



February 09, 2021 – Tuesday

### Key Developments

#### **RBI plans Rs 3 trillion in sovereign bond purchases to cap yield at 6%**

India's central bank will target to buy more than Rs 3 trillion (\$41 billion) of sovereign bonds in the year starting April 1 to cap benchmark yields at about 6 per cent, according to a person familiar with the matter. The Reserve Bank of India has so far bought about Rs 2.5 trillion of net debt in the current financial year. The figure will be as high as Rs 3 trillion by end-March as authorities are keen to shrink the spread between the 10-year bond yield and repo rate to around 150 basis points from more than 200 basis points, the person said, asking not to be identified discussing private deliberations. They also want the yield curve to flatten to better represent inflation expectations, and will continue with Operation Twists to achieve this, the person said.

[https://www.business-standard.com/article/finance/rbi-plans-rs-3-trillion-in-sovereign-bond-purchases-to-cap-yield-at-6-121020800302\\_1.html](https://www.business-standard.com/article/finance/rbi-plans-rs-3-trillion-in-sovereign-bond-purchases-to-cap-yield-at-6-121020800302_1.html)

#### **After PM's invite, farm leaders say ready for talks, ask govt to fix a date**

Farmer unions agitating against the three agri laws on Monday asked the government to fix a date for the next round of talks, soon after Prime Minister Narendra Modi urged them to end their stir and invited them to resume the dialogue. They, however, objected to Prime Minister Modi's remarks in Rajya Sabha that a new "breed" of agitators called "andolan jivi" has emerged in the country, and said that agitation has an important role in a democracy.

Farmer leader Shiv Kumar Kakka, who is a senior member of the Samyukta Kisan Morcha which is spearheading the ongoing stir, said they are ready for the next round of talks and the government should tell them the date and time of the meeting. "We have never refused to hold talks with the government. Whenever it has called us for dialogue, we held discussions with Union ministers. We are ready for talks with them (government)," Kakka told PTI.

[https://www.business-standard.com/article/current-affairs/after-pm-s-invite-farm-leaders-say-ready-for-talks-ask-govt-to-fix-a-date-121020801096\\_1.html](https://www.business-standard.com/article/current-affairs/after-pm-s-invite-farm-leaders-say-ready-for-talks-ask-govt-to-fix-a-date-121020801096_1.html)

#### **Government to include 4-days-work per week, ESIC facilities in the final rules**

The labour ministry will give flexibility to employers to enable four-days a week of work with a ceiling of 48 hours in a week in the final rules that would be notified soon. However, employers will have to give three days' of paid leaves to such workers and 12 hours a day of work in such cases will be after the consent of the employee, labour secretary Apurva Chandra said. The move has been triggered after there were apprehensions raised over the government's proposal to increase the spreadover hours to 12 under the Code on Occupational Safety, Health and Working Conditions, 2020 from 10.5 now. Currently, employers have to take consent of the government to reduce the number of work days in a week which has been fixed at 48 hours for a work week of six days and eight hours of work each day.

<https://economictimes.indiatimes.com/news/economy/policy/government-to-include-4-days-work-per-week-esic-facilities-in-the-final-rules/articleshow/80751809.cms>

### Economy

**Ration card portability scheme: States asked to send proposals for additional funds by February 15**

The Centre on Monday asked state governments to submit their proposals seeking additional funds for the ration card portability scheme, called 'One Nation-One Ration Card' (ONORC), by February 15. Under the ONORC plan, beneficiaries can lift their entitled foodgrains from any electronic point of sale device (ePoS)-enabled fair price shops of their choice by using their existing ration cards with biometric authentication. Currently, this system is enabled in 32 states and Union Territories covering about 69 crore beneficiaries. According to an official statement, Food Secretary Sudhanshu Pandey on Monday reviewed the progress of ONORC with state governments through video conference. In the meeting, the secretary asked the states to deepen the progress about installation of ePoS devices, Aadhaar seeding of all beneficiaries, biometric authentication of public distribution system (PDS) transactions and portability transactions (both inter-state and intra-state), it said.

<https://economictimes.indiatimes.com/news/economy/policy/ration-card-portability-scheme-states-asked-to-send-proposals-for-additional-funds-by-february-15/articleshow/80752951.cms>

#### **Over 21,250 cases pending before NCLT at end of December 2020**

As many as 21,259 cases were pending before the National Company Law Tribunal (NCLT) as of December 31, 2020, and more than 2,270 cases were filed before the tribunal under the insolvency law in the first nine months of this fiscal, according to the government. In a written reply to Lok Sabha, Finance and Corporate Affairs Minister Nirmala Sitharaman on Monday said that during the lockdown, adequate measures were taken for hearing of cases including urgent matters through video conference in all NCLT benches.

<https://economictimes.indiatimes.com/news/economy/policy/over-21250-cases-pending-before-nclt-at-end-of-december-2020/articleshow/80754041.cms>

#### **Over Rs 2.06 lakh crore GST compensation to states due for Apr-Nov**

The Centre has released Rs 84,000 crore till date to states under the special borrowing window to meet GST shortfall, while the provisional GST compensation due for April-November 2020 stands at over Rs 2.06 lakh crore, Parliament was informed on Monday. Minister of State for Finance Anurag Singh Thakur, in a written reply in the Lok Sabha, said GST compensation of Rs 40,000 crore has been released to all states/Union Territories to meet partly the bi-monthly compensation for period April-May 2020 as the GST Compensation Fund was not adequate to meet the full compensation for the period.

<https://economictimes.indiatimes.com/news/economy/finance/over-rs-2-06-lakh-crore-gst-compensation-to-states-due-for-apr-nov/articleshow/80753989.cms>

#### **EPFO settles 60.88 lakh COVID-19 advance claims, releases Rs 15,255 crore till Jan 31**

Retirement fund body EPFO has settled 60.88 lakh COVID-19 non-refundable advance claims, and has disbursed Rs 15,255.95 crore till January 31, 2021, reflecting the pandemic's impact on the financial situation of the formal sector workforce. When the COVID-19 lockdown was imposed in March, the central government had allowed over 6 crore subscribers of the Employees' Provident Fund Organisation (EPFO) to withdraw an amount not exceeding their three months' basic pay and dearness allowance from their EPF accounts to support them during the nationwide lockdown. The EPFO has settled 60.88 lakh COVID-19 withdrawal claims and disbursed Rs 15,255.95 crore to subscribers during the pandemic till January 31, 2021, Labour Minister Santosh Gangwar said in a written reply in the Lok Sabha. The minister added that as on January 28, 2021, the total number of beneficiaries (new employees) under the Atmanirbhar Bharat Rozgar Yojana (ABRY) meant for creating jobs stood at 4.69 lakh.

<https://economictimes.indiatimes.com/news/economy/finance/epfo-settles-60-88-lakh-covid-19-advance-claims-releases-rs-15255-crore-till-jan-31/articleshow/80753157.cms>

### **Banking and Finance**

#### **RBI to buy bonds worth Rs 20,000 crore via OMOs on February 10**

The Reserve Bank of India (RBI) said on Monday it plans to buy bonds worth Rs 20,000 crore through open market operations (OMOs) to support the government's borrowing programme. "On a review of current liquidity and financial conditions, the RBI has decided to conduct purchase of government securities under OMO for an aggregate amount of Rs 20,000 crore on February 10," the RBI said in a statement.

The central bank is expected to buy more at auctions to support the government's huge borrowing programme. Last week, RBI Governor Shaktikanta Das assured investors that its stance on liquidity remained accommodative and that

the government's Rs 12.06 lakh crore borrowing programme for the fiscal year starting April will be managed in a smooth and orderly manner.

[https://www.business-standard.com/article/economy-policy/rbi-to-buy-bonds-worth-rs-20-000-crore-via-omos-on-february-10-121020801265\\_1.html](https://www.business-standard.com/article/economy-policy/rbi-to-buy-bonds-worth-rs-20-000-crore-via-omos-on-february-10-121020801265_1.html)

#### **RBI move to harmonise MFI norms to improve sector competitiveness: Ind-Ra**

The Reserve Bank of India, which is in the process of harmonising regulatory norms for microfinance lenders, needs to remove uneven playing field which gives disproportionate benefit to entities other than finance companies. The provisioning norms, rules for margins and access to credit information bureaus need to be harmonized. RBI's move to bring harmony across class of lenders in microfinance field in positive step. It would reduce the competitive intensity among the various forms of entities operating in this sector, India Ratings (Ind-Ra) in a statement.

There are four sets of lenders in micro finance space – finance companies, universal banks, small finance banks (SFBs) and not for profits companies and trusts.

[https://www.business-standard.com/article/economy-policy/rbi-move-to-harmonise-mfi-norms-to-improve-sector-competitiveness-ind-ra-121020801101\\_1.html](https://www.business-standard.com/article/economy-policy/rbi-move-to-harmonise-mfi-norms-to-improve-sector-competitiveness-ind-ra-121020801101_1.html)

#### **91 lakh guarantees issued till Jan 25 under ECLG scheme: Gadkari**

MSME Minister Nitin Gadkari on Monday said under the Emergency Credit Line Guarantee (ECLG) Scheme, around 91 lakh guarantees have been issued till January 25 this year. In a written reply to the Rajya Sabha, he said during the current financial year (April-December), a total number of 31,923 units were setup under the ongoing Prime Minister Employment Generation programme (PMEGP) and 5,21,746 guarantees were issued under another ongoing scheme - Credit Guarantee Fund Trust for Micro and Small Enterprises.

"Under Emergency Credit Line Guarantee Scheme, around 91 lakh guarantees have been issued till 25.01.2021," he said. The government has announced several measures under Aatmanirbhar Bharat package to increase availability of credit to the MSME sector which include Rs 3 lakh crore collateral free automatic loans for business, including MSMEs under Emergency Credit Line Guarantee Scheme (ECLGS).

<https://economictimes.indiatimes.com/news/economy/finance/91-lakh-guarantees-issued-till-jan-25-under-eclg-scheme-gadkari/articleshow/80753023.cms>

#### **Service complaints by bank customers rise 57 pc to over 3 lakh: RBI report**

Consumer complaints about banking services jumped 57 per cent to 3.08 lakh for the year to June 30, 2020, the Reserve Bank said on Monday. In its annual report on Ombudsman Schemes, the central bank said over a fifth of the complaints were about services at ATMs or with debit cards, followed by mobile or electronic banking at 13.38 per cent. Non-observance of Fair Practices Code (FPC) was at third place. Complaints received regarding credit cards, failure to meet commitments, levy of charges without notice, loans and advances and non-adherence to the Banking Codes and Standards Board of India (BCSBI) norms increased this year as compared to previous year. The number of complaints pertaining to 'Direct Sales Agent (DSA) and recovery agents' increased from 629 complaints in 2018-19 to 1,406 this year, it said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/service-complaints-by-bank-customers-rise-57-pc-to-over-3-lakh-rbi-report/articleshow/80754191.cms>

#### **Securitisation of retail assets by NBFCs, HFCs jump 61% in Q3**

Securitisation of retail assets by non-banking finance companies (NBFCs) and housing finance companies (HFCs) saw a healthy 61 per cent quarter-on-quarter (QoQ) jump to about ₹24,400 crore in Q3 (October-December) FY2021 against about ₹15,200 crore in Q2 (July-September) FY2021, according to ICRA. The credit rating agency observed that ever since the sharp fall in domestic securitisation volumes (to ₹7,500 crore) seen in Q1 (April-June) FY2021, the securitisation market has been on a path of revival on a sequential basis.

<https://www.thehindubusinessline.com/money-and-banking/securitisation-of-retail-assets-by-nbfc-hfc-jump-61-in-q3/article33781855.ece>

#### **RBI tightening oversight of big NBFCs to avoid systemic spillovers: Moody's**

India's risk-based internal audit requirement for non-banking finance companies is credit positive, Moody's Investors Service said. The Reserve Bank of India (RBI) issued guidelines for the country's largest non-banking finance

companies (NBFCs) to implement a risk-based internal audit framework, in line with banks. The framework requires an NBFC's internal audit function to assess risks independently of its existing risk-management functions.

The requirement is credit positive because it adds another layer of risk monitoring and improves the companies' resilience to unexpected shocks, Moody's said. The guidelines will apply to all deposit-taking NBFCs or NBFCs with assets of more than Rs 500 billion as of March 31, 2022. The framework's application to the largest NBFCs reflects the RBI's ongoing efforts to strengthen and harmonise regulatory norms between NBFCs and banks. The NBFC sector has been increasingly important to credit growth in India.

[https://www.business-standard.com/article/finance/rbi-tightening-oversight-of-big-nbfc-to-avoid-systemic-spillovers-moody-s-121020800622\\_1.html](https://www.business-standard.com/article/finance/rbi-tightening-oversight-of-big-nbfc-to-avoid-systemic-spillovers-moody-s-121020800622_1.html)

#### **IRDAI working group wants index linked insurance to make a comeback eight years after being banned in India**

A six-member IRDAI working group has suggested that there is a need to introduce index-linked insurance products as an alternative for more conventional guaranteed return products or even ULIPs. The Insurance Regulatory and Development Authority of India had banned such products in 2013 owing to discrepancies in risk transfers to policyholders. However, with the current volatility in the stock market and a preference among customers to opt for safer guaranteed return products, the time may be ripe for the reintroduction of such policies, the working group (WG) said in a report on Monday. "The WG has the view that there is relevance for Index Linked Insurance Products (ILIP) which could be seen as a category which fits in between traditional products where features can appear less transparent and the unit linked products (ULIP) where transparency is higher but the investment risks are completely borne by the policyholders," the report stated.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-working-group-wants-index-linked-insurance-to-make-a-comeback-eight-years-after-being-banned-in-india/articleshow/80753485.cms>

#### **Health insurance to see higher double-digits growth in medium term: Report**

Health insurance segment, which has seen strong growth over the last five years, will continue to witness a higher double-digit growth in the medium term helped by low penetration, according to a report. During FY15-FY20, the segment expanded by a compound annual growth rate (CAGR) of 20 per cent. "We expect the sector to grow at higher double digits in the medium term, with private players growing even faster as they have been gaining market share over public sector firms and also because of the increase in premium prices due to medical inflation," India Ratings and Research said in a report.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/health-insurance-to-see-higher-double-digits-growth-in-medium-term-report/articleshow/80748472.cms>

#### **National Insurance Company settles disclosure lapse case with Sebi, pays Rs 75 lakh**

State-owned National Insurance Company has settled with markets regulator Sebi a case pertaining to alleged shareholding disclosure lapses after paying settlement charges of nearly Rs 75 lakh. Sebi agreed to settle the case after the insurance company approached the regulator with a plea to settle the matter "without admitting or denying the findings of fact and conclusions of law". The proposed proceedings to be initiated for the default...are settled qua the applicant... Sebi shall not initiate any enforcement action against the applicant for the said defaults," the regulator said in a settlement order passed on Friday. It was alleged that National Insurance Company had made delay in making disclosures in respect of change in its shareholding in Axis Bank.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/national-insurance-company-settles-disclosure-lapse-case-with-sebi-pays-rs-75-lakh/articleshow/80751218.cms>

#### **Industry experts expect demand for gold loans to surge as unorganised sector gets back on track**

Gold loans are expected to find more takers in the current quarter as well as in the next financial year owing to the likely reopening of academic institutions, pickup in micro and small industries and the return of migrant workers, said industry executives and experts. Gold loan companies are expecting more than 20% growth year-on-year in assets under management (AUM) in this financial year. "We have achieved a growth in gold loan AUM of 19% in the first nine months of this fiscal," said VP Nandakumar, managing director, Manappuram Finance. "A significant chunk of this growth came in Q2 (when gold loan AUM went up sequentially by 11%) after the lockdowns were eased. This was a time when the overall credit flow in the economy was still choked up."

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/industry-experts-expect-demand-for-gold-loans-to-surge-as-unorganised-sector-gets-back-on-track/articleshow/80752036.cms>

#### **Paytm's Enterprise Bill Payment System targets Rs 3,000 cr in transactions by FY21-end**

Paytm on Monday announced that its Enterprise Bill Payment System (EBPS), a part of Paytm Payouts, is expected to cross Rs 3,000 crore in transactions by FY21-end. EBPS enables businesses to manage and pay all their utility bills generated across a large number of business locations on a single unified platform, Paytm said in a statement.

"Paytm Payouts' Enterprise Bill Payment System aims at Rs 3,000 crores in transactions by the end of FY'21," it added. EBPS is an integrated utility bill management service for businesses, enabling companies to monitor all the bills of their shops, offices, and warehouses. Saloni Malhotra, Vice President of Paytm, said, "Instead of spending their time and effort on the exercise of managing bill payments, EBPS offers companies the chance to cut costs and focus on their business growth. We expect this service to process Rs 3,000 crore worth of utility bills paid by companies in the current financial year".

<https://www.financialexpress.com/industry/banking-finance/paytms-enterprise-bill-payment-system-targets-rs-3000-cr-in-transactions-by-fy21-end/2190515/>

#### **Industry**

#### **Steel consumption up 11.9% at 9.68 mt in December**

India's total finished steel consumption grew 11.91 per cent year-on-year in December to reach 9.68 mt. During the same time, the country produced 9.32 mt of total finished steel (non-alloy, alloy/stainless), a year-on-year rise of 1.08 per cent, Minister of Steel Dharmendra Pradhan told Parliament on Monday. Steel consumption has grown throughout the third quarter of the ongoing fiscal year, an 11 per cent rise year-on-year to reach 28.09 mt. But at 66.54MT, consumption for the nine-month period remains 15 per cent lower compared to the corresponding period of the previous fiscal year.

<https://www.thehindubusinessline.com/economy/steel-consumptionup-119-at-968-mt-in-december/article33784836.ece>

#### **Duty cut could bring down domestic steel prices by 10%, says ICRA**

Government's proposal to reduce import duty on steel products in Budget 2021-22 would make their imports more competitive and in turn exert near-term pricing pressures on domestic steelmakers, rating agency ICRA said. In its report on implications of duty changes on the steel industry, the agency, however, said that domestic steel demand may remain favourable in the coming months on the back of several positive announcements made in the Budget and this in turn is likely to keep domestic steel prices buoyant unless the international prices correct significantly from the current levels. "The reduction in duties will not affect imports from countries like South Korea and Japan, with which India has a Free Trade Agreement (FTA). However, imports from China and other non-FTA countries would become more cost-competitive now. Chinese export HRC prices have already witnessed a 10 per cent drop in January 2021 due to lower domestic demand during winter months of November-March, and at current prices, the landed HRC prices from China at new duty rates are trading at a 10 per cent discount to domestic HRC prices," said Jayanta Roy, Senior Vice-President & Group Head, Corporate Sector Ratings, ICRA.

[https://www.business-standard.com/article/economy-policy/duty-cut-could-bring-down-domestic-steel-prices-by-10-says-icra-121020800602\\_1.html](https://www.business-standard.com/article/economy-policy/duty-cut-could-bring-down-domestic-steel-prices-by-10-says-icra-121020800602_1.html)

#### **Indian pharma market expected to hit \$130 billion by 2030: Sadananda Gowda**

The Indian pharmaceutical industry has proved to be a dependable supplier of quality drugs in a time of global need on account of the COVID-19 pandemic, and is expected to reach a size of \$130 billion by 2030, Chemical and Fertiliser Minister D V Sadananda Gowda said on Monday. Following the onset of the pandemic, the Indian pharma industry has shown its role as a reliable supplier of drugs and medical devices in a time of need, he added. "The total market size of the Indian pharma industry is expected to reach \$130 billion by 2030. The medical devices industry in India has the potential to grow at 28 per cent per annum to reach \$50 billion by 2025," Gowda said.

<https://www.financialexpress.com/industry/indian-pharma-market-expected-to-hit-130-billion-by-2030-sadananda-gowda/2190508/>

## Agriculture

### **Solid support: Paddy procurement up 18%; 33% jump in Punjab**

Even as agitating farmers apprehend undermining of the MSP system, the government has stepped up procurement of crops. Paddy purchases by state run agencies, including FCI for the 2020-21 crop year, was up 17.6% on year, or 91% of the annual target as on February 4. The sharpest increase in procurement is reported in Punjab (up 33.2%).

<https://www.financialexpress.com/economy/solid-support-paddy-procurement-up-18-33-jump-in-punjab/2190159/>

### **Cotton shipments peak in first four months of season**

Riding high on the cost advantage in the international market, India has already exported about 29 lakh bales (of 170 kg each) of cotton by the end of January 2021, data shared by the Cotton Association of India (CAI) showed. Nearly 60 per cent of the country's total projected cotton shipments were executed during the first four months of the 2020-21 season, the data showed. The apex cotton trade body has projected India's exports of the fibre to be around 54 lakh bales for the season 2020-21 (October to September). This was higher by about 4 lakh bales from the previous year 2019-20. "Export shipments of cotton estimated by the CAI up to January 31, 2021 is 29 lakh bales. The CAI has estimated cotton exports for the season at 54 lakh bales," informed Atul Ganatra, President, CAI, in the trade body's January crop estimate released on February 8, 2021.

<https://www.thehindubusinessline.com/economy/agri-business/cotton-shipments-peak-in-first-four-months-of-season/article33782934.ece>

## Infrastructure

### **Average pace of NH construction in Apr-Dec was 28 km/day: Gadkari**

The pace of highway construction during April-December 2020, on average, was 28 km a day amid the COVID-19 pandemic, Parliament was informed on Monday. Total highways constructed across India during the period was 7,767 km, Road Transport and Highways Minister Nitin Gadkari told Rajya Sabha in a written reply. "Average pace of construction of National Highways (NHs) during COVID-19 pandemic in the year 2020-21 since April, 2020 to December, 2020 was 28 km per day," Gadkari said.

Of the total 7,767 km NHs constructed during the period, the highest 1,662 km was constructed in Maharashtra at a cost of Rs 6,858 crore followed by 552 km in Uttar Pradesh (Rs 1,351 crore) and 495 km in Madhya Pradesh (Rs 1,446 crore), the minister said. Rajasthan saw construction of 464 km of highways, Uttarakhand (441 km) and Bihar (406.50 km) during the period, he said.

[https://www.business-standard.com/article/economy-policy/average-pace-of-nh-construction-in-apr-dec-was-28-km-day-gadkari-121020800953\\_1.html](https://www.business-standard.com/article/economy-policy/average-pace-of-nh-construction-in-apr-dec-was-28-km-day-gadkari-121020800953_1.html)

### **There is no provision to take credit of the agriculture infra cess: Expert**

In this Budget, the government has imposed an Agriculture Infrastructure Development Cess (AIDC) on some imported and excisable goods. Can we take Credit of the same and set off against GST or excise duty payable on the final product?

No. There is no provision to take Credit of the AIDC. This should not matter much because wherever AIDC has been imposed, the basic customs duty (BCD) or excise duty has been reduced, and in any case, the Credit of BCD on imported goods or excise duty on petroleum products is not available. So, the imposition of AIDC, at least for the present, mainly affects the issue of sharing revenue with the states.

[https://www.business-standard.com/article/economy-policy/there-is-no-provision-to-take-credit-of-the-agriculture-infra-cess-expert-121020800718\\_1.html](https://www.business-standard.com/article/economy-policy/there-is-no-provision-to-take-credit-of-the-agriculture-infra-cess-expert-121020800718_1.html)

### **Airlines told to rejig UDAN flights to cut viability gap funding by 40%**

The Ministry of Civil Aviation has asked all airlines to either reduce the frequency of flights or the number of seats per flight such that their overall Viability Gap Funding (VGF) requirement on routes over 500 km, awarded under the UDAN scheme, is lowered by 40 per cent. According to industry sources, the Ministry has sent an email to all airlines operating Regional Connectivity Scheme (RCS) routes awarded under UDAN 1, 2, 3, 3.1 and 4, since its inception in 2017. RCS, or more popularly known as UDAN (Ude Desh ka Aam Naagrik), is a government initiative to connect the

country's under- and un-served airports. The government provides Viability Gap Funding for a set time period to airlines operating on these routes.

<https://www.thehindubusinessline.com/economy/logistics/airlines-told-to-rejig-udan-flights-to-cut-viability-gap-funding-by-40/article33785408.ece>

### **Domestic air travel demand contracts 41 pc to around 76 lakh passengers in January**

Domestic air travel demand contracted by 41 per cent year-on-year to around 76 lakh passengers in January with sequential growth also slowing down to 3.5 per cent during the month over December 2020, a report said on Monday. Indian carriers had flown a total of 1.27 crore passengers on domestic routes in January 2020. Indian aviation industry has witnessed a continued recovery in domestic passenger traffic in January 2021. However, the pace of growth slowed down in the reporting month, with a sequential growth (over December 2020) of around 3.5 per cent to around 76 lakh passengers, rating agency Icria said in a release. On a y-o-y basis, however, domestic passenger traffic declined by around 41 per cent in January over the same month of 2020, it added.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/domestic-air-travel-demand-contracts-41-pc-to-around-76-lakh-passengers-in-january/articleshow/80751348.cms>

## **Telecom**

### **5G to roll out in India by early-2022; parliamentary panel pulls up DoT for delay**

The government expects that the roll-out of 5G services will begin in early-2022 after another round of spectrum auction that is planned to be held after six month, according to a panel report tabled in Parliament on Monday. The Standing Committee on Information Technology pulled up the Department of Telecommunications (DoT) for delay in the launch of 5G services when several countries have commercially rolled out the next-generation technology. The telecom ministry has already announced the auction of spectrum worth Rs 3.92 lakh crore from March 1, but it does not include the desired frequency band for 5G services.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/5g-to-roll-out-in-india-by-early-2022-parliamentary-panel-pulls-up-dot-for-delay/articleshow/80753630.cms>

## **Energy**

### **Despite surge, India face no change in crude prices from Saudi Arabia**

The oil diplomacy by India has paid dividend with world's largest oil producer Saudi Arabia deciding against raising crude supplies for March delivery to Asian consumers while raising the prices for other major consumers in the US and Europe. Sources said that Saudis have finally acknowledged the concerns in the Asian market that hosts four of the top five consumers including China, India, Japan and Korea. What this means is that even though crude prices may rise higher from the present levels of \$60 a barrel, India along with other Asian consumers would continue to get discounts over the prevailing price. For India, the decision by Saudi Arabia would not have come at a more opportune time. Auto fuel prices here have risen to historic high levels with petrol prices nearing unprecedented level of Rs 100 a litre in Mumbai.

[https://www.business-standard.com/article/economy-policy/despite-surge-india-face-no-change-in-crude-prices-from-saudi-arabia-121020800482\\_1.html](https://www.business-standard.com/article/economy-policy/despite-surge-india-face-no-change-in-crude-prices-from-saudi-arabia-121020800482_1.html)

### **After pandemic-hit 2020, Delhi sees rise in power demand in new year**

Electricity demand in Delhi is picking up in the new year, recovering from the coronavirus pandemic-hit 2020, with January registering 19 per cent more peaks on 23 days than that in the last year, officials of power distribution companies said on Monday. Delhi's peak power demand was 3,504 MW (megawatt) on December 1, 2020. Since then, it has increased by over 50 per cent, said a BSES spokesperson. "In January 2021, Delhi's peak power demand on 23 days surpassed the peak power demand on corresponding days of January 2020 by up to 19 per cent," he said. However, Delhi's peak power demand in January 2021 at 5,265 MW, was a shade less than the peak power demand of 5,343 MW in January 2020, he added.

[https://www.business-standard.com/article/economy-policy/after-pandemic-hit-2020-delhi-sees-rise-in-power-demand-in-new-year-121020800415\\_1.html](https://www.business-standard.com/article/economy-policy/after-pandemic-hit-2020-delhi-sees-rise-in-power-demand-in-new-year-121020800415_1.html)

### **State-run ONGC to usher in India's first geothermal energy in Ladakh**

State-owned Oil and Natural Gas Corporation (ONGC) on Monday said it will implement India's maiden geothermal field development project in Ladakh that will use the heat generated by the Earth's core to generate clean energy. "A memorandum of understanding (MoU) to formalise this has been inked by ONGC Energy Centre (OEC) with the Union Territory of Ladakh and Ladakh Autonomous Hill Development Council, Leh on February 6," the company said in a statement. This project of ONGC will put India on geothermal power map of the world. Geothermal energy is clean and is available 24 hours a day, 365 days a year. Geothermal power plants have average availabilities of 90 per cent or higher, compared with about 75 per cent for coal plants.

[https://www.business-standard.com/article/companies/state-run-ongc-to-usher-in-india-s-first-geothermal-energy-in-ladakh-121020801097\\_1.html](https://www.business-standard.com/article/companies/state-run-ongc-to-usher-in-india-s-first-geothermal-energy-in-ladakh-121020801097_1.html)

### **Moody's upgrades power sector outlook to stable on generation uptick**

Rating agency Moody's on Monday upgraded the outlook on the power sector to stable from negative, citing the fifth consecutive month of generation growth in January. The Central Electricity Authority last week reported a 3.1 per cent year-on-year growth in power generation in January, making it the fifth consecutive month of generation growth after six months of decline driven by coronavirus pandemic. For the first 10 months of the fiscal 2021, power generation growth declined 2.9 per cent year-on, compared to earlier expectations of a minimum 4-5 per cent decline. But renewable energy generation (excluding hydro power) grew 4.3 per cent during the same period and wind the weakest down 12 per cent.

<https://economictimes.indiatimes.com/industry/energy/power/moodys-upgrades-power-sector-outlook-to-stable-on-generation-uptick/articleshow/80753865.cms>

## **States**

### **West Bengal FM: GSDP likely to grow by around 1.2%**

West Bengal Finance Minister Amit Mitra on Monday said that the GSDP of Bengal is likely to grow by around 1.2 per cent even while the country's GDP is expected to degrow by 7.7 per cent. "There would be at least an eight per cent difference in growth compared to the national figure. This was due to our demand driven policy and high capital and developmental expenditures. The economy of Bengal would not shrink rather it will grow," Mitra said at the Bengal Business Conclave and Synergy organised by the State Commerce and Industries Department jointly with WBIDC here today.

<https://www.thehindubusinessline.com/economy/west-bengal-fm-gsdp-likely-to-grow-by-around-12/article33785372.ece>

## **Healthcare**

### **Having vaccine does not mean we should be complacent: Harsh Vardhan**

Having the COVID-19 vaccine does not mean one should be complacent, Union Health Minister Harsh Vardhan said on Monday stressing that preventive measures must be followed now and in the near future as well. These remarks were made by Vardhan, also the Chairman of the Indian Red Cross Society, as he presided over the distribution of masks and soaps among various Transport Unions, a health ministry statement said. "I am very happy to be a part of the initiative of distributing masks as part of the COVID-19 response activities. This is part of a series of such distributions across the country. "In Delhi itself, we have distributed masks on railway stations, sabji mandis and other places considering the high chances of infection at these places," he was quoted as saying in the statement.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/having-vaccine-does-not-mean-we-should-be-complacent-harsh-varadhan/articleshow/80751533.cms>

## **External**

### **Modi-Biden phone call emphasises on rules-based international order**

Prime Minister Narendra Modi on Monday spoke with US President Joseph R Biden, where they expressed commitment to a "rules-based international order" and looked forward to "consolidating strategic partnership" to further peace and security in the Indo-Pacific region and beyond. Following their first phone call since November 20



Modi tweeted, "Spoke to @POTUS @JoeBiden and conveyed my best wishes for his success. We discussed regional issues and our shared priorities. We also agreed to further our co-operation against climate change.... President @JoeBiden and I are committed to a rules-based international order. We look forward to consolidating our strategic partnership to further peace and security in the Indo-Pacific region and beyond."

<https://economictimes.indiatimes.com/news/politics-and-nation/biden-modi-speak-of-climate-democratic-values-in-first-talks/articleshow/80757764.cms>

#### **India, UK hold discussions to promote bilateral trade, investments**

India and the UK have held discussions on promoting bilateral trade and investments between the two countries, an official statement said on Monday. The talks were held between Minister for Commerce and Industry Piyush Goyal, and UK Secretary of State for International Trade Elizabeth Truss MP on February 6.

Both the ministers agreed to deepen trade cooperation between the two countries through an Enhanced Trade Partnership (ETP). "They also reviewed progress in removing market access barriers on both sides and ongoing cooperation in response to COVID-19," the commerce ministry said. It added that the two sides reviewed the ongoing engagements between the two sides for an ETP to develop a roadmap that would lead to a potential comprehensive FTA (free trade agreement), including considerations on an interim pact on a preferential basis.

[https://www.business-standard.com/article/economy-policy/india-uk-hold-discussions-to-promote-bilateral-trade-investments-121020800925\\_1.html](https://www.business-standard.com/article/economy-policy/india-uk-hold-discussions-to-promote-bilateral-trade-investments-121020800925_1.html)

#### **FSSAI clarifies food crop importers will need to declare non-GMO status from March 1**

The Food Safety and Standards Authority (FSSAI) on Monday said that from March 1, imported consignments of some of the major food crops will need to be accompanied with the "non-GM cum GM free certificate". The regulator clarified that the requirement of this declaration will only be applicable on consignments, which are dispatched from exporting countries, on or after March 1. Through this certificate, exporters will need declare that the imported food crops are of non-GM origin, does not contain genetically modified organism and is also not genetically modified.

<https://www.thehindubusinessline.com/economy/fssai-clarifies-food-crop-importers-will-need-to-declare-non-gmo-status-from-march-1/article33784772.ece>

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