

Daily News Monitor: 5 August 2020

1. India contributes over \$15 mn to India-UN Development Partnership Fund

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

India has contributed USD 15.46 million to the India-UN Development Partnership Fund, underscoring the country's commitment to supporting developing nations in their developmental priorities across all the Sustainable Development Goals. India's Permanent Representative to the UN Ambassador T S Tirumurti handed over a cheque of USD 15.46 million to the United Nations Office for South-South Cooperation (UNOSSC) Director Jorge Chediek at a low-key ceremony held within social distancing guidelines at the Permanent Mission of India to the UN on 4 August. The tranche of USD 15.46 million includes USD 6 million to the overall fund, in which all the developing countries are eligible for partnership, and USD 9.46 million dedicated to the Commonwealth countries.

2. Paytm Money goes live with stockbroking services on its platform

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

The broking industry is likely to get even more competitive, with Paytm Money starting its stockbroking operations at lower brokerage charges as part of its introductory offer. The platform was already offering investment in mutual fund products and national pension system products. Traders prefer the discount broking model, as the brokerage charges are flat, regardless of the volume of trades. Paytm Money will charge Rs 15 per trade, against Rs 20 per trade charged by others. Investors will have to bear Rs 250 annual charges plus goods and services tax (GST) annually, against Rs 500 charged by other brokers. The one-time account opening fees would be Rs 150+GST, against Rs 300+GST, which is the industry practice. The digital investment platform, backed by Paytm parent One97 Communications, went live with its stockbroking services on 3 August. These cities have several hotspots, which will help in understanding the efficacy of the vaccine.

3. India blocks firms from China, other neighbours in commercial coal auction

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

The coal ministry has issued a notice regarding foreign direct investment (FDI) in commercial coal auctions. The move, aimed at restricting the entry of Chinese miners, requires foreign investors to take approval from the government before participating. Earlier, the Centre had permitted 100 per cent FDI under the automatic route for coal mining activity, including associated processing infrastructure. The ministry issued a press note on Monday,

citing the amendment made to the FDI policy formulated in April, which restricts the entry of countries that share a border with India. “The Press Note 3 of 2020, issued by the central government, further amended the FDI policy to prescribe a requirement to seek prior government approval, if such foreign direct investment is by an entity from a country that shares land borders with India, or where the beneficial owner of such FDI into India is situated in or is a citizen of any such country,” said the corrigendum issued by the coal ministry for commercial coal auction.

4. Government looking at non-tariff barriers to curb Chinese imports

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

To check the inflow of non-essential imports, primarily from China and Hong Kong, the government will focus on non-tariff barriers (NTBs) that are mainly a mix of stricter quality standards, such as mandatory certification requirement from the Bureau of Indian Standards, and imposition of import licence restrictions, according to officials dealing with the matter. The Commerce & Industry Ministry is in consultations with a number of other line-Ministries to evaluate the best-suited NTBs for imports that are to be regulated including that of consumer items such as footwear, furniture, plastic goods, toys, leather products and sports items. “Imposing non-tariff barriers is what will give us quick and targeted results in terms of checking imports from select destinations to the extent required.

5. Finance ministry says economic recovery linked to covid-19 infection curve

Source: Livemint ([Link](#))

The finance ministry on 4 August said India's economic recovery will depend on how the pandemic behaves across the country in the coming days, especially in industrialised states. "The spread of covid-19 to most states/UTs and the emergence of new hotspots have led the states/UTs to enforce intermittent lockdowns. India's top 12 growth driving states account for 85% of the covid-19 case load, with 40% of confirmed cases concentrated in the top two growth drivers i.e. Maharashtra and Tamil Nadu," the finance ministry said in its Monthly Economic Report for July. India's July purchasing managers' index (PMI) for manufacturing declined to 46 from 47.2 in June, indicative of the impact of regional lockdowns, amid a demand slump, on the nation's business activity.

6. India fourth in terms of start-up unicorn numbers; less than tenth of China's: Hurun index

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

When it comes to start-up unicorns, India is the fourth biggest behind the US, China and the UK, housing 21 of the global total of 586 in terms of valuation. The combined valuation of

these 21 unicorns stand at \$73.2 billion. An additional 40 unicorns have been founded by people of Indian origin which are mostly headquartered in Silicon Valley, US, according to the Hurun Global Unicorn Index, 2020. The value of the 40 which have Indian origin founders, but headquartered outside India, stands at \$99.6 billion. The US has 233 unicorns and is closely followed by China with 227 and both of them together account for 79% of the world's unicorns. UK is third with 24 unicorns.

7. Govt to encourage FDI for rental housing scheme

Source: Livemint ([Link](#))

Foreign direct investment (FDI) is set to be encouraged under the affordable rental housing project of the Union government. Officials in the ministry of housing and urban affairs said that all facilities available for affordable housing will be extended to the rental housing scheme. The central government is expected to finish signing agreements with states in a month. The Union cabinet in July approved a scheme to provide affordable rental housing complexes (ARHCs) to urban migrants and the poor as a sub-scheme of Pradhan Mantri Awas Yojana (PMAY(Urban)). Under the scheme, initiated by the central ministry for housing and urban affairs, existing government-funded housing complexes will be converted into ARHCs through concession agreements for 25 years. Special incentives will be offered to private and public entities for developing housing complexes on their own land for 25 years. The scheme seeks to target more than 350,000 beneficiaries who form a large part of the workforce of manufacturing industries, service providers across sectors, construction and other sectors.

8. Solar-powered data centers soon; this crucial change to data center policy may attract realty players

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

The government is working on a policy for establishing data centers across the country under which, a major push is likely to be given to renewable energy sources such as solar power, since data centers consume a lot of power. Data centers do not have a cross-subsidy to help them tide over high electricity costs and they consume a lot of power. Other than the data consumed by data trays or data racks, the government wants to push for renewable energy consumption for other needs of the building in which the data centre is housed, The Indian Express reported quoting an unidentified official. Under the new nationwide policy, the Ministry of Electronics and Information Technology (MeitY) is also likely to allow states to either follow the policy in total or mould it slightly according to their needs.