

Daily News Monitor: 18 June 2020

1. India 2nd biggest driver of global energy consumption in 2019: BP Statistical Review **Source: Financial Express ([Link](#))**

India was second biggest growth driver of primary energy consumption in the world, behind China, in 2019 even though it witnessed fall in demand in oil and coal, according to BP Statistical Review released on 17 June. Global primary energy consumption growth slowed to 1.3 per cent last year, less than half the rate of growth in 2018 (2.8 per cent), BP said. The increase in energy consumption was driven by renewables and natural gas, which together contributed three quarters of the expansion. All fuels grew at a slower rate than their 10-year averages, apart from nuclear.

2. Telcos told to stop sourcing 4G telecom equipment from Chinese firms **Source: Business Standard ([Link](#))**

The Department of Telecommunications is learnt to have directed state-owned Bharat Sanchar Nigam (BSNL) and Mahanagar Telephone Nigam (MTNL) to exclude Chinese gearmakers from supplying 4G telecom equipment. Private telecom operators have been asked to consider staying away from such Chinese firms. The decision was taken during a meeting of the telecom department, late on 17 June evening, sources said. It is learnt that BSNL and MTNL representatives were not part of the meeting, but have been informed about the decision. When contacted, the private operators said they were unaware of any such decision by the DoT.

3. Covid-19 impact: Sebi relaxes capital raising norms for listed companies **Source: Business Standard ([Link](#))**

To tide over the liquidity crisis created by the Covid-19 pandemic, the Securities and Exchange Board of India (Sebi) has eased capital raising norms for listed companies. The markets regulator has amended the takeover code to allow promoters to acquire up to 10 per cent in a financial year without triggering an open offer. However, such an acquisition can be done only through the preferential issue of equity shares. In other words, promoters will have to infuse fresh capital into their company and not simply acquire shares from the secondary market. In the normal course, promoters are allowed to increase their stake by up to 5 per cent — referred to as creeping acquisition — in a financial year without having to make an open offer.

4. Rules soon to block cheap imports from China, others: Ram Vilas Paswan

Source: The Economic Times ([Link](#))

The government will soon announce regulations to block imports of cheap, sub-standard goods from China and other countries, while people should themselves boycott products shipped in from the hostile neighbour, food and consumer affairs minister Ram Vilas Paswan said. People should boycott goods from China because they must not take its aggression and hostility lightly and they should remember that George Fernandes, former defence minister in the Atal Bihari Vajpayee government, had clearly named China as India's enemy No 1, Paswan told ET in an interview.

5. Fitch revises outlook on India to Negative

Source: The Hindu, Business Line ([Link](#))

Fitch Ratings has revised the outlook on India's Long-Term Foreign-Currency Issuer Default Rating (IDR) to Negative from Stable and affirmed the rating at 'BBB-'. "The coronavirus pandemic has significantly weakened India's growth outlook for this year and exposed the challenges associated with a high public-debt burden. Fitch expects economic activity to contract by 5 per cent in the fiscal year ending March 2021 (FY21) from the strict lockdown measures imposed since 25 March 2020, before rebounding by 9.5 per cent in FY22," Fitch said. "The rebound will mainly be driven by a low-base effect. Our forecasts are subject to considerable risks due to the continued acceleration in the number of new Covid-19 cases as the lockdown is eased gradually.

6. Proposed ban on 27 pesticides: Anxious agrochem industry drawing up legal strategy

Source: The Hindu, Business Line ([Link](#))

The agrochemical industry, worried by the proposed ban on 27 pesticides by the Centre, is drawing up a legal strategy to counter it. However, internal documents prepared by industry experts show that continued manufacture of four pesticides on the list would be almost impossible to defend in a court of law due to their high toxicity. The continued production of another 11 pesticides would also be very difficult or extremely difficult to justify by the companies. The big players in the industry have prepared internal detailed presentations about the legal fight, which were reviewed by BusinessLine.

7. As China-India clash, Alibaba, Xiaomi, Tata Motors risk disruption; companies may rework supply pacts

Source: Financial Express ([Link](#))

The first deadly face-off between Indian and Chinese troops in more than four decades adds another layer of uncertainty to companies already reeling from the coronavirus pandemic on

both sides of the border. The clashes that left 20 Indian soldiers dead, along with an unknown number of Chinese casualties, followed a seven-week military standoff between the two nuclear-armed powers. While India in a statement late 16 June said it remains committed to peace on the border with China, an escalation risks disruption for firms from Alibaba Group Holding Ltd. and Xiaomi Corp. to Tata Motors Ltd. that have customers — and investors — in two of the world's biggest economies.

8. Muthoot Finance brings cheer to investors as gold shines during pandemic

Source: Livemint ([Link](#))

Gold loan lender Muthoot Finance Ltd didn't disappoint its investors. In fact, its March quarter net profit was above estimates collated by Bloomberg, growing by 59% year-on-year. What should cheer investors is also the factors behind this net profit surge. The southern India-based lender's asset under management grew 22% year-on-year and a 15% fall in provisions helped boost net profit. The fall in provisions is a fallout of a drop in bad assets. The company's loans under stage three of estimated credit loss dropped for the second straight quarter and formed just 2.16% of total loans. Stage three assets are those loans where the repayments are overdue beyond 90 days.

9. PM Modi to launch 'Garib Kalyan Rojgar Abhiyaan' on 20 June

Source: Livemint ([Link](#))

The Narendra Modi government will launch a massive rural public works scheme -- Garib Kalyan Rojgar Abhiyaan -- on 20 June to provide livelihood to migrant workers and rural citizen. The campaign involves 125 days of work and will have "intensified and focused implementation of 25 different types of works to provide employment to the migrant workers on one hand and create infrastructure in the rural regions of the country on the other hand, with a resource envelope of ₹50,000 crore," the statement said. "PM @narendramodi to launch Garib Kalyan Rojgar Abhiyaan on 20th June to boost livelihood opportunities in Rural India," a Twitter post from the prime minister's office handle said. The programme will be launched via video conference in the presence of Bihar chief minister Nitish Kumar, the Twitter post added.