



October 07, 2020 - Wednesday

## Key Developments

### Reconstituted Monetary Policy Committee to begin three-day meeting from Wednesday

The next meeting of the Monetary Policy Committee is to take place from October 7 to October 9, the Reserve Bank of India announced on Tuesday. The announcement came within hours of the Government's nomination of three new members – Ashima Goyal, Jayanth R Verma and Shashank Bhide.

<https://www.thehindubusinessline.com/economy/govt-nominates-ashima-goyal-jayanth-verma-shashank-bhide-as-new-members-of-mpc/article32779067.ece>

### Government clears 16 companies for product-linked incentive scheme

The government, on Tuesday, approved applications of 16 electronics companies including 10 mobile phone manufacturers for reward under the product-linked incentive scheme for total disbursement of Rs 40,000 crore. The international mobile phone manufacturing companies that are approved to avail incentive for producing mobile phones with invoice value Rs 15,000 and above are Samsung, Foxconn Hon Hai, Rising Star, Wistron and Pegatron. Out of these, 3 companies namely Foxconn Hon Hai, Wistron and Pegatron are contract manufacturers for Apple iPhones. Apple (37%) and Samsung (22%) together account for nearly 60% of global sales revenue of mobile phones and this scheme is expected to increase their manufacturing base manifold in the country.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/government-clears-16-companies-for-product-linked-incentive-scheme/articleshow/78518874.cms>

### Protection of personal data should be backed by law: RBI Executive Director T Rabi Sankar

Protection of personal data should be backed by a legal provision as it will help ensure privacy and confidentiality of individuals, a senior RBI official said on Tuesday. Data protection is crucial because privacy and confidentiality of individuals is their right under the Constitution, RBI Executive Director T Rabi Sankar said. "I strongly believe that the protection of use of proprietary data, in particular personal data, needs to be legally provided for rather than through subordinate legislation like regulation through regulatory authority," Sankar said. He was addressing the virtual event 'RAISE 2020 : Responsible AI for Social Empowerment'.

The government is looking to table the Personal Data Protection Bill in the Budget session of Parliament next year. The bill proposes to put restriction on use of personal data without explicit consent of citizens.

<https://www.financialexpress.com/industry/banking-finance/protection-of-personal-data-should-be-backed-by-law-rbi-executive-director-t-rabi-sankar/2099390/>

## Economy

### New members give RBI's MPC dovish tilt; to hold rates on Oct 9: Analysts

The addition of three new members – Jayanth Varma, Ashima Goyal and Shashanka Bhide – to the Reserve Bank of India's monetary policy committee (MPC) lends a dovish tilt to the central bank's think tank on policy, say analysts, who feel it may keep rates unchanged in the policy review later this week. "We believe that the new external members are more neutral-to-dovish in their policy views, which will tilt the overall MPC in a dovish direction. However, we do not expect any immediate impact on policy, given the current high levels of inflation. We expect a dovish hold this week on October 9 (unchanged policy rates and the

continuation of an accommodative stance),” wrote Sonal Varma, managing director and chief India economist at Nomura in an October 6 co-authored report with Aurodeep Nandi.

[https://www.business-standard.com/article/finance/new-members-give-rbi-s-mpc-a-dovish-tilt-to-hold-rates-on-oct-9-analysts-120100600875\\_1.html](https://www.business-standard.com/article/finance/new-members-give-rbi-s-mpc-a-dovish-tilt-to-hold-rates-on-oct-9-analysts-120100600875_1.html)

#### **No question of withdrawing MSP, it is all rumour mongering, assures FM**

Union Finance and Corporate Affairs Minister Nirmala Sitharaman today said that the minimum support price (MSP) will continue. It will not be withdrawn under any circumstances. People are spreading unnecessary rumours.

Speaking to reporters in Chennai today, she said MSP had been introduced only for rice and wheat initially, despite the fact that about 20-22 commodities had been notified. The mechanism was later extended to other agricultural produce after the BJP Government took over in 2014. These included coarse grains, oil seeds and spices, as the intention was also to reduce dependence on imports.

It has brought a distortion in the agriculture sector as many farmers shifted from other crops to the cultivation of paddy and wheat, said the Minister.

[https://www.business-standard.com/article/economy-policy/no-question-of-withdrawing-msp-it-is-all-rumour-mongering-assures-fm-120100600957\\_1.html](https://www.business-standard.com/article/economy-policy/no-question-of-withdrawing-msp-it-is-all-rumour-mongering-assures-fm-120100600957_1.html)

#### **Swift economic recovery key to limit loan losses for Indian banks: Fitch**

Swift economic recovery will be critical in limiting loan losses for Indian banks in what is likely to be a protracted period of weakness in the asset-quality cycle, says Fitch Ratings. Indian lenders face a tough operating environment in the near term, as stressed loans and write-offs increase as a result of the economic fallout of the coronavirus pandemic.

In September, Fitch revised India's (BBB-/Negative) growth forecast for the year ending March 2021 (FY21) to -10.5 per cent, from five per cent.

[https://www.business-standard.com/article/economy-policy/swift-economic-recovery-key-to-limit-loan-losses-for-indian-banks-fitch-120100600624\\_1.html](https://www.business-standard.com/article/economy-policy/swift-economic-recovery-key-to-limit-loan-losses-for-indian-banks-fitch-120100600624_1.html)

#### **GST Council has no jurisdiction over borrowing by states: Govt sources**

Amid demand for division in the GST Council over the issue of mechanism to compensate states, sources in the Union government said that voting could happen only in areas under the Council's jurisdiction and borrowing is not one of them. The sources said the issue of borrowing is not a GST council matter or is not something which is under its jurisdiction.

The Council has jurisdiction to extend the levy of compensation cess to make up for shortfall in the compensation requirements of states and collections from the cess.

[https://www.business-standard.com/article/economy-policy/gst-council-has-no-jurisdiction-over-borrowing-by-states-govt-sources-120100600500\\_1.html](https://www.business-standard.com/article/economy-policy/gst-council-has-no-jurisdiction-over-borrowing-by-states-govt-sources-120100600500_1.html)

#### **Businesses get confident about growth recovery; private activity expands, pulls up Services PMI**

India's services activity improved for the fifth straight month in September 2020, however, the contraction continued to affect the businesses. Led by the reopening of business units and loosening of lockdown rules, services PMI rose from 41.8 in August to 49.8 in September. It was also for the first time in September when the service providers were confident about growth prospects. In line with hopes that a vaccine for COVID-19 will be rolled out, companies were optimistic about the year-ahead outlook for business activity, said the IHS Markit report.

Overall, the private sector activity expanded during September. The upturn was supported by the sharpest increase in manufacturing production in close to 13 years and stabilisation of services activity. Rising from 46.0 in August to 54.6, the Composite PMI Output Index signalled a marked rate of activity growth across the private sector economy. There was also a renewed increase in aggregate new orders, which took place for the first time since February.

<https://www.financialexpress.com/economy/businesses-get-confident-about-growth-recovery-private-activity-expands-pulls-up-services-pmi/2098981/>

## Banking and Finance

### Cash-to-GDP ratio could hit 14-15%, the highest since independence

As demonetisation of high-value currency notes completes four years, data shows India has increasingly become a predominantly cash economy once again, as currency with the public crossed Rs 26 trillion in the middle of September. With respect to the size of the economy, cash to GDP ratio will probably now be the highest ever since independence.

If we assume that India's nominal gross domestic product contracts by 10 per cent this year, the currency with public would rise to about 15 per cent of GDP, a Business Standard calculation shows.

[https://www.business-standard.com/article/economy-policy/cash-to-gdp-ratio-could-hit-14-15-the-highest-since-independence-120100600876\\_1.html](https://www.business-standard.com/article/economy-policy/cash-to-gdp-ratio-could-hit-14-15-the-highest-since-independence-120100600876_1.html)

### FM launches Indian Bank's business mentoring programme for MSMEs

Finance Minister Nirmala Sitharaman on Tuesday launched 'MSME Prerana', an online business mentoring programme for MSMEs by state-run Indian Bank. The programme, to be made available in local languages, is aimed at empowering entrepreneurs through skill development and capacity building workshops, the bank said in a release. "Indian Bank has taken an out-of-the-box initiative in launching MSME Prerana which will handhold the entrepreneurs through a mentoring program. This novel initiative shall further inspire others in the banking sector to adopt similar measures," Sitharaman said. The initiative was launched by the finance minister at the bank's corporate centre in Chennai. Financial Services Secretary Debashish Panda, who also participated in the launch event through video conferencing, delved on the various initiatives taken by the government to support MSMEs.

<https://economictimes.indiatimes.com/industry/banking/finance/fm-launches-indian-banks-business-mentoring-programme-for-msmes/articleshow/78519424.cms>

### Private equity investments hit record high of \$28.66 billion in 2020

Private equity investments in India hit a record high of \$28.66 billion till September end this calendar year, significantly over the \$16.27 billion invested in entire 2019. In 2018, PE investments stood at \$10.8 billion.

<https://www.thehindubusinessline.com/news/national/private-equity-investments-hit-record-high-of-2866-billion-in-2020/article32783524.ece>

### Indian banks face tough operating environment in near term: Fitch

Fitch Ratings on Tuesday said Indian banks face a tough operating environment in the near term as stressed loans and write-offs increase due to the economic fallout from the coronavirus pandemic.

It said limited room for fiscal support, fragilities in the financial system and a continuing rise in COVID-19 cases are hampering normalisation of activity.

"Indian banks face a tough operating environment in the near term, as stressed loans and write-offs increase as a result of the economic fallout from the coronavirus pandemic, but a swift economic recovery will be critical to limiting loan losses in what is likely to be a protracted period of weakness in the asset-quality cycle," Fitch Ratings said in a statement.

[https://www.business-standard.com/article/finance/indian-banks-face-tough-operating-environment-in-near-term-fitch-120100600929\\_1.html](https://www.business-standard.com/article/finance/indian-banks-face-tough-operating-environment-in-near-term-fitch-120100600929_1.html)

## Industry

### Covid-hit online sellers hope faster recovery in festive season as majority shoppers look to back them

Covid-hit small businesses selling goods online might be pleasantly surprised this festive season as the majority of online shoppers looks to buy from them including emerging brands and artisans. Micro and small businesses constitute a majority number of sellers selling on e-commerce marketplaces like Amazon, Flipkart, Snapdeal etc. In fact, there have been a number of initiatives rolled out by Amazon and Flipkart such as Amazon Karigar, Flipkart Samarth in the past few years to bring on-board sellers, artisans, craftsmen from across India and enable them to reach out to the growing number of online shoppers.

The festive season, which begins from nine-day Navratri and lasts till the year-end, might prove to be a lifeline for micro and small sellers who have been facing Covid headwinds ever since the pandemic broke out in February this year leading to negligible or zero business activity apart from witnessing a shortage of workforce.

<https://www.financialexpress.com/industry/sme/msme-eodb-covid-hit-online-sellers-hope-faster-recovery-in-festive-season-as-majority-shoppers-look-to-back-them/2099254/>

### **Fund raising by corporates up 64% to Rs 1.1 trillion in August**

Companies garnered more than Rs 1 lakh crore from the capital markets in August, a surge of 64 per cent from the preceding month, with private placement of debt instruments emerging as the most preferred route for financing business needs. The funds have been mopped-up mainly for business expansion plans, loan repayments and working capital requirements.

According to data available with the markets regulator Sebi, companies raised a total of Rs 1.1 lakh crore in August as compared to Rs 66,915 crore in July 2020 by way of issuing equity and debt securities. Out of the cumulative Rs 1.1 lakh crore garnered in August, Rs 58,419 crore was mopped up from private placement of debt securities and Rs 45,471 crore through private placement of equity, which include qualified institutional placement (QIP) and preferential allotment routes.

[https://www.business-standard.com/article/companies/fund-raising-by-corporates-up-64-to-rs-1-1-trillion-in-august-120100601080\\_1.html](https://www.business-standard.com/article/companies/fund-raising-by-corporates-up-64-to-rs-1-1-trillion-in-august-120100601080_1.html)

### **Steelmakers are witnessing early signs of recovery from Q2 FY21: Icra**

Indian steel industry is witnessing early signs of recovery from the September quarter of FY 2021, supported by easing of mobility restrictions, and a gradual improvement in the domestic demand environment. "The performance of steel mills, especially blast furnace players, is expected to register a healthy rebound in Q2, supported by rising capacity utilisation rates, successive steel prices hikes, and tepid input costs," rating agency Icra said in a webinar on Tuesday. Indian steel industry is witnessing early signs of recovery from the September quarter of FY 2021, supported by easing of mobility restrictions, and a gradual improvement in the domestic demand environment. "The performance of steel mills, especially blast furnace players, is expected to register a healthy rebound in Q2, supported by rising capacity utilisation rates, successive steel prices hikes, and tepid input costs," rating agency Icra said in a webinar on Tuesday.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steelmakers-are-witnessing-early-signs-of-recovery-from-q2-fy21-icra/articleshow/78516902.cms>

## **Agriculture**

### **Government procures over 11 lakh tonnes paddy at MSP in last 10 days**

The Centre on Tuesday said over 11 lakh tonnes of kharif paddy has been procured at minimum support price (MSP) from farmers for a total of Rs 2,103.46 crore in the last ten days. Pulses and cotton are also being procured at MSP as per the existing schemes, it said. Procurement of paddy, the main kharif crop, began from September 26 in Punjab and Haryana, while it started on September 28 in other states. "As on October 5, cumulative procurement of paddy in the 2020-21 kharif marketing season has already crossed 11.14 lakh tonnes," the Union Food Ministry said in a statement. The paddy has been procured from 87,000 farmers at MSP value of Rs 2,103.46 crore, it added. Paddy procurement through the Food Corporation of India (FCI) and state government agencies has picked up fast in some states like Punjab, Haryana, Tamil Nadu and Uttar Pradesh, it added.

<https://economictimes.indiatimes.com/news/economy/agriculture/government-procures-over-11-lakh-tonnes-paddy-at-msp-in-last-10-days/articleshow/78519178.cms>

### **Assam government launches mobile app, Kisan Rath, to promote buyer-seller network**

In a bid to promote the buyer-seller network in its state, the Assam government has launched a mobile application, called Kisan Rath. The newly launched app connects more than 10,000 farmers, 50 farmer-producer organizations and 1,000 verified agricultural traders on its interface. Initially launched by the Government of India, the app has been customized by National Informatics Centre (NIC) Assam to suit the requirements of the state. The app also enables farmers to take advantage of all relevant schemes and opens up the national market outside the state for surplus products. Chief Minister Sarbananda Sonowal launched the Kisan Rath (Fruits & Vegetables) app, in the state. Developed, designed and technically maintained by NIC, the app will be implemented by the Assam Agribusiness and Rural Transformation (APART) project which will train farmers and other stakeholders on using the app. The app is available in three languages - Assamese, Hindi and English. Sonowal said that the app would be a new vehicle for boosting the state's

agri-business by opening up markets across the country for the farmers of Assam to get the most benefit for their produce.

<https://economictimes.indiatimes.com/news/economy/agriculture/assam-government-launches-mobile-app-kisan-rath-to-promote-buyer-seller-network/articleshow/78516428.cms>

#### **Chhattisgarh: Agri university develops soil-testing kit for farmers**

The Raipur-based Indira Gandhi Krishi Vishwavidyalaya (IGKV) has developed a portable soil testing kit, which will help farmers determine nutritional content of soil on their land, an official said on Tuesday.

The kit received a patent certificate from the Central government last week, following which the university has initiated the process of its commercial production, the official from the university said.

"The government has been issuing soil health cards to farmers after testing soil from their land, but for this, cultivators have to bring soil samples to the agriculture department's labs and the entire process takes four to five days," IGKV's public relations officer Sanjay Nayyar said.

[https://www.business-standard.com/article/current-affairs/chhattisgarh-agri-university-develops-soil-testing-kit-for-farmers-120100600854\\_1.html](https://www.business-standard.com/article/current-affairs/chhattisgarh-agri-university-develops-soil-testing-kit-for-farmers-120100600854_1.html)

#### **Telangana paddy area doubles to 53 lakh acres**

The paddy acreage in Telangana has seen record growth as the farmers sowed the crop in 52.55 lakh acres this kharif as against the season-normal of 27 lakh acres last year.

<https://www.thehindubusinessline.com/economy/agri-business/telangana-paddy-area-doubles-to-53-lakh-acres/article32785185.ece>

### **Infrastructure**

#### **Noida: Key pact signing for Rs 29,560-crore Jewar airport on Wednesday**

The signing of a key agreement, which got delayed due to the COVID-19 pandemic, for the Rs 29,560 crore Jewar airport will take place on Wednesday, officials said. The 'concession agreement' for the greenfield project will be signed between developer Zurich Airport International AG and the Yamuna International Airport Private Limited and the Noida International Airport Limited (NIAL), the officials said on Tuesday. Restriction on flight services due to COVID-19 outbreak and subsequent lockdown has twice led to the extension of the date for signing of the concessionaire agreement between selected developer and the state government agencies for the project, according to officials. On November 29 last year, Swiss firm Zurich Airport emerged as the highest bidder to develop the Jewar airport on the outskirts of Delhi in Gautam Buddh Nagar district of UP, outbidding competitors like Adani Enterprises, DIAL and Anchorage Infrastructure Investments Holding, officials said. The entire project will be spread over 5,000 hectares and is estimated to cost Rs 29,560 crore, the officials said.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/noida-key-pact-signing-for-rs-29560-crore-jewar-airport-on-wednesday/articleshow/78511647.cms>

### **Telecom**

#### **IT services growth to return in 2021, Covid to fuel digital spends: Fitch**

The Indian IT services sector is expected to return to high single-digit revenue growth in 2021-2022 galvanised by higher demand for digital transformation after a flattish 2020, according to Fitch Ratings. In a new report titled 'Spotlight: Indian IT Services Sector', Fitch said the impact of the coronavirus pandemic is seen to be only moderate and short term, as customers focus on transforming their businesses digitally, moving services and work platforms online, and minimise spending on legacy services. Pandemic will accelerate digital IT spends, it said. Most companies have reported robust deal wins that should support growth in 2021-2022, despite the revenue decline in the second quarter of 2020, said the report.

[https://www.business-standard.com/article/pti-stories/indian-it-services-growth-set-for-comeback-in-2021-pandemic-to-fuel-digital-spends-fitch-ratings-120100600944\\_1.html](https://www.business-standard.com/article/pti-stories/indian-it-services-growth-set-for-comeback-in-2021-pandemic-to-fuel-digital-spends-fitch-ratings-120100600944_1.html)

### **Energy**

#### **India to overtake China as world's largest LPG residential market by 2030**

India is expected to overtake China as the world's largest cooking gas LPG residential sector market by 2030, Wood Mackenzie said on Tuesday. "Liquefied petroleum gas (LPG) demand in the residential sector

will continue to see sustainable growth at a cumulative annual growth rate (CAGR) of 3.3 per cent, reaching 34 million tonnes (MT) in 2030 as households' dependence on solid biomass diminishes in the long run supported by rising average household incomes and urban population," it said in a report. Driven by environmental and health concerns, the government has also been implementing schemes to help lower-income families cope with the cost of switching from dirtier biomass to LPG.

The Direct Benefit Transfer of LPG (DBTL) gives out subsidies to the vulnerable population, while the Pradhan Mantri Ujjwala Yojana (PMUY) provides families living below the poverty line access to free LPG stoves. Wood Mackenzie research analyst Qiaoling Chen said: "Although nationwide LPG coverage has reached 98 per cent, up 42 per cent from 2014, usage is still low. Average annual cylinder refills have not kept up with the pace of new connections, with average consumption remaining below the benchmark of 12 cylinders."

<https://www.financialexpress.com/economy/india-to-overtake-china-as-worlds-largest-lpg-residential-market-by-2030/2099237/>

#### **Govt to give incentives to boost domestic solar industry: Minister**

Along with an interest subvention to boost domestic solar manufacturing in the country, the government is also looking at incentivising the use of advanced technology, union power and renewable energy minister RK Singh said.

"We have schemes in the anvil, and under those schemes, we'll be giving interest subvention for people setting up manufacturing. I want to give additional incentives for those using futuristic technologies," he said. This scheme will be built into the existing plans for the 5% interest subvention, the minister added. ET was the first to report the development on the subvention in August. Speaking at an event organised by the Ministry of New and Renewable Energy and NITI Aayog, Singh also said that despite a hiccup in the construction of projects due to COVID-19, new bids worth 12,000 MW were finalised since March from both international as well as Indian players. This takes the total capacity of the projects currently in the pipeline to 20,000 MW.

<https://economictimes.indiatimes.com/industry/energy/power/govt-to-give-incentives-to-boost-domestic-solar-industry-minister/articleshow/78517476.cms>

#### **Indians not buying energy efficient AC: Study**

While a majority of Indian consumers want to purchase a high-star labelled or energy efficient air-conditioner, only a minority of them actually went on to purchase one with the price of such models acting as a deterrent, according to a latest study. The study, conducted by the Council on Energy, Environment and Water (CEEW), reported that over 70% of respondents want to buy an energy efficient AC, but just 14% actually went on to purchase one. In fact, a dominant majority of Indian consumers find the government's star labelling programme trustworthy and useful.

Shikha Bhasin, programme Lead at CEEW, and lead author of the study, said, India has led one of the most successful energy-labelling programme globally. "A significant opportunity to reduce greenhouse gas emissions is available if households adopt better AC use practices. Adopting sustainable lifestyle practices, including higher AC energy efficiency and optimized maintenance, could reduce the global warming impact of the cooling sector in India by 46% during the period 2010-2050," she said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/indians-not-buying-energy-efficient-ac-study/articleshow/78518340.cms>

#### **NHPC to suffer Rs 84.41 crore loss due to SEWA-II plant shutdown**

State-run hydro power giant NHPC on Tuesday said it will suffer a loss of Rs 84.41 crore due to the shutdown of 120 MW Sewa-II power station in Jammu and Kashmir till March 31, 2021. "Anticipated financial loss due to shutdown will be Rs 84.41 crore," a BSE filing said. Last week, the company had informed that the Sewa-II power station (120 MW) in the union territory (UT) of Jammu & Kashmir has been under complete shutdown from September 25, 2020, to March 31, 2021, for damage of head race tunnel (HRT). The shutdown will cause tentative loss of 157.4 million units (MUs) in generation (design energy) and 35.61 per cent in NPAF (Normative Annual Plant Availability Factor), it had stated.

<https://economictimes.indiatimes.com/industry/energy/power/nhpc-to-suffer-rs-84-41-crore-loss-due-to-sewa-ii-plant-shutdown/articleshow/78515007.cms>

## States

### **Uttar Pradesh government withdraws privatisation plan for electricity distribution companies**

The Uttar Pradesh government on Tuesday decided to withdraw a privatisation plan for electricity distribution companies, after nearly five hour meeting with protesting employee unions which began an indefinite strike a day ago. As per the agreement signed after the meeting held by state power minister Shrikant Sharma and its finance minister Suresh Khanna, Uttar Pradesh agreed to take back the privatisation proposal of Purvanchal Vidyut Vitaran Nigam Ltd, which supplies electricity to 80 lakh consumers including in important constituencies of Varanasi, Gorakhpur and Prayagraj. The agreement said the state power distribution companies will strive to improve power supply and operational efficiencies within the existing framework and any privatisation proposal in future will be made after taking the employees and authorities in confidence.

<https://economictimes.indiatimes.com/industry/energy/power/uttar-pradesh-government-withdraws-privatisation-plan-for-electricity-distribution-companies/articleshow/78518442.cms>

## Healthcare

### **DCGI nod to Phase-1 human trials of 'antisera' with potential to treat COVID-19**

The Drugs Controller General of India has given permission for conducting Phase-1 human clinical trial for an "antisera" that was developed by injecting inactivated SARS-CoV-2 in horses and can be a potential treatment for COVID-19, ICMR officials said on Tuesday. The 'antisera' has been developed by the Indian Council of Medical Research (ICMR) in collaboration with a Hyderabad-based bio-pharmaceutical firm. "With Biological E Limited we have developed an horse 'antisera' and we have just got clearance for conducting clinical trials for that," ICMR Director General Dr Balram Bhargava said at press briefing on Tuesday. The 'antisera' is yet to undergo human clinical trials to establish safety and efficacy. Antisera are blood serum high in antibodies against specific antigens and are injected in humans to help kickstart the immune system to fight specific infections.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/dcgi-nod-to-phase-1-human-trials-of-antisera-with-potential-to-treat-covid-19/articleshow/78520049.cms>

## External

### **Govt removes export curbs on N-95 masks**

The government on Tuesday removed export curbs on N-95 masks, to promote outbound shipments of the product. "The export policy of N-95/FFP-2 masks or its equivalent is amended from restricted to free category, making all types of masks freely exportable," the Directorate General of Foreign Trade (DGFT) said in a notification.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/govt-removes-export-curbs-on-n-95-masks/articleshow/78514041.cms>

### **IMF head says global economy facing long climb to recovery**

The head of the International Monetary Fund says that the global economy has started on a long climb to stronger growth with prospects looking a little better than four months ago. IMF Managing Director Kristalina Georgieva said Tuesday that global economic activity suffered an unprecedented fall in the spring when 85 per cent of the global economy was in lockdown for several weeks. The situation currently is less dire with many countries experiencing a better-than-expected rebound in recent weeks. We continue to project a partial and uneven recovery in 2021, Georgieva said in a speech previewing next week's fall meetings of the 189-nation IMF and its sister lending agency the World Bank where the IMF will release its updated economic outlook. While there has been some improvement, downside risks remain high, Georgieva said in a video-conference speech to the London School of Economics.

<https://www.financialexpress.com/economy/imf-head-says-global-economy-facing-long-climb-to-recovery/2099405/>

### **WTO revises 2020 trade forecast up; world goods trade fall seen at 9.2% from 12.9% earlier**

The World Trade Organization (WTO) on Tuesday revised upwards its forecast for the decline in world merchandise trade at 9.2% in 2020 as against 12.9% drop projected earlier, based on a strong trade performance in June and July as lockdowns were eased and economic activity accelerated. "The WTO now

forecasts a 9.2% decline in the volume of world merchandise trade for 2020, followed by a 7.2% rise in 2021.... Strong trade performance in June and July have brought some signs of optimism for overall trade growth in 2020," the Geneva-based organisation said in a report. The forecast for next year is more pessimistic than the previous estimate of 21.3% growth, leaving merchandise trade well below its pre-pandemic trend in 2021. "The current trade forecast of 7.2% for 2021 appears to be closer to the 'weak recovery' scenario than to a 'quick return to trend'," WTO said.

[https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-revises-2020-trade-forecast-up-world-goods-trade-fall-seen-at-9-2-from-12-9-earlier/articleshow/78517352.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-revises-2020-trade-forecast-up-world-goods-trade-fall-seen-at-9-2-from-12-9-earlier/articleshow/78517352.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)