

Daily News Monitor: 21 May 2020

1. Nirmala Sitharaman says Centre has no more announcements to make; rules out any cut in income tax rates

Source: Firstpost ([Link](#))

Finance Minister Nirmala Sitharaman on 20 May poured cold water over expectations of any more economic relief measures in the near future and said the Centre has no more announcements to make. Sitharaman also confirmed to News18 in an exclusive interview that the Centre was not looking at taxation-related matters, be it indirect or direct, on being asked about whether there can be any reduction in income tax. The finance minister, who had over the last week announced an economic package-Atmanirbhar Bharat Abhiyan, to help revive the economy, said how the coronavirus and the lockdown has hurt revenues is yet to be completely assessed. “Can’t even think of what to forego,” she replied on taxation relief.

2. Airports authority issues SOPs for air travel, here are the key guidelines

Source: The Indian Express ([Link](#))

The Airports Authority of India 21 May issued standard operating procedures (SOPs) for recommencement of domestic flight operations, a day after the Centre said it will reopen the airspace from May 25. Among the key guidelines include mandatory use of Aarogya Setu app for those above 14 years, sanitation of baggage before entering the airport, restrictions on vehicles entering the departure zone. The set of fresh guidelines come after the government announced its move to resume domestic passenger flight operations that have been suspended during the 54-day lockdown period. All scheduled commercial passenger flights were suspended in India since March 25, when the Central government imposed lockdown to curb the spread of the novel coronavirus. However, cargo flights, medical evacuation flights and special flights were allowed to operate after approval by the aviation regulator DGCA.

3. Chennai-Tirupati-Nellore industrial hub among 10 clusters for investment

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

Invest India, the National Investment Promotion and Facilitation Agency of the Government of India, in collaboration with JLL India, has identified Sri City centred Chennai-Tirupati-Nellore Tri-city industrial corridor as one among the 10 key centres for manufacturing across nine states in the country that have high potential to attract investments from other nations, post Covid-19. The other hotspots for future investment include Mumbai-Aurangabad, Pune, Gurugram-Bhiwadi-Neemrana Corridor, Noida-Greater Noida-Yamuna Expressway, Bengaluru, Hyderabad, Ahmedabad and Vadodara (Bharuch-Ankleshwar cluster).

4. Govt to further revise criteria for classifying 'medium' enterprises under MSME definition: Nitin Gadkari

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

Days after changing the definition of MSMEs, the government has decided to further revise the criteria for medium units by enhancing the investment and turnover limits to up to Rs 50 crore and Rs 200 crore respectively, Union Minister Nitin Gadkari said. Unveiling the contours of the Rs 20 lakh crore stimulus package, Finance Minister Nirmala Sitharaman had last week announced a change in the definition of micro, small and medium enterprises (MSMEs). As per the revised definition, any firm with investment up to Rs 1 crore and turnover under Rs 5 crore will be classified as "micro". A company with investment up to Rs 10 crore and turnover up to Rs 50 crore will be classified as "small" and a firm with investment up to Rs 20 crore and turnover under Rs 100 crore will be classified as "medium".

5. Cabinet approves new methodology for awarding commercial coal mines

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

The Union Cabinet on 20 May approved the auction methodology for commercial mining and sale of coal by private companies. This includes a new revenue-share model for bidding, eased eligibility criteria for bidders, and performance-linked incentives to boost coal production. To improve investment sentiment in the coal sector, auctioned mines under the new methodology will have a reduced upfront amount. The coal ministry has also introduced incentive for early production. "There will be 50 per cent rebate to the mine owner in the revenue share paid to the state, in case of early production," said the coal ministry. The new methodology provides that bid parameters will be on revenue-share mode. The bidders will be required to bid for a percentage share of revenue payable to the government. "The methodology is oriented to make maximum coal available in the market at the earliest. It also enables adequate competition, which will allow discovery of market prices for blocks and faster development of coal blocks.

6. Blue Revolution: Cabinet approves Rs 20,050 crore scheme for fisheries sector

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

The Cabinet on 20 May approved the Rs 20,050-crore Pradhan Mantri Matsya Sampada Yojana (PMMSY) to bring about Blue Revolution through sustainable development of fisheries sector over next five years. The government also aims to double the income of fishers, fish farmers and fish workers by 2024 through the scheme. "The PMMSY will address the critical gaps in the fisheries sector and realise its potential — augmenting fish production and productivity at a sustained average annual growth rate of about 9% to achieve

a target of 22 million tonne by FY25 through sustainable and responsible fishing practices,” the government said in a statement.

7. As lockdown extends, banks seek another 3-mth moratorium from RBI

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

The banking sector is pushing for moratorium on loan repayments by another three months to August 31, easing of bad loan recognition norm from 90 days to 180 days and one-time restructuring of loans as relief measures to tackle the impact of lockdown and the slowdown in the economy due to Covid pandemic. With lockdown now getting extended up to May 31 and possibility of further extension not ruled out in some key states, the Reserve Bank of India (RBI) may have to extend the moratorium on loan repayments by another three months to August 31, bankers and analysts said. Several banks, including Axis Bank, and NBFCs have also demanded a loan restructuring scheme as moratorium alone is not sufficient to come out of the crisis situation. These demands were raised at the recent meetings of the RBI top brass with the chiefs of banks and NBFCs, sources said.