



January 29, 2021 – Friday

## Key Developments

### India will come up with more Covid-19 vaccines: Modi tells Davos Summit

India provides a "predictable environment" for doing business and its commitment to economic self-reliance will strengthen globalization, said Prime Minister Narendra Modi on Thursday as he addressed World Economic Forum's online Davos Agenda Summit. Modi said India's Atmanirbhar Abhiyan is committed towards global good and supply chain, adding that the country has the capacity, capability and reliability to strengthen the global supply chain.

"Indian government has taken major steps to spur manufacturing. corporate tax was brought down to 15 per cent for new manufacturing units, GST rates have been reduced. Tax structure has been simplified Through GST and faceless assessment and Labour laws have been reformed," said Modi at the virtual summit where more than 400 CEOs from across the globe were in attendance.

[https://www.business-standard.com/article/current-affairs/india-will-come-up-with-more-covid-19-vaccines-modi-tells-davos-summit-121012801427\\_1.html](https://www.business-standard.com/article/current-affairs/india-will-come-up-with-more-covid-19-vaccines-modi-tells-davos-summit-121012801427_1.html)

### India needs bold, multifaceted policy response to secure robust economic recovery: IMF

India must ensure that the COVID-19 pandemic is well contained and the distribution and rollout of vaccines are well managed if it wants to achieve a double-digit growth rate for the next fiscal year, the IMF said on Thursday, insisting that securing a robust and sustained economic recovery will require a bold and multifaceted policy response.

The International Monetary Fund (IMF) on Tuesday projected an impressive 11.5 per cent growth rate for India in 2021, making the country the only major economy of the world to register the double-digit growth this year amidst the catastrophic coronavirus pandemic. To achieve a double-digit growth rate for the next fiscal year, it would be important to ensure that the COVID-19 pandemic is well contained and the distribution and rollout of vaccines are well managed in a timely manner, Paolo Mauro, Deputy Director of the Fiscal Affairs Department at the IMF, told PTI in an interview.

<https://www.financialexpress.com/economy/india-needs-bold-multifaceted-policy-response-to-secure-robust-economic-recovery-imf/2180893/>

### RBI says it will charge banks if they do not improve customer grievance

The Reserve Bank of India (RBI) asked banks to step up disclosures on customer complaints and cost of redressal, cautioning lenders that fail to improve their redress mechanism quickly will be charged.

At the end of March 2020, the total number of complaints across various offices of RBI stood at 3,08,630. This is a steep rise from 1,95,901 complaints outstanding at the ombudsman offices, as per data from the Trends and Progress Report of the RBI. If a lender has higher unresolved complaints than average, it will be charged. Bank customers, however, will continue to enjoy free cost of redressal. The central bank said this was necessitated because of increasing customer grievances lodged with the banking ombudsman, which merited greater attention by banks.

[https://www.business-standard.com/article/finance/rbi-says-it-will-charge-banks-if-they-do-not-improve-customer-grievance-121012800827\\_1.html](https://www.business-standard.com/article/finance/rbi-says-it-will-charge-banks-if-they-do-not-improve-customer-grievance-121012800827_1.html)

### Guidelines issued to states, UTs to ensure no wastage of COVID vaccines: Health secretary

The Union health ministry has issued detailed guidelines to the states and Union territories to ensure that there is no wastage of COVID-19 vaccines and for that purpose, the vaccinators at the session sites have been allowed to add additional beneficiaries, apart from the 100 scheduled for the day, in case they do not turn up.

Responding to a question at a press conference here on how the ministry is dealing with vaccine wastage across the country, Union Health Secretary Rajesh Bhushan on Thursday said when the vaccination programme was rolled out, a 10-per cent wastage was factored in. "We have issued detailed guidelines to the states and Union territories on how to avoid wastage of vaccines. We have made our digital platform more flexible and have permitted that apart from the scheduled 100 beneficiaries, the person handling the vaccination session at a particular site can add additional people as long as they are part of the database. This is being done to ensure that there is a lesser wastage of the vaccines.

<https://www.financialexpress.com/lifestyle/health/guidelines-issued-to-states-uts-to-ensure-no-wastage-of-covid-vaccines-health-secretary/2180889/>

### **Suspension of scheduled international passenger flights extended till Feb 28**

The government today extended the ban on international flights further by a month till February 28, 2021. The Directorate General of Civil Aviation (DGCA) today announced a ban on international flights will continue till the end of this year. The order, however, clarified that cargo flights and limited international flights under bubble arrangement will continue to operate. The DGCA order for extending it by a month came after the home ministry, in its guidelines on easing Covid-19 restrictions issued on Wednesday, said for further opening up of international air travel of passengers, the civil aviation ministry would take a decision in consultation with the home ministry.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/suspension-of-scheduled-international-passenger-flights-extended-till-feb-28/articleshow/80512210.cms>

## **Economy**

### **Good economics is good politics, this Budget will be game changer: BJP**

Ahead of presentation of the Union Budget in Parliament, the ruling BJP on Thursday said it will be a game changer and usher in a new era of economic growth in the country. Citing a recent International Monetary Fund (IMF) report which projected India to grow at 11.5 per cent in 2021, BJP spokesperson Gopal Krishan Agarwal said the country's economy has witnessed a 'V' shaped recovery after being hit by the pandemic.

Addressing a press conference at the BJP headquarters here, Agarwal along with the party's another spokesperson Zafar Islam said the Index of Industrial Production (IIP) figures and labour force participation also point that the economy is witnessing a 'V' shaped recovery. "Good economics is good politics that has been the motto of the Narendra Modi government. Working with the same theme, the Union Budget 2021 will be a game changer," Agarwal said.

[https://www.business-standard.com/budget/article/good-economics-is-good-politics-this-budget-will-be-game-changer-bjp-121012800983\\_1.html](https://www.business-standard.com/budget/article/good-economics-is-good-politics-this-budget-will-be-game-changer-bjp-121012800983_1.html)

### **Budget should eye growth; fiscal deficit may fall to 6.2% in FY22: Report**

The forthcoming Union Budget should focus more on putting the economy back on track and not too much on arresting fiscal deficit, which is seen at 6.2 per cent in 2021-22, down from 7 per cent this year, according to a report. The Union Budget 2020-21 had estimated fiscal deficit at Rs 7.96 lakh crore or 3.5 per cent of GDP but India Ratings sees it printing in at Rs 13.44 lakh crore or 7 per cent if the government cleared its payables and roll over some portion of expenditure to 2021-22. However, the 2021-22 budget is likely to project a fiscal deficit of 6.2 per cent but that will be achievable if nominal growth comes in around 14 per cent and real growth prints in at 9.5-10 per cent, India Ratings Chief Economist Devendra Pant said in the report.

[https://www.business-standard.com/budget/article/budget-should-eye-growth-fiscal-deficit-may-fall-to-6-2-in-fy22-report-121012801344\\_1.html](https://www.business-standard.com/budget/article/budget-should-eye-growth-fiscal-deficit-may-fall-to-6-2-in-fy22-report-121012801344_1.html)

### **India's rank slips to 86th in corruption perception index 2020**

India's rank has slipped six places to 86th among 180 countries in corruption perception index (CPI) in 2020.

For 2020, Transparency International (TI)'s Corruption Perception Index (CPI) was released on Thursday. The index, which ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and business people, uses a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-rank-slips-to-86th-in-corruption-perception-index-2020/articleshow/80512814.cms>

#### **Government committed to work with young entrepreneurs: Amitabh Kant**

The government is committed to work with young entrepreneurs to establish India as a global tech garage, Niti Aayog CEO Amitabh Kant said on Thursday. Addressing Amazon AI Conclave Virtual Event 2021, Kant further said Indian industries need to get into sunrise areas of growth. "We are committed to work with young entrepreneurs of the private sector to establish India as a global tech garage," he said. Kant noted that the private sector in India develops innovative solutions and the government's strength has been its reach. "Both need to be leveraged together as the pandemic has facilitated innovative models of collaborations," he said.

<https://economictimes.indiatimes.com/news/economy/policy/government-committed-to-work-with-young-entrepreneurs-amitabh-kant/articleshow/80513540.cms>

#### **Economic recovery in India driven by Indian households and not by govt spending: CMIE**

The better than expected economic recovery in India has been driven by Indian households and not by enhanced government spending or greater investment by the private sector, the Centre for Monitoring Indian Economy said. "The Indian economy has been recovering from the Covid-19-induced lockdown better than most expectations. It was clearly not driven by any government spending or initiative to spur growth. Neither was it driven by any increased investments by the private sector," CMIE said in its weekly analysis.

<https://economictimes.indiatimes.com/news/economy/indicators/economic-recovery-in-india-driven-by-indian-households-and-not-by-govt-spending-cmie/articleshow/80511905.cms>

### **Banking and Finance**

#### **State Bank of India asset quality remains healthy: Chairman Khara**

The asset quality situation at State Bank of India (SBI) remains healthy and the faster-than-expected economic recovery may limit the impact to lenders' balance sheets, the bank's Chairman Dinesh Kumar Khara said on Thursday. He, however, did not share details on the COVID-related loan restructuring for SBI citing the silent period ahead of the results. It can be noted that in the bi-annual Financial Stability Report (FSR) released last month, the RBI had expected banks' non-performing assets to deteriorate further because of the pandemic and asked them to be cautious. "I would also mention that the asset quality book of the bank remains healthy," Khara told reporters on the sidelines of an event here. The macroeconomic situation is not the same as it was in April, and with the ease in restrictions post lockdown, we have seen a recovery process which led to growth in different pockets, he said.

[https://www.business-standard.com/article/finance/state-bank-of-india-asset-quality-remains-healthy-chairman-khara-121012800864\\_1.html](https://www.business-standard.com/article/finance/state-bank-of-india-asset-quality-remains-healthy-chairman-khara-121012800864_1.html)

#### **A bank REIT will unlock value, generate liquidity and help society**

Stock markets have reached unprecedented heights. However, the Indian financial services sector, which has been facing its own level of stress even prior to the pandemic, including around the much talked about Non-Performing Assets, is yet to chart a path out of the issues. The pandemic may only increase the challenges, as and when the current tide of protection recedes. The banking sector is carrying its share of the pain, and within that, so are the Indian nationalized banks. Steps which go to mitigate those issues would be helpful in these times, to get the resources as well the confidence of funding restoration and growth, and in turn to work towards the INR 5 trillion dream.

[https://www.business-standard.com/article/finance/a-bank-reit-will-unlock-value-generate-liquidity-and-help-society-121012800906\\_1.html](https://www.business-standard.com/article/finance/a-bank-reit-will-unlock-value-generate-liquidity-and-help-society-121012800906_1.html)

#### **Insolvency and Bankruptcy Code resolution timeline averages 440 days**

With the insolvency law entering the fifth year, a leading resolution agency has emphasised the need for focusing on efficiency to ensure time-bound resolution as it averaged 440 days for resolving 277 cases approved by the NCLT

as on September 2020. An Alvarez & Marsal India report on Thursday called upon all IBC stakeholders to focus on improving efficiency to resolve cases in a time-bound manner because wherever the resolution time increased, the recovery percentages also fell sharply to 15-25 per cent. Between FY17 and FY19, recoveries averaged only 43-50 per cent but the timeline has been stretched beyond the envisaged 180 plus 90 days. In December 2020, the Insolvency and Bankruptcy Code (IBC) completed four and half years of promulgation, the report said.

<https://economictimes.indiatimes.com/news/economy/policy/insolvency-and-bankruptcy-code-resolution-timeline-averages-440-days/articleshow/80514065.cms>

#### **NALCO to buy back Rs 749-cr shares**

State-owned NALCO will buy back Rs 749 crore worth of shares, DIPAM Secretary Tuhin Kanta Pandey said on Thursday. The government currently holds 51.50 per cent stake in the company and would tender shares proportionate to its holding. "NALCO has made an offer for buyback of its equity shares for an amount up to Rs 749 crore. As the promoter, Gol has decided to participate in the buyback to the extent that Gol equity remains at least 51 per cent," Pandey tweeted. So far in current fiscal, four state-run companies -- RITES, NTPC, KIOCL, NMDC -- have completed share buyback which fetched Rs 2,769 crore to the exchequer.

<https://economictimes.indiatimes.com/news/economy/finance/nalco-to-buy-back-rs-749-cr-shares/articleshow/80512370.cms>

#### **PE/VC investments in 2020 at par with 2019 at \$47.6 billion, says EY-IVCA**

PE/VC investments in 2020 were at par with the previous year in terms of value at \$47.6 billion as compared to \$47.3 billion in 2019. Reliance Group entities topped the chart in 2020 with about \$17.3 billion, which accounts for 36 per cent of the PE/VC investments in 2020. According to EY-IVCA report, if we were to exclude these one-off PE investments in the Reliance Group entities, PE/VC investments in 2020 would be significantly lower at \$30.2 billion, a 36 per cent decline compared to last year. In terms of volume, number of deals in 2020 declined by 11% compared to last year (921 deals in 2020 vs. 1030 deals in 2019). One of the biggest reasons for the relative decline in PE/VC investments in 2020 is the underperformance of the infrastructure and real estate sectors which attracted the highest PE/VC investment in 2019, at \$20 billion, accounting for 42 per cent of all PE/VC investments in 2019.

[https://www.business-standard.com/article/economy-policy/pe-vc-investments-in-2020-at-par-with-2019-at-47-6-billion-says-ey-ivca-121012800662\\_1.html](https://www.business-standard.com/article/economy-policy/pe-vc-investments-in-2020-at-par-with-2019-at-47-6-billion-says-ey-ivca-121012800662_1.html)

#### **Competition Commission rejects complaint against General Insurance Corporation of India**

Competition Commission of India (CCI) has rejected multiple allegations of unfair business practices made against General Insurance Corporation of India (GIC Re), including those relating to premiums. The watchdog considered 'market for provision of reinsurance services in India' as the relevant one for assessing the allegations. One of the primary grievance in the complaint filed by the Automotive Tyres Manufacturers Association was about alleged increase in reinsurance premium charged to general insurance companies. In its 11-page order passed on Wednesday, the regulator said the informant has merely alleged increase in premium rates by GIC Re as "excessive pricing" without providing any basis.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/competition-commission-rejects-complaint-against-general-insurance-corporation-of-india/articleshow/80504105.cms>

### **Industry**

#### **Gadkari asks EV makers to shift towards indigenous battery technology**

Union Minister Nitin Gadkari on Thursday asked the EV industry to shift towards indigenous battery technologies. With electric vehicles (EVs) fast becoming the new reality, Road Transport & Highways Minister Gadkari has stressed on the need to emerge as pioneers in developing leading battery and power-train technologies, as per a statement from the Ministry of Road Transport and Highways, the ministry said in a statement.

"Noting that the challenge we presently face is the control on strategic reserves of Lithium, which is used to manufacture Lithium-ion rechargeable batteries used in vehicles, the minister has called upon the EV sector to shift towards a completely indigenous battery technology in the coming years," the statement said.

[https://www.business-standard.com/article/economy-policy/gadkari-asks-ev-makers-to-shift-towards-indigenous-battery-technology-121012801449\\_1.html](https://www.business-standard.com/article/economy-policy/gadkari-asks-ev-makers-to-shift-towards-indigenous-battery-technology-121012801449_1.html)

### **EV industry seeks higher incentives, FAME II scheme extension in Budget**

Industry has sought an increase in the slab of incentives for electric three wheelers and electric two wheelers to Rs 20,000 per kWh of battery on board from Rs 10,000 per kWh at present under the Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles (FAME)-II scheme. This slab is currently applicable to e-bus under the scheme. Electric vehicle (EV) manufacturers have also asked for an extension of the scheme for two more years upto 2025 in the Budget 2021-22. "This can be done within the existing overall budget allocation of Rs 10,000 crore as a short term booster incentive to enhance demand, since the current offtake is very low and a higher slab will help create demand and put more EVs on the road," industry chamber FICCI said in its budget recommendations to the finance ministry.

<https://economictimes.indiatimes.com/industry/auto/auto-news/ev-industry-seeks-higher-incentives-fame-ii-scheme-extension-in-budget/articleshow/80508149.cms>

### **F&B writes to Finance Ministry for reliefs in Budget**

The food and beverages (F&B) sector, among the worst-hit post the Covid-19 pandemic, has written to the Finance Ministry seeking relief in the upcoming Budget. The National Restaurant Association of India (NRAI) has recommended a 'multi-layered ideal GST rate structure' for different segments of the F&B industry. NRAI has also sought a firm e-commerce policy while seeking liquidity reliefs. In its letter to the FM, the NRAI said that currently there is a single rate of GST at 5 per cent, with no input tax credit available to the sector. While this reduces compliance hurdles for the smaller companies, it does put an additional burden on the operating costs. Not only that, it also ups the capital outflow on new projects by almost 20 per cent.

<https://www.thehindubusinessline.com/economy/fb-writes-to-finance-ministry-for-reliefs-in-budget/article33683621.ece>

### **87 per cent of global consumers prefer to use a personal vehicle: Capgemini**

Without a clear end to Covid-19 pandemic in sight, 87 per cent of global consumers surveyed by consulting major Capgemini have said their safety and physical well-being alongside that of their families is best served through a personal vehicle. Nearly 81 per cent of consumers said they will avoid using car-pool services due to health and safety concerns compared with just 42 per cent in April 2020. Meanwhile, 78 per cent of consumers will opt for using their personal vehicles over taking public transport.

<https://economictimes.indiatimes.com/industry/auto/auto-news/87-per-cent-of-global-consumers-prefer-to-use-a-personal-vehicle-capgemini/articleshow/80497575.cms>

### **Pandemic-battered gold demand in India expected to rebound in 2021**

Gold consumption in India, the world's second-biggest buyer, is expected to rebound in 2021 after plunging to the lowest in more than two decades, according to the World Gold Council. Demand is expected to jump closer to the 690 tons bought in 2019 as the country's economy shows signs of recovery, P R Somasundaram, managing director at the council for India, said in an interview. Goldsmiths had one of the worst years in 2020, when demand slumped by more than a third to 446.4 tons, the lowest since 1994, as coronavirus-related lockdowns, curbs on movements, record high prices and lower incomes slashed spending on jewelry, WGC data showed.

[https://www.business-standard.com/article/economy-policy/pandemic-battered-gold-demand-in-india-expected-to-rebound-in-2021-121012800602\\_1.html](https://www.business-standard.com/article/economy-policy/pandemic-battered-gold-demand-in-india-expected-to-rebound-in-2021-121012800602_1.html)

### **COVID-19 related visa restrictions delay capacity expansions at metal manufacturing companies**

Stringent Covid-19 travel restrictions have stalled expansion projects at top Indian metal manufacturing companies that hire engineers and experts from China and Europe. JSW Steel, while announcing its December quarter results, said the \$2 billion capacity expansion at Dolvi in Maharashtra will be delayed because of travel and visa restrictions for technicians from global capital equipment vendors in Europe and China. JSW is doubling steel-making capacity at Dolvi to 10 million tonnes annually, a project that was originally to be commissioned in Q4 of FY21. "So far we managed to get virtual guidance from them, but for the completion stage we need their help. We are trying to get visas for all of them. There could be some slippages but we are trying to commission it by Q1," joint managing director Seshagiri Rao told ET.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/covid-19-related-visa-restrictions-delay-capacity-expansions-at-metal-manufacturing-companies/articleshow/80494773.cms>

### **Sanitaryware industry seeks tax rationalisation to boost demand**

The sanitaryware industry is seeking rationalisation of tax rates on bathroom fittings and a slew of steps from the Centre to boost demand for such products, officials said on Thursday. With rising infrastructure spending, sops for industries for cost-effective production, an increase in disposable income through tax cuts can be helpful to put the country's GDP back on the 8-per cent growth track in the next fiscal, an official of a leading sanitaryware maker said. "The government needs to focus more on the demand side. Apart from the government's expenditure, the Centre should boost the consumer spending by extending sops," Roca Bathroom Products managing director KE Ranganathan told PTI.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/paper/-/wood/-/glass/-/plastic/-marbles/sanitaryware-industry-seeks-tax-rationalisation-to-boost-demand/articleshow/80495382.cms>

## **Agriculture**

### **India could unveil plan to boost oilseeds output, cut veg oil imports in Budget 2021: Sources**

India is likely to announce a five-year plan to cut expensive vegetable oil imports worth \$10 billion a year in next week's federal budget by providing farmers with financial incentives to switch to oilseeds from grains, said three senior government officials. Higher oilseed production in India, the world's biggest buyer of cooking oils, will cut palm oil imports from Malaysia and Indonesia and trim soyoil and sunflower oil purchases from Brazil, Argentina, Russia and Ukraine. The officials, who asked not to be named as the discussions are still private, said the plan could dramatically cut India's import bills. "A country of India's size cannot afford to be so heavily dependent on edible oil imports, and that's why in the upcoming budget you will likely see a new push to raise domestic oilseed production," said one of the officials.

<https://economictimes.indiatimes.com/news/economy/agriculture/india-could-unveil-plan-to-boost-oilseeds-output-cut-veg-oil-imports-in-budget-2021-sources/articleshow/80513094.cms>

## **Infrastructure**

### **DGCA yet to decide on the return of 737 MAX to service, says Boeing India**

Boeing today said that the Directorate General of Civil Aviation (DGCA) has to decide on the return Boeing 737 MAX back to service, aircraft manufacturer Boeing said today. "We are working with the DGCA and (other) global regulators to return Max (737Max) to service," Salil Gupte, president at Boeing India, said on Thursday. The statement comes after US and European aviation regulators have cleared the aircraft, which have been grounded since March 2019, following two fatal crashes.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-/aviation/dgca-yet-to-decide-on-the-return-of-737-max-to-service-says-boeing-india/articleshow/80497788.cms>

### **India's domestic air traffic expected to reach pre-COVID level by 2021-end: Boeing India**

The domestic air traffic in India is expected to reach pre-COVID level by the end of this year, said Boeing India President Salil Gupte on Thursday. "We expect the domestic demand to recover in India first to 2019 levels probably by late this year. The international air traffic (in India) will return to the pre COVID-19 pandemic levels by 2023," he said at a press conference. "Overall, the demand in India will return to its baseline growth rate and double by 2030," Gupte mentioned. Scheduled domestic flight services were suspended in India during March 25-May 24 period last year due to the lockdown. Currently, Indian carriers are permitted to operate maximum 80 per cent of pre-COVID domestic flights. Scheduled international flights have been suspended in India since March 23 last year due to the coronavirus-triggered lockdown.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-/aviation/indias-domestic-air-traffic-expected-to-reach-pre-covid-level-by-2021-end-boeing-india/articleshow/80512530.cms>

### **InvITs, REITs can raise ₹8-lakh crore capital in the medium term: Crisil**

Infrastructure investment trusts (InvITs) and real estate investment trusts (REITs) are gaining currency in India and can potentially help raise up to ₹8-lakh crore of capital for India's infrastructure buildout over the next five fiscal years, according to a Crisil Ratings analysis. A deeper debt market where investors can discern risks and returns across infrastructure asset classes, and stable regulations will be critical to achieving this goal.

<https://www.thehindubusinessline.com/economy/invits-reits-can-raise-8-lakh-crore-capital-in-the-medium-term-crisil/article33683793.ece>

## Telecom

### 5G core network should be Indian; permission for trials soon: Prasad

Telecom Minister Ravi Shankar Prasad on Thursday said 5G core network should be Indian and the country should move faster on the next-generation technology with indigenously made telecom gears. The minister said that the testbed is ready for 5G and the government will soon grant a permit for trials.

"We lagged in 2G, 3G and 4G but in 5G India should move at a speed faster than the world with made in India 5G. We have made a testbed and we are soon going to permit it. Core network should be Indian," Prasad said at a National Informatics Center Services Incorporated (NICS) event.

[https://www.business-standard.com/article/economy-policy/5g-core-network-should-be-indian-permission-for-trials-soon-prasad-121012801212\\_1.html](https://www.business-standard.com/article/economy-policy/5g-core-network-should-be-indian-permission-for-trials-soon-prasad-121012801212_1.html)

## Energy

### Power generation may further improve in fourth quarter: Ind-Ra

Power generation in the country would continue to grow in fourth quarter of this fiscal year on the back of revival of electricity demand and adequate coal stocks at power plants, rating agency Ind-Ra said in a report. The report highlights the trends in the power sector, with a focus on capacity addition, generation, transmission, merchant power, deficit, regulatory changes and the recent rating actions by Ind-Ra.

"The all-India electricity generation (excluding renewables) is likely to continue its improvement in 4QFY21, backed by a revival in demand and the adequate stock of coal at power plants," Ind-Ra said in January 2021 edition of its credit news digest on India's power sector.

[https://www.business-standard.com/article/economy-policy/power-generation-may-further-improve-in-fourth-quarter-ind-ra-121012801110\\_1.html](https://www.business-standard.com/article/economy-policy/power-generation-may-further-improve-in-fourth-quarter-ind-ra-121012801110_1.html)

## Healthcare

### Finalise policy on rare diseases by March 31: High Court to Centre

The Delhi High Court on Thursday directed the Centre to finalise by March 31 its new National Health Policy for Rare Diseases of 2020 and make operational the digital platform envisaged under it for crowd funding of the expensive medicines and treatment for rare illnesses. The direction was issued by Justice Prathiba M Singh while hearing two pleas moved on behalf of two children who are suffering from a rare disease known as Duchenne Muscular Dystrophy (DMD). Justice Singh said she was issuing the direction to finalise the policy and operationalise the digital platform by March 31 as an affidavit filed by the Health Ministry said that both things were only "likely" to be done by March 31. The court also noted in its order that the earlier policy on rare diseases of 2017 was kept in abeyance from December 2018 onwards and the new policy was still awaiting comments from the public and other stakeholders.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/finalise-policy-on-rare-diseases-by-march-31-high-court-to-centre/articleshow/80512042.cms>

### India carried out 5th highest no of COVID vaccination till Jan 26: Government

India has carried out the fifth highest number of COVID-19 vaccinations by inoculating 2.03 million people till January 26, the Health Ministry said, stressing the number of beneficiaries who have received the shots has crossed 25 lakh till Thursday afternoon. Addressing a press conference, Union Health Secretary Rajesh Bhushan said that India was the fastest country to reach 1 million COVID-19 vaccinations in six days, while the US took 10 days, Spain 12, Israel 14, the UK 18, Italy 19, Germany 20 and UAE 27 days. "As per our world data till January 26, India, which launched

its nationwide vaccination drive on January 16, had carried out the fifth highest number of vaccinations in the world by vaccinating 2.03 million people. The important point is many other countries are showing their progress for over 50 days while India is showing its vaccination on January 26 after just 11 days," Bhushan said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/india-carried-out-5th-highest-no-of-covid-vaccination-till-jan-26-government/articleshow/80507652.cms>

## External

### **Global public debt could touch 98% of GDP in 2020 amid Covid crisis: IMF**

Global public debt is estimated to touch 98 per cent of GDP at the end of 2020, International Monetary Fund said on Thursday in its latest fiscal monitor update, according to which India's government debt is expected to remain elevated at 83 per cent of GDP. The COVID-19 pandemic has posed a severe challenge to public finances, the report said noting that the contraction in output and ensuing fall in revenues, along with emergency lifelines, boosted government deficits and debts beyond levels recorded during the global financial crisis. Vitor Gaspar, Director of the IMF's Fiscal Affairs Department told reporters that the government revenue declined everywhere, public debt jumped up to 98 per cent compared with 84 per cent before COVID-19. "From 2021 onwards debt stabilizes at the high level, and stays elevated well above pre-COVID-19 levels up to the end of the forecasting horizon," he said.

[https://www.business-standard.com/article/economy-policy/global-public-debt-could-touch-98-of-gdp-in-2020-amid-covid-crisis-imf-121012801495\\_1.html](https://www.business-standard.com/article/economy-policy/global-public-debt-could-touch-98-of-gdp-in-2020-amid-covid-crisis-imf-121012801495_1.html)

### **India plans higher levy on some imported goods to boost local manufacturing**

India is considering a proposal to raise levies on a range of imported goods, with a view to boosting local manufacturing in line with the government's focus on self-reliance, people with knowledge of the matter said. Refrigerator, washing machines, cloth dryers, aluminum and electrical goods are among products likely to see an increase in customs duty, the people said asking not to be identified citing rules. The move may be announced as part of the federal government's annual budget to be presented on Feb. 1.

Boosting local manufacturing is key for Prime Minister Narendra Modi's government to create jobs lost because of measures to stem the pandemic. While India's current account -- the broadest measure of trade -- flipped to a rare surplus last year due to a slump in consumption, sustaining the trend will require India to substitute non-essential imports with home-made goods.

[https://www.business-standard.com/article/economy-policy/india-plans-higher-levy-on-some-imported-goods-to-boost-local-manufacturing-121012800526\\_1.html](https://www.business-standard.com/article/economy-policy/india-plans-higher-levy-on-some-imported-goods-to-boost-local-manufacturing-121012800526_1.html)

### **India could be next big trade market for Australian exporters, says Dan Tehan**

India could emerge as the next big trade market for Australian exporters, the country's trade minister has said, after China imposed heavy tariffs and sanctions on several Australian export commodities amidst a strain in relations with Beijing. Australia's trade relations with its major trading partner China deteriorated last year when Australia supported a call for an international inquiry into China's handling of COVID-19, which was first reported in the Chinese city of Wuhan. China took several measures that restricted Australian imports, ranging from levying new tariffs to imposing bans. China imposed sanctions and tariffs on several Australian commodities including barley, timber, coal, cotton, wine and lobster. Australia, for its part, asked the World Trade Organisation to mediate in their dispute over stiff duties on Australian barley in the Chinese market.

<https://www.financialexpress.com/economy/india-could-be-next-big-trade-market-for-australian-exporters-says-dan-tehan/2180786/>

### **IMF Chief Economist Gita Gopinath says improve health system, enhance global cooperation to tackle Covid-like crisis in future**

As the world gradually makes its way out of the coronavirus crisis, IMF Chief Economist Gita Gopinath has said that countries should work on their health system and be ready to provide timely assistance to impacted segments of the society in addition to enhanced global cooperation to be better prepared for addressing such a challenge next time. The global economy, ravaged by the COVID-19 pandemic, is projected to grow at 5.5 per cent in 2021 and 4.2 per cent in 2022, the International Monetary Fund said this week, reflecting the expectations of a vaccine-powered strengthening of business activities later in the year and additional policy support in a few large economies.



<https://www.financialexpress.com/economy/imf-chief-economist-gita-gopinath-says-improve-health-system-enhance-global-cooperation-to-tackle-covid-like-crisis-in-future/2180526/>

### **India explores major investments in hydrocarbons & renewables in Russian Arctic region**

India is exploring the possibility of major investments in fossil fuels and other areas of the energy sector in Russia's Arctic region, which is a new global source for both renewables and non-renewables. India's current investment in Russia stands at \$15 billion in oil and gas projects and it is looking to expand its presence in the new oil project being developed by the Russian national oil company Rosneft in the Arctic, according to people aware of the matter. The Indian Ambassador to Moscow hinted in a recent briefing for local media in the Russian capital at India's growing interests in the Arctic region.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-explores-major-investments-in-hydrocarbons-renewables-in-russian-arctic-region/articleshow/80491769.cms>

### **Iran starts clearing basmati rice dues**

Iran, the largest importer of basmati rice has started clearing the dues of Indian exporters which have mounted to more than Rs 1,700 crore since 2019. The Middle East country buys around 34% of the rice variety shipped out of India. But lack of an effective payment system has hit this trade. "Indian companies have started getting payments from Iran, which had been stalled since 2019, in the last few days," said Vinod Kaul, executive director of All India Rice Exporters Association. "Over 52% of the payment amount close to Rs 900 crore to companies has been received through UCO and IDBI banks. This is good news for the industry."

<https://economictimes.indiatimes.com/news/economy/agriculture/iran-starts-clearing-basmati-rice-dues/articleshow/80496634.cms>



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