



November 26, 2020 - Thursday

Key Developments

Govt to infuse Rs 2,000 cr in NIIF debt fund in FY21 for infra development

The government will infuse Rs 2,000 crore as equity in a debt platform of the National Investment and Infrastructure Fund (NIIF) in the current financial year. This is part of the Rs 6,000 crore announced by Finance Minister Nirmala Sitharaman under a stimulus package earlier this month.

However, given a resource crunch facing the government, the amount approved by the Union Cabinet on Wednesday – which is a third of the total funds committed – could be infused this year only if there is an absorptive capacity to utilise that. The remaining funds will be released in 2021-22.

The total equity infusion of Rs 6,000 crore, along with other funds, will help the platform raise Rs 6-7 million of debt by 2025 to fund infra projects to the tune of Rs 1.1 trillion so that costlier bank finances could be replaced. This would also help the platform raise equity to the tune of Rs 7,000 crore from domestic and global pension, insurance and sovereign wealth funds.

https://www.business-standard.com/article/economy-policy/govt-to-infuse-rs-2-000-cr-in-niif-debt-fund-in-fy21-for-infra-development-120112500939_1.html

IBBI proposes mechanism to allow withdrawal from voluntary liquidation

The Insolvency and Bankruptcy Board of India (IBBI) has proposed a statutory mechanism that will allow a company to withdraw from the process of voluntary liquidation at any point after its initiation.

Unlike the corporate insolvency resolution and liquidation process of a stressed company, voluntary liquidations are not supervised by a committee of creditors or a stakeholders' consultation committee.

In the absence of such rules, there were concerns that certain corporate persons may be abusing the process and closing the liquidation process on their own without informing the adjudicating authority.

The IBBI said, "The proposed amendment provides an orderly framework for withdrawal from the process, by way of insertion of new regulation, which also ensures adequate checks and balances so that the process is not misused."

https://www.business-standard.com/article/economy-policy/ibbi-proposes-mechanism-to-allow-withdrawal-from-voluntary-liquidation-120112500866_1.html

Govt to consider two proposals for setting up free trade and warehousing zones on Nov 27

The government on November 27 will consider two new proposals for setting up free trade and warehousing zones (FTWZs) in Maharashtra. The proposals will be taken up for consideration by the highest decision making body for SEZ (special economic zones) Board of Approval (BoA) in its meeting on November 27, according to an office memorandum of the department of commerce.

NDR Infrastructure Pvt Ltd has proposed to set up an FTWZ in Raigad, Maharashtra, over an area of 50.98 hectares (125.96 acres), with a total proposed investment of Rs 700.81 crore. According to the memorandum, the developer has already procured 117.6 acres of land and for the remaining 8.36 acres they have done agreements for sale.

<https://www.financialexpress.com/economy/govt-to-consider-two-proposals-for-setting-up-free-trade-and-warehousing-zones-on-nov-27/2136519/>

Govt approves LVB merger with DBS, say will fix blame for lender's failure

The government on Wednesday approved the merger of Lakshmi Vilas Bank (LVB) with the Indian subsidiary of Singapore's DBS, said a senior minister on Wednesday, adding that the blame for the lender's collapse has to be fixed. The Reserve Bank of India (RBI) took over LVB on November 15 due to a "serious deterioration" in its finances and temporarily capped withdrawals from the Chennai-based lender, which has been scouting for a partner since last year amid mounting bad loan and governance issues. The amalgamation of Lakshmi Vilas Bank with DBS India subsidiary is in the interest of Lakshmi Vilas "employees, customers and investors", said Prakash Javadekar at a media briefing in Delhi. "The government has asked the RBI to take action against the people in the management who drive banks to the brink of collapse—liability has to be fixed."

https://www.business-standard.com/article/finance/govt-approves-lvb-merger-with-dbs-say-will-fix-blame-for-lender-s-failure-120112500732_1.html

Economy

Kerala, West Bengal opt for Centre's special GST compensation window

Kerala and West Bengal have accepted the Centre's option of a special window for compensation to states for their goods and services tax (GST) shortfall. This has brought the total number of states that have accepted this option to 25. Now there are only three – Punjab, Jharkhand and Chhattisgarh – that are yet to accept. Three Union Territories – Delhi, Jammu and Kashmir and Puducherry – have also decided in favour of the special window facilitated by the Centre. The window, which totalled Rs 1.1 trillion, has been operationalised by the Centre since October 23. The Union government has already borrowed Rs 24,000 crore on behalf of states in four instalments and passed it on to states and UTs that have opted for this option. Now, Kerala and West Bengal will also receive funds through this route.

https://www.business-standard.com/article/economy-policy/kerala-west-bengal-opt-for-centre-s-special-gst-compensation-window-120112500998_1.html

Finance Ministry asks ministries to limit expenditure as per revised targets

The Finance Ministry on Wednesday asked ministries and departments to restrict their expenditure for the remaining months of the current fiscal as per the Revised Estimates (RE) target amid moderating revenues due to the COVID-19 crisis. The Budget meetings for fixing Revised Estimates for 2020-21 and Budget Estimates (BE) for 2021-22 were held between October 16 and November 12. Ministries and departments are requested to strictly adhere to the expenditure ceiling decided in the meeting, the Finance Ministry said in an office memorandum. "Financial Advisers may ensure that the expenditure is maintained within the ceiling decided during the meetings for RE 2020-21," it said.

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-asks-ministries-to-limit-expenditure-as-per-revised-targets/articleshow/79413325.cms>

Free food grain scheme extension: Choice between welfare and rising subsidy

A few weeks back, the Centre announced an additional allocation of Rs 65,000 crore towards fertiliser subsidy for the 2020-21 financial year, over and above the existing Rs 71,309 crore for 2020-21 Budget Estimates. This extra outlay, if released as promised, would be good enough to clear all existing and pending fertiliser subsidy dues which are projected to be Rs 1.28-1.33 trillion for 2020-21.

https://www.business-standard.com/article/economy-policy/free-food-grain-scheme-expansion-choice-between-rising-subsidy-and-welfare-120112500580_1.html

NITI Aayog releases compendium on Covid practices by states and Union Territories

Government's premier think-tank NITI Aayog on Wednesday released a compendium of practices from states and union territories on various initiatives implemented by them for containing and managing the Covid-19 outbreak. The practices in the compendium have been disaggregated under six sections namely public health and clinical response, governance mechanisms, digital health, integrated model, welfare of migrants and other vulnerable groups and other practices. "Besides, a summary of the relevant government of India guidelines has been included for the aforementioned categories, wherever applicable," the Aayog said in a statement.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/niti-aayog-releases-compendium-on-covid-practices-by-states-and-union-territories/articleshow/79412432.cms>

Income Tax refunds worth Rs 1.36 lakh cr issued to 41.25 lakh taxpayers till November 24

The Income Tax Department has issued refunds worth over Rs 1.36 lakh crore to over 41 lakh taxpayers so far this fiscal. This includes personal income tax (PIT) refunds amounting to Rs 36,028 crore and corporate tax refunds of over Rs 1 lakh crore during this period. "CBDT issues refunds of over Rs 1,36,962 crore to more than 41.25 lakh taxpayers between 1st April, 2020 to 24th November, 2020. Income tax refunds of Rs 36,028 crore have been issued in 39,28,067 cases & corporate tax refunds of Rs 1,00,934 crore have been issued in 1,96,880 cases," the I-T Department tweeted.

<https://www.financialexpress.com/economy/income-tax-refunds-worth-rs-1-36-lakh-cr-issued-to-41-25-lakh-taxpayers-till-november-24/2136363/>

BofA sees Q2 growth improving to -7.8%

The Indian economy is likely to have improved in the second quarter with GDP printing in at -7.8 per cent as against 24 per cent contraction in the June quarter, says a BofA report. The government will release the GDP data by the end of the month. House economists at the Wall Street brokerage Indranil Sengupta and Aastha Gudwani further said the economy is likely to close this fiscal year with a current account surplus of 1 per cent given the massive contraction in imports. They have also retained their earlier forecast of 7.5 per cent GDP contraction as against 11 per cent earlier for 2020-21 which is much better than the average forecast of 9.5-11 per cent contraction by other analysts.

<https://www.financialexpress.com/economy/bofa-sees-q2-growth-improving-to-7-8/2136253/>

Economic revival mostly due to pent up demand, base effect; unlikely to sustain after festivals

India's economy saw a significant improvement in various macroeconomic indicators in the month of October 2020; however, it is unlikely to sustain after the festive season. The spikes in the production seen in various sectors in the month of October are an exaggeration of the true recovery on the ground, as those have been driven by a large component of pent-up demand that may not sustain after the festive period is over, rating agency ICRA said in a report. Prominent base effects have also supported the trends in certain sectors, the report added. Out of 17 high-frequency indicators, the on-year performance of 10 sectors, including the output of automobiles, generation of GST e-way bills, thermal electricity, ports cargo traffic, domestic airlines' passenger traffic, fuel consumption, etc, recorded a pickup in October. On the other hand, the on-year performance of six indicators, including the output of Coal India Ltd (CIL), vehicle registrations, and non-oil merchandise exports, etc, fell during the month.

<https://www.financialexpress.com/economy/economic-revival-mostly-due-to-pent-up-demand-base-effect-unlikely-to-sustain-after-festivals/2136120/>

Festival demand underpins India's animal spirits in October as signs of recovery take hold

India's economy showed more signs of a recovery taking hold in October, increasing the likelihood it will exit a pandemic-induced recession in the final quarter of this year. Demand during the festival season helped boost three of the eight high-frequency indicators tracked by Bloomberg News last month, while three were unchanged and two deteriorated.

<https://economictimes.indiatimes.com/news/economy/indicators/festival-demand-underpins-indias-animal-spirits-in-october-as-signs-of-recovery-take-hold/articleshow/79400502.cms>

Banking and Finance

Bank credit growth slows to 5.8 per cent in September quarter: RBI data

Bank credit growth decelerated to 5.8 per cent in the September quarter from 8.9 per cent in the year-ago period, according to the RBI data. Aggregate deposits of banks rose 11 per cent year-on-year in the July-September period as compared to 10.1 per cent growth a year ago, according to the 'Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks (SCBs), September 2020' - released by the Reserve Bank of India.

https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-credit-growth-slows-to-5-8-per-cent-in-september-quarter-rbi-data/articleshow/79412656.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Bank operations may be hit by unions' strike on Thursday

Banking operations across the country may be impacted on Thursday as some bank unions would be joining the one-day nationwide strike called by central trade unions. Ten central trade unions, except Bharatiya Mazdoor Sangh, will observe the nationwide general strike to protest against various policies of the central government. Many lenders, including IDBI Bank and Bank of Maharashtra, in regulatory filings on Wednesday said their normal working could be affected at the branches and offices. The All India Bank Employees' Association (AIBEA), All India Bank Officers Association (AIBOA) and Bank Employees Federation of India (BEFI) are participating in the strike.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-operations-may-be-hit-by-unions-strike-on-thursday/articleshow/79413020.cms>

LVB to restart withdrawals on Friday; to operate branches as DBS Bank India

The RBI in a press note announced that Lakshmi Vilas Bank branches will open and operate as DBS Bank India from November 27. Subsequently, the freeze on withdrawals from Lakshmi Vilas Bank deposits will also cease to exist, the note read. Depositors of LVB will be able to operate their accounts as customers of DBS Bank India with effect from Friday. "Consequently the moratorium on the Lakshmi Vilas Bank Ltd. will cease to be operative from that date," the note added. The Central Bank has issued the statement within hours of the Cabinet clearing the Scheme of Amalgamation of Lakshmi Vilas Bank Limited (LVB) with DBS Bank India Limited (DBIL). DBS Bank India Ltd is making necessary arrangements to ensure that service, as usual, is provided to the customers of Lakshmi Vilas Bank, the RBI added.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/cabinet-approves-dbs-takeover-of-lakshmi-vilas-bank/articleshow/79406334.cms>

Conserve capital, the loud, clear message from RBI to NBFCs and banks

With assets under management (AUM) of Rs 47,000 crore and a liquidity comfort of 25 per cent Tier-1 capital adequacy, the Reserve Bank of India's (RBI's) decision to reject Muthoot Finance's application to buy IDBI Bank's asset management company (AMC) for Rs 250 crore came as a surprise.

Lack of consonance with the activity of operating a non-banking financial company (NBFC) seems to be the reason behind the regulator's decision.

https://www.business-standard.com/article/companies/banks-should-focus-on-preserving-capital-rbi-s-message-to-lenders-120112500550_1.html

Some banks extending long-term loans below bond market rates, warns SBI

The Reserve Bank of India's intervention in the currency market and other measures have created so much liquidity in the system that some banks are extending long-term loans to corporate entities below bond market rates, even repo rate – that is unsustainable – State Bank of India's (SBI's) economic research unit has warned. Stating the issue as a 'peculiar conundrum', State Bank of India (SBI) Group Chief Economic Advisor Soumya Kanti Ghosh wrote in his report that even some 15-year-old bank loans were given at a negative spread of 60-70 basis points over equivalent rated corporate bonds

Part of the reason for this is that high-rated companies float bids for getting competitive pricing to meet their loan requirements, and banks bid. Saddled with huge liquidity and no avenue to lend, banks are outbidding each other to offer rates lower than bond market rates.

https://www.business-standard.com/article/finance/some-banks-extending-long-term-loans-below-bond-market-rates-warns-sbi-120112501122_1.html

Fee on money transfers for US, doesn't apply to India: Google Pay

Google on Wednesday clarified that users in India will not have to pay any fee for money transfers on its payment platform, and that the charges are for users in the US. Last week, Google had announced that it is launching a redesigned Google Pay app next year on Android and iOS, starting with the US, and that users will not be able to use the service on a web browser. Reports had said that Google Pay will also add a fee on instant money transfers.

"These charges and fees are specific to the US and do not apply to the Google Pay or Google Pay for Business apps in India," a Google spokesperson said. Google Pay had 67 million users in India with a total payment value of USD 110 billion on an annualised basis, as of September 2019.

https://www.business-standard.com/article/pti-stories/fee-on-money-transfers-for-us-doesn-t-apply-to-india-google-pay-120112500603_1.html

Employees' State Insurance Corporation scheme adds 11.49 lakh new members in September

Around 11.49 lakh new members joined the ESIC-run social security scheme in September against 9.47 lakh in the previous month, official data showed on Wednesday, giving a perspective on formal sector employment in the country. The latest data is part of a report released by the National Statistical Office (NSO) on Wednesday. Gross new enrolments with the Employees' State Insurance Corporation (ESIC) were 8.27 lakh in June, 4.87 lakh in May and 2.62 lakh in April, showing an increase in enrolments after easing of the lockdown, the latest data showed.

<https://economictimes.indiatimes.com/news/economy/finance/employees-state-insurance-corporation-scheme-adds-11-49-lakh-new-members-in-september/articleshow/79407711.cms>

Industry

Start-ups emerge out of Covid shadow, expand runway: Nasscom survey

From a severe cash crunch situation in the early phase of the pandemic in April-May when they were hardly left with three months of working capital, start-ups in the country seen significant improvement in this metric with many claiming that they have now more than doubled their runway, a Nasscom report capturing the current state of the sector, said. The report which was done based on a survey of over 270 technology startups said, almost half of the respondents believe that they are expecting to hit the pre-Covid level in terms of business over the next six months.

https://www.business-standard.com/article/companies/start-ups-emerge-out-of-covid-shadow-expand-runway-nasscom-survey-120112501069_1.html

India's crude steel output rises 0.9% to 9 MT in October: Worldsteel

India's crude steel output increased marginally by 0.9 per cent to 9.058 million tonne (MT) in October 2020, according to World Steel Association (worldsteel). The country had produced 8.981 MT crude steel during the same month last year, the global industry body said in its latest report. "Crude steel production for the 64 countries reporting to worldsteel was 161.890 MT in October 2020, a 7 per cent increase compared to 151.248 MT in October 2019." "Due to the ongoing difficulties presented by the COVID-19 pandemic, many of this month's figures are estimates that may be revised with next month's production update," worldsteel said.

https://www.business-standard.com/article/pti-stories/india-s-crude-steel-output-rises-0-9-pc-to-9-mt-in-oct-worldsteel-120112500782_1.html

Passenger cars brightest spot in auto industry on high festive demand

Personal mobility, lack of public transport facility, festive purchases, some pent-up demand and rural momentum led to a surge in passenger cars demand. According to a report by LKP Securities, passenger vehicles (PV) has been the brightest spot in the industry during festive season.

There was a strong demand for Maruti and Tata Motors. Even Hyundai is performing well, and has been able to solve the vendor issues. The worst hit due to vendor issues is M&M (both on the autos side as well as Tractors side). Foreign players like Honda, Renault, Skoda, Ford, VW, MG etc also were among the worst hit.

Personal mobility, lack of public transport facility, festive purchases, some pent-up demand and rural momentum led to a surge in the PV demand, the report said.

https://www.business-standard.com/article/economy-policy/passenger-cars-brightest-spot-in-auto-industry-on-high-festive-demand-120112500538_1.html

India TWS market grows 723 pc to 6 mn units in Q3 2020: Counterpoint

India's TWS (True Wireless Stereo, commonly known as earbuds) market clocked its highest-ever growth of 723 per cent year-on-year in the September 2020 quarter, with shipments of about 6 million units, according to Counterpoint Research. "It is one of the few segments which managed to defy the impact of economic slowdown, reaching its highest ever growth in shipments for a single quarter," it said in a report. The growth was led by Boat, which cornered 18 per cent market share. This was followed by Xiaomi (16 per cent), Realme (12 per cent), JBL (8 per cent) and Apple (6 per cent). "Inventory build-up prior to the festive season, along with a good number of new launches and entry of new players like OnePlus, vivo and Infinix, drove this substantial TWS growth.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/india-tws-market-grows-723-pc-to-6-mn-units-in-q3-2020-counterpoint/articleshow/79411804.cms>

JCB India : Construction equipment industry to grow in FY21

Increased government spends on infrastructure development should help sustain demand for construction equipment and aid the industry in returning to the growth path in the coming financial year, said Deepak Shetty, deputy chief executive and managing director at India's largest construction equipment maker JCB India. "We saw green shoots in June-July. August, September and October were good and we expect the momentum to continue.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/jcb-india-construction-equipment-industry-to-grow-in-fy21/articleshow/79411129.cms>

Agriculture

Cotton arrival hits decade-high of 3,10,000 bales after domestic prices jump 25 percent

Raw cotton prices have increased about 25% to Rs 5,000-6,000 per quintal in two months following a rise in international prices. This has led to farmers rushing to the markets, taking the daily arrivals to 310,000 bales on Monday, highest in a decade, said the Cotton Association of India (CAI). Total cotton arrivals in the market till November 21 amounted to seven million bales, one million bales more than in the year-ago period, according to the CAI. "After having a sluggish market for three years, there are many positive indicators that support a firm trend in cotton prices. Cotton supply will not be surplus this year, as demand is reviving while supply will be smaller than expected earlier," said Pradeep Jain, president, Khandesh Ginning and Pressing Association.

<https://economictimes.indiatimes.com/news/economy/agriculture/cotton-arrival-hits-decade-high-of-310000-bales-after-international-prices-jump-35-percent/articleshow/79402206.cms>

A lukewarm start to rabi season in Telangana; heavy rains delayed sowing

The rabi season has taken off on a lukewarm note in Telangana. Excessive rains towards the end of the kharif season has delayed the harvesting, which in turn has delayed rabi sowing. As against the average 5.54 lakh acres, the farmers sowed various crops only on 2.75 lakh acres so far. The average total cropped area for the summer season in the State was 37 lakh acres. Paddy sowing in Telangana has not started yet. The State would have completed sowing on over 5,000 acres. The farmers are busy with the harvesting and marketing of their kharif produce.

<https://www.thehindubusinessline.com/economy/agri-business/a-lukewarm-start-to-rabi-season-in-telangana-heavy-rains-delayed-sowing/article33178345.ece>

Global black tea output down over 5%; India leads the fall

The massive decline in India's tea production due to lockdown and adverse weather in North Indian plantations has pulled down the global black tea output in the three quarters of the current calendar. "According to our compilation of the official data received from various producing countries, the global black tea production till September has fallen to 1,570 million kg (mkg) from 1,660.72 mkg in January- September 2019," compiler of 'Global Tea Digest' Rajesh Gupta told BusinessLine. This fall of 90.72 mkg marked a decline of 5.46 per cent. India has contributed the largest share in this decline. "India's production has crashed to 856.90 mkg from 1007.22 mkg in January-September 2019, marking a whopping loss of 150.32 mkg or 15 per cent," Rajesh Gupta disclosed.

<https://www.thehindubusinessline.com/economy/agri-business/global-black-tea-output-down-over-5-india-leads-the-fall/article33178261.ece>

IIHR to release virus-resistant chilli variety for cultivation

The Indian Institute of Horticultural Research (IIHR) plans to introduce a virus-resistant chilli variety for cultivation from the next year, according to MR Dinesh, Director, IIHR. Speaking at a webinar on 'Aatmanirbhar Krishi for Vegetables', organised by the Mysuru Field Outreach Bureau under the Union Ministry of Information and Broadcasting, on Wednesday, he said Madhavi Reddy, Head of Vegetable Crops division of IIHR, has developed a virus-resistant chilli variety with intensive research efforts for over eight years.

<https://www.thehindubusinessline.com/economy/agri-business/iihr-to-release-virus-resistant-chilli-variety-for-cultivation/article33175765.ece>

Infrastructure

L&T wins Rs 3,000 crore order to construct India's longest river bridge

Larsen and Toubro Construction, has bagged a Rs 3,000 crore contract to construct India's longest road bridge across river Brahmaputra connecting Dhubri in Assam to Phulbari in Meghalaya. The company, which is the construction arm of infrastructure major L&T, earlier this month quoted Rs 3,166 crores to emerge as the lowest bidder in the tender floated by National Highways and Infrastructure Development Corporation. L&T issued a statement on Wednesday announcing the development. The 19 km long bridge will be built along National Highway 127-B and will feature a Navigation Bridge of 12.625 km, approach viaducts of 3.5 km on the Dhubri side and 2.2 km on the Phulbari side, connected with approach roads and interchanges on both sides, it said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/engineering/lt-wins-rs-3000-crore-order-to-construct-indias-longest-river-bridge/articleshow/79411177.cms>

IATA urges Centre to support Indian airlines to tide over COVID crisis

The central government should change its position and support the Indian airlines and other aviation stakeholders in the face of COVID-19 crisis, a top official of global airlines body IATA said on Wednesday. The Indian carriers have laid off employees, cut salaries and posted significant losses during the last few quarters as coronavirus-induced travel restrictions have drastically impacted the aviation sector. "The Indian government has not engaged in support for airlines and we do urge them to change that position and to assist the airlines and airports and other aviation stakeholders," IATA Regional Vice President for Asia Pacific region, Conrad Clifford said. This is something that we continue to encourage and urge the Indian government to do, he said at a virtual press conference.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/iata-urges-centre-to-support-indian-airlines-to-tide-over-covid-crisis/articleshow/79409564.cms>

Ready to fly Indians to countries like Saudi Arabia when they ease restrictions: Govt

The government is ready to fly passengers to countries like Saudi Arabia whenever they remove restrictions on the entry of Indian nationals, the Civil Aviation Ministry said on Tuesday. It said India has been operating international flights under Vande Bharat Mission since May 6 and now has air bubble arrangements with 22 countries. "Some countries, including Saudi Arabia, have not removed restrictions on the entry of Indian nationals. We are ready to fly passengers to these countries when the restrictions are eased," the ministry said on Twitter.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/ready-to-fly-indians-to-countries-like-saudi-arabia-when-they-ease-restrictions-govt/articleshow/79404049.cms>

Ecommerce fires Bengaluru airport to hit 26-month high cargo shipment

The Kempegowda International airport in Bengaluru has processed 34,339 metric tonnes (MT) of cargo in October, recording a 26-month high in tonnage. The airport witnessed a highest-ever domestic outbound tonnage of 8,117 MT in October, largely driven by e-commerce shipments, according to a press release from the airport operator, BIAL. Perishable commodities, which have been the major growth driver for the airport in the year 2020-21, continued to be the top international commodity, accounting for 12% of total exports in October. Doha emerged as the top destination in October 2020, with 1,095 MT of cargo.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/ecommerce-fires-bengaluru-airport-to-hit-26-month-high-cargo-shipment/articleshow/79408615.cms>

After Diwali boost, real estate developers expect to ride out demand for the rest of 2020

Real estate developers are expecting the sales momentum generated during the Diwali season to last till the year end after better than expected off take of housing units in the last month and a half due to release of pent-up demand, great discounts in the market and accommodative steps taken by the government.

<https://economictimes.indiatimes.com/industry/services/property/-construction/after-diwali-boost-real-estate-developers-expect-to-ride-out-demand-for-the-rest-of-2020/articleshow/79408919.cms>

Amounts received towards sale of share in flats will not attract GST, if paid after completion certificate: AAR

Karnataka's Authority for Advance Ruling (AAR) has upheld that amounts received for sale of shares in flat will not attract Goods & Services Tax (GST) in case entire consideration is paid after issuance of completion certificate. This

ruling has persuasive powers in matters related with sale and purchase of flats or building. Sometimes consideration is paid during construction phase while sometimes it is paid post construction and after issuance of completion certificates. Law prescribes applicability of GST before issuance of completion certificate. Still, doubts have been raised on time to time because of prevailing different payment system at various places.

<https://www.thehindubusinessline.com/economy/amounts-received-towards-sale-of-share-in-flats-will-not-attract-not-exigible-to-gst-if-paid-after-completion-certificate-aar/article33176357.ece?homepage=true>

Telecom

CCEA gives the green light to Rs 2,480 crore FDI into ATC Telecom

The government has approved a proposal involving foreign direct investment of Rs 2,480 crore by ATC Asia Pacific for purchasing about 12 per cent stock of ATC Telecom, Union minister Prakash Javadekar said on Wednesday.

The investment underlines the growing confidence of investors in India's telecom sector and its infrastructure, he said. "Today, CCEA allowed FDI by ATC Asia Pacific Ltd to the tune of Rs 2,480 crore...for purchasing 12 per cent stock of ATC Telecom," Javadekar told reporters after the meeting of the Cabinet.

https://www.business-standard.com/article/companies/ccea-gives-the-green-light-to-rs-2-480-crore-fdi-into-atc-telecom-120112500741_1.html

SC adjourns OTSC hearing to next week

The Supreme Court on Wednesday adjourned until next week hearing in the one-time spectrum charge (OTSC) case, in what may be the culmination of another battle between the government and the telcos over statutory dues. This will be a high impact case. If the ruling is in favour of the telcos, then it can reduce their liability by more than 60% of the Rs 25,000 crore amount being demanded by the telecom department.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/sc-adjourns-otsc-hearing-to-next-week/articleshow/79411535.cms>

Energy

Covid-19 pandemic hits oil and gas production in Oct

Crude oil production during October 2020 was reported at 2.568 million tonnes. This is 6.24 per cent lower when compared with domestic production during October 2019. Natural gas production was also lower than the same month of last year. During October 2020, domestic natural gas production stood at 2,418.88 million standard cubic metres, which 8.41 per cent lower when compared with October 2019.

<https://www.thehindubusinessline.com/economy/covid-19-pandemic-hits-oil-and-gas-production-in-oct/article33177586.ece>

Healthcare

Indian Immunologicals to set up new vaccine plant, raise capacity by 35%

Hyderabad-based vaccine maker Indian Immunologicals (IIL) on Wednesday started work on a Rs 75 crore viral antigen manufacturing facility in Genome Valley, Telangana that will enhance its viral vaccine making capacity by 35 per cent by October 2021. The company has a pipeline of viral vaccines including Zika, dengue, varicella, as well as a potential Covid-19 inoculation. The new viral antigen facility will be specially designed as a multi-product facility.

IIL also inaugurated a sterile filling facility today that has come up with an investment of Rs 75 crore. K Anand Kumar, Managing Director of IIL said "We are optimistic about the strategic investment as India is one of the key growth markets." He added that the new facility will boost IIL's manufacturing capacity 35 per cent and the new plant is expected to be completed by October 2021.

https://www.business-standard.com/article/companies/indian-immunologicals-to-set-up-new-vaccine-plant-raise-capacity-by-35-120112500995_1.html

Oxford vaccine: Kiran Mazumdar-Shaw seeks quick regulatory processing after UK nod

Biocon founder Kiran Mazumdar-Shaw on Tuesday sought quick processing of regulatory approvals in India for the AstraZeneca-Oxford vaccine after regulators in the UK cleared it for emergency use authorization (EUA). She cited

reports according to which the UK's medicines and healthcare products regulatory agency (MHRA) is likely to grant EUA by mid December. A couple of weeks later, she said, the drugs controller general of India (DCGI) could allow it for emergency use in India. "What I feel is the UK trial has been done on quite a lot of people. If DCGI can draw confidence and comfort from the UK trails, and add Indian data to it, they should be able to give approval in India. This will allow vaccines to be deployed at the earliest," Shaw told ET.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/oxford-vaccine-kiran-mazumdar-shaw-seeks-quick-regulatory-processing-after-uk-nod/articleshow/79407927.cms>

External

EU is willing to be 'creative' to get a Brexit trade deal

The European Union on Wednesday committed to be "creative" in the final stages of the Brexit trade negotiations but warned that whatever deal emerges, the United Kingdom will be reduced to "just a valued partner" far removed from its former membership status. EU Commission chief Ursula von der Leyen said "genuine progress" had been made on several issues "with an outline of a final text", little more than a month before Britain's transition period as a former EU member runs out. And she said that on the divisive issues of fisheries, governance of any deal and the standards the UK must meet to export into the EU, the bloc is "ready to be creative, but we are not ready to put into question the integrity of the single market, the main safeguard for European prosperity and wealth". In the EU single market, goods and services can freely flow from one of the 27 member states to another without barriers like customs or checks, and it is seen as a cornerstone of the EU. With Britain deciding to walk out, von der Leyen insisted it should feel the cold.

<https://www.financialexpress.com/economy/eu-is-willing-to-be-creative-to-get-a-brexit-trade-deal/2136293/>

MPEDA knocks state govts for reforms in marine fishing act to boost shrimp exports to US

The Marine Products Export Development Authority (MPEDA) is pushing for necessary reforms in marine products act with state governments that will facilitate lifting of the ban by United States imposed two years earlier to make India more responsible toward turtle prevention, an official said. Some 15 per cent of total shrimps exports from India had been impacted due to the ban by the US on import of sea caught shrimps from India. In India, law and order and fishing regulations are state subjects and are governed by respective local governments. The ban is only on sea shrimps (catch shrimps) as they are presumed to be caught by vessels without using turtle excluder devices (TED). There is no issue with farmed shrimps exports. "We are progressing well in dialogue to get the ban lifted. Now state governments will have to show their eagerness in strengthening laws against the offenders of turtle regulations. In the last two years, a lot of progress had been achieved in implementing fitting turtle excluder devices and almost all trawlers are fitted with such devices. But, the USA wants India to strengthen the act," a senior MPEDA official told.

<https://economictimes.indiatimes.com/news/economy/agriculture/mpeda-knocks-state-govts-for-reforms-in-marine-fishing-act-to-boost-shrimp-exports-to-us/articleshow/79404248.cms>

Non-basmati rice export likely to double this year

Export of non-basmati rice is expected to double this year as Indian prices are 10% lower than rivals and output has fallen in Thailand and Vietnam, exporters said. Major buyers include China and countries in Africa and Southeast Asia. "This year we will easily be able to export over 10 million tonnes of non-basmati rice compared to 5.04 million tonnes in the previous year," said BV Krishna Rao, president of the Rice Exporters' Association. "Our prices are 10% cheaper than other exporting countries at \$380 a tonne." Government data shows that exports until October more than doubled to 6.12 million tonnes.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/non-basmati-rice-export-likely-to-double-this-year/articleshow/79411193.cms>