

Headlines at a Glance - 14th September 2020

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13 states to borrow from Centre to meet shortfall in GST compensation

A total of 13 states ruled by BJP and parties have submitted their borrowing options to the Centre to meet the GST revenue shortfall. Of the 13 states, 12 have preferred to opt for borrowing from the special window facilitated by the Reserve Bank of India (RBI). These states include Andhra Pradesh, Bihar, Uttar Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Meghalaya, Sikkim, Tripura, Uttarakhand and Odisha. Meanwhile, Manipur has far opted for borrowing from the market. In the current fiscal, the total shortfall in GST collection by the states was estimated at Rs 2.35 lakh crore. Of this, as per the Centre's calculation, about Rs 97,000 crore is on account of GST implementation and rest Rs 1.38 lakh crore is the impact of coronavirus pandemic on states' revenues. The Centre late last month gave two options to the states to borrow either Rs 97,000 crore from a special window facilitated by the RBI or Rs 2.35 lakh crore from market and has also proposed extending the compensation cess levied on luxury, demerit and sin goods beyond 2022 to repay the borrowing. While the 12 states preferred to opt for borrowing from the special window facilitated by the RBI while one state, Manipur, opted for borrowing from the market. However, few states, instead of expressing their option preference, have submitted their views to the Chairperson of the GST Council and are yet to decide on the options.

SOURCE: *The Hindu*

DPIIT working on schemes to support startups

The Department for Promotion of Industry and Internal Trade (DPIIT) is working on two schemes — credit guarantee and seed funds — to support startups in the country, a top government official has said. DPIIT Secretary Guruprasad Mohapatra said that an inter-ministerial consultation process is on to work out the contours of the two schemes. This scheme would give banks a comfort to lend, he said adding that it is for credit not for venture capital. On the seed fund scheme, Mohapatra said that most startups actually face problems in raising finance or funds in the ideation to the proof of concept stage. Some states like Gujarat and Kerala already have schemes like seed funds, but they are small. Both the schemes would require approval of the finance ministry and then the DPIIT would seek nod of the Union Cabinet for these two schemes. The department is encouraging states to develop their startup policy to promote budding entrepreneurs.

SOURCE: *Business Standard*

Israel, UAE education institutes ink agreement on AI

The Weizmann Institute of Science announced Sunday that it had inked an agreement to cooperate on artificial intelligence research with an academic institution in the UAE, after Israel and the United Arab Emirates agreed to normalize diplomatic ties.

The Weizmann Institute said it signed a memorandum of understanding with the Mohamed bin Zayed University of Artificial Intelligence during a virtual ceremony on Saturday. The head of the Weizmann Institute will lead a delegation to Abu Dhabi next week to finalize the agreement. A statement from the Rehovot-based Weizmann Institute said the agreement would allow for exchange programs, conferences and seminars, and a new joint institute for AI. Israel and the UAE announced on August 13 that they were establishing full diplomatic relations. On Friday, US President Donald Trump announced Bahrain would follow the UAE in establishing ties with Israel and take part in the signing of the normalization deal at the White House on Tuesday.

The UAE and Bahrain are just the third and fourth Arab countries to agree to official relations with Israel, after Egypt and Jordan.

SOURCE: *BBC News*

Krishna-Godavari Basin holds massive reserve of methane hydrate

The Krishna-Godavari (KG) Basin holds a massive reserve of methane hydrate, a rich source of clean fuel, according to a recent study conducted at the Agharkar Research Institute, which works under the government's Department of Science and Technology. The study, accepted for publishing in the journal 'Marine genomics', says methane is a clean and economical fuel and it is estimated that "one cubic meter of methane hydrate contains 160-180 cubic meters of methane". Methane's clean burning process makes it a very

attractive fuel. When burnt in the presence of Oxygen, its one molecule releases two molecules of water and one of Carbon Dioxide. The KG basin is known to be a rich source of hydrocarbons. The study was conducted as a part of the DST-SERB (Science and Engineering Research Board) young scientist project titled 'Elucidating the community structure of methanogenic archaea in methane hydrate'. According to the study, the ARI team has further identified the methanogens that produced the biogenic methane trapped as methane hydrate, which can be a significant source of energy.

SOURCE: *Times of India*

UP government to set up Special Forces

The Uttar Pradesh government on Sunday said a special force will be constituted on the basis of orders of the Allahabad High Court, which had expressed its displeasure over the security at civil courts last December. Briefing reporters here, Additional Chief Secretary (Home) Awanish Awasthi said, "The state government has given orders for the constitution of a special security force. A roadmap in this regard has been sought from the UP DGP." This is a dream project of the UP chief minister." The basis of this force is an order of the High Court, which had ordered that there should be a specialised force for civil courts. In all, there will be 9,919 personnel in the force," he added. Awasthi said five battalions will be constituted in the first phase and it will be headed by an ADG-ranked officer. Later in a statement, he said the force will provide security to the high court, district courts, administrative offices and buildings, Metro rail, airports, banks, financial institutions, educational institutions and industrial units. This force will have the powers to search without any warrant. Members of this force can arrest any person without the orders of a magistrate or a warrant, the statement said.

SOURCE: *Livemint*