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Key Developments

Emergency approval for vaccine should come by Dec-Jan: AIIMS director

India may get emergency-use authorisation for a coronavirus vaccine from regulators by the end of December or early January, with several candidates now in the final stage of trials, Dr Randeep Guleria, director, All India Institute of Medical Science said on Thursday.

Speaking to ANI, Guleria said that the data showed that in the short term the vaccine is safe. "There is good data available that the vaccines are very safe. Safety and efficacy of vaccines not compromised at all. Around 70,000-80,000 volunteers have been given vaccines in trials with no significant serious adverse effects seen."

Russia was the first in the world to give emergency approval in August to its vaccine Sputnik V, even before crucial Phase-3 trials were conducted. Russian President Vladimir Putin has ordered his government to start large-scale vaccinations against Covid-19 next week.

https://www.business-standard.com/article/current-affairs/emergency-approval-for-vaccine-should-come-by-dec-jan-aiims-director-120120301160_1.html

Govt lifts cap on domestic flights to 80% of pre-Covid levels

The cap on the number of domestic flights that Indian airlines are permitted to operate was increased from 70 per cent to 80 per cent of their pre-COVID levels on Thursday, said Civil Aviation Minister Hardeep Singh Puri. The minister had said on November 11 that the Indian airlines can operate up to 70 per cent of their pre-COVID domestic passenger flights due to the prevailing demand amid the coronavirus situation.

Puri tweeted on Thursday, "Domestic operations recommenced with 30K passengers on 25 May & have now touched a high of 2.52 lakhs on 30 Nov 2020." "Ministry of Civil Aviation is now allowing domestic carriers to increase their operations from existing 70% to 80% of pre-COVID approved capacity," he stated.

https://www.business-standard.com/article/pti-stories/govt-increases-domestic-flights-cap-from-70-pc-to-80-pc-of-pre-covid-levels-120120300870_1.html

Now MSMEs can prepare, submit restructuring proposals to banks on their own with SIDBI's new DIY portal

MSMEs finding it difficult to prepare their restructuring proposals on their own under the restructuring scheme by the Reserve Bank of India (RBI) would now be able to prepare and submit it to concerned banks through a Do-It-Yourself (DIY) web module. Launched by the MSME-focused Small Industries Development Bank of India (SIDBI), the web portal would allow borrowers to key in only the most essential data of their past financials, future projections, and restructuring requirement for the proposal. MSMEs would also be able to generate reports for submission to banks. The proposals can be shared with up to three banks through the portal that has been developed in collaboration with the asset reconstruction firm India SME Asset Reconstruction Company.

<https://www.financialexpress.com/industry/sme/msme-eodb-now-msmes-can-prepare-submit-restructuring-proposals-to-banks-on-their-own-with-sidbis-new-diy-portal/2142653/>

Economy

Services sector grows for second straight month, but rate falls in Nov: PMI

Services, the biggest sector of India's economy, saw a dip in growth in November, but it was the second straight month to have witnessed growth after 7 months of continuous decline, showed the widely-tracked IHS Purchasing Managers' Index (PMI). While domestic demand remains strong, that from overseas markets declined. The index declined to 53.7 in November from 54.1 in October. In the PMI lexicon, any reading above 50 is expansion and any print below that is contraction.

The commentary associated with PMI said the latest reading was still indicative of a solid pace of expansion. "Companies that signalled output growth commented on better demand conditions and a relaxation of Covid-19 restrictions," it said. Sub-sector data highlighted transport & storage as the best performing category in November, with rates of growth for output and sales surpassing those seen in consumer services and finance & insurance. Information & communication and real estate & business services saw reductions in new orders and activity.

https://www.business-standard.com/article/economy-policy/services-sector-grows-for-second-straight-month-but-rate-falls-in-nov-pmi-120120300429_1.html

Optimistic about revival in Q3, says FinMin in monthly economic review

The finance ministry on Thursday said that the economy is witnessing optimism in the ongoing quarter led by sustained improvement in high frequency indicators in October and November. It said that there were no fundamental or structural factors responsible for the contraction in the gross domestic product (GDP) by 23.9 per cent in the period between April and June. The finance ministry's Department of Economic Affairs (DEA) in its monthly economic review for November said, "The GDP contraction of 7.5 per cent in second quarter underlies a quarter-on-quarter surge in GDP growth of 23 per cent. This V-shaped recovery, evident at the half-way stage of FY21, reflects the resilience and robustness of the Indian economy."

https://www.business-standard.com/article/economy-policy/optimistic-about-revival-in-q3-says-finmin-in-monthly-economic-review-120120300624_1.html

India's next budget to focus on boosting growth, says finance minister Nirmala Sitharaman

India's economy will return to growth in 2021/22 and higher spending in the budget due in February will lay the foundations for even stronger growth in the next four to five years, Finance Minister Nirmala Sitharaman told Reuters on Thursday. With the world's second highest cases of coronavirus despite a severe lockdown of its 1.3 billion people early on in the pandemic, India's economy is expected to contract nearly 10% in the 2020/21 financial year. But a recovery is taking hold now, Sitharaman told the Reuters Global Investment Outlook Summit, 2021.

<https://economictimes.indiatimes.com/news/economy/policy/indias-next-budget-to-focus-on-boosting-growth-says-finance-minister/articleshow/79551411.cms>

WFH effect: No transport allowance for Central govt employees

Finance Ministry has said that government employees will not get transport allowance for the months during lockdown. Transport Allowance (TA) is given to compensate the cost incurred on account of commuting between residence and office. According to Expenditure Department's Office Memorandum of December 1, the Central Government employees, who could not attend office in a whole calendar month during lockdown period, are not eligible to draw TA for that month as these employees had not incurred any expenditure on commuting to office.

<https://www.thehindubusinessline.com/economy/wfh-effect-no-transport-allowance-for-central-govt-employees/article33238706.ece>

Too early to celebrate Q2 recovery, long-term scarring of economy a real worry: Raghuram Rajan

Most economists have been pleasantly surprised by the resilience of the Indian economy as reflected in the less-than-feared 7.5% contraction in Q2. But former RBI governor Raghuram Rajan remains a skeptic. According to him, it might be too early to celebrate — the real worry is how much scarred the economy has been from the impact of the lockdown.

<https://economictimes.indiatimes.com/news/economy/policy/too-early-to-celebrate-q2-recovery-long-term-scarring-of-economy-a-real-worry-raghuram-rajan/articleshow/79543775.cms>

Chhattisgarh opts for special window for GST compensation; Jharkhand left

Chhattisgarh has become the latest state to opt for the special window created to meet the shortfall in the goods and services tax (GST) collections, leaving only Jharkhand to have not opted for Centre's proposal. With this, the state

has also got permission to borrow Rs 1,792 crore from markets which constitutes 0.5 per cent of its gross state domestic product (GSDP). Besides, it will get Rs 3,109 crore through a special borrowing window to meet the GST implementation shortfall. Under this window, Centre will borrow Rs 1.1 trillion and issue back to back loans to states and union territories, which is the estimated shortfall on account of GST implementation alone and not the Covid-19 shock. Now all states, except Jharkhand, have opted for Centre's borrowing options. Recently, Punjab, Kerala and West Bengal also accepted Centre's proposal after much opposition.

https://www.business-standard.com/article/economy-policy/chhattisgarh-opts-for-special-window-for-gst-compensation-jharkhand-left-120120300543_1.html

Infosys study says Covid-19 impact to be bigger than 2008 downturn; employees, customers both impacted

Almost 70 per cent of respondents of a global market study believe that COVID-19 will have a bigger impact than the 2008 downturn with budgets, supply chains, employee availability, and customer intimacy being impacted the most. The joint study by HFS Research and Infosys revealed that 51 per cent organisations consider remote work or hybrid workforce model to be the way forward. Cloud, cybersecurity, and modernisation will power digital business models and increased IT spending, it found.

The study titled, 'Nowhere to Hide: Embracing the Most Seismic Technological and Business Change in our Lifetime', focused on how the COVID-19 pandemic has impacted businesses across industries, an Infosys statement said on Thursday. It revealed that numerous organisations have accelerated the adoption of automation, digital business models, and the hyper-scale cloud to respond to customer needs quickly and competitively.

<https://www.financialexpress.com/industry/infosys-study-says-covid-19-impact-to-be-bigger-than-2008-downturn-employees-customers-both-impacted/2142617/>

Indo-Gangetic plain global hotspot of atmospheric ammonia: IIT KGP study

The Indo-Gangetic Plain (IGP) is the global hot-spot of atmospheric ammonia (NH₃) due to intense agricultural activities and fertilizer production there, according to researchers at The Indian Institute of Technology (IIT) Kharagpur. The study titled "Record high levels of atmospheric ammonia over India: Spatial and temporal analyses" has also been published in the international Elsevier journal "Science of the Total Environment". The study by the IIT team was conducted along with researchers from Indian Institute Of Tropical Meteorology, Pune and few European researchers. The team has also recommended wider adoption of precision farming along with seasonal restrictions on the use of fertilizers.

"Agro fertilizers containing high levels of ammonia have long been designated as a hazardous material for human health. In a first-of-its kind study, the seasonal and inter-annual variability of atmospheric ammonia emitted by the agricultural sector was analysed by us and the results are in agreement with the long-held apprehension of global environmentalists - the Indo-Gangetic Plain is indeed the global hot-spot of atmospheric ammonia," said Jayanarayanan Kuttippurath, Professor at IIT Kharagpur's Centre for Oceans, Rivers, Atmosphere.

https://www.business-standard.com/article/pti-stories/indo-gangetic-plain-global-hotspot-of-atmospheric-ammonia-iit-kharagpur-study-120120300745_1.html

Banking and Finance

Govt's move to pare stake in Axis Bank fuels hope of divestment by stealth

The Centre's move to pare its holding in Axis Bank—held under the Specified Undertaking of The Unit Trust of India's (Suuti)—has stoked hopes of divestment by stealth. Last week, the government sold shares worth Rs 220 crore in Axis Bank in the open market.

The transaction, carried out without a formal announcement, came to light only this week. Market players said the government should pursue the same strategy for selling shares in listed PSUs.

https://www.business-standard.com/article/finance/govt-s-move-to-pare-stake-in-axis-bank-fuels-hope-of-divestment-by-stealth-120120301113_1.html

Fitch affirms Issuer Default Rating on four PSBs including SBI

Fitch Ratings today affirmed ratings on four public sector banks—State Bank of India, Bank of Baroda, Punjab National Bank and Bank of India. It affirmed Issuer Default Ratings (IDRs) at 'BBB-' for the lenders. The rating agency has maintained negative outlook on ratings. It mirrors the Outlook on India's sovereign rating of 'BBB-', which was

revised to Negative from Stable on June 18, 2020. The revision factored in the impact of the escalating coronavirus pandemic on India's economy.

The agency has also upgraded private lender IDBI Bank's Viability Rating (VR) by one-notch from "ccc" to "ccc+". The upgrade in VR is due mainly to the improved core capitalisation and the high loan-loss coverage. This provides some resilience to the capital buffers against potential asset-quality stress. It also factors in the possibility for more fresh capital in the current financial year (FY21). If successfully raised, it can provide a significant philip to the capital buffers, it said.

https://www.business-standard.com/article/finance/fitch-affirms-issuer-default-rating-on-four-psbs-including-sbi-120120301121_1.html

After HDFC Bank, now SBI's YONO hit by a system outage

After private lender HDFC Bank, state-owned State Bank of India's flagship YONO app faced a system outage, forcing customers to vent their frustration on social media. SBI tweeted that it's working towards fixing the issue and directed its customers to use its internet banking solution and YONO Lite instead. "YONO SBI mobile application has been impacted due to a system outage," the lender said on micro blogging site Twitter. "Steps are being taken for restoration of uninterrupted service. We regret the inconvenience caused and request customers to use OnlineSBI and YONO Lite for their banking needs."

<https://economictimes.indiatimes.com/industry/banking/finance/banking/after-hdfc-bank-now-sbis-yono-hit-by-a-system-outage/articleshow/79548388.cms>

RBI ban on HDFC Bank could stay for 3-6 months: Macquarie Capital

The Reserve Bank of India move to temporarily halt all digital launches and sourcing new credit card customers for HDFC Bank could stay for three to six months according to a note by Macquarie Capital. The bank could apply to the RBI for a review of its decision only after fixing the technology and scale issues, the brokerage house noted.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-ban-on-hdfc-bank-could-stay-for-3-6-months-macquarie-capital/articleshow/79545542.cms>

Increasing private participation in banking will reduce fiscal bill: ICRA

Rating firm ICRA on Thursday said that the Reserve Bank of India's internal working group (IWG) suggestions to increase participation in the banking sector will augur well for private players, reduce over reliance on public sector banks and cut the government's fiscal bill. "Increasing private participation in the banking sector is a pressing need given the fact that continuing dependence only on public sector banks can escalate the fiscal bill.

<https://economictimes.indiatimes.com/industry/banking/finance/increasing-private-participation-in-banking-will-reduce-fiscal-bill-icra/articleshow/79548663.cms>

Industry

FSSAI seeks details of CSE tests on honey; questions body for not conducting SMR test

Food safety regulator FSSAI on Thursday sought details of the CSE tests that claimed to have busted adulterants in the top 10 honey brands, even as it raised questions over why its prescribed tests were not conducted. In a statement, the Food Safety and Standards Authority of India (FSSAI) said the CSE found the adulterants by using "the non-prescription" Trace Marker for Rice syrup (TMR) test instead of "a more sensitive" Specific Marker for Rice syrup test (SMR). Stating that it has taken note of the CSE investigation on adulteration in honey, FSSAI said it had already made SMR test mandatory as it is "a more focused test to detect adulteration of rice syrup in honey."

<https://economictimes.indiatimes.com/industry/cons-products/food/fssai-seeks-details-of-cse-tests-on-honey-questions-body-for-not-conducting-smr-test/articleshow/79551460.cms>

Long term recovery for Covid-hit MSMEs to be uneven; hinges on these sectors in 6-12 months ahead

Long term recovery for the MSME sector, which remains severely affected due to curtailed consumption and production activities, will be uneven across different scales of business and tied to the sector in which units are operational, said business data and analytics provider Dun & Bradstreet on Thursday. The steep decline in the overall growth would be largely due to the deterioration in the business of medium and small industries as large businesses having cash have been bracing themselves with different survival strategies. Moreover, large companies' ability to

avail the various policy benefits “are usually greater than MSMEs. MSMEs on the other hand often lack awareness. The recovery across different scales of business would thus be uneven,” it added in its outlook report for 15 key sectors contributing to the economy.

<https://www.financialexpress.com/industry/sme/msme-eodb-long-term-recovery-for-covid-hit-msmes-to-be-uneven-hinges-on-these-sectors-in-6-12-months-ahead/2142464/>

Industry seeks sops for PCBA, says \$109 billion opportunity

The electronics manufacturing industry has urged the government to roll out a separate incentive scheme for printed circuit board assembly (PCBA), which presents a \$109 billion export opportunity for India in the next five years. “We are seeking a separate production-linked incentive (PLI) scheme for PCBAs. RoDTEP should get instituted on PCBs and that is already in progressso the ball is in the government’s court now,” Pankaj Mohindroo, chairman of the India Cellular and Electronics Association told reporters in a virtual conference on Thursday.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/industry-seeks-sops-for-pcba-says-109-billion-opportunity/articleshow/79546408.cms>

India could emerge as alternative for investment in electronics in near to medium term: Report

India might emerge as an alternative destination for new planned investments in the electronics sector in the near to medium term. The proactive decision taken by the state governments to reform the labour laws, low wage skilled workers and India’s strong position in software development can help India to become a hub for electronic components, mobile manufacturing and Internet of Things (IoT) development, says a latest report by Dun & Bradstreet.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/india-could-emerge-as-alternative-for-investment-in-electronics-in-near-to-medium-term-report/articleshow/79544777.cms>

Agriculture

Rabi sowing likely to be 2 pc higher than last season: Report

The rabi, or winter crop, sowing is likely to be about 2 per cent higher this year than in the previous marketing year, according to a report. Sowing for the rabi crop season had already covered 348 lakh hectare (ha) by November 27, which is 4 per cent more than in the whole of the previous season, and 2 per cent above the average of the past five years, Crisil Ratings said in a report. Rabi sowing has been spurred by abundant rains this year with an overall 9 per cent above-normal monsoon leading to high soil moisture and 19 per cent higher reservoir levels compared with the average of the past five years, the report added.

<https://economictimes.indiatimes.com/news/economy/agriculture/rabi-sowing-likely-to-be-2-pc-higher-than-last-season-report/articleshow/79549842.cms>

Potatoes bring some respite to farmers, price falls to Rs 25-26 per kg at wholesale level

The time to enjoy aloo tikkis and samosas with a hot cup of tea in winter seems to have arrived for Indians. Prices of potato, the staple vegetable across the country, have softened in the past four-five days, bringing some relief to consumers. Prices have fallen 15-30% depending on quality as the new crop has started arriving from Uttar Pradesh, Bihar and Jharkhand.

<https://economictimes.indiatimes.com/news/economy/agriculture/potatoes-bring-some-respite-to-farmers-price-falls-to-rs-25-26-per-kg-at-wholesale-level/articleshow/79549742.cms>

Infrastructure

Yamuna authority to acquire 3418 hectare land for expansion of Jewar airport

The Uttar Pradesh government has given a go ahead to acquire nearly 3500 hectare land for the expansion of Jewar airport. The Yamuna Expressway Industrial Development Authority (YEIDA) has submitted the feasibility study which says upto five runways can be build in the Jewar airport, for which additional land will be required. “1334 hectare land has been acquired for the first phase, which will have two runways. In the second phase, 1365 hectare, 1318 hectare and 735 hectare will be acquired in phases, taking the total land for Jewar airport to be 4752 hectare,” said a UP government official.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/yamuna-authority-to-acquire-3418-hectare-land-for-expansion-of-jewar-airport/articleshow/79549938.cms>

Rail Land Development Authority to redevelop Panipat railway station

Rail Land Development Authority (RLDA) will redevelop Panipat railway station, which include conversion of existing double-storeyed railway colony into multi-storey buildings wherein spare vacant land will be given to developers for commercial development. According to the authority, objective of the redevelopment is to upgrade it in line with global standards and offer state-of-art amenities for the convenience of commuters. The entire project will be redeveloped on the Public-Private Partnership model (PPP). Panipat railway station is a major junction in Delhi-NCR area and serves the industrial town of Panipat. The station has stoppage of 118 trains with a daily passenger footfall of 40,000. It is a category 'A' station with five platforms.

<https://economictimes.indiatimes.com/industry/transportation/railways/rail-land-development-authority-to-redevelop-panipat-railway-station/articleshow/79548069.cms>

India office markets' fit-out costs most economical in Asia Pacific: Report

India's top seven commercial real estate markets including Mumbai, New Delhi, Hyderabad and Pune have emerged as the most economical office interior fit-out markets in the Asia Pacific region, showed a Cushman & Wakefield study. Key cities in Japan and Australia continued to dominate the top 10 list of most expensive office fit-out locations in Asia Pacific with average fit-out cost of \$150 per sq ft. Tokyo, Osaka, Nagoya and Sydney lead the rankings, with Melbourne climbing four spots to fifth this year, the study revealed.

https://economictimes.indiatimes.com/industry/services/property/-construction/india-office-markets-fit-out-costs-most-economical-in-asia-pacific-report/articleshow/79550682.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Energy

Oil India Limited conducts first ever Airborne Gravity Gradiometry and Gravity: Magnetic Survey

Oil India Limited (OIL) conducts first ever Airborne Gravity Gradiometry and Gravity-Magnetic (AGG & GM) Survey. Joint Secretary (Exploration), Ministry of Petroleum and Natural Gas (MoPNG) Amar Nath flagged-off the AGG & GM survey in presence of CMD, OIL S C Mishra and Director (HR & BD), Biswajit Roy and RCE, OIL D K Das at Dibrugarh heralding yet another milestone in G&G appraisal in Upper Assam Shelf.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/oil-india-limited-conducts-first-ever-airborne-gravity-gradiometry-and-gravity-magnetic-survey/articleshow/79549222.cms>

Healthcare

India will wait for Oxford and Bharat Biotech shots

Even as the UK has become the first country to authorise a vaccine against Covid-19, India continues to look at the Oxford-AstraZeneca shot along with some other Indian candidates as its choice against the pandemic. The Pfizer-BioNTech Covid-19 vaccine is not available for India at present and its requirement for ultra-cold temperature — minus 70 degree Celsius (minus 94 degrees Fahrenheit) — for storage is a serious hurdle as the vaccine will need to be distributed in remote areas and even urban centres lack such facilities. "Where are the supplies? Many western countries have already booked stocks including UK which has apparently ordered enough for its people. So, obviously these countries will get it first," an official said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/india-will-wait-for-oxford-and-bharat-biotech-shots/articleshow/79549547.cms>

External

Trump's biggest H-1B changes blocked: What it means for Indian techies

There is some good news for tens of thousands of Indian professionals and top American IT firms. A US court has blocked two H-1B regulations proposed by the Trump administration to restrict the ability of American companies

to hire foreign employees. The two rules were about - significantly hiking wages and restricting eligibility norms. The US issues up to 85,000 H-1B visas each year. Usually, they're issued for three years and then renewable. Most of the nearly 600,000 H-1B visa holders are from India and China.

https://www.business-standard.com/podcast/economy-policy/trump-s-biggest-h-1b-changes-blocked-what-it-means-for-indian-techies-120120300406_1.html

India, US ink MoU to cooperate on IP examination and protection

India and the US have inked a Memorandum of Understanding to co-operate on intellectual property examination and protection for the next 10 years and to strengthen the IP systems in both countries. The MoU was signed between the United States Patent and Trademark Office (USPTO), represented by Under Secretary of Commerce for Intellectual Property Andrei Iancu, and Secretary from India's Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade (DPIIT) Guruprasad Mohapatra, during a virtual meeting on Wednesday.

<https://economictimes.indiatimes.com/news/economy/policy/india-us-ink-mou-to-cooperate-on-ip-examination-and-protection/articleshow/79543955.cms>

India submits new proposal limiting role of WTO dispute panel in fisheries management

India has submitted a new proposal at the World Trade Organisation's (WTO) on-going negotiations on prohibiting harmful fisheries subsidies suggesting that the role of the dispute settlement panel in the matters of fisheries management of coastal states should be limited and a member should be allowed to retain its sovereignty on the matter, a Geneva-based official has said.

<https://www.thehindubusinessline.com/news/world/india-submits-new-proposal-limiting-role-of-wto-dispute-panel-in-fisheries-management/article33239006.ece>

World food price index jumps in November to almost six-year high - FAO

World food prices rose for a sixth month running in November, hitting almost a six year high with the index posting its biggest monthly increase since July 2012, the United Nations food agency said on Thursday. The Food and Agriculture Organization's food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 105.0 points last month, versus a slightly revised 101.0 in October.

The October figure was previously given as 100.9. The Rome-based FAO also said in a statement that worldwide cereal harvests remained on course to hit an annual record in 2020, even though it trimmed its forecast for a third month running.

https://www.business-standard.com/article/economy-policy/world-food-price-index-jumps-in-november-to-almost-six-year-high-fao-120120300735_1.html

Germany to extend Covid-19 restrictions till Jan 10: Chancellor Merkel

German Chancellor Angela Merkel announced that the federal and state governments have agreed to extend the country's current Covid-19 restrictions till January 10, 2021. In a statement on Wednesday, Merkel said that Germany was still "very far away" from target numbers regarding the coronavirus pandemic, reports Xinhua news agency.

The death toll was very high, which showed the responsibility of the federal and state governments. The aim is to reach a level of 50 new infections per 100,000 inhabitants within seven days, the Chancellor noted.

In response to the pandemic, all types of catering and sports and leisure facilities in Germany have been closed since the beginning of November.

https://www.business-standard.com/article/current-affairs/germany-to-extend-covid-19-restrictions-till-jan-10-chancellor-merkel-120120300291_1.html