



February 03, 2021 – Wednesday

Key Developments

Budget session: 27 bills passed earlier tabled in Lok Sabha

On the second day of the Budget Session, 27 bills passed by the Houses of Parliament during the fourth session of the 17th Lok Sabha will be tabled in the Lower House on Tuesday. Today's Lok Sabha session will also see various Standard Committee reports on Coal and Steel, Home Affairs, Health and Family Welfare, among others being presented. After the Lower House assembles at 4 pm, Secretary General Utpal Kumar Singh will table 27 Bills passed by the Houses of Parliament during the Fourth Session of Seventeenth Lok Sabha and assented to by President Ram Nath Kovind. Congress leader Adhir Ranjan Chowdhary and Bharatiya Janata Party (BJP) MP Satya Pal Singh will present reports and statements of the Public Accounts Committee, including the 21st Report on "Implementation of Food Safety and Standards Act, 2006" and the 114th report on "Design, Development, Manufacture and Induction of Light Combat Aircraft".

https://www.business-standard.com/article/economy-policy/budget-session-27-bills-passed-earlier-to-be-presented-in-lok-sabha-today-121020200743_1.html

Govt eliminates subsidy on kerosene via small price hikes

The government has eliminated subsidy on poor man's fuel kerosene through small fortnightly price increases and the fuel sold through the public distribution system (PDS) is now priced at market rates. The Union Budget for 2021-22 makes no provision for payment of subsidy on kerosene in the fiscal year beginning April, according to budget documents tabled in Parliament. In the current fiscal ending March 31, the kerosene subsidy was Rs 2,677.32 crore, down from Rs 4,058 crore in the previous financial year, the documents showed.

Industry sources said the government in 2016 allowed state-owned fuel retailers to raise the price of kerosene by 25 paise a litre every fortnight to cut the subsidy burden.

<https://www.financialexpress.com/economy/govt-eliminates-subsidy-on-kerosene-via-small-price-hikes/2186210/>

Govt drafts facilitating measures to privatise PSUs

The government has drafted facilitating measures for privatising state-owned firms, including amending laws relating to amalgamation, mergers and demergers as it moves to remove potential hurdles in achieving the goal. The government propose to amend clause (19AA) of section 2 of the Companies Act to clarify that the reconstruction or splitting up of a public sector company into separate companies shall be deemed to be a demerger, if such reconstruction or splitting up has been made to transfer any asset of the demerged company to the resultant company; and the resultant company is a public sector company on the appointed date indicated in the scheme approved by the government or any other body authorised under the provisions of the Companies Act, 2013 or any other Act governing such public sector companies.

<https://www.thehindubusinessline.com/economy/policy/govt-drafts-facilitating-measures-to-privatise-psus/article33731588.ece?homepage=true>

Economy

States' GST revenue shortfall to be lower due to better collections in last months: Finance Secy

The GST revenue shortfall faced by the states is likely to come down with the improved collections in the last few months, Finance Secretary Ajay Bhushan Pandey said on Tuesday. He said the Budget proposal of taxing interest on employee contributions to provident fund over Rs 2.5 lakh per annum is aimed at correcting anomalies and is based on "principles of equity" and large depositors into the Employee Provident Fund (EPF) should pay tax on assured 8 per cent return. According to the Budget, interest on employee contributions to provident fund over Rs 2.5 lakh per annum would be taxed from April 1, 2021. Pandey said people with less than Rs 25 lakh annual income can continue to deposit 12 per cent into the EPF without paying any tax.

<https://www.financialexpress.com/economy/states-gst-revenue-shortfall-to-be-lower-due-to-better-collections-in-last-months-finance-secy/2186300/>

Reform measures in Budget to take India out of downturn: Rajiv Kumar

The reform measures announced in the budget 2021-22 are aimed at taking India out of the COVID-19-induced downturn and making the country a better destination for private investment, both for domestic and foreign investors, Niti Aayog Vice-Chairman Rajiv Kumar said on Tuesday. In an interview with PTI, Kumar further said he is confident that the government will cross the next fiscal year's disinvestment target of Rs 1.75 lakh crore. He also stressed that reform measures announced in the Budget will help us achieve the target of USD 5 trillion economy.

"The direction of the Budget 2021-22 is to accelerate growth and take India out of COVID-19 pandemic induced downturn," Kumar said. "... (the aim of budget) is also to give better access and opportunities to the private sector by improving its confidence, and making India a better destination for private investment both domestic and foreign," he added.

https://www.business-standard.com/article/economy-policy/reform-measures-in-budget-to-take-india-out-of-downturn-rajiv-kumar-121020201241_1.html

Rs 95,000-crore disputed amount settled under 'Vivad se Vishwas': CBDT chairman

A disputed amount of Rs 95,000 crore has been settled by about 1.20 lakh entities who opted for the 'Vivad se Vishwas' scheme to resolve long pending litigation issues with the Income Tax Department, Central Board of Direct Taxes chief PC Mody said. He also said the Budget 2021-22 presented by Finance Minister Nirmala Sitharaman was aimed at ensuring that income tax payers are provided with an "efficient and effective" tax administration and that no new taxes are imposed during the coronavirus pandemic which is still spreading.

<https://economictimes.indiatimes.com/news/economy/policy/rs-95000-crore-disputed-amount-settled-under-vivad-se-vishwas-cbd-t-chairman/articleshow/80648948.cms>

Cabinet clears privatisation of Rashtriya Ispat Nigam

The Cabinet has approved privatisation of steel-maker Rashtriya Ispat Nigam Ltd (RINL), the 'navratna' PSU which runs the 7.3 million tonne (mt) capacity Visakhapatnam Steel Plant. The government currently holds 100 per cent stake in the company that makes long products used in construction. "While approving the strategic disinvestment of RINL a few days ago, the Cabinet delegated powers to the Alternative Mechanism headed by the Finance Minister to decide whether the subsidiaries of RINL will be part of the transaction, depending on the feedback from potential investors," a government official briefed on the Cabinet decision said.

<https://www.thehindubusinessline.com/companies/cabinet-clears-privatisation-of-rashtriya-ispat-nigam/article33731614.ece>

Govt to explore use of blockchain tech for ushering in digital economy

The government will explore the use of blockchain technology proactively for ushering in the digital economy, the Rajya Sabha was informed on Tuesday. Minister of State for Finance Anurag Singh Thakur said it was announced in the Budget Speech of 2018-19 that the government does not consider crypto-currencies legal tender or coins and will take all measures to eliminate the use of these crypto-assets in financing illegitimate activities or as part of the payment system.

"The government will explore the use of the blockchain technology proactively for ushering in the digital economy," Thakur said in a written reply to a question on introduction of India's own crypto-currency. On cash circulation in the country, he said that as per weekly statistical supplement of the RBI, the Notes in Circulation (NIC) was Rs 17,741.87 billion as on November 04, 2016, and Rs 27,712.43 billion as on January 08, 2021, thereby recording an increase of 56.2 per cent in a span of around 4 years 2 months.

<https://www.financialexpress.com/economy/govt-to-explore-use-of-blockchain-tech-for-ushering-in-digital-economy/2186201/>

With off-budget borrowings, FY22 fiscal deficit rises to 6.9%, 10.2% for FY21: Report

The fiscal deficit target will go up by 10 basis points to 6.9 per cent of the GDP if the extra-budgetary borrowings of Rs 30,000 crore, which is massively down from Rs 1.3 lakh crore this fiscal, is added, according to a report.

The budget has pegged fiscal deficit at 9.5 per cent for FY21 and 6.8 per cent for FY22 excluding the off-budget borrowings of Rs 1.3 lakh crore and Rs 30,000 crore, respectively. But if we included these numbers, the deficit numbers would rise by 70 basis points to 10.2 per cent for FY21 and 6.9 per cent of GDP for FY22, according to a SBI Research report.

<https://www.financialexpress.com/economy/with-off-budget-borrowings-fy22-fiscal-deficit-rises-to-6-9-10-2-for-fy21-report/2186090/>

High fiscal deficit may invite rating agencies' ire, Fitch may downgrade: Report

Global rating agencies may view the fiscally expansive budget proposals "negatively" and there is a risk of one of them downgrading India's sovereign rating, a Japanese brokerage said on Friday. Fitch Ratings, one of the two having a negative outlook on India's rating, may downgrade the rating to junk, Nomura warned.

In a move widely hailed for its transparency, Finance Minister Nirmala Sitharaman on Monday said the fiscal deficit will come at 9.5 per cent on the back of high spending during the pandemic, and will narrow to 6.8 per cent in FY22. It can be noted that the country was on a path to get the gap to 3 per cent in the medium term earlier.

"We believe rating agencies may view the budget as slightly more negative, given their focus on medium-term fiscal finances. Of the two rating agencies with a negative outlook for India, we believe the budget may have increased the probability of a downgrade from Fitch," the note from Nomura said.

<https://www.financialexpress.com/economy/high-fiscal-deficit-may-invite-rating-agencies-ire-fitch-may-downgrade-report/2186130/>

India's budget shot in the arm for economy, fiscal consolidation takes a back seat: S&P

S&P Global Ratings on Tuesday said India's budget for the next fiscal is an effort of the government to shore up economic recovery, but fiscal consolidation would pose a stout challenge to policymakers going forward. The rating agency currently does not see any material effect from the budget on India's key credit factors, but the economy's brightening growth prospects will be critical to maintaining the sustainability of public finances. It said general government debt is likely to hover at more than 90 per cent of GDP over the next few years. Stating that fiscal consolidation has taken a back seat in the Budget, S&P said aggressive provisioning to help heal the economy will be costly. The government's 9.5 per cent fiscal deficit projection for current fiscal was bigger than the US-based rating agency's expectation.

<https://economictimes.indiatimes.com/news/economy/policy/indias-budget-shot-in-the-arm-for-economy-fiscal-consolidation-takes-a-back-seat-sp/articleshow/80648781.cms>

Non-tax revenues hold key to meeting budget targets: Report

Lauding the budget focus on nursing the nascent growth revival at the cost of fiscal consolidation, house economists at a Swiss brokerage has said budgetary math seems realistic but meeting privatisation targets are key. Without increasing taxes and imposing new levies, the budget is focused on strong capex, which is the highest since FY08, and projected a fiscal deficit target of 6.8 per cent for FY22 as against a consensual 5.5 per cent and 9.5 per cent for FY21 as against 7.5 per cent and a budgeted for a Rs 34.5-lakh-crore budget expenditure, up from Rs 30.8 lakh crore in FY21.

<https://economictimes.indiatimes.com/news/economy/policy/non-tax-revenues-hold-key-to-meeting-budget-targets-report/articleshow/80646146.cms>

Banking and Finance

PSU banks to raise Rs 10,000 crore in two months: DFS Secretary

Public sector banks (PSBs) are planning to raise about Rs 10,000 crore through a mix of equity and debt in the remaining two months of the current fiscal ending March to support credit pick up and meet regulatory

requirements. In the last few months, lenders including State Bank of India, Canara Bank and Punjab National Bank (PNB) have raised about Rs 50,000 crore from the market.

“Banks have raised about Rs 50,700 crore from the market and we expect another Rs 8,000-10,000 crore to be raised in the remaining part of the year,” Financial Services Secretary Debasish Panda told PTI. With regard to COVID-stress, he said banks have made good enough provisions anticipating slippages.

<https://www.financialexpress.com/industry/banking-finance/psu-banks-to-raise-rs-10000-crore-in-two-months-dfs-secretary/2186310/>

Continuum green bond issue shows global players vying for India infra pie

A day after the Union Budget proposed a huge infrastructure push, overseas investors swarmed around a relatively small green bond offering to be part of the action. Continuum Wind Energy's six-year bond offering of \$560 million received more than \$3 billion pre-order bids from investors as soon as the issue opened in the US. While the initial price guidance was 4.875 per cent, the issue rate could be as low as 4.5 per cent given the investor interest.

The bids poured in from the US market as the issue opened. The 'left-lead' banker to the deal Deutsche Bank may not need to keep the issue open and may close it on Tuesday itself based on initial response, said sources close to the deal. International Finance Corporation (IFC), finance arm of the World Bank, is the anchor investor for the deal.

https://www.business-standard.com/article/economy-policy/continuum-green-bond-issue-shows-global-players-vying-for-india-infra-pie-121020201815_1.html

UPI Jan volume up 77% to 2.3 bn year-on-year, value doubles to Rs 4.3 trn

Continuing on an upward trajectory, digital payments in January saw decent growth with Unified Payments Interface (UPI), the flagship payments platform of National Corporation of India (NPCI), touching a new high both in terms of volume and value. As per data released by NPCI for January, UPI recorded 2.3 billion transactions worth Rs 4.3 trillion, up 3 per cent both in volume and value terms respectively. On a year-on-year basis, UPI's transaction volume jumped 76.5 per cent while transaction value jumped almost 100 per cent. They breached the 2-billion (volume) mark for the fourth straight month.

In December, it had handled 2.23 billion transactions worth Rs 4.16 trillion and in November it processed 2.21 billion transactions worth Rs 3.90 trillion. Launched in 2016, UPI crossed 1 billion transactions for the first time in October 2019. While it took UPI three years to reach a billion transactions in a month, the next billion came in just a year.

https://www.business-standard.com/article/economy-policy/upi-jan-volume-up-77-to-2-3-bn-year-on-year-value-doubles-to-rs-4-3-trn-121020201455_1.html

RBI appoints external firm to audit HDFC Bank's IT infrastructure

Private lender HDFC Bank, which was penalised by the Reserve Bank of India (RBI) for repeated service outages in the internet banking, mobile banking, and payment utilities space, informed the stock exchanges on Tuesday that the central bank has appointed an external professional IT firm for carrying out a special audit of the entire IT infrastructure of the bank.

In a notification to the exchanges, the bank said, “...RBI has appointed an external professional IT firm for carrying out a special audit of the entire IT infrastructure of the bank under section 30 (1-B) of the banking regulation act, 1949 (“the Act”), at the cost of the bank under Section 30 (1-C) of the act”.

“The bank shall accordingly extend its cooperation to the external professional IT firm so appointed by RBI for conducting the special IT audit”, it added.

https://www.business-standard.com/article/finance/rbi-appoints-external-firm-to-audit-hdfc-bank-s-it-infrastructure-121020200619_1.html

Bad loans fall to Rs 8.08 trn in Sep 2020 from Rs 10.36 trn in Mar 2018

Non-performing assets (NPAs) or bad loans of the banking sector came down from a high of Rs 10.36 trillion at the end of March 2018 to Rs 8.08 trillion at the end of September 2020 due to various initiative of the government, Minister of State for Finance Anurag Thakur informed the Rajya Sabha on Tuesday. As a result of the Asset Quality Review (AQR) and subsequent transparent recognition by banks, stressed accounts were reclassified as NPAs and expected losses on stressed loans not provided for earlier under flexibility given to restructured loans were provided for, he said in a written reply. Further, he said, all such restructuring stressed loans were withdrawn.

https://www.business-standard.com/article/finance/bad-loans-fall-to-rs-8-08-trn-in-sep-2020-from-rs-10-36-trn-in-mar-2018-121020200780_1.html

LIC Act amendment: Centre to hold 75% stake for at least 5 years, minimum shareholding not to go below 51%

The Centre will hold at least 75 per cent stake in state-owned Life Insurance Corporation of India for the next five years and will continue to hold at least 51 per cent in the life insurer after that period. The Amendments to the Life Insurance Act, 1956, which was tabled along with the Finance Bill, also proposes to increase the authorised share capital of the corporation to ₹25,000 crore divided into 2,500 crore shares of ₹10 each.

<https://www.thehindubusinessline.com/companies/lic-act-amendment-centre-to-hold-75-stake-for-at-least-5-years-minimum-shareholding-not-to-go-below-51/article33731834.ece?homepage=true>

Industry

Proposed duty levy on components to hit Indian handset makers most: Industry

Indian smartphone makers such as Lava and Micromax are likely to be the most affected by the increase in basic customs duty (BCD) on import of mobile phone sub-parts as the move will mostly impact the sub-Rs 10,000 category, as per industry executives and analysts. They say the levy of duty will add cost pressure on brands competing in the sub-Rs 10,000 category, but market leaders such as Xiaomi—which dominates the segment—will be able to absorb the cost, which can be offset with the kind of volumes they sell.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/proposed-duty-levy-on-components-to-hit-indian-handset-makers-most-industry/articleshow/80650606.cms>

Leather bags and shoe prices may rise

Prices of premium and branded leather shoes and bags may go up by up to 5% next fiscal after finance minister Nirmala Sitharaman imposed import duty on raw and finished leather by 10%. This will also impact exports, said companies. "Prices will definitely increase by a minimum of 5% in wholesale and in retail by on average 3%. The move will also make domestic manufacturers uncompetitive in the global market where we have strongly positioned ourselves," said Dilip Kapur, founder and president of Hidesign the Pondicherry-based premium leather goods maker.

<https://economictimes.indiatimes.com/news/economy/policy/leather-bags-and-shoe-prices-may-rise/articleshow/80651868.cms>

PIL seeks clear MRP, seller details of products sold by e-commerce sites; Delhi High Court asks for Centre's stand

The Delhi High Court Tuesday sought response of the Centre on a PIL seeking a direction to e-commerce websites to prominently display names of manufacturers, country of origin and MRP of products sold on their platforms. A bench of Chief Justice D N Patel and Justice Jyoti Singh issued notices to the Ministry of Consumer Affairs, Food and Public Distribution and Fashnear Technologies Pvt Ltd, Sociofy Enterprise Pvt Ltd and O (1) India Pvt Ltd, which own e-commerce websites, and sought their stand on the plea by March 12. Fashnear, Sociofy and O(1) own e-commerce websites Meesho, Glowroad, and Shop101, respectively.

<https://economictimes.indiatimes.com/industry/services/retail/pil-seeks-clear-mrp-seller-details-of-products-sold-by-e-commerce-sites-delhi-high-court-asks-for-centres-stand/articleshow/80646530.cms>

Agriculture

India's Oct-Jan sugar output jumps 25% to 17.7 million tonnes: Trade body

Indian sugar mills produced 17.7 million tonnes of sugar in the first four months of the 2020/21 marketing year which started on Oct. 1, up a quarter from a year earlier as production jumped in western state of Maharashtra, a leading trade body said. The country is the world's second biggest sugar producer and the higher output could weigh on global prices. Maharashtra, the country's second biggest sugar producing state, churned out 6.38 million tonnes of sugar in the four months, compared to 3.46 million tonnes a year ago, the Indian Sugar Mills Association (ISMA) said in a statement on Tuesday.

https://www.business-standard.com/article/economy-policy/india-s-oct-jan-sugar-output-jumps-25-to-17-7-million-tonnes-trade-body-121020200847_1.html

Infrastructure

NHAI to fine up to Rs 10 crore for major lapses in structures

National Highways Authority of India (NHAI) on Tuesday said it has come out with a strict policy to deal with major lapses in structures that provides for a fine up to Rs 10 crore for defaulters besides debarment of the firm or personnel for up to three years. The move is aimed at maintaining high-quality standards in highway development. "In order to deal with the lapses in highway development, NHAI has issued a strict policy to decide penal action against defaulting firms/ personnel if there are any lapses in construction standards of bridges/ structures/approaches to structure etc by the Concessionaires/ Contractors / Consultants," NHAI said in a statement. <https://economictimes.indiatimes.com/news/economy/infrastructure/nhai-to-fine-up-to-rs-10-crore-for-major-lapses-in-structures/articleshow/80651324.cms>

15th Finance Commission recommends Rs 1,075 crore embankment-cum-road for Majuli

Assam's Majuli will have a new embankment-cum-road around the island as the 15th Finance Commission has recommended for it along with a project for comprehensive development of the Kamakhya temple in Guwahati. The commission has recommended Rs 1,075 crore for the construction of the new embankment-cum-road around the world's largest inhabited riverine island and Rs 300 crore for the comprehensive development of the Kamakhya temple complex. The 15th Finance Commission, headed by N K Singh, submitted its report to Parliament on Monday. Majuli is also the seat of Assam's Vaishnavite monasteries (sattras). It is a part of the vast dynamic river system of Brahmaputra basin with a total length of 2,706 km and a catchment area of 580,000 sq km. The island extends for a length of about 80 km, 10-15 km in breadth with a total area of about 875 sq km and at an elevation of 85-90 metres above the sea level. <https://economictimes.indiatimes.com/news/economy/infrastructure/15th-finance-commission-recommends-rs-1075-crore-embankment-cum-road-for-majuli/articleshow/80649194.cms>

Railways sets aside ₹10,000 cr for restoration of allowances next fiscal

The Railways may restore the allowances of its 12 lakh employees that were withheld due to the Covid-19 pandemic, with the national transporter proposing to allocate extra 12 per cent of funds towards staff cost in the coming fiscal. Accordingly, the Railways has allocated ₹93,345 crore for staff cost the next fiscal, up almost ₹10,000 crore, compared to the current year. For the next year, ordinary working expenses (OWE) are slated at ₹1.54-lakh crore, only 2.87 per cent more than FY20. The OWE of Indian Railways largely comprises staff cost, fuel cost and lease payments to Indian Railway Finance Corporation (IRFC), the borrowing arm of Indian Railways. The higher allocation for OWE – of ₹ 14,000 crore against 2020-21 – is done "mainly to cater for allowances...There is a contemplation that the Dearness Allowance (that was held back last year) will be replaced," said Naresh Salecha, Financial Commissioner, Railway Board, in a press meet on Tuesday. <https://www.thehindubusinessline.com/economy/railways-sets-aside-10000-cr-for-restoration-of-allowances-next-fiscal/article33732037.ece>

Energy

No new policy, support to gas-based power plants at present: Government

The government has decided not to bring any new policy or provide support to gas-based power plants at the moment because states are reluctant to offer certain concessions for these projects, Parliament was informed on Tuesday. To revive and improve utilisation of gas-based capacity in the country, the Government of India had sanctioned a scheme of e-RLNG (e-auction of Re-gasified Liquefied Natural Gas) for utilisation of gas-based power generation capacity during the years 2015-16 and 2016-17. <https://economictimes.indiatimes.com/industry/energy/power/no-new-policy-support-to-gas-based-power-plants-at-present-government/articleshow/80652448.cms>

India's January gasoil sales decline at slowest rate in 3 months: Prelim data

India's diesel sales fell 2.3% in January year-on-year, their slowest pace of decline in three months, preliminary data showed on Tuesday, indicating a gradual recovery in industrial growth in Asia's third-largest economy. Local diesel

sales by state-run refiners have been falling since March, when coronavirus-related restrictions slammed industrial activity and mobility. However, annual demand for diesel saw a temporary rise in October ahead of the country's festival season. Diesel consumption, a key parameter linked to economic growth which accounts for about 40% of overall refined fuel sales in India, totalled 6.04 million tonnes January, the data compiled by state retailers showed. <https://economictimes.indiatimes.com/industry/energy/oil-gas/indias-january-gasoil-sales-decline-at-slowest-rate-in-3-months-prelim-data/articleshow/80647137.cms>

Healthcare

Tally of active COVID-19 cases shrinks to 1.63 lakh; total 39.50 lakh beneficiaries received vaccine

The tally of active COVID-19 cases in India has shrunk to 1.63 lakh which is just 1.52 per cent of the total instances of the infection reported so far, while 39.50 lakh beneficiaries have received vaccine jabs till Tuesday morning, the Union health ministry said. It also said that India's daily new coronavirus cases has been consistently following a downward slope. After reaching a peak of 95,735 daily cases on September 10 last year, India on Tuesday recorded 8,635 new instances of the infection, the lowest in eight months. India's average daily new cases have also been showing a clear downward slip in the last five weeks. While it was 18,934 between December 30 and January 5, that came down to 12,772 average daily new cases between January 27 and February 2, the ministry said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/tally-of-active-covid-19-cases-shrinks-to-1-63-lakh-total-39-50-lakh-beneficiaries-received-vaccine/articleshow/80651795.cms>

Supply order for Covishield vaccine was placed after drug regulator approved it: Govt

For the procurement of COVID-19 vaccines, a supply order dated January 11 was placed with the Serum Institute of India after Covishield was approved for restricted use in emergency situation by India's drug regulator, the Rajya Sabha was informed on Tuesday. Union Minister of State for Health Ashwini Choubey was responding to a question on whether the government has finalised a pricing and supply agreement with the Serum Institute of India Limited for COVID-19 vaccines.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/supply-order-for-covishield-vaccine-was-placed-after-drug-regulator-approved-it-govt/articleshow/80648090.cms>

No data generated with Covishield, Covaxin on 'European' strain of coronavirus, Rajya Sabha told

No data has been generated with Covishield and Covaxin vaccines specifically on the new "European" COVID-19 virus strain, Union Minister Ashwini Choubey said on Tuesday. Two strains of the coronavirus that originated in the United Kingdom and South Africa have already spread in several countries around the globe. To a question on whether the Covishield and Covaxin are able to provide protection from the new coronavirus variant that was traced in the UK, Choubey told Rajya Sabha, "At present, there is no data generated with the above vaccines specifically on new European COVID-19 virus strain."

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/no-data-generated-with-covishield-covaxin-on-european-strain-of-coronavirus-rajya-sabha-told/articleshow/80650436.cms>

External

Exports rise 5.37 pc in Jan; trade deficit narrows to \$14.75 billion

The country's exports grew 5.37 per cent year-on-year to \$27.24 billion in January 2021, mainly driven by healthy growth in pharma and engineering sectors, according to provisional data of the commerce ministry. Trade deficit during the month narrowed to \$14.75 billion from \$15.3 billion in January 2020. It was \$15.44 billion in December 2020. Imports in January 2021 rose 2 per cent to \$42 billion. Exports of pharmaceuticals and engineering grew 16.4 per cent (\$293 million), and about 19 per cent (\$1.16 billion), respectively, the data showed.

The other sectors which recorded healthy growth includes oil meals (253 per cent), Iron ore (108.66 per cent), tobacco (26.18 per cent), rice (25.86 per cent), fruits and vegetables (24 per cent), carpet (23.69 per cent), handicrafts (21.92 per cent), spices (20.35 per cent), ceramic products and glassware (19 per cent), tea (13.35 per cent), cashew (11.82 per cent), plastic (10.42 per cent), and chemicals (2.54 per cent).

<https://www.financialexpress.com/economy/exports-rise-5-37-per-cent-in-january/2185695/>

India's exports are on path of quicker recovery: Trade council

The country's exports, which have recorded a growth of 5.4 per cent in January, reflects the trade has been on the path of quick recovery, TPCI said on Tuesday. Trade Promotion Council of India (TPCI) Founder Chairman Mohit Singla said that the exports have also recorded positive growth in December 2020 and it is a reflection that Indian products have been sustaining its global demand despite challenges. "The figures clearly show that the global trade flow has been streamlining fast, and bottlenecks owing to the pandemic are easing out gradually," he said in a statement. He also said that imports have also started picking up, reflecting a revival in the domestic market demand.

"Among the top five commodity groups of export which recorded positive growth during January 2021 are other cereals, Oil meals, and cereal preparations and miscellaneous processed items, and Jute manufacturing. This shows that the agri and processed food industry are the engine of this demand driven growth and I am hopeful that this momentum is going to continue," Singla added.

https://www.business-standard.com/article/economy-policy/india-s-exports-are-on-path-of-quicker-recovery-trade-council-121020201454_1.html

Indian industry to get greater protection against dumped imports as govt tightens rules

Indian industry will have greater protection against dumped imports from next year as the government is set to tighten measures related to imposition of anti-dumping duties (ADD) and countervailing duties (CVD) to check flouting of rules. "The new rules, to be implemented from January 1, 2022, will ensure that exporters trying to circumvent anti-dumping duties by routing items through third countries or other means are not allowed any respite with prompt action taken against such moves. There are also provisions to check duty absorption by some exporters," a government official told BusinessLine.

<https://www.thehindubusinessline.com/economy/logistics/indian-industry-to-get-greater-protection-against-dumped-imports-as-govt-tightens-rules/article33731667.ece?homepage=true>



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