

## Daily News Monitor: 21 September 2020

### **1. Lok Sabha passes Bilateral Netting of Qualified Financial Contracts Bill**

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

The Lok Sabha on 20 September night passed the Bilateral Netting of Qualified Financial Contracts Bill 2020 that seeks to further develop the financial market in India and provide an unambiguous legal framework for enforceability of netting of a qualified financial contract. This Bill is significant as India currently does not have a legal framework for bilateral netting. Netting enables two counterparties in a bilateral financial contract to offset claims against each other to determine a single net payment obligation due from one counterparty to others in the event of default. Replying to the discussions on the Bill, Minister of State for Finance and Corporate Affairs, Anurag Singh Thakur said that this Bill would help Banks and financial institutions save capital, which is very useful in today's times.

### **2. Govt decriminalises Companies Act to promote greater ease of doing business**

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

The Companies Bill has decriminalised 48 sections by removing or reducing penal provisions and omitting imprisonment for various offences that were considered procedural and technical in nature, a move that will help corporates in ease of doing business. The Bill, passed on 19 September in the Lok Sabha, comes at a time when companies are reeling under stress due the Covid-19 pandemic. Finance and Corporate Affairs Minister Nirmala Sitharaman said decriminalisation of various provisions under the companies law will also help small firms by reducing the litigation burden on them. The Bill has proposed doing away with imprisonment for nine offences, which relate to non-compliance with orders of the national company law tribunal (NCLT). These include matters relating to winding-up of companies, default in publication of NCLT order relating to reduction of share capital, rectification of registers of security holders, variation of rights of shareholders, and payment of interest and redemption of debentures.

### **3. Bill seeking to amend FCRA introduced in Lok Sabha**

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

A bill that seeks to amend the Foreign Contribution (Regulation) Act (FCRA), under which providing the Aadhar numbers of the office-bearers of any NGO will be mandatory for registration, and public servants will be barred from receiving funds from abroad, was introduced in the Lok Sabha on 20 September. The Foreign Contribution Regulation

(Amendment) Bill 2020, introduced in the Lok Sabha by Minister of State for Home Nityanand Rai, also proposes to enable the Centre to allow an NGO or association to surrender its FCRA certificate. The draft bill proposes that not more than 20 per cent of the total foreign funds received could be spent on administrative expenses. Presently, the limit is 50 per cent.

#### **4. Railways to start 40 clone trains in these routes from today. Full list**

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

Indian Railways will start from 21 September its latest initiative of operating clone trains in its network. Initially a total of 40(20 pairs) of trains will operate in the Indian Railways network which has seen a huge passenger traffic demand. The main feature of the clone trains will be that these trains will have fewer stoppages and will also run at a higher speed than the original train. Clone trains comes as a boon for the railway passengers and the problem of not getting tickets in the busy routes may be reduced with the introduction of clone trains. Passengers can book the tickets from IRCTC website and app and also from the PRS counters for these trains. IRCTC shares were 0.8% higher at ₹1,415 in early trade as Indian Railways decided to operate more trains.

#### **5. India tops total global Covid-19 recoveries**

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

India occupies the top position in the world in terms of total coronavirus recoveries as the country constitutes 19 per cent of total global recoveries, said the Union Ministry of Health. "India occupies the top position in the world in terms of total recoveries. More than 43 lakhs have recovered. India's recoveries constitute 19% of total global recoveries," Ministry of Health and Family Welfare (MoHFW) said in a tweet quoting the statistics given by Worldometers. As per the data of Worldometers, after India, the USA constitutes 18.70 per cent of total COVID-19 recoveries and Brazil's share of total recoveries stood at 16.90 per cent. On 20 September, Health Minister Harsh Vardhan said that the government is giving all necessary support for development of a vaccine against the novel coronavirus in the country and three vaccine candidates are in different phases of clinical trial. He said India had geared up to deal with the pandemic before the World Health Organization had cautioned the world about the novel coronavirus on January 30.

#### **6. Taj Mahal opens with all Covid-19 norms in place**

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

After being shut for tourists for around six months, one of the seven wonders of the world, Taj Mahal reopened from 21 September. It was closed on March 17 after all heritage monuments

protected under the Archeological Survey of India, after discussion with the union ministry of culture, were asked to close for the visitors following the rapid outbreak of SARS-CoV-2. One of the first few visitors to step inside the Taj Mahal's premises Debargha Sengupta, 25 arrived in Prayagraj on September 19 for SSB exam and later took a train to Agra to visit the monument for the first time ever. "The government locker room was closed for which I had to keep my luggage in a private shop but as I took entry and saw Taj Mahal for the first time ever I remained speechless. It is mesmeric. Moreover, less crowd had added more essence of its majestic presence," he said.

### **7. Rajya Sabha passes key farm Bills amid uproar**

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

Amid uproar by sections of the Opposition, Rajya Sabha on 20 September passed two Bills that seek to replace two recent ordinances aimed at facilitating barrier-free inter-state trading of farm goods and contract farming, respectively. Since the Lok Sabha had passed the Bills on 17 September, only President's assent is now required for these to become law. While the passage of the Bills in Lok Sabha led to the unexpected resignation of food processing industries minister Harsimrat Kaur Badal from the Narendra Modi Cabinet, Rajya Sabha also witnessed unprecedented scenes after deputy chairman Harivansh declared motions moved by the Congress, TMC, DMK and CPI (M ) for sending the Bills to a select committee of the Upper House were negated by voice vote. He did not allow division of votes either as sought by the movers of the motions.

### **8. COVID-19 provides opportunity to India, Japan to further strengthen ties: Report**

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

The COVID-19 pandemic has provided a unique opportunity to both India and Japan to further strengthen economic ties by enhancing cooperation in areas like software development, modern technology, infrastructure and manufacturing, according to a report. The report, prepared by Shardul Amarchand Mangaldas and FICCI, also said that Japan has always treated India as a preferred partner in terms of economics, trade and commerce. The Japanese business community is upbeat about its investments and ventures in India, it said adding Japan continues to be the fourth largest investor in India. It suggested that policy reforms are required in India to bring in greater synergies and reap the benefits of the de-risking activities being undertaken by Japanese companies to move their supply chains out of China to countries like India, Vietnam, Thailand, Indonesia, Malaysia and Myanmar.

## **9. Edtech, food delivery spaces attract bulk of investments**

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

Consumer internet companies attracted investments of \$3.5 billion between January and August, about 34% lower than a year ago, data sourced from market research firm Tracxn showed. Investments, which had slowed considerably in May and June, falling below \$170 million, gathered pace in July and August when firms raised close to \$800 million. Of this, online education companies Byju's, Vedantu, Eruditus and Toppr together secured close to \$400 million from investors like DST Global, Coatue Management and Chan Zuckerberg Initiative. In September so far, Byju's, Unacademy and Zomato have collectively raised over \$750 million. Edtech firms have seen their valuations soar as more students have signed up for online classes post the pandemic. Byju's valuation doubled to nearly \$11 billion from around \$5.5 billion in July 2019. Eruditus' valuation jumped to \$800 million post its latest \$113-million fund raise from around \$400 million when Sequoia Capital led a \$40-million investment round in the company early last year.