



October 01, 2020 - Thursday

Key Developments

Unlock 5 guidelines: Cinema halls allowed to operate at 50% capacity, states to decide on schools

MHA has issued new guidelines today for opening up of more activities outside containment zones from October 1, 2020. Social/academic/sports/religious and other congregations have already been permitted with a ceiling of 100 persons, outside containment zones. Now States/UTs have given the flexibility to permit such gatherings beyond the ceiling of 100 persons from Oct 15, 2020. The new guidelines are based on feedback received from states and UTs, and extensive consultations held with related central ministries and departments.

<https://economictimes.indiatimes.com/news/politics-and-nation/unlock-5-guidelines-more-relaxation-outside-containment-zones-from-october-1/articleshow/78409971.cms>

Relief for GST taxpayers: Govt extends deadline for filing GSTR 9, 9C returns till October-end

The government today extended the deadline for filing the annual return in GSTR-9 and GSTR-9C for 2018-19 from 30 September to 31 October 2020. After obtaining due clearances from the Election Commission in view of the Model Code of Conduct, the government has extended the due date for furnishing annual return in GSTR-9 and GSTR-9C, the Central Board of Indirect Taxes (CBIC) said in a tweet. The move is expected to give some relief to large taxpayers amid the implementation of e-invoicing from 1 October 2020.

In view of the COVID pandemic, the government has finally acceded to the request of tax filers for extending the timelines for filing the annual return for FY 2018-19 by a month, Rajat Mohan, Senior Partner, AMRG & Associates, told Financial Express Online.

<https://www.financialexpress.com/economy/relief-for-gst-taxpayers-govt-extends-deadline-for-filing-gstr-9-9c-returns-till-october-end/2094899/>

TCS to be collected by seller from October 1 only if turnover exceeds Rs 10 crore: CBDT

The CBDT on Wednesday said a seller would be required to collect tax collected at source (TCS) from October 1 only if his turnover exceeds Rs 10 crore in the last financial year. The Finance Act, 2020 has amended the provisions relating to TCS with effect from October 1, 2020 to provide that a seller of goods shall collect tax at the rate of 0.1 per cent (0.075 per cent up to March 31, 2021) if the receipt of sale consideration from a buyer exceeds Rs 50 lakh in the financial year. "... this TCS shall be applicable only on the amount received on or after 1st October, 2020," the CBDT said. In a statement, the Central Board of Direct Taxes (CBDT) clarified that TCS shall be applicable only on the amount received on or after October 1, 2020 and a seller would be required to collect TCS only if his turnover exceeds Rs 10 crore in the last financial year.

<https://economictimes.indiatimes.com/news/economy/policy/tcs-to-be-collected-by-seller-from-october-1-only-if-turnover-exceeds-rs-10-crore-cbd/articleshow/78409778.cms>

Govt to borrow Rs 4.34 lakh cr in second half of 2020-21

The Finance Ministry on Wednesday said the government will borrow Rs 4.34 lakh crore in the second half of the current fiscal to meet its expenditure requirement amid COVID-19 crisis afflicting the country's economy. The government is sticking to Rs 12 lakh crore borrowing target for the current fiscal, Economic Affairs Secretary Tarun Bajaj said. In the first half ended September, the government has done borrowing

of Rs 7.66 lakh crore and remaining Rs 4.34 lakh crore will be mobilised during the second half of the current fiscal, he said. The government had envisaged to raise 58 per cent of the total borrowing target of Rs 6.98 lakh crore from the dated securities in the first half of the current fiscal. Against this, the government has borrowed Rs 7.66 lakh crore during April-September.

<https://www.financialexpress.com/economy/govt-to-borrow-rs-4-34-lakh-cr-in-second-half-of-2020-21/2095200/>

Due date for 'filing belated, revised' ITRs for AY20 extended to Nov 30

The deadline for filing "belated, revised" Income Tax returns has been extended from September 30 to November 30, said the government on Wednesday. The date is being extended for the "genuine difficulties" taxpayers face in the Covid-19 pandemic, said the Central Board of Direct Taxes on Twitter. The last date for filing tax returns for AY 2019-20 is being extended for the fourth time for the pandemic. The date was first revised till June 30, then July 31, and then till September 30.

The Income Tax department on Wednesday said it has issued refunds worth over Rs 1.18 lakh crore to over 33 lakh taxpayers in 6 months till September 29, said news agency PTI. This includes personal income tax (PIT) refunds amounting to Rs 32,230 crore issued to 31.75 lakh taxpayers, and corporate tax refunds amounting to Rs 86,094 crore to over 1.78 lakh taxpayers during this period.

https://www.business-standard.com/article/economy-policy/due-date-for-filing-belated-revised-itrs-for-ay20-extended-to-nov-30-120093000947_1.html

Govt extends deadline for CFSS, LLP schemes till the end of this year

The ministry of corporate affairs (MCA) has extended the deadline for the Companies Fresh Start Scheme (CFSS) and the LLP Settlement Scheme till the end of the year. Both the schemes, aimed at improving compliance with regulatory filings, were ending on Wednesday. The MCA had introduced the schemes in March that provided companies and LLPs with an opportunity to make good on any delays in filings and reduced the burden of additional fees to enable them to be fully compliant with the law.

<https://economictimes.indiatimes.com/news/economy/policy/govt-extends-deadline-for-cfss-llp-schemes-till-the-end-of-this-year/articleshow/78400815.cms>

Economy

India's April-Aug fiscal deficit passes 109% of full year budget target

India's fiscal deficit in the five months to end August stood at Rs 8.7 trillion (\$117.98 billion), or 109.3% of the budgeted target for the current fiscal year, government data showed on Wednesday.

Net tax receipts were Rs 2.84 trillion, while total expenditure was Rs 12.5 trillion, the data showed, indicating the government was facing a fall in tax receipts amid a rise in spending to combat the impact of the coronavirus.

The deficit is predicted to exceed 8% of GDP in the 2020/21 fiscal year that began in April, economists said, from initial government estimates of 3.5, mainly due to a sharp economic contraction triggered by the pandemic.

https://www.business-standard.com/article/economy-policy/india-s-april-aug-fiscal-deficit-passes-109-of-full-year-budget-target-120093001060_1.html

Output of 8 core infra sectors contracts 8.5% in Aug, drops for sixth month

Contracting for the sixth consecutive month, the output of eight core infrastructure sectors dropped by 8.5 per cent in August, mainly due to decline in production of steel, refinery products and cement. The production of eight core sectors had contracted 0.2 per cent in August 2019, showed data released by the Commerce and Industry Ministry on Wednesday.

Barring coal and fertiliser, all sectors -- crude oil, natural gas, refinery products, steel, cement and electricity -- recorded negative growth in August. During April-August 2020-21, the sectors' output dipped by 17.8 per cent as compared to a growth of 2.5 per cent in the same period previous year.

https://www.business-standard.com/article/pti-stories/eight-core-industries-output-contracts-8-5-in-aug-120093001027_1.html

Retail inflation for industrial workers eases to 5.63% in August

Retail inflation for industrial workers eased to 5.63 per cent in August as compared to 6.31 per cent in the same month a year ago, mainly due to lower prices of certain food items. Retail inflation measured in terms

of the Consumer Price Index for Industrial Workers (CPI-IW) is the benchmark for working out dearness allowance for central government employees and dearness relief for pensioners.

"Year-on-year inflation (CPI-IW) based on all-items stood at 5.63 per cent for August 2020 as compared to 5.33 per cent for the previous month (July 2020) and 6.31 per cent during the corresponding month (August 2019) of the previous year," a labour ministry statement said.

https://www.business-standard.com/article/economy-policy/retail-inflation-for-industrial-workers-eases-to-5-63-in-august-120093000769_1.html

India received 'above normal' rainfall during 4-month monsoon season, says IMD

The country received above normal monsoon during the four-month rainfall season for the second consecutive year, recording the third highest precipitation in the last 30 years, the India Meteorological Department (IMD) said on Wednesday. The country received 109 per cent rainfall of the Long Period Average (LPA) with three of four months -- June (118 per cent), August (127 per cent) and September (104 per cent) -- witnessing above normal rainfall, while July recorded (90 per cent) deficient rainfall. "Quantitatively, the 2020 monsoon seasonal rainfall during 1 June to 30 September 2020 has been 95.4 centimetres against long period average of 87.7 cm based on data of 1961-2010 (109 per cent of its LPA)," R K Jenamani, scientist with the IMD's National Weather Forecasting Centre (NWFC) said.

<https://economictimes.indiatimes.com/news/economy/indicators/india-received-above-normal-rainfall-during-4-month-monsoon-season-says-imd/articleshow/78409183.cms>

Govt emphasis on raising turnover, efficiency of PSUs: Prakash Javadekar

Union Minister Prakash Javadekar on Wednesday said the government's emphasis is on increasing turnover, efficiency and profitability of public sector undertakings (PSUs). Applauding the critical role played by central public sector enterprises (CPSEs) during the ongoing pandemic, the Minister for Heavy industries and Public Enterprises said, "PSUs are pride of the nation and Modi government is putting emphasis on increasing efficiency, turnover and profitability of these units." Javadekar was speaking at the launch of a compendium titled 'Building Self-Reliance, Self-Resurgent and Resilient India'. The compendium is about contribution of PSEs during the pandemic. As the country unlocks and marches towards 'AtmaNirbhar Bharat', the role of public sector enterprises gains even more importance, he said. Javadekar expressed happiness that CPSEs have got back to more than 90 per cent production capacity.

<https://economictimes.indiatimes.com/news/economy/policy/govt-emphasis-on-raising-turnover-efficiency-of-psus-prakash-javadekar/articleshow/78411436.cms>

Indian economy under triple crisis? What govt must do to bring it on growth track

COVID-19 pandemic turns into economic crisis rather a health crisis as the world's best economies experiencing negative GDP growth. India place at second position in coronavirus cases with more than 4.5 million confirmed cases after the US. The growth of an economy generally measured by growth in GDP. Change in growth we can have measured by percentage change in GDP typically over a year. As per to the OECD (Organisation for Economic Co-operation and Development) the world economy could have face the same growth rate as it was in 2009 due to the outbreak of corona virus (COVID 19).

Gross Domestic Product (GDP) is the market value of all the final goods and services produced in a country during a given period of time. GDP measures the wellbeing of an economy, on the basis of GDP one can easily predict the status of a country. India's GDP showing alarming downturn of 23.9% which is all time high in the past 40 years.

<https://www.financialexpress.com/economy/indian-economy-under-triple-crisis-what-govt-must-do-to-bring-it-on-growth-track/2094984/>

Banking and Finance

RBI fixes Centre's WMA limit at Rs 1.25 lakh crore for second half of FY 2020-21

The Reserve Bank of India (RBI) on Wednesday set the ways and means advances (WMAs) limit at Rs 1.25 lakh crore for the central government for the second half of the fiscal year. WMAs are temporary advances given by the RBI to the government to tide over any mismatch in receipts and payments. "It has been decided, in consultation with the Government of India, that the limits for ways and means advances (WMA) for the second half of the financial year 2020-21 (October 2020 to March 2021) will be Rs 1,25,000 crore," the RBI said in a statement.

<https://economictimes.indiatimes.com/news/economy/finance/rbi-fixes-centres-wma-limit-at-rs-1-25-lakh-crore-for-second-half-of-fy-2020-21/articleshow/78412394.cms>

Non-food bank credit growth slows to 6 pc in August: RBI data

Non-food bank credit growth decelerated to 6 per cent in August as against 9.8 per cent in the same month last year, RBI data showed on Wednesday. Non-food credit stood at Rs 90.46 lakh crore as on August 28, according to the data on sectoral deployment of bank credit released by the Reserve Bank. "Credit to agriculture and allied activities increased by 4.9 per cent in August 2020 as compared with a growth of 6.8 per cent in August 2019," it said. Growth of credit to industry decelerated to 0.5 per cent from 3.9 per cent in August 2019. Within industry, credit to 'food processing', 'petroleum, coal products and nuclear fuels', 'leather and leather products', 'wood and wood products' and 'paper and paper products' segments registered accelerated growth in August 2020 as compared to the growth in the corresponding month of the previous year.

https://economictimes.indiatimes.com/industry/banking/finance/banking/non-food-bank-credit-growth-slows-to-6-pc-in-august-rbi-data/articleshow/78412535.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

RBI excludes 6 public sector banks from Second Schedule of RBI Act

The RBI has excluded six public sector banks, including OBC and Allahabad Bank, from the Second Schedule of the RBI Act following their merger with other banks. The six banks are Syndicate Bank, Oriental Bank of Commerce (OBC), United Bank of India, Andhra Bank, Corporation Bank, and Allahabad Bank. "We advise that Syndicate Bank has been excluded from the Second Schedule to the RBI Act, 1934 with effect from April 01, 2020 since it has ceased to carry on banking business with effect from April 01, 2020 vide Notification of March 27 which is published in the Gazette of India...dated September 26 - October 02, 2020," RBI said in a notification on Wednesday.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-excludes-6-public-sector-banks-from-second-schedule-of-rbi-act/articleshow/78411112.cms>

Banks want FinMin to pick up the tab if interest is waived on loan moratorium

Banks have made a submission to the Finance Ministry to the effect that if they are required to waive interest on the deferred interest in the case of borrowers who opted for the Covid-related loan moratorium, the Ministry should make good the amount waived. In case the Ministry does not acquiesce to this request, banks will be forced to cut interest rates on deposits further.

<https://www.thehindubusinessline.com/money-and-banking/banks-want-finmin-to-pick-up-the-tab-if-interest-is-waived-on-loan-moratorium/article32734631.ece>

Pension fund managers: 'Floor' and 'cap' concept to be introduced in RFP

The Pension Fund Regulatory & Development Authority (PFRDA) proposes to bring in a slew of changes in the upcoming Request for Proposal (RFP) for Pension Fund Managers (PFMs) including the introduction of concept of 'floor' and 'cap' as criterion for deciding the fund management fees that could be charged by them. Unlike last time, there will be no insistence on matching the lowest bid, says PFRDA chief.

<https://www.thehindubusinessline.com/money-and-banking/pension-fund-managers-floor-and-cap-concept-to-be-introduced-in-rfp/article32731546.ece>

Small Savings Schemes: PPF interest rate remains at 7.1%; No change in rates for Oct-Dec 2020 quarter

For the quarter of October to December 2020, the government has kept the interest rates on small saving schemes unchanged. Based on the yield on government bonds, at the beginning of every quarter of the financial year, the interest rates on the post office savings schemes are revised by the government. There was no change even in the previous quarter of July to September compared to the April to June 2020 quarter. It was only in the April to June 2020 quarter which saw a revision in the rates.

The post office small savings investments such as National Savings Certificates (NSC), KVP, Time-deposits, Public Provident Fund (PPF), Senior Citizens Savings Scheme (SCSS), Sukanya Samridhi Yojana (SSY) etc. are hugely popular amongst the investors looking for safe and fixed returns.

<https://www.financialexpress.com/money/small-savings-schemes-ppf-interest-rate-remains-at-7-1-no-change-in-rates-for-oct-dec-2020-quarter/2095160/>

Pause in IBC, internal issues halt takeover of stressed projects

Cash-rich developers are in a quandary about taking over stressed property projects. The reason: Opportunities to take over under the Insolvency and Bankruptcy Code (IBC) process have dried up this year after IBC procedures were first suspended for six months, and then by another three months till December 31.

Big developers are waiting for better deals to buy out stressed projects as leveraged developers made use of the six-month moratorium on loan payments, and effectively avoided loan defaults.

https://www.business-standard.com/article/economy-policy/pause-in-ibc-internal-issues-halt-takeover-of-stressed-projects-120093000876_1.html

CBDT: Payment gateways won't have to pay tax on e-commerce transactions under this scenario

Issuing guidelines for Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) on e-commerce transactions, the Central Board of Direct Taxes (CBDT) said that the payment gateway won't have to deduct tax under section 194-O of the Income Tax Act on a transaction if it has been deducted by the e-commerce company. For example, according to CBDT's circular issued on Tuesday, if a consumer buys goods worth X amount from an e-commerce company and pays through a payment gateway, since e-commerce payments are generally routed via such gateways, the liability currently under sector 194-O of the Act to deduct tax may fall on both the e-commerce company and the payment gateway. However, with the clarification by the board, if the tax has been deducted by the e-commerce firm, then the payment gateway won't have to do so. For this, the e-commerce company can also get an undertaking from the gateway for the tax deduction.

<https://www.financialexpress.com/industry/sme/cbd-t-payment-gateways-wont-have-to-pay-tax-on-e-commerce-transactions-under-this-scenario/2095142/>

Industry

Government extends deadline for EV components localisation by six months

The department of heavy industries on Tuesday extended the deadline for the localisation of several components under its phased manufacturing programme (PMP) for electric vehicles (EV) from October 1 to April 1 next year, offering a breather to the industry. Compliance with the PMP is a condition for availing subsidies. The move is expected to help the fledgling EV industry as the localisation plans of several companies were derailed due to the disruption from the pandemic. To get demand incentives under the Rs. 10,000-crore second phase of the Faster Adoption and Manufacturing of Hybrid and Electric vehicles (FAME) scheme, companies must gradually increase the local sourcing of components for their EVs as stipulated in the PMP.

<https://economictimes.indiatimes.com/industry/auto/auto-news/government-extends-deadline-for-ev-components-localisation-by-six-months/articleshow/78409979.cms>

Consumer-centric innovation is fuelling growth, says consulting firm Kearney

Consumer-centric innovation is fuelling growth, indicating that agility to innovate is more important than spends, management consulting firm Kearney said in a report titled 'decoding the success of consumer goods and retailing leaders', released on Wednesday. The report said the focus on premiumisation across consumer goods has resulted in consumers switching to high-end products, and that the pursuit of cost reduction has been a key attribute followed by companies. Given the price-sensitivity of Indian consumers and heavy competition, a tight control on costs helped leaders preserve margins and reinvest in growth, the report said. Arpit Mathur, Principal at Kearney, said: "By investing in direct reach, sticking to their core value proposition and adopting a dual track for rapid innovation, leading companies have surged ahead."

<https://economictimes.indiatimes.com/industry/services/retail/consumer-centric-innovation-is-fuelling-growth-says-consulting-firm-kearney/articleshow/78404730.cms>

Paint companies' revenue to fall for first time in 10 years: Crisil

For the first time in a decade, paint companies are expected to register 8-10 per cent fall in revenue as the Covid pandemic has suppressed demand drastically and marked slowdown in real estate projects.

<https://www.thehindubusinessline.com/news/paint-companies-revenue-to-fall-for-first-time-in-10-years-crisil/article32734154.ece>

India's media, entertainment segment to reach Rs 1,86,600 crore revenue in FY22: Report

The media and entertainment sector, which was badly hit due to the disruptions caused by the COVID-19 pandemic, is expected to rebound to touch a revenue of Rs 1,86,600 crore in 2021-22, due to acceleration of digital adoption among users across geographies, according to a report. The sector should recover and post a 33 per cent growth in 2021-22, following a contraction of 20 per cent in 2020-21, which still implies a loss of around two years of growth, said KPMG in India Partner and Head (Media and Entertainment) Girish Menon. He was quoting the KPMG Media and Entertainment (M&E) report, 'A year off script: Time for resilience', which examines the performance of the M&E sector during a particularly challenging period. <https://economictimes.indiatimes.com/industry/media/entertainment/media/indias-media-entertainment-segment-to-reach-rs-186600-crore-revenue-in-fy22-report/articleshow/78405108.cms>

Agriculture

Natural farming set to get a policy push

The government is exploring ways and means to promote natural farming in the country, with the NITI Aayog holding a high-level consultation to develop a systematic approach for adopting and implementing eco-friendly farming.

<https://www.thehindubusinessline.com/economy/agri-business/natural-farming-set-to-get-a-policy-push/article32734312.ece>

Infrastructure

Uptick in demand to buy, rent homes in smaller cities post Covid-19: Report

The demand for residential properties for buying and renting is rising in tier-II and -III cities after the outbreak of COVID-19 pandemic, driven by reverse migration of large number of workforce to smaller towns, according to Housing.com report. In its report 'Time for Internal Globalisation - Small Cities Setting the Tone for Revival', News Corp and Softbank-backed realty portal stated that the virtual demand for buying/renting of homes has grown almost three times in August from the year-ago period. Housing.com released 'Virtual Residential Demand Index' that jumped to 210 points for 'Shadow Cities' or tier-II/III cities compared to 150 for the metros post the nation entering into Unlock Phase 4.0.

https://www.business-standard.com/article/companies/uptick-in-demand-to-buy-rent-homes-in-smaller-cities-post-covid-19-report-120093000788_1.html

Housing sales rebound to 65% of pre-Covid, new launches at 79% of Q4FY20

Sales of residential units have bounced back to 65 per cent of the pre-Covid level in the July-September quarter. In top the seven metros 29,520 housing units were sold during the quarter, compared to 45,200 units in January-March quarter when the Covid-19 pandemic was yet to peak causing severe disruptions, data from Anarock Property Consultants show.

New launches too witnessed revival. With 32,530 units launched during the quarter, compared to 41,220 in Jan-Mar, new launches reached 79 per cent of the pre-Covid level.

https://www.business-standard.com/article/economy-policy/housing-sales-rebound-to-65-of-pre-covid-new-launches-at-79-of-q4fy20-120093000977_1.html

BRICS' NDB approves loans for Mumbai Metro, Delhi-Ghaziabad-Meerut RRTS

The New Development Bank (NDB) of the BRICS countries has approved USD 241 million loan for Mumbai Metro and USD 500 million for the Delhi-Ghaziabad-Meerut Regional Rapid Transit System (RRTS) Project. The two loans were approved by the NDB Board, the Shanghai-based bank set up by the BRICS (Brazil, Russia, India, China, South Africa)said in statement on Friday. The USD 241 million loan for the Mumbai Metro Rail II Project will be used for the purpose of implementing a metro rail Line 6 with a length of about 14.47 km in the city of Mumbai. The Mumbai Metro Rail II Project aims to improve Mumbai's transport and traffic conditions by providing a modern metro system, featuring high-capacity, safe and comfortable mode of transport, it said.

<https://economictimes.indiatimes.com/industry/transportation/railways/brics-ndb-approves-loans-for-mumbai-metro-delhi-ghaziabad-meerut-rrts/articleshow/78406596.cms>

DGCA extends suspension of scheduled international passenger flights till October 31

The suspension of scheduled international passenger flights has been extended till October 31, the Indian aviation regulator DGCA said Wednesday. "However, international scheduled flights may be allowed on selected routes by the competent authority on a case-to-case basis," the Directorate General of Civil Aviation added. Scheduled international passenger services have been suspended in India since March 23 due to the coronavirus pandemic. But special international flights have been operating under the Vande Bharat Mission since May and under bilateral "air bubble" arrangements with selected countries since July. <https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/dgca-extends-suspension-of-scheduled-international-passenger-flights-till-october-31/articleshow/78411832.cms>

Uttar Pradesh extends deadline for Noida airport pact with Swiss major

The Uttar Pradesh government has extended the deadline for signing the concession pact with Swiss major Zurich Airport International (ZAI) to develop the greenfield Jewar international airport in Greater Noida due to the Covid-19 lockdown restrictions on transnational air travel.

The state cabinet meeting, held virtually last evening, presided over by Chief Minister Yogi Adityanath, took into account the prospective resumption of international flights between India, Malaysia and Switzerland, apart from the mandatory quarantine period for travellers.

Earlier, the Yamuna Expressway Industrial Development Authority (YEIDA) CEO had sought the extension of the deadline for signing the concession agreement considering the restriction on international flights owing to the lockdown. The proposed airport will require nearly 1,450 hectares of congruous land for the first phase civil works spanning six villages in Greater Noida.

https://www.business-standard.com/article/economy-policy/uttar-pradesh-extends-deadline-for-noida-airport-pact-with-swiss-major-120093001021_1.html

Telecom

Trai refrains from intervening in international mobile tariffs

The Telecom Regulatory Authority of India (Trai) has refrained from intervening in tariff structure of international mobile roaming (IMR) services as operators are already following protection practices for preventing bill shocks to users travelling abroad, it said. According to the Telecom Consumer Protection (11th amendment) Regulations 2020, issued Wednesday, the authority said, "considering the fact that the tariffs for IMR Service have been evolving in response to market dynamics and increasing prevalence of IMR Packs, as of now there is no need for any direct intervention in the form of price regulation of IMR Service."

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-refrains-from-intervening-in-international-mobile-tariffs/articleshow/78409026.cms>

Department of Telecom set to oppose sale of Aircel, RCom spectrum unless AGR dues paid

The central government will oppose transfer of the right to use spectrum of bankrupt telcos undergoing insolvency process such as Aircel and Reliance Communications unless their statutory dues are cleared, officials said. The telecom department will take this stance before the National Company Law Appellate Tribunal (NCLAT) that will decide on the matter, they said. If not the telcos, then their buyer or recipient of the airwaves under the insolvency proceedings – UV Asset Restructuring Company (UVARCL) in the case of both Aircel and RCom – should be held liable for statutory dues such as adjusted gross revenue (AGR) dues, officials said. "The telcos can get clearance (to go ahead with spectrum transfer) if they pay their statutory dues," one of them said. "If they (bankrupt telcos) are unwilling, will the buyer (of spectrum) pay? The telcos need to make this clear."

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/department-of-telecom-set-to-oppose-sale-of-aircel-rcom-spectrum-unless-agr-dues-paid/articleshow/78396670.cms>

Auctioning E, V band spectrum will deny consumers broadband connectivity benefits: BIF to Govt

Industry think-tank Broadband India Forum (BIF) on Wednesday opposed any auctioning of spectrum in E and V bands saying doing so would deny consumers the benefits of broadband connectivity, and it goes against the regulator's suggestions and global best practices. In a letter to Telecom Secretary Anshu Prakash, BIF said it "strongly" disagreed with industry association COAI's views that E and V band spectrum

should be urgently auctioned to mobile carriers. BIF argued that E and V bands cannot be placed on the same footing as mobile access spectrum.

"Any auctioning of E and V bands would deny...consumers and the nation at large with the benefits of broadband connectivity and economic growth...go against the concerned Trai recommendations...go against international best practices," Broadband India Forum (BIF) President T V Ramachandran said in the letter.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/auctioning-e-v-band-spectrum-will-deny-consumers-broadband-connectivity-benefits-bif-to-govt/articleshow/78406937.cms>

Energy

Neither Centre nor state have right to mine coal in eco-sensitive zones: SC

The Supreme Court on Wednesday observed that if an area falls under eco sensitive zone then neither the Centre nor the state government will have the right to mine it. The remark was made by the top court which was hearing Jharkhand government's pleas challenging the Centre's decision to auction coal blocks for commercial mining. The apex court said prima facie Central government is entitled to auction the coal blocks in the state. However, it said that to find out if the areas in question are eco-sensitive or not, it may send some experts.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/neither-centre-nor-state-have-right-to-mine-coal-in-eco-sensitive-zones-sc/articleshow/78406386.cms>

NTPC eyes 340 bu electricity generation, Rs 21,000 cr capex in FY21

State-owned power producer NTPC on Wednesday announced that it had signed a memorandum of understanding (MoU) with the Union Ministry of Power, setting key targets for the year 2020-21. These include the target of generating 340 billion units of electricity and capital expenditure of Rs 21,000 crore. Among other important targets detailed in the MoU are 15 million tonnes of coal production and Rs 98,000 crore of revenue from operations. The company had last week announced that it had received its shareholders' approval to raise up to Rs 15,000 crore through issuance of bonds. The funds are proposed to be raised on a private placement basis in one or more tranches not exceeding 30, according to the company's notice for the annual general meeting held on September 24. "The special resolution for AGM which proposed to make offers or invitations to subscribe to the secured/unsecured, redeemable, taxable/tax-free, cumulative/non-cumulative, non-convertible debentures up to Rs 15,000 crore, was passed with requisite majority in the AGM," NTPC had said in a BSE filing on September 25.

https://www.business-standard.com/article/companies/ntpc-eyes-340-bu-electricity-generation-rs-21-000-cr-capex-in-fy21-120093000487_1.html

India's focus on renewable sector to ensure energy security, combat climate change: Suresh Prabhu

India's focus on renewable segments like solar, wind and hydro power will not only ensure energy security but also address environmental concerns, former union minister Suresh Prabhu said on Wednesday. "The energy and environment are the two sides of the same coin. So how do you generate energy is going to be determining to what extent you are compromising, whether or not, with climate security, environmental concerns." "Therefore let everybody together ensure that the greenhouse gases (emissions) are limited," Prabhu said. He was addressing a webinar on energy security organised by the Global Counter Terrorism Council. Prabhu further said India is very lucky to have a huge source of clean energy.

<https://economictimes.indiatimes.com/industry/energy/power/indias-focus-on-renewable-sector-to-ensure-energy-security-combat-climate-change-suresh-prabhu/articleshow/78411082.cms>

Gujarat solar auction sees only one bidder

Only one company participated in the 100 MW solar auction held by Gujarat on Monday. Hydroelectric power generation company SJVN submitted a bid for the entire capacity, according to sources close to the development. The tariff quoted by SJVN was Rs 2.73 per unit. Although GUVNL (Gujarat Urja Vikas Nigam Limited) did not confirm the details of the auction, an executive at the discom (distribution company) confirmed that since there was only one bidder, it did not hold a reverse auction. "The tariff will be approved by the state electricity regulatory commission," the executive said, requesting anonymity.

<https://economictimes.indiatimes.com/industry/energy/power/gujarat-solar-auction-sees-only-one-bidder/articleshow/78408126.cms>

States

Uttar Pradesh government identifies 1,100 acre land in Ayodhya for development

The Uttar Pradesh government has identified 1,100 acres of land in and around Ayodhya for residential, commercial and retail development. "We have identified three land parcels of 660 acre, 240 acre and 250 acre, which will be acquired for planned development. While land for hotels and other large retail infrastructure will be auctioned, a government department will carry out the work for residential township," said an official of UP Housing and Development Board. Land price and property-related transactions in the city have shot up by 50% after the groundbreaking ceremony for a grand temple to Ram was performed in August, people familiar with the matter said. Sales are being driven by local investors as the bigger players have stayed away due to confusion over land acquisition rules. The average number of deals per day in the region has increased to between 25 and 30 from 15-20 before the ground breaking ceremony was performed.

<https://economictimes.indiatimes.com/industry/services/property/-/construction/uttar-pradesh-government-identifies-1100-acre-land-in-ayodhya-for-development/articleshow/78408134.cms>

Healthcare

India's active Covid-19 cases constitute 15.1% of caseload: Health Ministry

India's active COVID-19 cases constituted 15.11 per cent of the total caseload on as on Wednesday as against 33.32 per cent on August 1, the Union Health Ministry said. The ministry's data updated at 8 am showed there are 9,40,441 active cases of coronavirus infection in the country. "From 33.32 per cent on August 1 to 15.11 per cent on September 30, active cases have less than halved in two months," it said in a statement while highlighting that the country "continues to report a trend of steadily declining active cases as a percentage of the total caseload".

https://www.business-standard.com/article/current-affairs/india-s-active-covid-19-cases-constitute-15-1-of-caseload-health-ministry-120093000764_1.html

Align Health Data Policy to Data Protection Bill to avoid overlaps: Experts

Industry groups and data privacy experts said the draft National Health Data Management Policy should be aligned with recommendations made under recent related policies, specifically the Personal Data Protection Bill, 2019, to avoid contradictory definitions and overlaps. The health ministry released the draft National Health Data Management Policy for public consultation in August and kept it open for public comments until last week. It aims to create a National Digital Health Ecosystem and set up a National Health Authority. "It is worrying that the policy is being presented before the Personal Data Protection Bill has become legislation. This could create issues if there are differences in the policy and the version of the PDP bill that becomes an act," said Shweta Mohandas, policy officer at the Centre for Internet and Society.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/align-health-data-policy-to-data-protection-bill-to-avoid-overlaps-experts/articleshow/78401899.cms>

External

India posts current account surplus of \$19.8 bn as trade deficit narrows

India's current account balance (CAB) recorded a surplus of \$19.8 billion (3.9 per cent of GDP) in Q1 of 2020-21. This contrasts with a deficit of \$ 15 billion (2.1 per cent of GDP) in April-June 2019 (Q1Fy20). The surplus in April-June 2020 (Q1Fy21) comes on top of a surplus of \$0.6 billion (0.1 per cent of GDP) in the preceding quarter (Q4 Fy20), said the Reserve Bank of India in a statement. The surplus was due to a sharp contraction in the trade deficit to \$10 billion, as the country's merchandise imports declined sharply relative to exports on a year-on-year basis. Net services receipts remained stable, primarily on the back of earnings from computer services. Private transfer receipts, comprising broadly remittances by Indians working overseas, amounted to \$ 18.2 billion--a decline of 8.7 per cent from their level a year ago.

https://www.business-standard.com/article/economy-policy/india-posts-current-account-surplus-of-19-8-bn-as-trade-deficit-narrows-120093000740_1.html

India's external debt contracts 0.7 per cent in June

India's external debt contracted by 0.7 per cent in June to \$554 billion as COVID related disruption resulted in debt outflows according to the latest data released by the Reserve Bank of India on Wednesday. Valuation

loss due to the depreciation of the US dollar vis-à-vis major currencies such as euro, yen and SDR amounted to \$ 0.7 billion. Excluding the valuation effect, the decrease in external debt would have been \$ 4.5 billion instead of US\$ 3.9 billion at end-June 2020 over end-March 2020. " COVID-19 related volatility in global financial markets resulted in sharp capital outflows in debt and equity markets in Q2 20(April-June'20)" said Rahul Bajoria, chief India economist at Barclays in a report. Commercial borrowings remained the largest component of external debt, with a share of 38.1 per cent, followed by non-resident deposits (23.9 per cent) and short-term trade credit (18.2 per cent).

<https://economictimes.indiatimes.com/news/economy/finance/indias-external-debt-contracts-0-7-per-cent-in-june/articleshow/78409529.cms>