



April 05, 2021 – Monday

Key Developments

Govt sanctions over Rs 25,000 cr to 114,000 accounts under 'Stand-Up India'

Centre has sanctioned an amount of Rs 25,586 crore under the 'Stand-Up India' scheme to over 1.14 lakh accounts up to March 23 since the inception of the scheme. A total of Rs 3,335.87 crore has been sanctioned for 16,258 borrowers from the Scheduled Castes category under the scheme, followed by Rs 1,049.72 crore for the 4,970 borrowers in the Scheduled Tribes category, said an official statement. Similarly, the government has sanctioned an amount of Rs 21,200.77 crore for 93,094 women borrowers under the scheme. A total of Rs 25,586.37 has been sanctioned to 1,14,322 accounts. Stand up India scheme was launched on April 5, 2016 to promote entrepreneurship at grassroots level focusing on economic empowerment and job creation. This scheme has been extended up to 2025.

https://www.business-standard.com/article/companies/govt-sanctions-over-rs-25-000-cr-to-114-000-accounts-under-stand-up-india-121040400221_1.html

GST to be levied on underlying goods/services in gift vouchers, rules AAAR

Clearing the air over taxability of gift cards or vouchers, the Tamil Nadu bench of the AAAR has ruled that GST would be levied on the underlying goods/ services at the time of redemption such pre-paid instruments. Kalyan Jewellers India Ltd has approached the Appellate Authority for Advance Ruling (AAAR) against the ruling by the Tamil Nadu state Authority for Advance Ruling (AAR), which had said that GST at 12 per cent or 18 per cent would be levied depending on whether on such pre-paid instruments was paper based or magnetic strip based respectively. Modifying the AAR verdict, the AAAR has clarified that GST will be levied not on the supply of vouchers but on the underlying supply of goods/ services at the time of redemption and the time for payment of GST will be dependent on the provisions detailed in the GST law.

https://www.business-standard.com/article/economy-policy/gst-to-be-levied-on-underlying-goods-services-in-gift-vouchers-rules-aaar-121040400223_1.html

In relief to micro-enterprises, ICAI softens accounting standards blow

The Institute of Chartered Accountants of India (ICAI) has exempted micro-enterprises from the adoption of certain accounting standards mandated for non-corporate entities. This was decided at a recent meeting of the central council held on March 18-19, where the matter relating to applicability of accounting standards issued by the ICAI to non-company entities (enterprises) was considered, sources said. For the purpose of applicability of accounting standards, non-company entities have been classified into four categories—Level-I; Level-II; Level -III and Level -IV. The new scheme will come into effect for accounting periods commencing on or after April 1, 2020.

<https://www.thehindubusinessline.com/economy/in-relief-to-micro-enterprises-icai-softens-accounting-standards-blow/article34239244.ece>

Checking tax evasion: Taxman to access capital gains data directly from FY22

Beginning this financial year, the income tax department will have direct access to details of capital gains made, dividends received and interest earned by investors, which is expected to plug under reporting or non-declaration of such income. A notification issued by the I-T department on March 12 has included stock exchanges, depositories,

clearing corporations and registrars to an issue and share transfer agents among intermediaries that will be required to submit information on capital gains made on listed securities and mutual funds. It requires companies to provide details of dividends paid while banks, post offices and nonbanking finance companies (NBFCs) must submit information on interest earned.

<https://economictimes.indiatimes.com/news/economy/finance/taxman-to-access-capital-gains-data-directly-from-fy22/articleshow/81904476.cms>

Commerce ministry makes import registration compulsory for host of aluminium, copper products

The commerce ministry has made import registration compulsory for 46 copper and 43 aluminium items under non-ferrous metal import monitoring system, a move which could discourage inbound shipments of such goods and promote their local manufacturing. According to a notification of the department of commerce, under the import monitoring system importers would have to submit advance information in an online system for inbound shipments of these products and obtain an automatic registration number by paying specified fee. The importer can apply for registration not earlier than 60th day and not later than 5th day before the expected date of arrival of import consignment. "Import of specific (copper and aluminium) items...are subject to compulsory registration under non-ferrous metal import monitoring system," according to the notification.

<https://www.financialexpress.com/economy/commerce-ministry-makes-import-registration-compulsory-for-host-of-aluminium-copper-products/2226500/>

Grim milestone: India is second country after US to cross 1 lakh cases in a day

The Covid-19 pandemic in India hit a grim milestone on Sunday when daily cases crossed the 1-lakh mark for the first time, making India only the second country after the US to record a six-figure addition in infections in a single day. India recorded 1,03,844 fresh cases on Sunday, led by a massive spike in the pandemic in Maharashtra, which added a record 57,074 fresh infections. Sunday's national case count was more than 5,000 higher than the previous peak .. of 98,795 cases reported on September 17 last year.

<https://timesofindia.indiatimes.com/india/grim-milestone-india-is-second-country-after-us-to-cross-1-lakh-cases-in-a-day/articleshow/81903406.cms>

Weekend lockdown in Maharashtra to curb rising coronavirus cases

A lockdown has been announced in Maharashtra over the weekends from Friday 8 pm to Monday 7 am to contain the fresh wave of coronavirus infections. Along with that, the Maharashtra government will also enforce a strict night curfew from 8 pm to 7 am daily. During this period only essential services will be permitted.

"Apart from the weekend lockdown, strict restrictions will be in force from 8 pm tomorrow, under which shopping malls, bars, restaurants, small shops will be open only for take-aways and parcels. Government offices will be allowed to function only at 50 per cent of their capacity," state minister Nawab Malik said after the cabinet meeting.

https://www.business-standard.com/article/current-affairs/weekend-lockdown-in-maharashtra-to-curb-coronavirus-cases-state-minister-121040400557_1.html

Haryana govt's new guidelines to check COVID-19 case surge limit number of people at functions

The Haryana government on Sunday issued fresh guidelines putting a ceiling on the number of people permitted to attend functions in open spaces and indoors, and at funerals in the wake of a surge in coronavirus cases in the state. While at most 200 people would be allowed at events indoor, the crowd capacity outdoors has been put at 500. At funerals, a maximum of 50 people would be allowed to attend, the new guidelines stated. Earlier, the limit on gatherings was implemented in Gurgaon and Faridabad. Under the new standard operating procedure (SOPs), organisers of social, academic, sports, entertainment, cultural, religious and political gatherings must take permission from district magistrates, the state government stated.

<https://economictimes.indiatimes.com/news/india/haryana-govts-new-guidelines-to-check-covid-19-case-surge-limit-number-of-people-at-functions/articleshow/81899523.cms>

Economy

PM asks officials to work with 'mission-mode' in states seeing Covid surge

Prime Minister Narendra Modi on Sunday chaired a high-level meeting to review the coronavirus situation and vaccination program in the country."The Prime Minister directed that for sustainable Covid-19 management, awareness of the community and its involvement is paramount and there is a need to continue Jan Bhagidari and Jan Andolan," the government said in a release.Modi mentioned that the five-fold strategy of testing, tracing, treatment, Covid-appropriate behaviour and vaccination if implemented with utmost seriousness and commitment would be effective in curbing the spread of the Pandemic.The meeting was attended by Principal Secretary to the Prime Minister, Cabinet Secretary, Home Secretary, Chairperson (Empowered group on Vaccine Administration), Secretary Health, and other senior officials.

https://www.business-standard.com/article/current-affairs/pm-modi-asks-states-to-work-in-mission-mode-to-check-covid-surge-121040400532_1.html

Rising Covid cases may prompt RBI to maintain status quo on rates: Experts

A sudden surge in COVID-19 cases and the government's recent mandate asking the central bank to keep retail inflation around 4 per cent are likely to prompt the Reserve Bank to maintain status quo on policy rates at its first bi-monthly monetary policy review for the current fiscal, according to experts.The Monetary Policy Committee (MPC), RBI's rate-setting panel, is also likely to maintain the policy stance accommodative at the next policy review to be unveiled on April 7, say experts.RBI Governor Shaktikanta Das headed six-member MPC is scheduled to meet from April 5 to 7. The policy meet outcome will be announced on April 7.The RBI, experts feel, will wait for an opportune time to announce monetary action with a view to ensure the best possible outcome in terms of pushing growth without sacrificing the main objective of containing retail inflation at 4 per cent with a margin of 2 per cent on either side.

https://www.business-standard.com/article/finance/rising-covid-cases-may-prompt-rbi-to-maintain-status-quo-on-rates-experts-121040400393_1.html

Banking and Finance

SC order on interest waiver: PSU Banks may have to take Rs 2,000 cr hit

Public sector banks may have to bear a burden of Rs 1,800-2,000 crore arising due to a recent Supreme Court judgement on the waiver of compound interest on all loan accounts which opted for moratorium during March-August 2020, sources said.The judgement covers loans above Rs 2 crore as loans below this got blanket interest on interest waiver in November last year. Compound interest support scheme for loan moratorium cost the government Rs 5,500 crore during 2020-21 and the scheme covered all borrowers including the prompt one who did not avail moratorium.According to banking sources, initially 60 per cent of borrowers availed moratorium and gradually the percentage came down to 40 per cent and even less as collection improved with ease in lockdown. In case of corporate, this was as low as 25 per cent as far as public sector banks were concerned.

https://www.business-standard.com/article/finance/sc-order-on-interest-waiver-psu-banks-may-have-to-take-rs-2-000-cr-hit-121040400173_1.html

Year-end pressure hits fund transfers via IMPS, UPI in millions

Several customers could not transfer funds instantly in the first two days of the new financial year as the core banking systems at some banks failed to process IMPS (Immediate Payment Service) or UPI (Unified Payment Interface) transactions. Bank systems were clogged due to year-end system maintenance. Transactions were delayed for more than 24 hours, which otherwise would have been possible in a few seconds. Customers of top banks with large retail interfaces are said to have suffered the most.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/year-end-pressure-hits-fund-transfers-via-imps-upi-in-millions/articleshow/81900310.cms>

Mutual funds turn net buyers, invest Rs 2,476 crore in equities in March

Mutual funds invested Rs 2,476 crore in equities in March, making it the first such infusion in 10 months, as consolidation in the market provided investment opportunities to fund managers.Kaushlendra Singh Sengar, founder and CEO at INVEST19, said mutual funds (MFs) inflow in equities will be stagnant in near future.Prior to the inflows, mutual funds (MFs) had been withdrawing money from equities since June 2020,data available with the Securities and Exchange Board of India (Sebi) showed.

"The markets were a bit volatile in March and at one point of time it was around minus 4 per cent to 5 per cent from the beginning of the month. If we see last few quarters, the market continued to surge and many investors were opting to book profits," Harshad Chetanwala, co-founder of Mywealthgrowth said.

https://www.business-standard.com/article/markets/mutual-funds-turn-net-buyers-invest-rs-2-476-crore-in-equities-in-march-121040400296_1.html

Industry

India's steel output reports marginal fall to over 19 MT in Jan-Feb 2021

India's crude steel output fell by 1 per cent to 19.1 million tonnes (MT) during the first two months of 2021, according to worldsteel. The country had produced 18.9 MT crude steel during the same period last year. The production for the 64 countries reporting to the worldsteel was 313.1 MT in January-February 2021, registering a 5 per cent increase compared to 297.7 MT in the year ago period, the global industry body data showed. China remained the global leader in production of steel, registering 8.86 per cent year-on-year growth in output at 173.2 MT during the said period. According to the World Steel Association (worldsteel) data, China had produced 159.1 MT steel in the same period last year.

https://www.business-standard.com/article/markets/india-s-steel-output-reports-marginal-fall-to-over-19-mt-in-jan-feb-2021-121040400168_1.html

Traders' body CAIT urges Piyush Goyal to modify Press Note 2 on FDI to curb alleged e-commerce malpractices

Traders' body Confederation of All India Traders (CAIT), which represents 8 crore traders across 40,000 trade associations in India, has urged Commerce Minister Piyush Goyal for modification in the provisions of the 2018 Press Note 2 on FDI policy by the Department for Promotion of Industry and Internal Trade (DPIIT) to curb alleged malpractices by e-commerce marketplaces in India. Proposing amendments in a communication, CAIT requested Goyal to prohibit direct or indirect equity participation or control over inventory by marketplace entities, to create a level playing field for all stakeholders, and prohibit FDI in inventory-based e-commerce and multi-brand retail in food items. The association has also sought a periodic audit of e-commerce companies for compliance check and also urged for mandatory registration of every e-commerce company with DPIIT.

<https://www.financialexpress.com/industry/sme/traders-body-cait-urges-piyush-goyal-to-modify-press-note-2-on-fdi-to-curb-alleged-e-commerce-malpractices/2226560/>

Decision to shut restaurants, bars in Maharashtra final nail in coffin: Hospitality industry

Hospitality Industry insiders said the decision to close down restaurants and bars in Maharashtra and allow only takeaway and home delivery services would be a 'final nail in the coffin' for businesses. "With this decision, as far as our industry is concerned, the state government has driven in the last nail into the coffin. The industry which generates employment and is the source of income for lakhs, cannot survive this time as we cannot pay staff salaries, licence fees and meet operational expenses with mere home delivery and takeaways," said Shivanand Shetty, president, Indian Hotel & Restaurant Association (AHAR).

<https://economictimes.indiatimes.com/news/india/decision-to-shut-restaurants-bars-in-maharashtra-final-nail-in-coffin-hospitality-industry/articleshow/81901287.cms>

Cinema industry stares at major loss again with Maharashtra lockdown

The cinema exhibition sector, which had just started limping back to normalcy after remaining close for almost nine-months last year, is once again staring at major losses after the Maharashtra government on Sunday issued new guidelines, asking cinema halls and other entertainment venues to shut operations till April 30th. The move, experts say, will result in filmmakers postponing the release dates of their films again as Maharashtra is one of the biggest markets. "While Covid-19 remains a big concern, it is now a question of lives versus livelihood. The timing of this decision couldn't have been more unfortunate. It was only after five months of operations despite availability of big movies when big filmmakers had started announcing releases of their movies. Footfalls had increased in the theatres and there was a glimmer of hope, but now such stringent measures will derail the whole recovery of the sector," said trade analyst Shaaminder Malik.

<https://economictimes.indiatimes.com/industry/media/entertainment/cinema-industry-stares-at-major-loss-again-with-maharashtra-lockdown/articleshow/81901416.cms>

Infrastructure

Govt drafting township policy for leasing land owned by major ports

The Ministry of Ports, Shipping and Waterways is drafting a township policy that will lay down rules for commercial exploitation of land other than those needed for port and related activities at major ports.

<https://www.thehindubusinessline.com/news/govt-drafting-township-policy-for-leasing-land-owned-by-major-ports/article34239110.ece>

Telecom

Trai considers survey to asses if tariff plans meet customer needs

Telecom regulator TRAI is planning to conduct a consumer-facing survey to assess if tariff plans offered by operators are meeting actual requirements of varied categories of users, a top official said. Telecom Regulatory Authority of India (TRAI) may rope in an agency to conduct the survey for it. The survey is expected to start soon, said a TRAI official privy to the development. While telecom tariffs are under forbearance, the sector regulator will assess if plans currently being offered in the market are consumer-oriented, the official told PTI. The tariffs plans need to cater to actual needs of consumers, those looking for voice as well as those who have data requirements. The idea is to ensure that consumers are not being nudged towards a particular type of tariff plan. The concern is whether certain packs in market tend to be similar, despite requirements being very different, for different categories of users, including feature phone users.

https://www.business-standard.com/article/economy-policy/trai-considers-survey-to-asses-if-tariff-plans-meet-customer-needs-121040400181_1.html

Energy

Discoms' outstanding dues to power gencos rise nearly 17pc to Rs 1.02 lakh cr in Feb

Total dues owed by electricity distribution companies to power producers rose nearly 17 per cent to Rs 1,02,684 crore in February this year, reflecting persistent stress in the sector. Distribution companies (discoms) owed a total of Rs 87,888 crore to power generation firms in February 2020, according to portal PRAA (Payment Ratification And Analysis in Power procurement for bringing Transparency in Invoicing of generators). However, total outstanding dues of discoms towards power generation firms in February slightly dipped from Rs 1,03,116 crore in January this year and Rs 102,676 crore in December 2020. The PRAA portal was launched in May 2018 to bring in transparency in power purchase transactions between generators and discoms.

<https://economictimes.indiatimes.com/industry/energy/power/discoms-outstanding-dues-to-power-gencos-rise-nearly-17pc-to-rs-1-02-lakh-cr-in-feb/articleshow/81894801.cms>

States

Mumbai: More beds to be operationalised for COVID-19 patients

In the wake of an alarming spike in COVID-19 cases, the Mumbai civic body on Sunday said it has decided to make more beds operational in medical facilities treating patients of the viral infection in the city. On Saturday, the city reported 9,108 new cases of coronavirus, the highest spike in a single day. "We have operationalised an additional 3,000 beds in dedicated COVID-19 health care centres and dedicated COVID-19 hospitals under the Municipal Corporation of Greater Mumbai (MCGM) in last seven days," civic commissioner I S Chahal said in a statement. "The number of beds available on our real-time live dashboard for allotment has gone up from 12,906 to 15,971," the official said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/mumbai-more-beds-to-be-operationalised-for-covid-19-patients/articleshow/81894816.cms>

Maharashtra govt approves Rs 231 crore for assistance to tribals

The Maharashtra government has approved a sum of Rs 231 crore for disbursement to tribal families in the state under its 'Khavti' grant scheme. The tribal development department issued a government resolution (GR) to this effect on

March 26. In view of the problems arising due to the COVID-19 pandemic, the state cabinet in August last year decided to provide an assistance of Rs 4,000 to families under the Scheduled Tribe (ST) category in the state, as per the GR. On March 26 this year, the government approved the disbursement of Rs 2,000 to such families through direct cash transfer into their bank accounts, it said. Former MLA Vivek Pandit, who heads a government committee on tribal welfare, told reporters here on Saturday that they are hopeful the assistance would reach the eligible beneficiaries.

<https://www.financialexpress.com/economy/maharashtra-govt-approves-rs-231-crore-for-assistance-to-tribals/2226378/>

Karnataka relaxes curbs on gyms, allows 50% occupancy

The Karnataka government on Sunday relaxed curbs on gymnasiums allowing 50 per cent occupancy against total closure till April 20. The government had imposed restrictions on many public events in its order on April 2 believing that public gathering could lead to the spread of coronavirus, which is rising alarmingly in the state. A number of gym operators and the regular gym-goers had given a representation to the Chief Minister following which the order was revised, Karnataka chief secretary P Ravikumar said in his latest order.

<https://economictimes.indiatimes.com/news/india/karnataka-relaxes-curbs-on-gyms-allows-50-occupancy/articleshow/81900242.cms>

External

RoDTEP Scheme: Revenue Dept vetting Pillai panel's report on refund rates

The Department of Revenue is vetting the duty refund rates for exporters proposed by the GK Pillai Committee in its full report on the new Remission of Duties and Taxes on Exported Products (RoDTEP) scheme and will take a call on whether to go with the suggested rates or lower them to keep expenditure in check, sources tracking the development have said. "As long as the Department of Revenue sticks to the refund rates that have been proposed by the GK Pillai Committee, the Commerce Department should not have a problem in supporting and notifying them, as these have been scientifically calculated. In that case, the exporters' wait for the rates would soon be over," an official source told *BusinessLine*.

<https://www.thehindubusinessline.com/economy/rodtep-scheme-revenue-dept-vetting-pillai-panels-report-on-refund-rates/article34239097.ece>

Pakistan can get Indian sugar cheaper & faster if trade reopens

Pakistan can get Indian sugar cheaper and faster if the sugar-deficit neighbouring country resumes trade with India and contain its rising retail prices of the sweetener out there during Ramadan that will commence soon, sugar industry bodies said on Sunday. Sugar prices in the retail markets of Pakistan have spiralled sharply up to PKR 100 per kg due to production shortages and the country is mulling over imports. The Pakistan Economic Coordination Committee (ECC) has recommended the government to allow import of 5,00,000 tonnes of white sugar to boost domestic availability.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/pakistan-can-get-indian-sugar-cheaper-faster-if-trade-reopens/articleshow/81898098.cms>

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