



February 25, 2022 – Friday

Key Developments

Govt officials in huddle to assess Ukraine impact on Indian economy

Government officials on Thursday went into a huddle to assess the impact of Russian aggression in Ukraine on the Indian economy and began preparing contingency plans to combat a possible spike in inflation due to a rise in oil prices and the country's external trade being impacted. While there are no immediate fears of a supply disruption or trade routes being blocked, oil prices soaring to an over seven-year high of USD 105 per barrel do have a short and medium-term impact on the economy. Finance Minister Nirmala Sitharaman said she will be meeting Prime Minister Narendra Modi to review the situation following Russian President Vladimir Putin authorising a 'special military operation' that saw his forces firing missiles at several cities in Ukraine and landing troops on its coast.

https://www.business-standard.com/article/economy-policy/govt-officials-in-huddle-to-assess-ukraine-impact-on-indian-economy-122022401546_1.html

Economy

Social security cover for low-income workers: Registrations on e-Shram portal falling steeply

The pace of registration of unorganised workers on the government's e-Shram portal has fallen steadily – and rather steeply – since the peak levels achieved in December 2021, even as one in almost one in three of them are yet to find themselves on the portal. The Aadhaar-seeded centralised database is being created primarily to improve the targeting of delivery of benefits under the welfare schemes meant for these workers and provide them a modicum of social security. While the e-shram portal was launched on August 24 last year, as many as 26 crore of an estimated 38 crore unorganised sector workers (as per Economic Survey 2019-20) in the country, including agriculture workers, domestic helps, street vendors, etc, have already joined the Centre's maiden initiative.

<https://www.financialexpress.com/economy/social-security-cover-for-low-income-workers-registrations-on-e-shram-portal-falling-steeply/2443119/>

Consumer sentiment improves in first three weeks of February: CMIE

The index of consumer sentiments in the first three weeks of February is higher than any of the weeks following the first nationwide lockdown in March 2020 and is expected to be at 62 for the current month, a sign of sustained economic recovery, the Centre for Monitoring Indian Economy said. "This is hugely important because it implies the continuation of a trend of rising consumer sentiments that began in July 2021," CMIE said. "A nearly sustained growth in the ICS over eight months implies momentum, which in turn implies sustained improvement in household sentiments," it added. However, a complete recovery is still distant, CMIE said. ICS was at 105 in February 2020, just before the lockdown and had peaked to 110 in September 2019. The base of the index is 100 as in September-December 2015.

<https://economictimes.indiatimes.com/news/economy/indicators/consumer-sentiment-improves-in-first-three-weeks-of-february-cmie/articleshow/89795490.cms>

I-T refunds worth about Rs 1.83 lakh cr issued to 2.07 cr taxpayers so far this fiscal

The income tax department on Thursday said it has issued refunds of close to Rs 1.83 lakh crore to more than 2.07 crore taxpayers so far this fiscal. This includes 1.67 crore refunds of the 2020-21 fiscal ended March 31, 2021, amounting to Rs 33,818.97 crore.

<https://www.financialexpress.com/economy/i-t-refunds-worth-about-rs-1-83-lakh-cr-issued-to-2-07-cr-taxpayers-so-far-this-fiscal/2443986/>

Economic recovery uneven, govt should continue support measures: Report

Pointing out that the ongoing recovery is still uneven and not broad-based, a foreign brokerage report said the government should continue the income support measures for the affected sectors. The Swiss brokerage UBS Securities India, citing their macro tour results, said the economy is on a recovery path with potential growth of 6-6.5 per cent in the medium to long term. Its survey participants are of the view that the economy is seeing a reasonable recovery after three waves of the pandemic, even though it is not broad-based, the brokerage's chief economist Tanvee Gupta Jain said. She pointed out that this is because corporate India (or the organised sector) has fared well during the pandemic but growth in the non-corporate or unorganised sector remains sluggish.

https://www.business-standard.com/article/economy-policy/economic-recovery-uneven-govt-should-continue-support-measures-report-122022401363_1.html

Moody's ups India's growth forecast to 9.5% for 2022; flags high oil prices, supply distortions

Moody's Investors Service on Thursday raised India's growth forecast to 9.5 per cent for the calendar year 2022 and to 8.4 per cent for the coming fiscal beginning April 1, even as it flagged high oil prices and supply distortions as a drag on growth. Stating that the economic recovery from the first and second Covid wave in 2020 and 2021, respectively has been stronger than expected, Moody's said Goods and Services Tax (GST) collection, retail activity and Purchasing Managers' Index (PMI) suggest 'solid momentum'.

<https://www.financialexpress.com/economy/moodys-ups-indias-growth-forecast-to-9-5-for-2022/2443436/>

Banking and Finance

Bank credit grows by 7.86%; deposits by 9.11%: RBI data

Bank credit grew by 7.86 per cent to Rs 115.45 lakh crore and deposits rose by 9.11 per cent to Rs 161.28 lakh crore in the fortnight ended February 11, RBI data showed. In the fortnight ended February 12, 2021, bank advances stood at Rs 107.03 lakh crore and deposits at Rs 147.81 lakh crore, according to the RBI's Scheduled Banks' Statement of Position in India as on February 11, released on Thursday. In the previous fortnight ended January 28, bank credit grew by 8.21 per cent and deposits by 8.31 per cent.

https://www.business-standard.com/article/finance/bank-credit-grows-by-7-86-deposits-by-9-11-rbi-data-122022401418_1.html

Uneven economic recovery nudged MPC to continue policy support: Minutes

The monetary policy committee (MPC) members felt that although the Indian economy was resilient in the third wave of the pandemic, it, however, lost some momentum and with inflation likely to soften going forward, there was room for the monetary policy to continue with the accommodative stance and support the revival of the economy, the minutes of the meeting released on Thursday revealed.

The six-member MPC voted to keep the policy rate unchanged and continued with the accommodative stance in the February 10 meeting. But, Jayanth Verma voted against the accommodative policy stance because he felt a switch to neutral stance was long overdue and the continued harping on combating the ill effect of the pandemic has become counterproductive and deflects the focus of the MPC away from the core issue of addressing the recessionary trends that go back at least to 2019.

https://www.business-standard.com/article/finance/uneven-economic-recovery-nudged-mpc-to-continue-policy-support-minutes-122022401314_1.html

Financial institutions need to be more people-centric for next 25 years: FM

Finance Minister Nirmala Sitharaman on Thursday exhorted financial institutions like Sidbi to be more people-centric in the next 25 years so that the economy moves to a higher growth path. The government has termed the next 25

years leading to the 100th anniversary of India's independence as 'Amrit Kaal'. "So for the next 25 years, we (financial institutions) have to be a lot more people-centric. Try to see what they want... "It will attract people belonging to that (backward) region to be drawn back and if we can give them a perspective, which is good enough, I think we will be addressing a major problem related to human resource and also awaken those capacities which are lying dormant in the regions," she said while addressing the 3rd National Microfinance Congress here.

https://www.business-standard.com/article/economy-policy/financial-institutions-need-to-be-more-people-centric-for-next-25-years-fm-122022401499_1.html

NBFCs' loan sanctions up 5% YoY in Q3FY22: Data

Non-banking finance companies reported a modest five per cent growth year on year basis in sanctions driven mostly by consumer segments including personal loans in the third quarter ended December 2021 (Q3FY22), according to FIDC-CRIF data. Loans for commercial purposes, viz., loans against property, commercial equipment loans and business loans have shown modest or negative growth. It signifies that investment demand is yet to pick up among MSMEs and other commercial sectors. The unsecured business loans saw just seven percent rise in sanctions at Rs 17,619 crore and sanctions in equipment financing expanded by eight per cent to Rs 1,293 crore in Q3FY21.

https://www.business-standard.com/article/finance/nbfc-loan-sanctions-up-5-yoy-in-q3fy22-data-122022401055_1.html

Sebi pushes timeline to segregate and monitor collateral at client level

The Securities and Exchange Board of India (Sebi) has extended the timeline for implementing the framework on client segregation and monitoring by about two months. The new system, under which a broker will have to segregate collateral at client level, will come into effect from May 2. "Sebi has received requests from various stakeholders to further extend the aforesaid timeline. It has been decided that provisions of the said circular shall come into force with effect from May 02, 2022," a note from the regulator said on Thursday. The regulator had come out with a framework for segregation and monitoring of collateral at client level amid instances of misuse of client collateral by trading members and in the aftermath of the Karvy Stock broking scam where clients' shares had been pledged illegally as collateral against loan.

https://www.business-standard.com/article/markets/sebi-pushes-timeline-to-segregate-and-monitor-collateral-at-client-level-122022401263_1.html

Irdai wants insurers at par with banks on legal recourse for surety bonds

The insurance regulatory and development authority of India (Irdai) has taken up the issue of insurers being treated at par with banks when it comes to recovery recourse available to them for the surety bond business and the government has reacted positively to the concerns of the industry, said TL Almelu, member, Non-Life, Irdai.

Speaking at a seminar organised by National Insurance Academy, Almelu said, "Recently we had come with surety bond guidelines for which there is huge demand. However, we do understand the concerns raised by the insurers that they should have a recourse to recovery on par with the banks. This aspect has been taken up with the government and I can tell you that they have reacted extremely positively on the issue of trying to keep insurers at par with banks in the IBC code."

https://www.business-standard.com/article/companies/irdai-wants-insurers-at-par-with-banks-on-legal-recourse-for-surety-bonds-122022400581_1.html

Industry

Govt to complete evaluation, ink pacts with cos in 8-10 months under semiconductor scheme: Ashwini Vaishnaw

The government will undertake a detailed evaluation of applications it has received in response to the mega semiconductor scheme and expects to complete the entire process and sign agreements with companies in next 8-10 months, according to Union Minister for Electronics and IT Ashwini Vaishnaw. Vaishnaw said he is happy with the response that came in within a short period of time, when the ministry invited applications under the Rs 76,000 crore semiconductor programme. The government is confident of seeing one of the big global players in semiconductor industry coming in the next round, Vaishnaw told PTI in an interview. He asserted that many other players too are "seriously evaluating" India's semiconductor programme, and that the ministry is in discussions with

several companies. Eight locations have been shortlisted already, and it is for the investors to take a final call, he said.

<https://www.financialexpress.com/industry/govt-to-complete-evaluation-ink-pacts-with-cos-in-8-10-months-under-semiconductor-scheme-ashwini-vaishnav/2443672/>

Two-wheeler prices rise 16-22 per cent in 2 years on BS-VI norms, spike in commodity prices

A spike in fuel prices and a 16-22 per cent increase in cost of new vehicles were key factors that led to fall in sales of two-wheelers in the country. Industry analysts and representatives say the two-wheeler industry is expected to end this fiscal with a high single-digit decline. For the third year in a row, the industry will report a fall in annual volumes. In the post-second Covid wave period, every segment of the automotive industry reported a gradual increase in volumes. Passenger vehicle volumes showed a strong revival, but the poor supply of chip played spoilsport and the manufacturers are still battling to improve production. Sales of commercial vehicles have been on the rise though there is an increasing shift to CNG models.

<https://www.thehindubusinessline.com/companies/two-wheeler-prices-rise-16-22-per-cent-in-2-years-on-bs-vi-norms-spike-in-commodity-prices/article65080746.ece>

Two-wheeler sales volume to fall for third straight fiscal year: Crisil

Two-wheeler sales volume is expected to dip by 8-10 per cent this fiscal year due to factors like sluggish rural demand, low festive-season sales, higher prices, and deferred purchases as consumers eye electric vehicles, Crisil Ratings said on Thursday. The decline in sales volume in the current financial year is expected on an already-low base after two consecutive years of decline -- at 13 per cent in fiscal 2021 and 18 per cent in fiscal 2020, the domestic ratings agency said in a statement. This is the first time in over a decade, when two-wheeler sales are declining for three successive fiscal years, it added. Segment-wise, motorcycle volume, which accounts for two-thirds of the overall two-wheeler volumes, will see a drop of about 8-9 per cent this fiscal year, it said. The second, third covid waves and delayed harvest impacted rural demand for two-wheelers this fiscal. Besides, higher vehicle and fuel prices also affected rural demand this fiscal, unlike last fiscal, when rural India was less impacted by the first covid wave," Crisil Ratings Senior Director Anuj Sethi stated.

https://www.business-standard.com/article/companies/two-wheeler-sales-volume-to-fall-for-third-straight-fiscal-year-crisil-122022401356_1.html

Tourism federation FAITH asks Centre to address GST issues

The Federation of Associations in Indian Tourism & Hospitality (FAITH) has requested the Union Tourism Minister G Kishan Reddy to take up the goods and services tax (GST) concerns of the industry with the Group of Ministers and evaluate the tax rate structure. The Federation – which represents various tourism and hospitality bodies – said the sector is “just coming out of its worst phase” and this would be the right time to incentivize both tourism supply and demand.

<https://www.thehindubusinessline.com/economy/logistics/tourism-federation-faith-asks-centre-to-address-gst-issues/article65081240.ece>

Most Indian consumers remain price-sensitive while buying electronic products: Study

Indians may be aware of sustainability issues when it comes to purchase of electronic products like home appliances, smartphones and laptops, but price of the product and value derived out of it are barriers in such purchases for most consumers, as per a latest study by Kantar. The study highlighted that 77% of the respondents are prepared to invest time and money to support companies that do good, however while shopping 84% are bothered about saving money and 71% think sustainable products are always more expensive. There is also a knowledge barrier even amongst the most aware consumer segment. The Kantar study, conducted post-Covid, reveals that 62% of consumers will wait for a sale or discount days to make any high value purchases. In the case of personal grooming devices, 70% of consumers will wait, 69% for consumer durables, 66% for digital and smart devices like smartphones, and 69% for large furniture.

<https://economictimes.indiatimes.com/industry/cons-products/durables/most-indian-consumers-remain-price-sensitive-while-buying-electronic-products-study/articleshow/89808325.cms>

Robust till Q3, states' capex pace in Q4 crucial to meet hefty FY22 target

Prodded and aided by the Centre, state governments have maintained a healthy pace of capital expenditure so far in the current financial year. Data gathered by FE of 20 big states showed that these states reported a combined capex of Rs 2.74 lakh crore in April-December of FY22, up 52% on year albeit on a low base. A year ago, these states' capex declined 21% on year, as the pandemic hit industrial activities and governments had to scale up revenue spending even amid severe revenue constraints. The capex pace of the states reviewed is impressive even in comparison to level in the same period in FY20, the pre-pandemic year, with a growth of 20%.

<https://www.financialexpress.com/economy/robust-till-q3-states-capex-pace-in-q4-crucial-to-meet-hefty-fy22-target/2443145/>

Agriculture

Centre taking steps to boost oilseeds production; promote millets: Goyal

Food and Consumer Affairs Minister Piyush Goyal on Thursday said nearly 4 lakh hectare area of rice fallow will be used for oilseeds cultivation in 100 districts of 10 states as part of the government's efforts to boost domestic output and reduce imports of edible oils. The minister was addressing a webinar on 'Smart Agriculture: Bringing Back Glory of Millets; Moving Towards Aatmanirbharta in Edible Oil'. Moreover, he said 230 high-yielding districts of oilseeds have been identified. Nearly 20 lakh hectare area will also be brought under intercropping of oilseeds in next 5 years, an official statement quoted Goyal as saying. India imported edible oils worth Rs 1.17 lakh crore during 2020-21 marketing year ended October 2021, according to trade data.

https://www.business-standard.com/article/economy-policy/centre-taking-steps-to-boost-oilseeds-production-promote-millets-goyal-122022401303_1.html

Infrastructure

RERA Central Advisory Committee to meet on April 12

The Ministry of Housing and Urban Affairs (MoHUA) has convened a meeting of the Central Advisory Council (CAC), which is constituted under the chairmanship of the Housing Minister, on April 12. This will be the third meeting of this advisory council since the Real estate (regulation & development) Act, 2016 came into force. The first two meetings of the CAC were held in May 2018 and April 2020. The second CAC meeting which was called due to the emergency situation arising out of the Covid19 pandemic.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/rera-central-advisory-committee-to-meet-on-april-12/articleshow/89808772.cms>

Huge market available for surety bonds in India: NHA member Manoj Kumar

National Highways Authority of India (NHA) member Manoj Kumar on Thursday said a huge market is available for surety bonds in the country and now, the onus is on the insurance fraternity to come out with products quickly. Addressing an event organised by industry body Assocham, Kumar further said the NHA is working to expand the construction market because "as a country, we had a certain level of construction capability in a strategic manner by having contracts of various sizes". "A huge market is available for surety bonds in-country and now the onus is on the insurance fraternity to come out with products quickly. We have already initiated at authority level discussions with the insurance agencies and companies," he said. The member (project) noted that it is important for the industry to come out with the right kind of insurance products.

https://www.business-standard.com/article/economy-policy/huge-market-available-for-surety-bonds-in-india-nhai-member-manoj-kumar-122022401032_1.html

Telecom

DoT asks Trai to speed up 5G pricing views, says PMO wants initial launch by August 15

The Department of Telecommunications (DoT) has asked the telecom regulator to speed up its recommendations on pricing of 5G spectrum, possibly before March, nudged by the wishes of the Prime Minister's Office (PMO) for an 'initial launch' of the next generation services by August 15 in the country. "...PMO has requested DoT to work towards the initial launch of 5G by 15th August, 2022, and also explore the possibility of obtaining requisite recommendations from Trai before March – 22," DoT has said in a letter to the Telecom Regulatory Authority of

India (Trai) dated February 22. "In view of the above, Trai is requested to expedite the matter and provide the recommendations at the earliest."

https://economictimes.indiatimes.com/industry/telecom/telecom-news/dot-asks-trai-to-speed-up-5g-pricing-views-says-pmo-wants-initial-launch-by-august-15/articleshow/89807270.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Energy

Coal India considers private sector to run discontinued mines

India is considering partnering with private companies to operate mines which have been previously shut or production discontinued by state-run Coal India Ltd, the federal coal ministry said in a statement on Thursday. Coal India, which accounts for over 80% of India's output, was looking to offer more than 100 such mines to the private sector on a revenue sharing basis in "due course of time," the coal ministry said. The ministry said it had held a consultation meeting, which it said attracted "huge participation" from companies including Essel Mining, Adani Enterprises, Tata Power, JSW and Jindal Steel.

https://www.business-standard.com/article/companies/coal-india-considers-private-sector-to-run-discontinued-mines-122022401400_1.html

Government takes note of oil situation, assessing options of tax cut

The government is taking note of the current oil situation in the country even as global crude oil surged past the \$100 mark after almost eight years after Russia launched military operations in Ukraine.. The Prime Minister's Office is believed to have conveyed to the finance ministry to assess current excise levels, CNBC TV18 reported. The finance ministry is assessing the extent to which it can absorb the excise hit.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/government-takes-note-of-oil-situation-assesses-options-of-tax-cut/articleshow/89797579.cms>

Prolonged Ukraine crisis, high crude prices may push India's import bill up by 15 per cent: Experts

It is a crude shock with many implications for the world and India. The surge in Brent oil to USD 105 a barrel for the first time since 2014 driven by the escalation of the Ukraine crisis has triggered fears of a disruption to the region's critical energy exports with consequences for India. The threat of sanctions forcing Russia to supply less crude or natural gas would have substantial implications on oil prices and the global economy. According to Hetal Gandhi, director, CRISIL Research, the conflict between Russia, second-largest exporter of crude oil with 12 per cent market share, and Ukraine has expectedly raised already-elevated crude oil prices to 8-year high and prices could stay over \$100 per barrel in the near to medium term unless the OPEC decides to increase output materially

<https://economictimes.indiatimes.com/industry/energy/oil-gas/prolonged-ukraine-crisis-high-crude-prices-may-push-indias-import-bill-up-by-15-per-cent-experts/articleshow/89806921.cms>

States

J&K administration sets target to harness hydropower potential to make UT power surplus in 5 yrs

The Jammu and Kashmir administration has set a target to harness the region's hydropower potential to make the Union territory power surplus in next five years. "In order to achieve this target, the administration has taken several path breaking reforms in the power sector which will change the dynamics of the power sector here," an official spokesman said here. He added that among the priorities in this regard was tapping the 20,000-megawatt (MW) power potential of the region.

<https://www.financialexpress.com/economy/jk-administration-sets-target-to-harness-hydropower-potential-to-make-ut-power-surplus-in-5-yrs/2443799/>

External

Russia-Ukraine crisis to impact India's trade in that region as movement affected: Exporters

The Russia-Ukraine military conflict may have an implication on the country's trade in that region as it would affect the movement of consignments, payments and oil prices, according to exporters. The Federation of Indian Export Organisations (FIEO) said they have asked exporters to hold their consignments to the region or goods that take the Black Sea route. To Russia, Ukraine and other eastern European countries, goods move from the Suez Canal and the Black Sea, FIEO Director-General Ajay Sahai said. He added that the quantity of impact on trade will depend on the duration of the war. "This is a major setback to trade as it was recovering from the COVID-19 pandemic. Exporters are cautious in dealing with their trade in that region. The war will affect both movement of goods, payments and oil prices," Sahai said. Mumbai-based exporter Sharad Kumar Saraf said the current crisis will affect the country's exports as the West is imposing sanctions on Russia.

<https://www.financialexpress.com/economy/russia-ukraine-crisis-to-have-impact-on-trade-exporters/2443850/>

Sanctions on Russia: Exporters to urge govt to weigh alternative payment modes

Amid growing fears of mounting western sanctions on Russia in the wake of the Ukraine crisis, jittery Indian exporters are planning to approach the government to put in place a mechanism to ensure their payments are not stuck even if more sanctions are imposed on Moscow. The mechanism can be modelled on the rupee-rial architecture that was used to clear payments to domestic firms when the US had slapped sanctions on Iran, sources at two state-backed export promotion councils told FE. Since India has a trade deficit with Russia, in certain cases, a barter system can also be activated easily, he added.

<https://www.financialexpress.com/economy/sanctions-on-russia-exporters-to-urge-govt-to-weigh-alternative-payment-modes/2443170/>

Russia, Ukraine crisis might give India opportunity to export more wheat

The Russia-Ukraine crisis might give India an opportunity to export more wheat in the global markets and domestic exporters should tap this opportunity, sources said on Thursday. India's central pool stood at 24.2 million tonnes, twice more than the buffer and strategic needs, they said. More than a quarter of the world's wheat export comes from Russia and Ukraine. Russia is the world's largest exporter of wheat, accounting for more than 18 per cent of international exports. In 2019, Russia and Ukraine together exported more than a quarter (25.4 per cent) of the world's wheat. Egypt, Turkey and Bangladesh bought more than half of Russia's wheat, they said.

https://www.business-standard.com/article/economy-policy/russia-ukraine-crisis-might-give-india-opportunity-to-export-more-wheat-122022401262_1.html

India's tea exports likely to be hit due to Russia-Ukraine crisis

Tea planters and exporters are "extremely worried" over the possible impact on their shipments to Russia, India's second largest buyer of tea, in the wake of the Russia-Ukraine crisis. Western sanctions and disruption of payments in dollars as well as transshipments to Russia are expected as a fall-out of Russian troops launching an attack on Ukraine on. "The Russian market for Indian tea is extremely important as there are payment issues for shipments to Iran, another vital tea export destination. Around 18 per cent of India's tea shipments go to Russia," India Tea Association chairperson Nayantara Palchoudhuri told PTI.

https://www.business-standard.com/article/economy-policy/india-s-tea-exports-likely-to-be-hit-due-to-russia-ukraine-crisis-122022401237_1.html

DGFT changes import status of flat panel displays, camera modules to 'Free'

The Directorate General of Foreign Trade (DGFT) on Thursday has changed the status for the import of specific components such as flat panel displays and camera modules to 'Free' from 'Restricted' with immediate effect, a roll back which will bring relief to smartphone makers who had feared large scale disruption to local manufacturing. A DGFT notification dated February 9, and effective immediately, had said that the status of specific components, which were previously classified as 'Free', has been changed to 'Restricted'. This had meant that shipments of key components such as flat panel displays and camera modules for smartphones were held up by customs since February 9. Industry executives had warned that handset factories will have to suspend production in the next couple of days if they aren't cleared.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgft-changes-import-status-of-flat-panel-displays-camera-modules-to-free/articleshow/89807778.cms>

Free Trade Agreement: India to finalise terms of FTA with Gulf Cooperation Council soon; talks with Canada in March

Close on the heels of its free trade agreement (FTA) with the UAE, India has expedited the pace of talks with several partners, including other members of the Gulf Cooperation Council (GCC), Australia, the UK and Canada, to firm up a raft of “fair and balanced” trade deals and enable domestic exporters to take advantage of a rebound in global growth. Official sources told FE that the country will likely get into a pact with the GCC nations in the next fiscal. Both the sides will finalise the terms of reference (ToR) in March. The comprehensive economic partnership agreement (CEPA) with the UAE will serve as a template for the fast conclusion of this deal. In fact, some of these nations want to sign a pact at the earliest. Interestingly, the GCC group had dithered on whether to seal an FTA with India a decade ago. It comprises Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE.

<https://www.financialexpress.com/economy/free-trade-agreement-india-to-finalise-terms-of-fta-with-gulf-cooperation-council-soon-talks-with-canada-in-march/2443146/>