral bonds. Finance Minister Arun Jaitley moved 40 amendments to his seven-week-old Finance Bill 2017, which were strongly opposed by opposition parties, which felt the government was tagging along non-tax bills in the legislation to make them Money Bills, obviating the need for a nod from the Rajya Sabha where it does not have a majority yet.

2. Government to soon introduce 5 Bills for implementation of GST

Source: NDTV Profit ([Link](#))

Five legislations will soon be introduced in Parliament with the objective of rolling out the comprehensive indirect tax reform GST from July 1, Finance Minister Arun Jaitley told the Lok Sabha on Wednesday. "The Government will bring before Parliament four GST legislations and there will be a fifth legislation as Excise and Customs Acts will have to be amended. We will bring these legislations together to Parliament in the next few days," he said replying to a debate on the Finance Bill. The Union Cabinet this week cleared four supplementary Goods and Services Tax (GST) legislations which will be introduced in Parliament in the ongoing budget session. Appreciating the fact that all decisions relating to the model GST laws were taken by consensus at the GST Council, Jaitley said not a single decision has been taken by voting. GST Council, the apex decision making body for GST, have representation from the central government as well as all the state governments. So far 12 meetings of the GST Council has taken place and many contentious issues were cleared by consensus, he said.

3. Government infuses Rs. 1,100 capital into Indian Overseas Bank

Source: Business Standard ([Link](#))

Chennai-based Indian Overseas Bank (IOB), going through a tough time due to increase in non-performing assets, is to get Rs 1,100 crore from the Government of India, the major shareholder. This comes after the bank achieved the parameters set by the government as part of a turnaround-linked capital infusion plan; the ministry of finance has sent the communication, said IOB sources. The bank was expecting Rs 1,550 crore from the Centre but the amount got reduced after some of the capital was redistributed to IDBI. The government has acknowledged that the bank is taking the right steps, having put in place the right strategies to turn around the institution. That is why they have allocated the additional capital, said an official. IOB's net loss in 2015-2016 was Rs 2,897 crore. The net loss during the nine months ended December 31 was Rs 2,770 crore.

4. Govt has not accepted demands of Apple: Nirmala Sitharaman

Source: Live Mint ([Link](#))

The government on Wednesday said it has not accepted 'most of the demands' of iPhone maker Apple which wants to set up manufacturing unit in India. To a question in Rajya Sabha on whether the government has accepted most of the demands of the iPhone manufacturer, commerce and industry minister Nirmala Sitharaman said: "No". Apple India has sought concessions including duty exemption on manufacturing and repair units, components, capital equipment and consumables for smartphone manufacturing and service/repair for a period of 15 years, she said in a written reply. In a communication to the government, the Cupertino-based technology major has asked for incentives from the Department of Revenue and Department of Electronics and Information Technology (DeITY).

5. Idea behind Samsung Pay was to Make in India for Indians: Asim Warsi

Source: Live Mint ([Link](#))

India is the 12th country where Samsung launched its digital payment solution Samsung Pay on Wednesday. The launch is expected to give Samsung the first-mover advantage in the world's second-largest smartphone market where the South Korean handset maker has been the leader for quite a few years. Asim Warsi, senior vice president (mobile business), Samsung India Electronics Pvt. Ltd, spoke about the handset maker's latest bet, and how the Indian unit worked for about a year to customise Samsung Pay for the Indian market by including transactions through debit cards and mobile wallets for the first time.