

OCTOBER NEWSLETTER

Monthly newsletter by KnowMo

GST COLLECTIONS FOR SEPTEMBER 2020

The country's GST collections grew 4% to Rs 95,480 crore in September, indicating that economic recovery is in sight. It is the highest since lockdown began in March.



LATEST SOVEREIGN GOLD BONDS ISSUE



ISSUE PRICE : Rs 5,051 per Gram

OPENING DATE : 12 OCT 2020

CLOSING DATE : 16 OCT 2020

INTEREST RATE : 2.5% p.a.

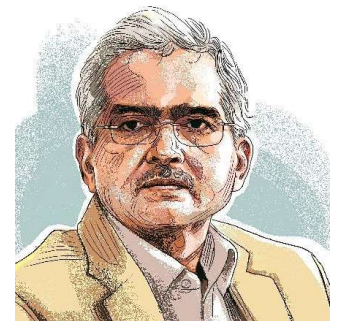
MATURITY PERIOD : 8 Years

EXIT OPTION AFTER : 5 Years

4TH BI-MONTHLY MONETARY POLICY 2020-21

Highlights of RBI's 4th Bi-monthly Monetary Policy 2020-21

- Repo Rate: Unchanged at 4%
- Reverse Repo Rate: Unchanged at 3.35%
- GDP Projection: For the year 2020-21, GDP expected to decline by 9.5%
- Inflation: To ease to target by Q4 of 2020-21
- Accommodative monetary policy stance maintained to support growth i.e. RBI will cut rates to inject money into the financial system whenever needed.
- RTGS fund transfer system for real-time fund transfer to become 24X7 from December.
- Comfortable liquidity position to be maintained



UNIFORM TIMELINE FOR LISTING SECURITIES ON PRIVATE PLACEMENT



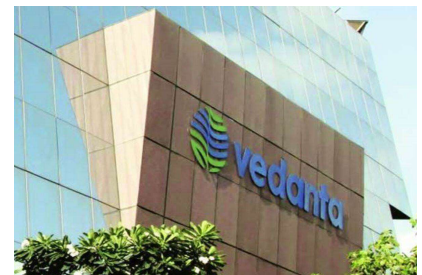
- SEBI has come out with uniform timeline for listing securities on private placement.
- The timeline will be applicable for non-convertible redeemable preference shares, debt securities, securitised debt instruments and security receipts and municipal bonds.
- SEBI has decided that allotment of securities will be completed by T+2 trading days after receiving funds.
T day refers to closure of the issue.
- Issuer needs to make listing application to stock exchanges and obtain approval by T+4 trading day.
- Penal interest of 1% p.a. for the period of delay.
- Issuer will be permitted to utilise the issue proceeds only after receiving final listing approval from stock exchanges.
- The direction will come into force with effect from 1 Dec 2020.

DELISTING OF VEDANTA'S SHARES

Vedanta Ltd had voluntarily decided to delist because of Corporate simplification, feeling it would enhance operational and financial flexibility in a capital intensive business.

The reverse book-building process for public shareholders to tender their shares started on 5 Oct and concluded on 9 Oct.

The public shareholders made a valid tender offer for 125.47 crores shares against minimum requirement of 134 crores for the promoters' shareholding to reach the 90% threshold, thereby failing the delisting process.



ELECTORAL BONDS

The State Bank of India, in the XIV Phase of sale, has been authorised to issue and encash Electoral Bonds through its 29 Authorized Branches w.e.f. 19 Oct 2020 to 28 Oct 2020.

INTEREST ON INTEREST WAIVER ON LOAN MORATORIUM

Following the order of the Supreme Court, the Centre has announced the scheme to 'grant ex-gratia payment of difference between compound and simple interest to borrowers of specified loan accounts' from 1 Mar to 31 Aug. Banks have to credit the amount to the account of borrower by 5 Nov 2020, and can then claim the reimbursement from the Government by 15 Dec 2020. The benefit has been extended for loans below ₹2 crore availed across mentioned categories and loan accounts should be standard, and not an Non Performing Asset (NPA) in the books of the lending institutions as on cutoff date of 29 Feb 2020.

