



Newsletter

October 2018

INFRA DEVELOPERS TO GET RAILWAY LAND, AIRSPACE ON 99 YEAR LEASE

The Union Cabinet approved granting leases of up to 99 years for land and airspace above tracks in and around railway stations to infrastructure developers in lieu of station development for 400 A- and A1- class stations by monetizing 2700 acres of prime railway land so as to build hotels, office and malls.

The cabinet has eased up terms of multiple sub-leasing and simplified bid procedures.

Indian Railway Stations Development Corp. Ltd. (IRSDC) will prepare overall strategic and business plans for individual or group of stations to ensure cost neutrality.

Source: Mint

RBI EASES FUND RAISING RULES FOR OIL RETAILERS

The Reserve Bank of India (RBI) allowed state-run oil marketing companies (OMCs) to raise external commercial borrowings (ECBs) from recognised lenders under the automatic route for working capital with minimum average maturity of 3-5 years.

RBI has also waived off the individual limit of \$750 million or equivalent, and mandatory hedging requirements as per the ECB framework for borrowings.

Source: Mint

PIN CODE MADE MANDATORY FOR GENERATING E-WAY BILL

The GST Network has made it mandatory for businesses and transporters to mention PIN codes of places of loading and unloading of consignments to help calculate the correct distance to determine the validity of the e-way bill, used by businesses to transport goods worth over Rs 50,000 both within and outside a state.

The validity of the e-way bill is one day if the distance to be covered is less than 100 km. For every additional 100 kms or part the validity of the bill goes up by one day.

A new feature is introduced on the e-way bill portal that will send alerts to the generator of the bill through a pop up and SMS message, in case the total invoice value entered by them is very high, to avoid making mistake, GSTN said.

Source: Economic Times

RBI WOOS FOREIGN INVESTORS WITH NEW RELATIONSHIP TERMS

RBI has asked foreign investors for a commitment of staying invested a minimum 3 years in local debt from them.

They can hedge their investments for both currency and interest rate risk the way they want and in return they have to commit 67% of their investment, whittling down their commitment by a maximum of 33% giving them flexibility to manage their gain or loss.

It is called Voluntary Retention Route as the relationship shall be voluntary. There will be a due selection process though an auction.

The terms of hedging will be set by RBI giving it a lot of power.

Source: Mint



P & G FUND TO INVEST IN INDIAN START-UPS

Procter and Gamble (P & G) India has established multimillion dollar fund called Innovation Sourcing Fund to invest in Indian start-ups and pursue a collaborative growth strategy.

It has launched vGrow which will identify and collaborate with small businesses, individuals and large organizations, and offer innovative industry-leading solutions.

It has also launched an online platform, P&G Hackathon to enable start-ups, small businesses and large organizations offer innovative solutions and secure business opportunities with the company.

Source: Mint

GOVERNMENT RELAXES RESTRICTIONS ON PETCOKE IMPORTS, SAYS DIRECTORATE GENERAL OF FOREIGN TRADE

India relaxed some restrictions on imports of petcoke for use as feedstock or in manufacturing process only for actual user basis in some industries, said the Directorate General of Foreign Trade (DGFT)

India allowed imports of 500,000 tonnes of petcoke per year by aluminium companies and 1.4 million tonnes of petcoke by calcined petcoke makers, a trade ministry notification posted by the DGFT.

Source: Financial Express

INDIA, JAPAN SIGNS \$75 BILLION CURRENCY SWAP AGREEMENT

India and Japan have signed a \$75 billion bilateral currency swap agreement which will help bring greater stability to foreign exchange and capital markets in India. RBI will get a certain amount of yen and the Bank of Japan will get an equivalent amount in Indian rupees. The rate will be decided on the basis of prevailing market rates.

Later, both the countries will repay the amount at the same exchange rate and the swap rate shall be decided by both the countries. Normally, they will be linked to London inter-bank rate, called Libor.

The facility will make the agreed amount of capital to India on tap for use and also bring down the cost of capital for Indian entities while accessing foreign capital markets.

Source: Economic Times



ABACUS LEGAL GROUP

ADVOCATES

R-116 Greater Kailash Part-1. New Delhi 110048, India

Ph# (+91 11) 41633366/5/4

Email: abacus@abacuslegalgroup.net

Website: www.abacuslegalgroup.net