Daily News Monitor: 14 May 2020

1. FM Sitharaman announces big-bang package for MSMEs to revive economy
Sources: Business Standard (Link)

Union Finance Minister Nirmala Sitharaman on 13 May announced a set of stimulus measures of nearly Rs 5.94 trillion to provide relief to various constituents of the Indian economy. They are micro, small, and medium enterprises (MSMEs); taxpayers; non-banking financial companies (NBFCs); power distribution companies; the real estate sector; organised sector employees; and contractors working with the government. These measures are part of the Rs 20-trillion "Atmanirbhar Bharat" package, announced by Prime Minister Narendra Modi on Tuesday. The finance minister said she would make announcements pertaining to different sectors every day, starting 13 May, as the government looks to kick-start economic activities even as the nationwide Covid-19 lockdown is expected to continue beyond May 17.

2. BRICS' New Development Bank provides $1 bn loan to India to fight Covid-19
Source: Business Standard (Link)

The New Development Bank of the BRICS countries has fully disbursed $1-billion emergency assistance loan to India to help it contain the spread of Covid-19 and reduce human, social, and economic losses caused by the coronavirus pandemic. The Shanghai-based New Development Bank (NDB) was established by the BRICS (Brazil, Russia, India, China, South Africa) countries in 2014 and is headed by veteran Indian banker K V Kamath. The purpose of the bank is to mobilise resources for infrastructure and sustainable development projects in BRICS countries and other emerging economies and developing nations, complementing the existing efforts of multilateral and regional financial institutions for global growth and development.

3. Labour law changes in India should adhere to global standards, says ILO
Source: Business Standard (Link)

The International Labour Organization (ILO), responding to the sweeping changes in labour laws proposed by state governments, has asked the authorities to ensure that all such relaxations adhere to global standards and are effected after proper consultation. "Certain states in India are moving towards relaxing labour laws with a view to revitalise the economy from the impact of Covid-19. Such amendments should emanate from tripartite consultation involving the government, the workers' and the employers' organisations and be compliant with the international labour standards, including the Fundamental Principles and Rights at Work

(FPRW)," the ILO said in statement released on Wednesday, in response to a set of questions sent by Business Standard.

4. Covid-19 impact: Poor nations back India's call to defer WTO talks
Source: The Hindu Business Line ([Link](#))

India has taken a formal stand at the World Trade Organisation in favour of postponing all negotiations, including the talks on curbing fisheries subsidies, till the Covid-19 pandemic is under control. This has found support from many developing countries and Least Developed Countries (LDCs), an official has said. New Delhi has argued that while several poorer countries did not have the resources to participate in digital meetings during the crisis, there are others facing livelihood challenges who may change their negotiating positions that would get reflected only when the crisis has run its course. "India got the support from almost all developing countries, including the African Group and the ACP and the LDCs following its proposal at the informal virtual meeting of the Heads of Delegation that the negotiations need to be suspended. No negotiations are now being held virtually. Some members may raise the issue again at the virtual General Council meeting on May 15, but we are prepared with our arguments," an official told *BusinessLine*.

5. Indian Railways cancels train tickets booked before lockdown; Shramik, special trains to continue
Source: Money Control ([Link](#))

The Indian Railways has announced that all the tickets booked to travel on or before June 30 before the lockdown will be cancelled, according to Times Now. The Railways will be refunding all passengers who booked tickets on trains that have now been cancelled, said the report. However, Shramik trains that ferry home lakhs of migrant workers, stranded in various parts of the country due to the coronavirus-triggered lockdown, will run - said the report. The special train services will also continue to operate. In an indication that it might soon start mail, express as well as chair car services, the Railway Board on May 13 issued an order introducing the provision of waiting list tickets not only for its operational special trains but for more such trains "to be notified in due course".

6. Exclusive | After cloud kitchen tryst, OYO eyes ready-to-eat food segment
Source: Money Control ([Link](#))

Hospitality firm OYO is looking to enter the ready-to-eat food segment despite an unsuccessful foray into the cloud kitchen business early this year, sources told Moneycontrol. It has partnered with manufacturers on a revenue-sharing basis. "OYO has realised that cooking meals and maintaining its consistency where the kitchen service is not good is very difficult.

Therefore, it is planning to further explore the scope in the ready-to-eat category. At some point, the company also had plans to set up its own factory to produce and store frozen food. But that has been shelved now and for the time being it is relying only on third party manufacturers," said one of the sources. In 2019, the company launched over a dozen cloud kitchen brands such as Adraq, O'Biryani, Master of Momos and Parantha Pundit. While some of these brands still exist, majority have ceased operations.

7. Nirmala Sitharaman announces 25% cut in TDS/TCS for non-salary payments; ITR filing deadline extended
Source: Firstpost (Link)

The government on 13 May slashed TDS/TCS rate for non-salary payments to residents by 25 percent for the remaining months of the fiscal and extended the due date for filing income tax returns for 2019-20 till 30 November, 2020.Moreover, the company is offering 40,000 sq.m. of free space throughout its 33 shopping centers nationwide to farmers and SMEs to sell their products. Announcing a slew of measures to help companies and taxpayers amid the COVID-19 crisis, Finance Minister Nirmala Sitharaman said the reduction in TDS (tax deducted at source)/TCS (tax collected at source) rate would release about Rs 50,000 crore in the hands of people. The extension of ITR filing deadline would ease the compliance burden for taxpayers, she added.

8. Nirmala Sitharaman to announce second tranche of economic package today
Source: Livemint (Link)

Finance minister Nirmala Sitharaman will announce details of the second tranche of the ₹20 lakh crore economic package on 14 May. The finance ministry said Sitharaman will address a press conference at 4 pm today. The FM had announced 15 fiscal and regulatory measures for MSMEs, real estate, NBFCs, power distribution companies, contractors and general businesses. She has also given relief on EPF contribution as well as relaxation in TDS, TCS rates for non-salary payments. As declared by PM Modi in his address to the nation, Sitharaman will release details of the economic package, themed on making India self-reliant (Aatma Nirbhar Abhiyaan), in the next few days in several tranches.

9. Govt eases conditions for silver import
Source: The Economic Times (Link)

The government on 13 May eased the norms for import of certain kinds of silver. While the imports remain restricted and allowed only through nominated agencies as notified by Reserve Bank of India and the Directorate General of Foreign Trade (DGFT), the government has

exempted import of silver under Advance Authorisation and supply of silver directly by foreign buyers to exporters against export orders. Advance authorisation is issued to allow duty free import of inputs, which is physically incorporated in export product. "Import of Silver under Advance Authorisation and supply of silver directly by foreign buyers to exporters…against export orders are exempted," DGFT said in a notification.