



February 04, 2021 – Thursday

Key Developments

RBI unveils risk-based audit guidelines for select NBFCs, urban co-op banks

The Reserve Bank of India (RBI) on Wednesday unveiled the risk-based internal audit (RBIA) system for select non-bank lenders and urban co-operative banks, with a view to enhance the quality and effectiveness of their internal audit system. All the deposit-taking non-banking financial companies (NBFCs) and the ones with an asset size of over Rs 5,000 crore, and urban co-operatives banks (UCBs) with assets of over Rs 500 crore will have to migrate to the new system, the RBI said.

Currently, all the entities supervised by the RBI have their own approaches on internal audit, resulting in certain inconsistencies, risks and gaps in the system, the RBI said. The NBFCs and UCBs face risks similar to the ones for scheduled commercial banks which require an alignment of processes, it added.

https://www.business-standard.com/article/pti-stories/rbi-unveils-risk-based-internal-audit-guidelines-for-select-nbfc-urban-co-op-banks-121020300943_1.html

RBI's monetary policy committee starts deliberations on interest rates

The Reserve Bank's rate-setting Monetary Policy Committee (MPC) began its meeting on Wednesday and is likely to hold interest rates and continue with accommodative policy stance so that necessary monetary action could be taken to push growth. This is the first MPC meeting after the presentation of the Union Budget 2021-22.

Although the bi-monthly monetary to be announced on February 5 is likely to refrain from cutting benchmark repo rate, it will ensure availability of adequate liquidity which will be needed to spur investment in the infrastructure sector. The six-member MPC headed by RBI Governor Shaktikanta Das has started its deliberations. After the three-day meeting, resolution of the MPC would be announced on February 5.

https://www.business-standard.com/article/economy-policy/rbi-s-monetary-policy-committee-starts-deliberations-on-interest-rates-121020301124_1.html

MCA initiates decriminalisation of LLP Act

The ministry of corporate affairs (MCA) has initiated the process of decriminalisation of the Limited Liability Partnership (LLP) Act, based on the recommendations of a high-level government panel. "The objective of the decriminalisation exercise is to remove criminality of offences from business laws where no malafide intentions are involved," the ministry said in a statement on Wednesday. The government will decriminalise 12 compoundable offences under the Act and will omit section 73, which relates to penal provisions in case of non-compliance with orders of a tribunal. The MCA will adopt three principles while going through the decriminalisation process, it said.

https://economictimes.indiatimes.com/news/economy/policy/mca-initiates-decriminalisation-of-llp-act/articleshow/80671734.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Sebi comes out with graded entry norms for innovation sandbox

Markets regulator Sebi on Wednesday said it has put in place the revised graded entry norms for innovation sandbox, to promote innovation in new products and services. The new framework is also aimed at increasing participation in the innovation sandbox.

This would be achieved by giving access to both test data and test environment to financial institutions, financial technology (fintech) firms, start-ups and entities not regulated by Sebi including individuals, the regulator said in a statement. Innovation sandbox facilitates access to an environment (testing facilities and test data) provided by enabling organisations like stock exchanges, depositories and qualified registrar and share transfer agents (QRTAs), wherein innovators (sandbox applicants) would test their innovations in isolation from the live market.

https://www.business-standard.com/article/markets/sebi-comes-out-with-graded-entry-norms-for-innovation-sandbox-121020301029_1.html

Power ministry to launch manufacturing programme for critical equipment

The Ministry of Power will launch a domestic manufacturing programme for critical power and renewable energy equipment at an outlay of Rs 1,500 crore in the coming financial year. The scheme titled 'Manufacturing Zones under Atmanirbhar Bharat Package' in the Union Budget would entail setting up three manufacturing zones in a year.

These zones are divided into three categories— coastal, land-locked and hilly states. The scheme would call for offers from the states to submit applications to set up these zones. The three selected zones would get Rs 500 crore each for the development of manufacturing hubs.

Senior officials said a committee would select which state offers the best facilities for these zones. "The selection criteria would be based on land, cheap infrastructure facilities such as electricity, water, sewage treatment etc. The Centre would provide common infrastructure and testing facilities at these zones," said an official.

https://www.business-standard.com/article/economy-policy/power-ministry-to-launch-manufacturing-programme-for-critical-equipment-121020300418_1.html

Economy

Services PMI expands for 4th straight month as vaccine drive fuels optimism

Activity in India's services sector expanded for the fourth straight month in January as the Covid-19 vaccination roll-out drove business optimism, a private survey showed on Wednesday. The IHS India Services Business Activity Index rose to 52.8 in January from 52.3 in December, suggesting the pace of growth was moderate. The 50-point mark separates expansion from contraction. But it should be noted that the PMI is a month-over-month indicator, showing improvement over the previous month, and not over the previous year.

"The Indian services sector enjoyed good levels of activity in January, with new business volumes rising for the fourth successive month and growth rates for both measures picking up from December," said Pollyanna De Lima, Economics Associate Director at IHS Markit. "The service sector looks set to sustain growth and confidence towards hiring may improve as COVID-19 concerns diminish," De Lima added.

https://www.business-standard.com/article/economy-policy/services-pmi-expands-for-4th-straight-month-as-vaccine-drive-fuels-optimism-121020300982_1.html

Ministerial panel to decide on number of CPSEs to be retained in each strategic sector: DIPAM Secy

A panel of Ministers, comprising Finance Minister Nirmala Sitharaman and Road Transport Minister Nitin Gadkari, will take the final call on the number of public sector companies that will be retained in each of the strategic sectors, DIPAM Secretary Tuhin Kanta Pandey said. The government in the Budget unveiled the Disinvestment/Strategic Disinvestment Policy and identified four sectors — Atomic energy, Space and Defence; Transport and Telecommunications; Power, Petroleum, Coal and other minerals; and Banking, Insurance and financial services — as strategic sectors, where bare minimum CPSEs would be retained. The Central Public Sector Enterprises (CPSEs) in other sectors would be privatised. NITI Aayog would be working on the preliminary list of CPSEs, which could be taken up for strategic disinvestment.

<https://www.financialexpress.com/economy/ministerial-panel-to-decide-on-number-of-cpses-to-be-retained-in-each-strategic-sector-dipam-secy/2187169/>

Labour ministry has not agreed to extend the working hours: Santosh Kumar Gangwar

The labour minister Santosh Kumar Gangwar on Wednesday said his ministry has not agreed to amendments proposed by the state governments to extend the working hours for workers under the Factories Act. "The ministry of labour and employment has received the draft Ordinances/Bills from different state governments through the ministry of home affairs regarding amendment in the existing provisions of the Factories Act, 1948 including

extension of working hours under the Factories Act, 1948," minister Gangwar said in response to a Parliament question.

https://economictimes.indiatimes.com/news/economy/policy/labour-ministry-not-agreed-to-extend-the-working-hours-santosh-kumar-gangwar/articleshow/80667547.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

GST shortfall: FinMin releases weekly installment of Rs 6,000 cr to states

The Finance Ministry on Wednesday released the 14th installment of Rs 6,000 crore to states to meet the GST compensation shortfall, taking the total amount of fund released so far to Rs 84,000 crore. Till now, 76 per cent of the total estimated GST compensation shortfall has been released to states and 3 UTs.

Out of this, an amount of Rs 76,616.16 crore has been released to 23 states and Rs 7,383.84 crore to the 3 UTs with Legislative Assembly (Delhi, J&K, Puducherry). The remaining 5 states, Arunachal Pradesh, Manipur, Mizoram, Nagaland and Sikkim, do not have a gap in revenue on account of GST implementation, it added.

https://www.business-standard.com/article/economy-policy/gst-shortfall-finmin-releases-weekly-installment-of-rs-6-000-cr-to-states-121020301252_1.html

India falls to 53rd position in EIU's Democracy Index, dubbed as flawed democracy

India slipped two places to 53rd position in the 2020 Democracy Index's global ranking, according to The Economist Intelligence Unit, which said the "democratic backsliding" by authorities and "crackdowns" on civil liberties has led to a further decline in the country's ranking. However, India is ranked higher than most of its neighbouring countries. India's overall score fell from 6.9 in 2019 to 6.61 in the Index that provides a snapshot of the current state of democracy worldwide for 167 countries. "With mounting pressure on India's democratic norms, India's score fell from a peak of 7.92 in 2014 to 6.61 in 2020 and its global ranking slipped from 27th (in 2014) to 53rd as a result of democratic backsliding" under the current regime, The Economist Intelligence Unit (EIU) said.

https://economictimes.indiatimes.com/news/politics-and-nation/india-falls-to-53rd-position-in-eius-democracy-index-dubbed-as-flawed-democracy/articleshow/80665859.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

No proposal to launch new pension policy for central civil pensioners: Jitendra Singh

There is no proposal to launch new pension policy for central civil pensioners, Minister of State for Personnel Jitendra Singh said on Wednesday. In order to improve the pension process to facilitate pensioners, the Department of Pension & Pensioners' Welfare had developed 'Bhavishya', a common software module for ministries, which has now been functioning as a mandatory platform for processing pension and related benefits of central civil pensioners, with effect from, January 1, 2017, he said. "By keeping track of the progress as well as close monitoring of each pension case, it introduces transparency and accountability into the system thereby plugging delays," Singh said in a written reply to Lok Sabha.

<https://economictimes.indiatimes.com/news/economy/policy/no-proposal-to-launch-new-pension-policy-for-central-civil-pensioners-jitendra-singh/articleshow/80672155.cms>

Slower consolidation to constrain fiscal strength over medium term: Moody's

Rating agency Moody's on Wednesday India's fiscal deficit projections are higher than expected and slower consolidation will constrain its fiscal strength over the medium term. The US-based agency said it expects India's nominal GDP growth to rise to closer to 17 per cent in fiscal 2021, higher than 14.4 per cent projected in the Budget. Moody's Vice President and Senior Credit Officer William Foster said while the headline deficit projections are larger than the agency expected, they reflect both credible budgetary assumptions and greater transparency than in past budgets. The budget's focus on higher capital spending, financial sector reform and asset sales will help stimulate growth, but implementation risks remain and slower fiscal consolidation will constrain fiscal strength over the medium term," Foster added.

As per the glide path for fiscal consolidation announced in Budget, the government plans to bring down the fiscal deficit to 4.5 per cent of gross domestic product (GDP) by 2025-26 fiscal.

https://www.business-standard.com/article/economy-policy/slower-consolidation-to-constrain-fiscal-strength-over-medium-term-moody-s-121020301365_1.html

Banking and Finance

India launches standardised medical insurance cover for vector-borne diseases

India's first standardised medical insurance policy – Mashak Rakshak – for vector-borne diseases is set to be a fixed-benefit one set to offer a maximum sum assured between Rs 10000 and Rs 2 lakh on diagnosis and hospitalization for diseases such as dengue, malaria, chikungunya and Zika fever. Insurance Regulatory and Development Authority on Wednesday announced the guidelines and has asked all general and health insurance companies to offer the Mashak Rakshak to customers starting 1st April, 2021. "In order to make available Vector Borne Disease specific health insurance products addressing the needs of the public for getting health insurance coverage to specified Vector Borne Diseases, the Authority encourages all general and health insurers to offer Standard Vector Borne Disease Health Policy," the regulator said.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/india-launches-standardised-medical-insurance-cover-for-vector-borne-diseases/articleshow/80672398.cms>

Few mid, emerging corporates opt for RBI's one-time restructuring: Report

Very few corporates from the mid and emerging segments opted for the Reserve Bank of India's (RBI) one-time debt restructuring following respite from various government schemes such as the Emergency Credit Line Guarantee Scheme (ECLGS) and a faster recovery in demand, according to a report. In August last year, the RBI had announced a one-time restructuring for personal and corporate borrowers affected by the pandemic-related stress. India Ratings and Research said only 5 per cent of its rated 450 issuers in the mid and emerging corporates (MEC) space had availed the RBI's financial restructuring facility available till December 31, 2020.

https://economictimes.indiatimes.com/news/economy/policy/few-mid-emerging-corporates-opt-for-rbis-one-time-restructuring-report/articleshow/80669035.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Lenders remain risk averse to additional lending or alter lending terms: Ind-Ra

India Ratings and Research (Ind-Ra) said lenders remain risk averse despite only 5 per cent of its rated 450 issuers in the mid and emerging corporates (MEC) space availing the Reserve Bank of India's (RBI) financial restructuring facility available till December 31, 2020. The credit rating agency, in a report, opined that bankers have remained extremely risk-averse to extend additional lending or alter the lending terms for issuers (companies) having weak liquidity, high leverage or where the credit profile is unlikely to improve in the near to medium term.

<https://www.thehindubusinessline.com/money-and-banking/lenders-remain-risk-averse-to-additional-lending-or-alter-lending-terms-ind-ra/article33739360.ece>

MPC expected to retain policy repo rate at 4%: CARE

The Monetary Policy Committee (MPC) is expected to retain the policy repo rate at 4 per cent owing to the concerns around core inflation, CARE Rating said in a report. In this regard, the credit rating agency also pointed to the widening fiscal deficit and normalisation of economic activities, which could weigh on the inflation outlook. CARE expects the accommodative monetary policy to continue. The Reserve Bank of India (RBI) will be announcing the results of voting on the repo rate and monetary policy stance by the six member MPC on February 5, 2021.

<https://www.thehindubusinessline.com/money-and-banking/mpc-expected-to-retain-policy-repo-rate-at-4-care/article33741908.ece>

Industry

India invites global defence, aerospace firms to set up manufacturing units

India on Wednesday invited global defence and aerospace companies to set up manufacturing units in the country taking advantage of various initiatives taken by the government in the field. Prime Minister Narendra Modi said India offers unlimited potential in defence and aerospace.

"Aero India is a wonderful platform for collaborations in these areas. The Government of India has brought futuristic reforms in these sectors, which will add impetus to our quest to become Aatmanirbhar," Modi wrote on Twitter. Speaking at the inaugural ceremony of Aero India-2021, the country's premier defence and aerospace show, at Air Force Station at Yelahanka here, Defence Minister Rajnath Singh invited global companies in the field to set up manufacturing units in the country by taking advantage of various initiatives taken by the government.

https://www.business-standard.com/article/economy-policy/india-invites-global-defence-aerospace-firms-to-set-up-manufacturing-units-121020300784_1.html

Startup jobs YoY growth rate contracts sharply; Maharashtra, Karnataka, Delhi corner nearly 50% share

The year-on-year growth rate of the number of people employed at the Department for Promotion of Industry and Internal Trade (DPIIT) recognized startups across India has contracted sharply. From 58.6 per cent rise in startup employment from CY2018 to 2019, the growth rate plunged to only 13.8 per cent for CY 2019-2020 period, according to the data shared by MoS Commerce and Industry Som Prakash in the Lok Sabha on Wednesday. The employment volume had jumped massively from 96,528 in 2018 to 1,53,126 in 2019 but faltered with a relatively marginal increase to 1,73,315 in 2020 amid Covid impact across sectors due to which majority businesses including startups had either slowed down or paused hiring.

<https://www.financialexpress.com/industry/sme/startup-jobs-yoy-growth-rate-contracts-to-13-8-1-73-lakh-people-employed-in-2020/2187212/>

GMPPF seeks PM Modi's intervention for mining resumption in Goa

Goa Mining People's Front (GMPPF) has sought Prime Minister Narendra Modi's intervention to help resume mining in Goa before the state loses its fourth consecutive mining year due to the ban imposed by the Supreme Court. Mining in Goa came to a standstill in March 2018 after the Supreme Court quashed 88 mining leases.

GMPPF also urged Hon'ble Prime Minister of India Narendra Modi for his immediate intervention for resumption of Goa Mining, GMPPF said in a statement. It further said it has also suggested to the central government to consider amendments to The Goa Daman and Diu Mining Concessions (Abolition and Declaration of Mining Leases Act, 1987,' by making this Act prospective from 1987 by amending the current provision of it being retrospective, it said.

https://www.business-standard.com/article/economy-policy/gmpf-seeks-pm-modi-s-intervention-for-mining-resumption-in-go-121020300810_1.html

Increased capex to push steel demand in India: Indian Steel Association

The increased capital expenditure for infrastructure projects in Union Budget 2021-22 will push demand for steel in the country, industry body ISA said on Wednesday. To augment the country's infrastructure, the Budget proposed significant enhancement in capital expenditure to Rs 5.54 lakh crore for the next fiscal, besides creating institutional structures and giving a big thrust to monetising assets to achieve the goals of the National Infrastructure Pipeline (NIP). "We are happy at the proposals related to increased construction of roads and highways as well as the proposed introduction of a bill to set up an institution for financing infrastructure and development. Enhanced investments in the infrastructure and related segments will create a demand spike for steel," Indian Steel Association (ISA) said in a statement.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/increased-capex-to-push-steel-demand-in-india-isa/articleshow/80670790.cms>

Indian diamond retailers say sales are steadily increasing, led by millennials

Leading Indian diamond retailers said sales are steadily increasing, led by millennials, as the pickup in economic activity and drop in coronavirus cases gives buyers the confidence to step out and indulge in discretionary spending. De Beers India said its sales in January this year were 14% higher than that in the year-ago month. Malabar Gold & Diamonds and NAC Jewellers are among the other jewelers who witnessed good demand for diamond jewellery last month and they expect the uptrend to continue in February as well.

https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/indian-diamond-retailers-say-sales-are-steadily-increasing-led-by-millennials/articleshow/80672401.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Agriculture

Draft National Fisheries Policy 2020: Fishermen voice concern over rising fuel cost

The spiralling fuel cost is a concern raised by the fishing community and they have highlighted the same as their comments in the draft of National Fisheries Policy 2020, urging the government to take effective steps to tide over the worsening situation. Any national policy on fishing without addressing the problem of rising diesel prices will torpedo attempts to mitigate the expenses and streamline modern methods of fishing, the All Kerala Fishing Boat Operators Association said.

<https://www.thehindubusinessline.com/economy/agri-business/draft-national-fisheries-policy-2020-fishermen-voice-concern-over-rising-fuel-cost/article33738724.ece>

Infrastructure

Railways' revenue declined by Rs 36,993 crore in 2020 due to pandemic: Govt

The railways' revenue in 2020 declined by Rs 36,993 crore as compared to the previous year due to the adverse impact of the COVID-19 pandemic, Railway Minister Piyush Goyal informed Parliament on Wednesday. In written reply to a question in Lok Sabha, the minister said this decline in revenue was due to the adverse impact of COVID-19 pandemic, consequential lockdown and partial operation of passenger services.

https://economictimes.indiatimes.com/industry/transportation/railways/railways-revenue-declined-by-rs-36993-crore-in-2020-due-to-pandemic-govt/articleshow/80672594.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Highways ministry to seek Cabinet nod to raise Bharatmala outlay

The highways ministry will soon seek cabinet nod for an almost 60% increase in the cost of Bharatmala, the Centre's flagship highways development project, officials familiar with the development said. Cost of the first phase of the programme when it was first approved in 2017 was estimated at around Rs 5.35 lakh crore. Now it has shot up to around Rs 8.5 lakh crore mainly due to underestimation and delays in land acquisition, they said. "A further approval will be required for the revised cost of the Bharatmala programme," a senior government official told ET on condition of anonymity. "It is expected that the ministry will seek approvals in the next financial year (2021-22)."

<https://economictimes.indiatimes.com/news/economy/infrastructure/highways-ministry-to-seek-cabinet-nod-to-raise-bharatmala-outlay/articleshow/80665640.cms>

Telecom

Government has no plan to close down BSNL, MTNL: Dhotre

The government has no plan to close down loss-making public sector telecom firms BSNL and MTNL, Minister of State for Telecom Sanjay Dhotre told Lok Sabha on Wednesday. The minister shared that BSNL's loss has swelled to Rs 15,500 crore from Rs 14,904 crore, and that of MTNL increased to Rs 3,811 crore from Rs 3,398 crore between 2019-20 and 2018-19. "The government has no plan to close down BSNL and MTNL," Dhotre said in a written reply. The government had announced a revival package of around Rs 69,000 crore in October 2019.

https://economictimes.indiatimes.com/industry/telecom/telecom-news/government-has-no-plan-to-close-down-bsnl-mtnl-dhotre/articleshow/80673415.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Implement regulations to curb unsolicited commercial calls, HC tells Trai

The Delhi High Court Wednesday directed telecom regulator Trai to ensure "complete and strict" implementation of the regulation issued by it in 2018 for curbing unsolicited commercial communications (UCC). The high court also directed the telecom service providers (TSPs), which included state-run Bharat Sanchar Nigam Ltd (BSNL), Reliance Jio, Airtel and Vodafone, to ensure they strictly comply with the Telecom Commercial Communications Customer Preferences Regulations (TCCCPR) 2018 issued by Trai.

With these directions, a bench of Chief Justice D N Patel and Justice Jyoti Singh disposed of a plea by One97 Communications Ltd, which runs online payment platform Paytm, alleging that telecom operators are not blocking "phishing" activities over various mobile networks.

https://www.business-standard.com/article/economy-policy/implement-regulations-to-curb-unsolicited-commercial-calls-hc-tells-tra-121020301355_1.html

DoT officials deny moving Supreme Court seeking clarity on AGR dues timeline

The Department of Telecommunications (DoT) officials have denied moving the Supreme Court seeking clarification on whether telcos need to pay their first installment of the adjusted gross revenue dues by March 2021 or March 2022. A TV report on Wednesday had reported that the DoT had moved the top court seeking clarification. "DoT hasn't approached the SC...Nor are there any instructions to that effect," a senior official told ET.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/department-of-telecom-moves-supreme-court-seeking-clarity-on-agr-dues-timeline-says-report/articleshow/80665432.cms>

Energy

Power consumption grows nearly 6 pc in January

India's power consumption increased to a three-month high of nearly 6 per cent at 111.43 billion units (BU) in January 2021, showing spurt in economic activities, according to official data. Power consumption in January 2020 was 105.15 BU. Besides, peak power demand also recorded double-digit growth of nearly 11 per cent to 189.64 GW in January 2021 compared to 170.97 GW in January 2020. On January 30, peak power demand surged to its all-time high of 189.64 GW. After a gap of six months, power consumption recorded a 4.5 per cent year-on-year growth in September and 11.6 per cent in October. In November 2020, the power consumption growth slowed to 3.12 per cent, mainly due to the early onset of winters. In December, power consumption grew by nearly five per cent.

<https://www.financialexpress.com/economy/power-consumption-grows-nearly-6-pc-in-january/2187145/>

State-run oil companies' capex to go up by 6.5% in FY22

Capital spending at Oil and Natural Gas Corp is targeted to drop 8% in 2021-22 from the current year while it's set to expand 9% at Indian Oil and 26% at Hindustan Petroleum, according to the budget document. State-run oil companies have planned a combined capex of Rs 105,000 crore in FY22, up 6.5% from the current year's target. In the first three quarters of the current year, state oil companies have together spent Rs 58,500 crore, or 60% of their combined annual target, the pace being slow mainly due to the disruptions caused by the pandemic.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/state-run-oil-companies-capex-to-go-up-by-6-5-in-fy22/articleshow/80662512.cms>

Healthcare

Russia's Sputnik V vaccine to seek India approval by March

India's Dr. Reddy's Laboratories Ltd will seek emergency-use authorisation for Russia's Sputnik V coronavirus vaccine by next month, a company official said on Wednesday, after peer-reviewed trial data confirmed its effectiveness. A source close to the drug regulator said the application could come within days and when approved, bolster India's 18-day-old immunisation campaign which has covered more than 4 million people with two other shots. Dr. Reddy's has been working with the Russian Direct Investment Fund (RDIF) to hold small clinical trials of Sputnik V in India. On Tuesday, RDIF told Indian news agency ANI that it expected to get approval for the vaccine this month or the next.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/russias-sputnik-v-vaccine-to-seek-india-approval-by-march/articleshow/80667338.cms>

External

We are fast achieving pre-COVID-19 levels in exports: Commerce secretary

The country's exports recorded a positive growth in January and the outbound shipments are fast moving towards pre-COVID-19 levels, a top government official said on Wednesday. Commerce Secretary Anup Wadhawan also said

India is well on the way to breaking into new frontiers and exporting goods such as mobile phones and other electronic goods. "Exports are picking. We are fast reaching to pre-COVID-19 levels," he told reporters here. The secretary said measures like production-linked incentive scheme would expand the manufacturing base and that will take exports to the true potential.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/we-are-fast-achieving-pre-covid-19-levels-in-exports-commerce-secretary/articleshow/80669302.cms>

Niggling issues in India-US mini trade deal mostly addressed: Commerce Secy

Commerce secretary Anup Wadhawan on Wednesday said that negotiations over the India-US mini trade deal are ongoing and contentious issues have largely been addressed.

"The sticking points have largely been addressed. There are no sticking points as such ... bilateral discussions are always ongoing, they never end... status is very good on that deal," Wadhawan told reporters. He said the effort in any bilateral relationship is always to resolve issues as quickly as possible. There were apprehensions that the proposed mini deal would be put on the back burner after Joe Biden took over the presidency of the US last month, as he has other more urgent work to focus on.

https://www.business-standard.com/article/economy-policy/niggling-issues-in-india-us-mini-trade-deal-mostly-addressed-commerce-secy-121020301382_1.html

Cereals exports rise 53% to Rs 49,832 cr in Apr-Dec: Commerce min

The country's cereals exports have increased by about 53 per cent to Rs 49,832 cr during April-December 2020 on an year-on-year basis, according to the data of commerce ministry. Basmati rice exports too grew by 5.31 per cent to Rs 22,038 crore while the non-basmati segment witnessed a spike in exports by 122.61 per cent to Rs 22,856 crore, the ministry said in a statement. Wheat exports rose to Rs 1,870 crore, while the outbound shipments of other cereals like millet and maize grew by 177 per cent to Rs 3,067 crore, it added.

"Cereals have a share of 48.61 per cent in the total exports under the APEDA (Agricultural and Processed Food Products Export Development Authority) basket," it said.

https://www.business-standard.com/article/economy-policy/cereals-exports-rise-53-to-rs-49-832-cr-in-apr-dec-2020-21-commerce-min-121020301204_1.html

Reduction in import duty on copper scrap to promote recycling in country

The Centre on Wednesday said slashing of import duty on copper scrap will promote recycling in the country, as the basic raw materials will now become cheaper. In the Union Budget 2021-22, the government announced reduction of import duty on copper scrap from 5 per cent to 2.5 per cent. "Reduction of import duty on copper scrap... (will) boost recycling of copper in the country," the mines ministry said in a statement. The move will also lead to social, environmental and economic benefits, besides resulting in potential for employment generation, according to the statement. Recycling of metal improves the resource efficiency as there is no loss of property. It is economically viable, energy efficient and environment friendly, it added.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/reduction-in-import-duty-on-copper-scrap-to-promote-recycling-in-country/articleshow/80670609.cms>

India Inc's external borrowing down 40% in first three quarters of FY21

External commercial borrowings (ECBs) of India Inc in the first three quarters of the current fiscal fell by 40 per cent to \$19.53 billion against \$32.74 billion in the same period in FY20. Muted credit demand, pandemic-induced economic slowdown, and absence of major investment and expansion plans by corporates are some of the reasons for the poor ECB offtake in the current fiscal. Overseas borrowings of India Inc plunged to a 11-quarter low of \$3.51 billion in the April-June quarter. With various stages of unlocking and pick up in economic activity, ECBs increased to \$8.98 billion in the second quarter and \$7.04 billion in the third quarter.

<https://www.thehindubusinessline.com/economy/india-incs-external-borrowing-downby-40-in-first-three-quarters-of-fy21/article33741217.ece>

Outward remittances slows down during the pandemic

Travel restrictions and students enrolled in overseas universities attending online classes from home in India have shaved nearly \$4.5 billion in remittances outflow from India that was down 38 per cent in April-November this fiscal

to \$ 7.6 billion from \$ 12.3 billion a year ago, data from RBI showed. Besides, spends on travel, studies and maintenance of relatives abroad which comprise bulk of the outflows, it also includes overseas investments by Indian citizens. Of all the permissible avenues of outward remittances, studies abroad accounts for more than a quarter.

<https://economictimes.indiatimes.com/news/economy/finance/outward-remittances-slows-down-during-the-pandemic/articleshow/80673004.cms>



**COUNTRY'S FIRST
& ONE OF ITS KIND ANNUAL
VIRTUAL EXPO on MANUFACTURING
& SERVICES SECTOR**

ANNUAL EXPO 2020
11 December 2020 to 11 December 2021

EXHIBITION | WEBINARS | B2B Meetings | LISTING IN DIGITAL DIRECTORY | OPEN FOR 365 days

FREE ENTRY FOR BUSINESS VISITORS. REGISTER NOW!
<http://registrations.ficci.com/annualexpo2020/attendee-registration.asp>