



December 14, 2020 - Monday

Key Developments

Businesses to get fully auto-populated monthly sales return form GSTR-3B

Businesses will now get complete auto-populated monthly sales return form GSTR-3B, GST Network said on Sunday. "For ease of taxpayers, now the system will auto populate GSTR-3B (monthly) on the basis of details filed in GSTR-1 and auto-drafted ITC statement GSTR-2B from November 2020 tax period onwards," Goods and Services Tax Network (GSTN) said. Based on the supplies return GSTR-1 filed by businesses, GSTN will auto-populate the liabilities, while input tax credit (ITC) would be populated from system-drafted statement GSTR-2B.

"If the total liability of a particular period is negative on account of debit/credit notes, the same will be auto-populated as zero liability," GSTN said. While businesses file GSTR-1 of a particular month by the 11th day of the subsequent month, GSTR-3B is filed in a staggered manner between 20th-24th day of the succeeding month.

https://www.business-standard.com/article/pti-stories/gstn-enables-auto-populated-gstr-3b-return-form-beginning-nov-120121300477_1.html

RTGS facility to become available round-the-clock from 00:30 hrs on Monday

The Real Time Gross Settlement System (RTGS) for high-value transactions will become available round-the-clock from 00:30 hours Monday onwards, making India one of the few countries in the world to operate the system 24x7. In October, the RBI had announced that RTGS will be available round-the-clock on all days of the year. "RTGS facility becomes operational 24x7 from 12.30 am tonight. Congratulations to the teams from RBI, IFTAS and the service partners who made this possible," RBI Governor Shaktikanta Das said in a tweet. India will become one of the few countries in the world to operate its RTGS system round-the-clock throughout the year. RTGS on 24x7x365 facility comes within a year of RBI operationalising NEFT 24x7. NEFT is a popular mode for small-value transactions. RTGS, which began its operations on March 26, 2004 with a soft launch involving four banks, presently handles 6.35 lakh transactions daily for a value of Rs 4.17 lakh crore across 237 participant banks.

https://www.business-standard.com/article/pti-stories/round-the-clock-rtgs-facility-from-mid-night-tonight-120121300486_1.html

Government e-Marketplace says it's exploring ways to bring works on portal

Public procurement portal GeM has come out with an approach paper for stakeholder consultations as it is exploring ways to bring works on the platform with an aim to further widen its scope, a senior official said.

Currently, only goods and services providers are registered on the Government e-Marketplace (GeM) portal, which was launched in 2016 for online purchase of goods and services by all central government ministries and departments. It is mandatory for them to procure goods and services from the portal. Works include road and building construction, and setting up of big plants and other facilities. Currently, the facility for procuring these works is not available on GeM platform.

https://www.business-standard.com/article/pti-stories/gem-exploring-ways-to-bring-works-on-portal-seeks-stakeholders-views-on-approach-paper-120121300319_1.html

Agriculture Minister meets Amit Shah as protests over new farm bills continue

Union ministers Narendra Singh Tomar and Som Parkash met Home Minister Amit Shah on Sunday amidst farmers' protests against the Centre's three agriculture laws, officials said. The ministers were accompanied by BJP leaders from Punjab. Tomar and Parkash, along with their ministerial colleague Piyush Goyal, had led the government's negotiations with the protesting farmers. Tomar and Parkash met the home minister, an official said. It was not immediately known what transpired in the meeting. Farmers, mostly from Punjab, Haryana and Uttar Pradesh, have been protesting at Delhi's borders demanding the repeal of the Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Act, the Farmers Produce Trade and Commerce (Promotion and Facilitation) Act, and the Essential Commodities (Amendment) Act 2020.

https://www.business-standard.com/article/current-affairs/agriculture-min-meets-amit-shah-as-protests-over-new-farm-bills-continue-120121300475_1.html

Budget 2021-22: Nirmala Sitharaman to meet industrialists on Monday; begins pre-budget consultations

Budget 2021-22: As a common pre-budget exercise for the Finance Minister every year, Nirmala Sitharaman will begin e-meeting various stakeholders ahead of the General Budget FY22. The virtual consultations will start Monday onwards, according to the Ministry of Finance. Sitharaman will be meeting "different stakeholder Groups from tomorrow, 14th Dec 2020 in New Delhi in connection with the forthcoming General Budget 2021-22. The meetings will be held virtually," the ministry said in a Twitter thread on Sunday. The first pre-Budget meeting spread over morning and afternoon sessions will be with the top industrialists, the ministry added. Amid Covid, the government had decided to create a dedicated email to receive suggestions from various Institutions/Experts. In order to make online consultations more participatory and democratic by taking it closer to the people of India, the government had in November said that it has launched a micro-site on the MyGov platform to get budget ideas.

<https://www.financialexpress.com/economy/budget-2021-22-nirmala-sitharaman-to-meet-industrialists-on-monday-begins-pre-budget-consultations/2148998/>

Economy

Modi govt brought in new farm laws to double farmers' income: Anurag Thakur

With continued farmers protests regarding the Central farm laws, Union Minister of State (MoS) for Finance Anurag Thakur has said that the government led by Prime Minister Narendra Modi brought three laws to double the income of farmers and that the present government paid Minimum Support Price (MSP), double than what was paid by the previous UPA government.

"The three agriculture laws were brought so as to double the income of farmers. In the last six years, Modi government paid more than double MSP, then what was paid in the UPA time. During 2009-2014, the UPA government paid Rs 3,75,000 crore whereas the NDA government has paid over Rs 8,00,000 crore," the Minister said while speaking to ANI.

https://www.business-standard.com/article/current-affairs/modi-govt-brought-in-new-farm-laws-to-double-farmers-income-anurag-thakur-120121300213_1.html

Macro situation uncertain, economy to contract by 10% in FY21: Pronab Sen

India's current macroeconomic situation is "very uncertain" and the country's GDP could contract closer to 10 per cent in the current fiscal, former chief statistician Pronab Sen said on Sunday. In an interview with PTI, Sen said that although the overall macro management of the economy by the Modi government has not been very good but this particular slowdown is really beyond its control.

"At the moment India's current macroeconomic situation is very uncertain. I would say we should be very very cautious. I think there is too much optimism going around. "... the actual economic growth of India could be closer to -10 per cent in 2020-21," he said. Sen said quarterly GDP numbers are still derived from some corporate accounts and corporates have not fared as badly as the non-corporate sector. "We know that MSMEs have been hit much harder than the corporations. So, the headline number coming out in the national accounts is an overly optimistic picture of the economy," the eminent economist said.

https://www.business-standard.com/article/economy-policy/macro-situation-uncertain-economy-to-contract-by-10-in-fy21-pronab-sen-120121300194_1.html

Banks sanctioned Rs 2 trn loans to MSMEs for Covid-19 impact: FM Sitharaman

Finance Minister Nirmala Sitharaman took stock of progress made under various schemes under the three Aatmanirbhar Bharat Packages (ANBP) to help revive economy hit hard by the outbreak of COVID-19 pandemic. Following announcement by the Prime Minister, Sitharaman presented the details of the Rs 20 trillion ANBP 1.0 in a series of press conferences from May 13-17. It was followed by Aatmanirbhar Bharat Package 2.0 on October 12 and the third tranche on November 12.

Sitharaman on Friday concluded a comprehensive review of ANBP with the Secretaries of various Ministries and Departments concerned over three days, the Finance Ministry statement said on Sunday. Sharing details of the progress made by various schemes under the ANBP, the statement said, banks have sanctioned loans worth Rs 2,05,563 crore to about 81 lakh accounts under the Rs 3-trillion Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector that was impacted by disruptions caused due to the coronavirus pandemic.

https://www.business-standard.com/article/pti-stories/fm-reviews-progress-of-various-schemes-under-3-packages-banks-sanction-rs-2-05-lakh-cr-to-msmes-120121300463_1.html

Trillions of rupee stuck in pending income tax litigation, fresh measures needed: Report

Even as recently introduced scheme to reduce pendency in tax litigation helped, the government may need to take some more steps to reduce the issue of increasing number of tax dispute in the country, a research report has said. The governments recently announced schemes such as Vivad se Vishwas did help but more needs to be done, a Deloitte research report said.

<https://economictimes.indiatimes.com/news/economy/finance/trillions-of-rupee-stuck-in-pending-income-tax-litigation-fresh-measures-needed-report/articleshow/79706066.cms>

Banking and Finance

Govt likely to launch third tranche of Bharat Bond ETF this fiscal: Report

The government is likely to launch the third tranche of Bharat Bond ETF, the exchange traded fund that invests in debt of public sector companies, this fiscal, a source said. "Central public sector enterprises (CPSEs) have fund raising plans of about ₹12,000 crore. We are thinking of launching the next tranche of Bharat Bond ETF in a couple of months," the source said.

The second tranche of Bharat Bond ETF, which was launched in July, was oversubscribed more than 3 times, collecting about ₹11,000 crore. It had fetched about ₹12,400 crore in its debut offer in December 2019. The funds raised through debt ETF help in smoothening borrowing plans of the participating CPSEs or public sector banks. It also helps them in meeting their capital expenditure needs.

https://www.business-standard.com/article/economy-policy/govt-likely-to-launch-third-tranche-of-bharat-bond-etf-this-fiscal-report-120121300470_1.html

Finance Ministry to take call on Rs 14,500 crore capital infusion into banks in Q4

The Finance Ministry will take a call on residual Rs 14,500 crore capital infusion in the public sector banks (PSBs) in the fourth quarter of this fiscal, sources said. Following the financial performance review after the first half, sources said, it was found that Punjab & Sind Bank, out of the 12 PSBs, was in need of Rs 5,500 crore to meet the regulatory requirement. So, the government approved capital infusion through preferential allotment of equity shares in Punjab & Sind Bank last month. The fund was approved from Rs 20,000 crore cleared by Parliament in September for capital infusion of PSBs as part of the first batch of Supplementary Demands for Grants for 2020-21. With Rs 5,500 crore going to Punjab & Sind Bank, the government is left with Rs 14,500 crore.

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-to-take-call-on-rs-14500-crore-capital-infusion-into-banks-in-q4/articleshow/79703994.cms>

EPFO likely to credit 8.5% interest for 2019-20 by December in one go

Retirement fund body EPFO is likely to credit 8.5 per cent rate of interest for 2019-20 in the employees' provident fund (EPF) accounts of around six crore subscribers in one go by the end of December.

Earlier in September this year, the Employees Provident Fund Organisation had decided to split 8.5 per cent interest into two installments of 8.15 per cent and 0.35 per cent in its trustees meet headed by Labour Minister Santosh Gangwar. A highly placed source told PTI that the Labour Ministry has sent a proposal to the Finance Ministry to give

concurrency to credit 8.5 per cent rate of interest on EPF for 2019-20 earlier this month."The Ministry of Finance ratification is likely in few days. Thus the interest is likely to be credited by this month only."

https://www.business-standard.com/article/economy-policy/epfo-likely-to-credit-8-5-interest-for-2019-20-by-december-in-one-go-120121300193_1.html

SEBI forms new department to check promoter frauds

Market regulator SEBI has set up a specialised department to tackle cases of diversion of funds, bank loans and resources by company promoters. The move comes after a spate of cases involving Cox and Kings, DHFL and the now infamous liquor baron Vijay Mallya. The new department will be known as the Corporation Finance Investigation Department (CFID).

<https://www.thehindubusinessline.com/markets/stock-markets/sebi-forms-new-department-to-check-promoter-frauds/article33321760.ece?homepage=true>

RBI to set up centre in Jaipur for receipt, storage and dispatch of notes

With a view to effectively deal with increasing circulation of banknotes, the Reserve Bank of India (RBI) has decided to set up an Automated Banknote Processing Centre (ABPC) in Jaipur for receipt, storage and dispatch of currency notes.

The functions of the ABPC will also include processing of banknotes received from currency chests (CCs) and bank branches, and destruction of soiled banknotes in an automated manner, said the RBI's Request for Proposal (RFP) for engagement of consultant for comprehensive consultancy services for establishment of ABPC at Jaipur."Cash remains an important mode of payment for most Indian citizens, notwithstanding the growth in digital payments. In fact, the banknotes in circulation have been concurrently growing with the rise in digital payments. The global trend of increasing volume of banknotes in circulation has been witnessed in India as well," the document said.

https://www.business-standard.com/article/finance/rbi-to-set-up-centre-in-jaipur-for-receipt-storage-and-dispatch-of-notes-120121300386_1.html

Indian rupee at a higher risk of depreciation as oil prices surge

Rising crude oil prices along with widening trade deficit has elevated the depreciation risk level for the Indian rupee during the upcoming week. Accordingly, other factors like failure of Brexit talks as well as changes in US Fed's stand might the downside risks.

"We expect the rupee to trade strong till the time equity flows are robust," said Sajal Gupta, Head, Forex and Rates, Edelweiss Securities. Last week, foreign institutional investors pumped in over Rs 15,000 crore into the equity markets. The inflow not just lifted equities but also swelled the Reserve Bank's forex reserves.

https://www.business-standard.com/article/markets/indian-rupee-at-a-higher-risk-of-depreciation-as-oil-prices-surge-120121300564_1.html

Industry

Average time spent on smartphone up 25% to 6.9 hrs amid pandemic: Vivo report

Average usage of smartphones by Indians is estimated to have gone up 25 per cent to almost 7 hours a day as people depend on these gadgets for work/study from home and entertainment amid the pandemic, a report said. The study, commissioned by handset maker Vivo and conducted by CMR, said the average time spent on smartphones in a day has been on the rise with average usage growing 11 per cent to 5.5 hours in March 2020 (pre-COVID) from about 4.9 hours on average in 2019. This has grown by another 25 per cent to 6.9 hours April onwards (post-COVID), the report titled 'Smartphones and their impact on human relationships 2020', said. The report noted that since lockdown, Indians have been spending more time on their smartphone for work from home (75 per cent increase), calling (63 per cent rise), and OTT (over the top services like Netflix, Spotify etc) that has seen 59 per cent growth in time spent on smartphones.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/average-time-spent-on-smartphone-up-25-to-6-9-hrs-amid-pandemic-vivo-cmr-report/articleshow/79706848.cms>

Revenge shoppers from US, China put the sparkle back into Surat diamond industry

Revenge consumption of diamonds from the US is driving manufacturing units in Surat to work overtime to meet the demand. There has been a shortage of rough diamonds as the diamond mines had remained closed due to the pandemic and the stocks at Surat had depleted after the units reopened but the situation has reversed. Now the diamond exporters have to run the units beyond normal schedule to meet the rising demand which has come from the US.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/revenge-shoppers-from-us-china-put-the-sparkle-back-into-surat-diamond-industry/articleshow/79706493.cms>

Agriculture

Strong demand makes Gobindobhog pricey in Bengal

Bengal's premium variety of aromatic rice – Gobindobhog – has been witnessing a steady rise in prices backed by a firm demand from both domestic and international markets particularly Dubai and West Asia. Production has also been steadily increasing as farmers are earning better returns on cultivation of this variety as compared to the common paddy (Swarna).

<https://www.thehindubusinessline.com/economy/agri-business/strong-demand-makes-gobindobhog-pricey-in-bengal/article33321438.ece>

Gujarat to survey crop loss due to rains; compensate farmers

Gujarat Chief Minister Vijay Rupani announced that the State government will consider giving a relief assistance to the farmers for crop damages following a recent bout of unseasonal rains. At an event held in Bharuch district on Saturday, Rupani informed that the government will conduct a survey to assess the crop damages based on which the farmers will be provided relief assistance.

<https://www.thehindubusinessline.com/economy/agri-business/gujarat-to-survey-crop-loss-due-to-rains-compensate-farmers/article33320721.ece>

Rabi sowing starts on a sluggish note in AP

Three successive cyclones in the last few weeks have delayed the rabi sowing in Andhra Pradesh. The State could complete sowing on just 16 lakh acres as on today as against the as-on-date sowing on 25 lakh acres last year. Heavy rains, that lashed the coastal districts, had delayed kharif harvesting as the farmers were busy handling the water-logging in the fields and salvaging the standing crop. The State has slightly increased the acreage target for the season to 59 lakh acres for this rabi from the season normal of 57 lakh acres. The officials of the Agriculture Department are confident of reaching the target backed by good rainfall in the last few weeks.

<https://www.thehindubusinessline.com/economy/agri-business/rabi-sowing-starts-on-a-sluggish-note-in-ap/article33321124.ece>

Infrastructure

Covid-19 vaccine to help cold chain market jump 17% to Rs 1.7 trn in CY21

An increase in demand for cold storage solutions from pharma and other segments is expected to help the Indian cold chain market to post a 17 per cent growth in 2021 to Rs 1.7 trillion, according to market research firm IMARC Services. In addition to the demand for cold storage to house Covid-19 vaccines, cold chain service providers and logistics players are witnessing a surge in demand from pharma and allied industries.

Growth next year comes on the back of robust 16 per cent estimated annual growth over the last five years (2015-2020) with volume growth in the period pegged at 4.4 per cent. By the end of 2020, the cold chain market is expected to have a volume capacity of about 41 million tonnes.

https://www.business-standard.com/article/economy-policy/covid-19-vaccine-to-help-cold-chain-market-jump-17-to-rs-1-7-trn-in-cy21-120121300370_1.html

Soon, ports sector to have CCI-like body to settle disputes

The ports sector will have an exclusive Competition Commission-like set-up to adjudicate on disputes and complaints, according to the Indian Ports Bill drafted by the Ministry of Ports, Shipping and Waterways. Disputes will be decided by a Bench comprising the Member (Legal) of the Maritime Port Regulatory Authority — a central

regulatory agency — and one or more members nominated by its Chairperson or the Chairperson himself. If the members of the Bench differ on any point or points, those will be referred to a full-time member of the Authority other than a member of the Bench, for a decision.

<https://www.thehindubusinessline.com/economy/logistics/soon-ports-sector-to-have-cci-like-body-to-settle-disputes/article33321659.ece>

Energy

Govt re-invites bids for auction of 4 coal blocks for commercial mining

The coal ministry has again invited bids for four coal blocks whose tender process was annulled in the first round of auction for commercial mining, as the number of technically qualified bidder for each mine was just one. Of the four coal blocks, three are in Odisha and one is in Jharkhand. "The nominated authority conducted the first attempt of 11th tranche of auction under CM(SP) Act and 1st tranche of auction under the MMDR Act of identified coal mines/ blocks vide tender document dated June 18, 2020," the coal ministry said in a notice inviting tender. It added that as the number of technically qualified bidders for the tender was less than 2 for Chendipada, Chendipada-II and Kuraloi (A) North coal mines in Odisha and Seregarha block in Jharkhand, the process was annulled.

https://www.business-standard.com/article/economy-policy/govt-re-invites-bids-for-auction-of-4-coal-blocks-for-commercial-mining-120121300197_1.html

States

Delhi Govt schools monetise solar power, expect to earn Rs 8.5 crore and save Rs 8.8 crore on bills!

Government schools in Delhi are eyeing substantial income, apart from significant reduction in electricity bills, as they start earning money by selling electricity generated by the rooftop solar systems installed on their buildings. Under the Centre's scheme for government building solarisation, the Delhi government has developed over 21 mega-watt (MW) of solar rooftop plants on 150 government schools. These are expected to save about Rs 8.8 crore on their electricity bills cumulatively each year, apart from earning Rs 8.5 crore from selling power.

The rooftop plants are being installed under the 'Resco' model, wherein solar projects are built and operated by the developer using its own capital, taking the financing burden off from the schools.

<https://www.financialexpress.com/economy/delhi-govt-schools-monetise-solar-power-expect-to-earn-rs-8-5-crore-and-save-rs-8-8-crore-on-bills/2148783/>

Halving of development premiums in Mumbai to help revive stalled projects, avoid delays

The proposed halving of premiums, levies and cess on real estate development in Mumbai, the country's biggest property market, as recommended by the Deepak Parekh committee, is expected to revive stalled projects, avoid delays and rein in speculative price rise.

<https://economictimes.indiatimes.com/industry/services/property/-construction/halving-of-development-premiums-in-mumbai-to-help-revive-stalled-projects-avoid-delays/articleshow/79709096.cms>

Assam cabinet proposes to come up with a new act for microfinance institutions

Assam cabinet on Sunday proposed to come up with a new act for microfinance institutions. Assam industry minister, Chandra Mohan Patowary after the cabinet meeting said, "New Act proposal for micro-financial institutions in line with RBI guidelines is approved by the cabinet." Recently Assam finance minister, Himanta Biswa Sarma said the state government will bring a law within one month barring agents from going to the home of borrowers for recovery of debt. Sarma while speaking in Tinsukia district had said, "Recently a group of women from a joint liability group met me and narrated that agents torment them at their houses for recovery of loan."

<https://economictimes.indiatimes.com/news/economy/policy/assam-cabinet-proposed-to-come-up-with-a-new-act-for-microfinance-institutions/articleshow/79707673.cms>

Healthcare

Covid vaccine: Govt may favour domestic companies given their cost, logistics edge

Price and logistics will be the key factors that the government will consider while taking a decision on procuring a Covid vaccine, Finance Ministry officials have said. This would mean that the government, without compromising on the efficacy of the vaccine, may rely on domestic manufacturers considering their pricing and ability to meet the logistic challenge. Currently, at least six domestic companies are working to develop or manufacture a Covid vaccine. <https://www.thehindubusinessline.com/news/covid-vaccine-govt-may-favour-domestic-companies-given-their-cost-logistics-edge/article33321782.ece>

There has been absolutely no compromise in clinical testing of COVID-19 vaccines: Gangandeeep Kang

Seeking to allay apprehension of people over safety and efficacy of COVID-19 vaccines, noted clinical scientist Gagandeeep Kang said that though vaccines for the coronavirus are being developed in a short period of time, there has been absolutely no compromise in their clinical testing. Kang, who is associated with the Coalition for Epidemic Preparedness, a global consortium involved in facilitating vaccine candidates for the novel coronavirus, also said that there should be equitable COVID-19 vaccine access globally and domestically. Known for her inter-disciplinary research on transmission, development and prevention of infections and their sequelae in children in India, Kang is also the first Indian woman to be inducted as a Fellow of the Royal Society in London.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/there-has-been-absolutely-no-compromise-in-clinical-testing-of-covid-19-vaccines-gangandeeep-kang/articleshow/79706276.cms>

External

India to scrutinise Asean imports to ensure goods are not routed from third countries

A host of consumer durables and telecom equipment imports are under the scanner as part of the endeavour. There is suspicion that these imports are just being re-labelled in the exporting country without the mandatory value addition, another official said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/imports-from-asean-nations-set-to-come-under-scanner/articleshow/79710764.cms>