



November 12, 2020 - Thursday

Key Developments

India unveils Rs 1.46-trillion Productivity Linked Incentive program to lure global manufacturers

India approved an incentive program worth Rs 1.46 trillion (\$20 billion) to attract companies to set up manufacturing in the South Asian nation, Finance Minister Nirmala Sitharaman said.

The government will offer production-linked incentives to 10 sectors including automobile, solar panel and specialty-steel makers over a five-year period, she said after a meeting of a ministerial panel on Wednesday. Textile units, food processing plants and specialized pharmaceutical product makers are also eligible for the incentives. "This is something that will immediately give greater impetus to manufacturing," Sitharaman said. The plan will help India become a global manufacturing hub, she added. The incentive program, mooted by the country's policy planning body Niti Aayog, uses the template of a program implemented earlier this year to draw businesses away from China.

https://www.business-standard.com/article/economy-policy/india-unveils-rs-1-46-trn-incentive-program-to-lure-global-manufacturers-120111101261_1.html

Union Cabinet approves extension and revamping of Viability Gap Funding scheme

In a move to ramp up the social infrastructure of the country and to continue support to core sector infrastructure, the Cabinet Committee on Economic Affairs approved the continuation and revamping of the Viability Gap Funding (VGF) Scheme under the public private partnership (PPP) model till 2024-25 with a total outlay of Rs 8,100 crore.

<https://economictimes.indiatimes.com/news/economy/policy/union-cabinet-approves-extension-and-revamping-of-viability-gap-funding-scheme/articleshow/79171955.cms>

India in historic technical recession, RBI signals in first ever nowcast

India's economy probably shrank for a second straight quarter, according to a team of economists including Michael Patra, the central bank's deputy governor in charge of monetary policy, pushing the country into an unprecedented recession. Gross domestic product contracted 8.6% in the quarter ended September, the Reserve Bank of India showed in its first ever published 'nowcast,' which is an estimate based on high-frequency data. The economy had slumped about 24% in April to June. "India has entered a technical recession in the first half of 2020-21 for the first time in its history," the authors wrote. The government is due to publish official statistics Nov. 27. The Reserve Bank's number is buoyed by cost cuts at companies that boosted operating profits even as sales dipped. The team of authors also used a range of indicators from vehicle sales to flush banking liquidity to signal brightening prospects for October. If this upturn is sustained, the Indian economy will return to growth in the October-December quarter, earlier than projected by Governor Shaktikanta Das last month, when he pledged to keep monetary policy accommodative.

https://www.business-standard.com/article/economy-policy/india-in-historic-technical-recession-rbi-signals-in-first-ever-nowcast-120111200122_1.html

IFSCA approves draft banking regulations

Paving the way for setting up banking units in the International Financial Services Centre (IFSC), the body's regulator approved the International Financial Services Centres Authority (Banking) Regulations, 2020 on Wednesday. The regulations, to be notified by the government soon, will enable the International Financial Services Centres Authority

(IFSCA) to lay down the rules on the kind of banking activities that will be permitted within IFSCs and mark a major step in the development of GIFT City into a global financial hub. Apart from laying down the requirements for setting up IFSC banking units (IBUs), the draft regulations enable the authority to decide the permissible activities IBUs may undertake, according to an official statement.

<https://economictimes.indiatimes.com/news/economy/policy/ifsc-approves-draft-banking-regulations/articleshow/79175720.cms>

From January 1, e-invoicing mandatory for firms with turnover of ₹100 cr or more

The Finance Ministry has notified e-invoicing system for businesses having a turnover of ₹100 crore or more, with effect from January 1. e-invoicing for businesses with turnover up to ₹500 crore started on October 1. Now, the threshold has been lowered. The Government has announced that this system will be for all assesseees with effect from April 1 next year.

<https://www.thehindubusinessline.com/economy/policy/from-january-1-e-invoicing-mandatory-for-firms-with-turnover-of-100-cr-or-more/article33073528.ece?homepage=true>

Economy

India has shifted from tax terrorism to tax transparency, says PM Modi

Prime Minister Narendra Modi on Wednesday underscored tax reforms of the past six years to say India has moved from tax terrorism to tax transparency. Speaking at the inauguration of an office-cum-residential complex of the Income Tax Appellate Tribunal at Cuttack, Modi highlighted the reduction in the corporate tax rate, simplified rate structure for individual taxpayers, faceless appeals and quick refunds.

"Tax terrorism was a common refrain during past governments. The nation has left that behind and moved towards tax transparency," he said. "The change from tax terrorism to tax transparency has happened because we have propagated the concept of reform, perform and transform," he emphasised.

https://www.business-standard.com/article/current-affairs/india-has-shifted-from-tax-terrorism-to-tax-transparency-says-pm-modi-120111101405_1.html

Experts wary about sustainability of Rs one trillion GST collections

The Goods and services tax (GST) collection crossed Rs 1 trillion for the first time in eight months this October. The crucial issue now is whether this will sustain, as the October collections were largely due to unlocking from September onwards.

Collection in any month is for the business done the previous month. At Rs 1.05 trillion, the mop up was not only 10 per cent higher than Rs 95,379 crore a year ago but almost equal to that in February, which was before the lockdown, when the pandemic hadn't struck.

https://www.business-standard.com/article/economy-policy/experts-wary-about-sustainability-of-rs-one-trillion-gst-collections-120111101280_1.html

Govt employees can make purchases in family member's name under LTC plan

Central government employees availing the LTC cash voucher scheme can purchase goods or services in the name of spouse or other family members eligible for LTC fare. The second set of FAQ issued by the Department of Expenditure also clarified that an employee can claim reimbursement for the purchase of goods and services, attracting GST of 12 per cent or more, on or after October 12 even if he/she has not formally exercised the option of availing the scheme.

The government on October 12 announced the LTC cash voucher scheme under which employees can purchase any goods or services with a GST rate of 12 per cent or above to avail the benefit. The payments for such purchases have to be made via digital mode or cheque, demand draft, NEFT/RTGS.

https://www.business-standard.com/article/economy-policy/govt-employees-can-make-purchases-in-family-member-s-name-under-ltc-plan-120111100673_1.html

CBIC issues new rules for outward supplies

The Central Board of Indirect Taxes and Customs (CBIC) Wednesday specified the forms and manner of providing details of outward supplies while filing returns. From January 1, 2021, quarterly return filers will have to furnish

business to business invoices for the first two months of the quarter, till Rs 50 lakhs, through Invoice Furnishing Facility (IFF) till 13th of next month. Taxpayers need not report invoices again in GSTR-1 if already reported in IFF. Taxpayers have been mandated to provide four or six digit HSN codes in the return. The details of outward supplies of goods or services or both furnished using the IFF shall include the invoice wise details of inter-state and intra-state supplies made to the registered persons, and should include debit and credit notes, if any, issued during the month for such invoices issued previously, the notification added.

<https://economictimes.indiatimes.com/news/economy/finance/cbic-issues-new-rules-for-outward-supplies/articleshow/79170046.cms>

I-T refunds worth Rs 1.32 lakh cr issued to 39.75 lakh taxpayers

The Income Tax department has issued refunds worth over Rs 1.32 lakh crore to over 39 lakh taxpayers so far this fiscal. This include Personal income tax (PIT) refunds amounting to Rs 35,123 crore and corporate tax refunds amounting to Rs 97,677 crore during this period.

<https://economictimes.indiatimes.com/news/economy/finance/i-t-refunds-worth-rs-1-32-lakh-cr-issued-to-39-75-lakh-taxpayers/articleshow/79169503.cms>

Government to get Rs 3,056 crore dividend from Coal India

The Centre will receive an amount of Rs 3,056 crore as dividend from Maharatna PSU Coal India Ltd as the miner has announced an interim dividend at a rate of Rs 7.50 per share for the 2020-21 financial year, an official said. The total interim dividend outgo for Coal India will be Rs 4,622 crore after the company's board approved it, he said. "The government will get around Rs 3,056 crore as a dividend for its shareholding of 66.13 per cent in the company," the official said. In a regulatory filing, the miner said its board of directors has approved payment of an interim dividend of Rs 7.50 per share of the face value of Rs 10 for 2020-21.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/government-to-get-rs-3056-crore-dividend-from-coal-india/articleshow/79173093.cms>

Can't blame coronavirus for India's job misery; employees' growth halved in last fiscal too

While the coronavirus deepened the employment woes in India, the country's job situation was already miserable in the previous year as well. The growth in the number of employees fell from 4.1 per cent in FY19 to 2 per cent in FY20, according to a report by Care Ratings. In absolute terms, the headcount moved from 61.6 lakhs in FY18 to 64.2 lakhs in FY19 and 65.4 lakhs in FY20. Further, given the pandemic-induced lockdown in the current fiscal year, the employment picture in the current financial year FY21 would be even worse, the report added. It is to be noted that the report is based on the data received from 1,703 companies spread across various industries.

On the brighter side, the segments which witnessed growth in jobs in both the years were banks, electricals, FMCG, insurance, finance, IT, and realty. The realty sector has come as a surprise as it has been through tough times post-implementation of RERA. However, the growth rate had slowed down for the sample companies in this industry from 9.7 per cent to 4.4 per cent.

<https://www.financialexpress.com/economy/cant-blame-coronavirus-for-indias-job-misery-employees-growth-halved-in-last-fiscal-too/2126479/>

Inequality continues to rise in India: Report

Inequality started to rise in India and China substantially in the early 1990s and 2000s, while it was stabilised in China, it continued to rise in India, according to a report. "In China, the top-1 per cent captured eight per cent of national income in 1990 and rose to 14 per cent in 2019, while in India, the corresponding figures are 11 per cent in 1990 and 21 per cent in 2019," the World Inequality Lab said in the report. It said while inequality started to rise in India and China substantially in the early 1990s and 2000s, it was stabilised in China but continued to rise in India. The report added that this suggests that development and higher growth rates do not necessarily mean more inequality in the distribution of growth. "As a matter of fact, national economic policies matter." In both the countries, inequality increased substantially after the economic liberalisation of the 1980s and 1990s, it said.

<https://www.financialexpress.com/economy/inequality-continues-to-rise-in-india-report/2126592/>

Road to recovery for rural India post-pandemic; how skilled migrant workers can boost hinterland's growth

As a measure to contain the virus, India declared a lockdown on 24 March 2020 for 1.3 billion people with the prime minister calling for joint action by people, not-for-profits, corporates, and governments. The complete lockdown in the country significantly impacted the quality of life and livelihoods of people. Considering that there has been a historical divide between rural and urban India with regard to the essential infrastructure for Health, Water, Sanitation, and Hygiene (WASH), supply chains, and other important services, the impact of COVID-19 was far more alarming for the rural community.

<https://www.financialexpress.com/economy/road-to-recovery-for-rural-india-post-pandemic-how-skilled-migrant-workers-can-boost-hinterlands-growth/2126301/>

Banking and Finance

Market cap-to-GDP ratio likely to improve to 80% in FY21, says report

The market cap-to-GDP ratio of India is likely to recover in the current financial year (FY21) to 80 per cent, after a drop in FY20, said a report by Motilal Oswal Institutional Equities. The "BULLS & BEARS (November 2020): India Valuations Handbook" noted that in the last financial year, the market-to-GDP ratio fell to 56 per cent from 79 per cent in FY19.

"Market cap-to-GDP ratio has been volatile as it moved from 79 per cent in FY19 to 56 per cent (FY20 GDP) in Mar'20 to 80 per cent now (FY21E GDP) -- above its long-term average of 75 per cent," it said.

The report, however, said that India's share in world market-cap is at 2.3 per cent, below its historical average of 2.5 per cent. Over the last 12 months, world market cap has increased 9 per cent (\$7.3 trillion) while India's market-cap has remained flat.

https://www.business-standard.com/article/economy-policy/market-cap-to-gdp-ratio-likely-to-improve-to-80-in-fy21-says-report-120111100789_1.html

Bank of Baroda announces reduction in MCLR by 0.05% across all tenors

State-owned Bank of Baroda on Wednesday announced reduction in the marginal cost of funds based lending rate by 0.05 per cent across all tenors. "The bank has revised marginal cost of funds based lending rate (MCLR) with effect from November 12, 2020," Bank of Baroda said in a regulatory filing.

The one-year tenor -- which is the benchmark for all consumer loans such as auto, retail, housing -- has been reduced to 7.45 per cent from 7.5 per cent. Among others, from overnight to six-month tenor loans, the MCLR has been cut to 6.60-7.30 per cent, the bank said.

https://www.business-standard.com/article/finance/bank-of-baroda-announces-reduction-in-mclr-by-0-05-across-all-tenors-120111100799_1.html

IBA, bank unions conclude wage revision negotiations

The Indian Banks' Association (IBA) on Wednesday announced the conclusion of the 11th Bipartite Wage Negotiations with bank unions and officers' associations. After three years of intense negotiations, bank employees' unions and IBA, on July 22, had entered into a memorandum of understanding for an annual wage hike of 15 per cent. "The Indian Banks' Association is pleased to announce the conclusion of 11th Bipartite Wage Negotiations with bank unions and associations to be effective from November 1, 2017. The agreement reached today, provides for a 15 per cent increase in pay slip," IBA chief executive Sunil Mehta said in a statement.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/iba-bank-unions-conclude-wage-revision-negotiations/articleshow/79172098.cms>

FASTag users in the country breach two crore-mark as more people opt for digital payments

In a major boost to digital payments, FASTag users in the country have breached two crore-mark, registering a growth of 400% in a year, a senior government official aware of the matter said. Adoption of FASTag among road users has increased total toll collection to Rs 92 crores per day, compared to Rs 75 crores a year back. Nearly a year since use of FASTags was made mandatory by the ministry of road transport and highways, the digital payment mode is contributing to nearly 75 percent of the total toll collection as of date.

<https://economictimes.indiatimes.com/industry/transportation/roadways/fastag-users-in-the-country-breach-two-crore-mark-as-more-people-opt-for-digital-payments/articleshow/79174624.cms>

1 in 3 people are making digital payment at least once a day during festival season: Survey

Digital payments continue to be the preferred payment method for 39 per cent of consumers in India, ahead of debit and credit card payments (26 per cent) and cash (26 per cent). According to a new study conducted during the festival season by YouGov and ACI Worldwide, revealed that digital payments, including eWallets and UPI payments, were used by 57 per cent of respondents more than twice per week for festival season purchases. This is up from 43 per cent a year ago.

<https://www.thehindubusinessline.com/money-and-banking/1-in-3-people-are-making-digital-payment-at-least-once-a-day-during-festival-season-survey/article33072859.ece>

Insurance Ombudsman resolves almost 600 insurance-related complaints from last year

Insurance Ombudsman in Guwahati has resolved 596 complaints relating to insurance in last year all across Northeastern states. Bimalokpal day was observed on November 11 in Guwahati. In virtual meeting dignitaries, executives of different insurance and also customers were present. The meeting expressed concern for comparatively receiving lesser number of complaints from the neighboring states in comparison to Assam.

<https://economictimes.indiatimes.com/news/politics-and-nation/insurance-ombudsman-resolves-almost-600-insurance-related-complaints-from-last-year/articleshow/79175506.cms>

New issuers advance listing plans, look to cash on market resurgence

The initial public offering (IPO) market is set for a boost as companies advance their listing plans to cash in on the boom in the secondary market. Sources say about half a dozen issuers are looking to launch their offerings in the next four to six weeks to raise as much as Rs 10,000 crore. Railtel Corporation of India, Burger King, Brookfield REIT, Home First Finance and Kalyan Jewellers are among the companies looking to tap the market.

Many companies are eager to revive their almost-shelved IPOs as resurgence in the market offers them a fresh shot to come to the market. China's Fosun Pharma-led Gland Pharma on Wednesday concluded its Rs 6,480-crore IPO.

https://www.business-standard.com/article/markets/new-issuers-advance-listing-plans-look-to-cash-on-market-resurgence-120111101627_1.html

Debt MFs see Rs 1.1 trn inflow in Oct on robust investment in liquid funds

After recording outflow for two consecutive months, debt-oriented mutual fund schemes witnessed a staggering inflow of Rs 1.1 lakh crore in October, mainly due to investment in liquid funds, money market and short duration categories.

Debt mutual fund schemes had seen net outflow of Rs 51,962 crore in September and Rs 3,907 crore in August, according to the Association of Mutual Funds in India (Amfi).

Investors continue to focus on fixed income categories having relatively shorter duration profile. Hence significant flows have come in ultrashort, low duration, money market and short duration funds, Morningstar India Associate Director - Manager Research Himanshu Srivastava said.

https://www.business-standard.com/article/markets/debt-mfs-see-rs-1-1-trn-inflow-in-oct-on-robust-investment-in-liquid-funds-120111101382_1.html

Making digital literacy a national movement; how MSMEs, NBFCs can lead to India's economic growth

There's a zen story that came my way the other day. Two men visited a Zen master. The first man asked: "I'm thinking of moving to this town. What's it like?" The Zen master, in turn, asked a question, "How was your old town?" The man answered, "It was terrible. Everyone was mean. I hated it." The Zen master replied: "This town is much the same. Don't move here." The second man too asked the Zen master the same question: "I'm thinking of moving to this town. How is it?" The Zen master asked the second man: "What was your old town like?" "It was wonderful", the man replied, "everyone was friendly. I am just looking for a change." The master replies: "This town is very much the same. I think you will like it here." Long story short – in the end, it is our beliefs that find us.

<https://www.financialexpress.com/economy/making-digital-literacy-a-national-movement-how-msmes-nbfc-can-lead-to-indias-economic-growth/2126226/>

Industry

India's drug business shoots up in October; pharma industry grows taking cues from these vital areas

India's drug business shot up in the month of October 2020 due to increased sales and marketing activities by pharmaceutical companies, with unlocking. The Indian pharmaceutical market (IPM) grew 9.6 per cent on-year in the month, led by volume and price growth and an increase in products launches, said a report by India Ratings. While the prices grew 5 per cent, products were launched at a 3.7 per cent higher rate. The pharma market reported total sales of Rs 13,540 crore for October 2020. Revenue majorly grew in acute therapies, and chronic and sub-chronic therapies. The revenue in acute therapies grew 6 per cent on-year while that in chronic and sub-chronic therapies rose 13 per cent on-year each in the month. Acute therapies such as vitamins, gastro witnessed significant revenue growth of 22.6 per cent and 13.6 per cent on-year, respectively.

<https://www.financialexpress.com/industry/indias-drug-business-shoots-up-in-october-pharma-industry-grows-taking-cues-from-these-vital-areas/2126432/>

PV sales grow in strong double digits in October due to festive demand

Sales of passenger vehicles and two-wheelers increased in strong double-digits last month as manufacturers stocked dealerships in anticipation of robust demand during the festive season. According to data released by industry body Society of Indian Automobile Manufacturers (SIAM), passenger vehicle sales rose 14.19 per cent to 310,294 units in October. The industry volumes would be even higher at around 330,000 units if we were to consider sales of Tata Motors, which has stopped reporting data on a monthly basis.

<https://economictimes.indiatimes.com/industry/auto/auto-news/pv-sales-grow-in-strong-double-digits-in-october-due-to-festive-demand/articleshow/79165781.cms>

PLI scheme for auto will enable India become a part of global value chain: Industry

The Production Linked Incentive Scheme (PLI) approved Wednesday by the Centre for automobiles and ancillaries will help India enhance its competitiveness and become a part of the global value chain, top industry stakeholders told ET. The Department of Heavy Industries (DHI), the implementing ministry for the plan, is expected to shortly detail the eligibility criteria to identify 'scalable champions' on the metrics of turnover, exports, and growth history. Companies meeting the criteria will be eligible for incentives intended to boost local factory output and exports, said a senior industry executive.

<https://economictimes.indiatimes.com/industry/auto/auto-news/pli-scheme-for-auto-will-enable-india-become-a-part-of-global-value-chain-industry/articleshow/79175445.cms>

Govt working on draft order on new quality requirements for refrigerators

In line with its stated policy of making the Indian market more regulated by bringing in new technical standards for identified products, the Centre is working on a draft 'Refrigerating Appliances (Quality Control) Order, 2020' that proposes to make it mandatory for household refrigerators and freezers to use Indian standard marks under a licence from the Bureau of Indian Standards (BIS). The new order, which will be applicable on all refrigerators and freezers sold in India, including imported ones, is expected to put a check on imports. But some in the domestic industry say that even local units may be hit due to the increase in compliance burden.

<https://www.thehindubusinessline.com/news/govt-working-on-draft-order-on-new-quality-requirements-for-refrigerators/article33075601.ece>

Neighbourhood stores count back to pre-covid level

The number of neighbourhood groceries exceeded the pre-Covid count for the first time since March, indicating robust revival for a crucial distribution channel that sells three-fourths of the cookies, staples, packaged snack-foods, cooking oils or other provisions consumed in India. Bizom, a sales automation firm that transacts with 7.5 million retail stores, said operational kirana stores fell to a fourth in April after Covid-induced curbs, liquidity challenges and reverse migration forced millions of neighbourhood shops to shut down. However, the store count has gradually risen and was about 8% higher in October compared to the pre-Covid months of January and February.

<https://economictimes.indiatimes.com/industry/services/retail/neighbourhood-stores-count-back-to-pre-covid-level/articleshow/79173610.cms>

As air quality begins worsening in the country, air purifier sales soar by more than half

With the overall air quality in various parts, particularly Delhi NCR, in the country fluctuating between 'very poor' and 'severe' categories, air purifier makers are logging as much as 50 per cent rise in sale numbers and expecting the momentum to gain more traction during winters. The air purifier segment, which was earlier limited to select pockets of top metro cities, is firming its foothold in smaller cities, and online channels are emerging as a key facilitator to meet the consumer demand in such places. Though air purifier as a segment is very small but it has increased in size over the last three years, and the vertical is expected to grow by another 50 per cent in 2020.

<https://economictimes.indiatimes.com/industry/cons-products/durables/as-air-quality-begins-worsening-in-the-country-air-purifier-sales-soar-by-more-than-half/articleshow/78981677.cms>

Farm income may drive tractor sales volume 10-12% this fiscal: Crisil

Domestic tractor sales volume should recover faster than expected with the industry estimated to grow 10-12 per cent in the current financial year against earlier projection of one per cent de-growth, ratings agency Crisil said on Wednesday. This growth is expected to be driven by higher farm income despite the COVID-19 pandemic, and the demand growth is expected to be particularly strong in the southern and western parts of India given higher kharif sowing and a copious monsoon, both of which are crucial for these regions, Crisil said in a release. In April-September, tractor industry volume was up 12 per cent year-on-year, with the southern and western regions witnessing almost 45 per cent and 13 per cent demand, respectively, it said.

<https://economictimes.indiatimes.com/industry/auto/lcv-hcv/farm-income-may-drive-tractor-sales-volume-10-12-this-fiscal-crisil/articleshow/79168753.cms>

Agriculture

Indian Institute of Spices Research opens sales outlet for farmer-buyer link

Benefiting farmers and start-ups, Indian Institute of Spices Research (IISR) has opened a sales outlet – SPIISRY – at the entrance of its Chelavoor campus to ensure mutual benefit to all stakeholders. The farmer-buyer link in the trade ensures good price to the farmers as well as quality spices to the start-ups. SPIISRY, which serves as a single point outlet for dispensing the services and products, is a stamp that assures the quality and safety offered by the institute, said Santhosh J Eapen, Director, IISR.

<https://www.thehindubusinessline.com/economy/agri-business/indian-institute-of-spices-research-opens-sales-outlet-for-farmer-buyer-link/article33072642.ece>

Infrastructure

Government allows airlines to add flights to up to 70% of pre-COVID

The government today allowed airlines to increase the total number of flights to up to 70% of the pre-COVID levels, increasing it from up to 60% allowed till date. This would be the fourth time that the government has allowed airlines to expand capacity since the time flight services were restarted in May this year. In an order, the Directorate General of Civil Aviation has today said that the airlines are allowed to increase the total number of domestic flights to up to 70% - airlines were operating over 2,500 domestic flights daily before airlines were grounded due to a lockdown announced by the Modi government.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/government-allows-airlines-to-add-flights-to-up-to-70-of-pre-covid/articleshow/79174402.cms>

Air India to raise short-term loans of Rs 6,150 crore by month end

Financially-stressed carrier Air India has sought government-guaranteed loans of Rs 6,150 crore through short-term loan (STL) from domestic lenders by the end of this month.

The money will be used to refinance loans taken to purchase seven Boeing 787 aircraft. According to the tender document, the company has asked banks to submit their bids by November 20, indicating the principal amount they are willing to offer. The bank with the lowest all-inclusive interest rate" will be shortlisted first.

The rate of interest will be linked to MCLR (marginal cost of fund-based lending rate) instead of base rate with reasonable spread as margin. MCLR is lower than the base rate of a bank, as it calculates interest on a marginal cost of funds, rather than average cost of funds.

https://www.business-standard.com/article/companies/air-india-to-raise-short-term-loans-of-rs-6-150-crore-by-month-end-120111101084_1.html

Next four years are going to be challenging for airport owners due to Covid pandemic: KPMG

Even as the announcement of a Covid vaccine brings back buoyancy for global economies, aviation companies and airports may take longer to come back to pre pandemic days. As per a report by KPMG countries such as India had created capacity in line with future growth predictions when the pandemic hit India. Many companies were hoping to even reap the situation where more Indians are set to increase their air travel in the years to come.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/next-four-years-are-going-to-be-challenging-for-airport-owners-due-to-covid-pandemic-kpmg/articleshow/79175404.cms>

Construction ban will derail recovery of real estate sector, say developers

Real estate developers in Delhi-NCR fear delays in project delivery if the National Green Tribunal (NGT) decides to ban construction activity to check pollution this year too. On November 4 last year, the tribunal had banned construction activity in the NCR citing poor air quality and the ban was fully lifted only in mid-February, which delayed project deliveries to buyers. Construction work was again halted in March after the government announced a nationwide lockdown to check the spread of Covid-19. The developers finally managed to get adequate workers to restart work only by August-September.

https://economictimes.indiatimes.com/industry/services/property/-construction/construction-ban-will-derail-recovery-of-real-estate-sector-say-developers/articleshow/79173983.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Telecom

Consumer spending on telecom services up 16.6% in April-June quarter Y-o-Y: Report

Consumer spending on telecom services increased 16.6% on-year in the first quarter this fiscal through June, despite the Covid shock and non-availability of offline recharges for a few weeks, with over three-fourths spent on data services, ICICI Securities said in a research report. In the April-June period consumer spending (post GST) on telecom services, predominantly voice and data, was Rs 35,642 crore, leading to 19.8% increase in net revenue for operators to Rs 31,070 crore on-year basis. It was however 2% down sequentially. "Despite lockdown restrictions, the demand for telecom services has gone up significantly due to remote working needs," said a Mumbai-based analyst. "While mostly gain is because of the tariff hike taken last year, the surge in data usage is pushing up both spending and revenue for operators."

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/consumer-spending-on-telecom-services-up-16-6-in-april-june-quarter-y-o-y-report/articleshow/79168685.cms>

India will be a major market for 5G, says Taiwan's MediaTek

Taiwanese chipset maker MediaTek on Tuesday said there is still time for 5G to take off in India but the country will be a major market for the new technology. The company has launched its new Dimensity 700 5G smartphone chipset to bring advanced 5G capabilities and experiences to the mass market. MediaTek CEO Rick Tsai said the company is supplying a large number of chipsets to phones that are shipped in the Indian market. "We are shipping a lot of chips, which then would be packed in the smartphones shipped to India market. Mostly it's right now 4G or 3G. We understand some major Indian operators are considering building 5G phones...there will probably be some time before India becomes a large market for 5G technology," he said.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/india-will-be-a-major-market-for-5g-says-taiwans-mediatek/articleshow/79158910.cms>

States

Secondary schools, colleges in Gujarat to reopen from November 23

The Gujarat government has decided to reopen secondary schools and colleges after Diwali vacations from November 23, state education minister Bhupendrasinh Chudasama said on Wednesday. Schools, which have been

shut since March in view of the coronavirus-induced lockdown, will reopen only for students of classes 9 to 12 and the attendance is not mandatory, the minister told reporters after attending a cabinet meeting in Gandhinagar. A decision on reopening of primary schools for classes 1 to 8 will be taken at an appropriate time, he said. "After holding discussions with stake-holders in view of the COVID-19 pandemic, the state government has decided to reopen secondary schools and colleges. Their campuses will function as per the standard operating procedures (SOPs) and guidelines issued by the Centre. A decision to open primary schools for students of classes 1 to 8 will be taken later," Chudasama said.

https://www.business-standard.com/article/current-affairs/secondary-schools-colleges-in-gujarat-to-reopen-from-november-23-120111101209_1.html

External

India revives plans to offer incentives for sugar exports of 6 million tonnes

India has revived a proposal to get sugar mills to export 6 million tonnes of the sweetener by incentivising overseas sales in the 2020-21 season, the third year in a row, as part of efforts to cut surplus stocks and prop up local prices, two government sources said.

<https://www.thehindubusinessline.com/economy/agri-business/india-revives-plans-to-offer-incentives-for-sugar-exports-of-6-million-tonnes/article33071683.ece>

India imposes anti-dumping duty on clear float glass from Malaysia

India has imposed anti-dumping duty on clear float glass imported from Malaysia at up to \$326 per metric tonne, for five years. Separately, it revoked anti-dumping duty imposed on acrylic fibre originating in or exported from Thailand. The government made the announcements via two separate notifications issued by the department of revenue on Wednesday.

<https://economictimes.indiatimes.com/news/economy/policy/india-imposes-anti-dumping-duty-on-clear-float-glass-from-malaysia/articleshow/79177480.cms>

India imposes 5% basic customs duty on open cell components

India will levy a 5% basic customs duty on imports of picture tubes used in making open cells - used in display screens of LED or LCD televisions - from November 12, 2020. The move will encourage foreign companies to set up display manufacturing units in India, industry insiders said. The revenue department issued a notification to the effect on Wednesday, 'on being satisfied that it is necessary in the public interest so to do.'

<https://economictimes.indiatimes.com/news/economy/policy/india-imposes-5-basic-customs-duty-on-open-cell-components/articleshow/79176790.cms>

The pain points that India's burgeoning farm exports don't reveal

It is a fact that in the first six months of this financial year, agriculture exports have trumped all expectations. And, despite a slowing economy due to the Covid lockdown and a drop in global demand following the pandemic, agriculture has been an outlier even as exports of all other commodities dipped.

The agriculture ministry claimed that between April and September of 2020-21 (the latest available data is till September), India's farm exports were up almost 34 per cent in dollar terms, from \$5.34 billion to \$7.14 billion.

https://www.business-standard.com/article/economy-policy/the-pain-points-that-india-s-burgeoning-farm-exports-don-t-reveal-120111101021_1.html

PM Modi to co-chair ASEAN-India Summit with Vietnamese counterpart on November 12

Prime Minister Narendra Modi will co-chair the 17th ASEAN-India Summit with his Vietnamese counterpart Nguyen Xuan Phuc to be held virtually on Thursday. The meet will focus on the ASEAN-India Plan of Action (2021-2025) adopted recently for strengthening relationships between the two sides. "The summit will review the status of ASEAN-India Strategic Partnership and take stock of progress made in key areas such as connectivity, maritime cooperation, trade and commerce, education and capacity building etc," according to an official release circulated by the Ministry of External Affairs on Wednesday.

<https://www.thehindubusinessline.com/economy/policy/pm-modi-to-co-chair-asean-india-summit-with-vietnamese-counterpart-on-thursday/article33073560.ece?homepage=true>

