

Daily News Monitor: 24 April 2020

1. PM Modi, Sitharaman to meet today to finalise second stimulus package

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

Prime Minister Narendra Modi and Union Finance Minister Nirmala Sitharaman will again meet on 24 April to finalise a second stimulus package for industry, the poor, and farmers. An announcement is expected within the next 24-48 hours. April 24 meeting follows a wide range of deliberations held within the government and with eminent experts. However, there may not be a “big-bang” stimulus package and the government thinking is to go for smaller, targeted announcements. Senior officials in the Prime Minister’s Office had a videoconference with those in the finance ministry, NITI Aayog, members of the Economic Advisory Council (EAC) to the Prime Minister, and independent experts.

2. India Inc gets IBC breather for six months amid coronavirus outbreak

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

The government has decided to suspend insolvency and bankruptcy proceedings for at least six months owing to challenges businesses are facing due to the Covid-19 pandemic, a senior government official told Business Standard. A new Section is likely to be added to the Insolvency and Bankruptcy Code (IBC). It will suspend Sections 7, 9, and 10, which are used to trigger insolvency proceedings for six months or a period not exceeding one year from the date they commence, the official said. Section 7 of the Code enables financial creditors to start insolvency proceedings against a company while Section 9 gives operational creditors these powers.

3. Nepal, Bangladesh raise with India Bengal’s decision to halt trade

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

Nepal and Bangladesh have raised with India the West Bengal government’s decision to halt cross-border trade through its territory on the grounds that movement of trucks might spread Covid-19 infection in the state. The problem for India has been compounded because Bangladesh has continued to provide transit facility for goods to landlocked northeast. The issue for Dhaka is acute as it requires goods, including food items, for the Ramadan season beginning 24 April, officials told ET. However, the West Bengal government views the issue differently — “the ministry of home affairs (MHA) has charged the state of not doing enough to combat the pandemic but, strangely, the Centre wants Bengal to allow the movement of

cross-border trucks". West Bengal officials said the MHA's directives were contradictory in nature.

4. No DA hike, dearness relief for central govt staff and pensioners: What are the financial implications?

Source: Money Control ([Link](#))

The Centre has announced a freeze in the dearness allowance payable to central government employees and dearness relief payable to central government pensioners at current rates till July 2021. The announcement comes in the backdrop of the economic slowdown caused by novel coronavirus-led lockdown. The office memorandum made it clear that additional amount of money due to government employees and government pensioners on account of revision on dearness allowance (DA) and dearness relief (DR), respectively, will not be paid from January 1. However, the government announced that the DA and DR at current rates will continue to be paid.

5. Banking declared as public utility service for six months till 21 October; employees will not be able to go on strikes

Source: Firstpost ([Link](#))

The government has declared banking industry as a public utility service for six months till October 21 under the provisions of the Industrial Disputes Act. Bringing banking services under the provisions of this Act means that the banking sector would not see any strikes by employees or officers during the operation of the law starting from 21 April. With the latest move, employees and officers of the highly unionised banking sector would not be able to go on strike besides certain other activities, according to an industry expert. In a circular dated April 20, the Department of Financial Services said the labour and employment ministry through a notification has declared "banking industry as a public utility service" for six months with effect from 21 April.

6. Tackling Covid-19: Over 33 crore people get benefits under PM Garib Kalyan package

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

The government has provided ₹31,235 crore financial assistance to more than 33 crore beneficiaries under the Pradhan Mantri Garib Kalyan Package (PMGKP) announced by Finance Minister Nirmala Sitharaman last month to protect them from the impact of the lockdown due to Covid-19. As part of the ₹1.70 lakh crore relief package, the government announced free foodgrains and cash doles to women, poor senior citizens and farmers to mitigate the hardships during the lockdown period. The swift implementation of the package

is being continuously monitored by central and state governments, the Finance Ministry said in a statement.

7. Covid-19: Centre considering allowing industry use ESI scheme funds for wage payments

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

The Centre is exploring the possibility of allowing industry to use the Employees' State Insurance (ESI) scheme funds for payment of wages. In a special e-session organised by the Bharat Chamber of Commerce on 23 April, Nitin Gadkari, Minister of Road Transport and Highways and MSME, said the matter is being considered at the "highest level". It may be noted that a host of industries, including those in the MSME sector, and a few States have urged the Centre to allow the use of funds collected under the ESI scheme for payment of wages, or atleast part of the wages amid the lockdown.

8. Now, reach your local stores through Amazon

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

Amazon India has launched an India-first initiative, 'Local Shops on Amazon', which helps customers discover products from local shops in their city, while helping shopkeepers supplement their footfalls beyond their catchment areas with a digital presence. The launch comes after a six-month pilot with 5,000-plus local shops/ retailers from tier-1 and tier-2 cities such as Bengaluru, Mumbai, Delhi, Hyderabad, Pune, Jaipur, Ahmedabad, Coimbatore, Surat, Lucknow, Indore, Faridabad, Saharanpur, Kota, and Varanasi, among others. The pilot included sellers from different categories including like kitchen, home, furniture, apparel, automotive, beauty, electronics, sports, grocery, lawn & garden, books, toys, jewellery and appliances.