

## Daily News Monitor: 9 June 2020

### **1. Reforms in non-coal mining: Ministry starts consultations to fine-tune proposals**

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

The ministry of mines has started a consultation process with other ministries on key reform proposals including introduction of seamless exploration-cum-mining-cum-production regime and doing away with the distinction between captive and non-captive mines before the cabinet for its approval. "We are in discussion with other ministries. Once that is done, we will take them before the cabinet for its approval," a senior mines ministry official said. The proposal to introduction of the seamless exploration-cum-mining-cum-production regime of virgin areas had been among the long-pending wish-lists of the mining industry. Announcing the reform proposals on May 16, as part of the Atmanirbhar package, finance minister Nirmala Sitharaman had said five hundred blocks would be offered through this open transparent mechanism, without giving any time-frame.

### **2. India plans to hike edible oil import taxes to boost local supply**

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

India is considering raising import taxes on edible oils as the country seeks to become self-reliant by boosting local oilseed production with the help of tax revenues, two government and two industry officials told Reuters. The tax hike could curb the world's biggest vegetable oils importer's purchases and weigh on Malaysian palm oil, along with soy and sunflower oil prices, while propping up local prices of oilseeds such as rapeseed, soybean and groundnut. "We're considering a proposal to increase some tax on edible oil. If we do decide to the funds would be used to increase the production in the country," a government official, who did not wish to be identified, said.

### **3. Govt extends oil block bid deadline to June 30**

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

The government on 8 June extended the last date of bidding for the 11 oil and gas blocks on offer in the fifth exploration bid round to June 30 in view of the COVID-19 lockdown in the country. The fifth bid round under Open Acreage Licensing Policy (OALP) opened in January and was to initially close on March 18. However, the bid date was first extended to April 16 and then to June 10. "Urgent Notice: In view of COVID-19 pandemic and its consequences of reduced movement, coupled with requests from potential bidders, the last

date of India OALP Bid Round-V is extended to 30 June 2020," the Directorate General of Hydrocarbons (DGH) said in a tweet.

#### **4. Government rolls out SMS GST return filing, faceless customs assessment**

**Source: Livemint ([Link](#))**

The government on 8 June allowed businesses with no tax liability to file their tax returns through a text message and rolled out faceless customs clearance of shipments at Bengaluru and Chennai to make life easier for businesses. The new procedure called 'turant customs' seeks to offer quick clearance of imports after a remote and faceless assessment by officials located outside the port of import. This will make the process paperless and eliminate the physical interface between importers and officials as well any discretion involved. "Now, the goods imported at Chennai may be assessed by the customs officers located at Bengaluru and vice versa, as assigned by the automated system," said a statement from the Central Board of Indirect Taxes and Customs (CBIC). The tax body said that faceless clearance of shipments at customs offices will be extended to the entire nation by end of the year.

#### **5. India's first B2B virtual trade fair kicks off, catalyses Rs 153-crore business**

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

Amid various lockdown-related curbs and a demand slump, India's first virtual business-to-business trade fair kicked off this week to a somewhat promising start. Constrained by various Covid-induced lockdown measures to hold a physical fair, an annual ritual for over a decade, the Export Promotion Council for Handicrafts (EPCH) used its database of overseas buyers and domestic sellers to design a virtual platform as an alternative marketing strategy to promote outbound shipments. This platform hosted stalls of around 200 Indian exporters of fashion jewellery and accessories, to be accessed by importers in key markets like the US and Europe, and elsewhere.

#### **6. RBI proposes major changes in securitisation norms**

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

The Reserve Bank of India on 8 June proposed major changes in securitisation norms aimed at development of a strong and robust market for the same in the country. Securitisation involves transactions where credit risk in assets are redistributed by repackaging them into tradeable securities with different risk profiles which may give various investors access to exposures which they otherwise will be unable to access directly. The RBI said the revision in guidelines is an attempt to align the regulatory framework with the Basel guidelines on securitisation that have come into force effective January 1, 2018.

## **7. Sitharaman weighs extension of tax cut-off on new manufacturing investments**

**Source: Livemint ([Link](#))**

Finance minister Nirmala Sitharaman on 8 June said she will consider extending the deadline for availing a lower tax rate on new investments in manufacturing as the government weighs options to ease strain on companies. "I will see what can be done. We want industry to benefit from the 15% corporate tax rate on new investments and I take your point for considering an extension in the deadline of 31 March 2023," Sitharaman said. The government is willing to give additional time to businesses as they are in the process of recovering from the devastating effects of the coronavirus pandemic, including loss of sales because of the more than two-month-long lockdown to stem the spread of the virus, Sitharaman told the national executive committee members of the Federation of Indian Chambers of Commerce and Industry (FICCI).

## **8. World Bank projects Indian economy to contract 3.2% in FY21**

**Source: Livemint ([Link](#))**

The World Bank on 8 June projected India's economy to contract 3.2% in FY21 as stringent measures to restrict the spread of the coronavirus pandemic have heavily curtailed activity in Asia's third largest economy. In its Global Economic Prospects report, World Bank said the contraction will largely materialize in the year to 31 March and the Indian economy will recover to grow at 3.1% in the following year. "Spillovers from contracting global growth and balance sheet stress in the financial sector will also adversely impact activity, despite some support from fiscal stimulus and continued monetary policy easing," it added. The multilateral lending institution took note of measures taken by the government, including spending on health care to bolster the covid-19 response, wage support, in-kind and cash transfers to lower-income households, deferral of tax payments, as well as loan and liquidity support for small businesses and financial institutions.

## **9. Centre set to discuss unlocking of NCR with Delhi, Haryana, UP**

**Source: Livemint ([Link](#))**

Senior officials of the Central government and the three states that make up the National Capital Region(NCR)—Delhi, Haryana and Uttar Pradesh—are to meet next week to discuss ways to bid to build a consensus over how to bring the region out of the prolonged lockdown. The Centre has asked the three state governments to come up with recommendations and suggestions about the steps necessary for the unlocking of NCR, which comprises all of Delhi, 13 districts of Haryana and eight districts of UP. "The meeting with the Union government is expected to take place next week. It is important because this is the first such

meeting when all stakeholders have been invited to form a joint strategy for NCR," a senior cabinet minister in the UP government said requesting anonymity.