

Daily Economic News Summary: 11 March 2020

1. Coronavirus update: India temporarily closes door on nationals of France, Germany & Spain

Source: Livemint ([Link](#))

Amid the rising cases of coronavirus affliction globally, India on 10 March barred entry of the nationals of three more countries -- France, Germany and Spain -- suspending the regular as well as e-Visas granted to them till date. "All regular (sticker) Visas/e-Visas granted to nationals of France, Germany and Spain and issued on or before March 11 and who have not yet entered India stand suspended with immediate effect," said a Bureau of Immigration notification issued late 10 March night. Regular visas, including e visas, granted to all foreign nationals who have travel history to these countries on or after February 1 and who have not yet entered India also stands suspended, it said.

2. Govt may halve dividend income tax rate for big local investors

Source: The Economic Times ([Link](#))

The government may consider effectively halving the tax rate on dividend income for individuals in the highest tax bracket, two people familiar with the development said, likely boosting stocks that are facing a rout globally. The government is looking to tweak the current regulations to bring down the tax on dividends to about 20% from up to 43% for Indian individual investors. The government may offer the concession by offering a flat 20% tax on dividend income. Foreign companies, on the other hand, would have to pay anywhere around 5% to 15% tax on dividends depending on the tax treaty that India has with the country from where the investment is routed.

3. India calls US move on duty probe relaxation unfair

Source: The Economic Times ([Link](#))

India has termed as "unilateral action" a recent move by the United States to terminate an exemption given to developing countries from countervailing duty (CVD) investigations. Separately, it also criticised another US decision to unilaterally remove India and Turkey from a list of developing countries that are exempt from safeguard duty on crystalline silicon

photovoltaic cells and large residential washers, last year. India said such actions “fuel our apprehensions that the real purpose...is to ultimately terminate Special and Differential Treatment (S&DT) at the World Trade Organization altogether”.

4. Qatar temporarily bans entry of people from India, 13 other countries

Source: The Economic Times ([Link](#))

Qatar has temporarily banned entry of people coming from India and 13 other countries in the wake of coronavirus outbreak. The temporary ban will also be applicable on people coming from Bangladesh, China, Egypt, Iran, Iraq, Lebanon, Nepal, Pakistan, Philippines, South Korea, Sri Lanka, Syria and Thailand. "This decision comes as a preventive measure due to the spread of coronavirus (COVID-19) worldwide," Qatar government said in a statement dated March 8. According to the statement, the temporary suspension of entry would affect all individuals intending to enter from these countries, including visas upon arrival, those with residence or work permit, and temporary visitors.

5. Coronavirus: People from these 2 countries will need certificate to enter India

Source: Livemint ([Link](#))

In addition to visa restrictions already in place, people travelling from or having visited Italy and South Korea will now have to mandatorily submit certificate of having tested negative for COVID-19 from laboratories authorised by the health authorities of their countries. This measure came into effect from 0000 hrs of March 10 and is a temporary measure till cases of novel coronavirus subside, according to a health ministry advisory. According to media reports, 45 Indians are stuck at Rome airport with Emirates airline not letting them board, saying they won't be allowed to deboard in India. "In addition to visa restrictions already in place, passengers travelling from/having visited Italy or Republic of Korea and desirous of entering India will need certificate of having tested negative for COVID-19 from the designated laboratories authorized by the health authorities of these countries," according to the health ministry advisory issued on 19 March.

6. Cab Rides May Get Cheaper in Mumbai as Maha Govt Moves to Fix Upper Cap for Ola, Uber Fares

Source: News 18 ([Link](#))

In a significant development, the Maharashtra government on 9 March decided to set the upper cap for the fares of app-based cabs of aggregators by approving the report of the Khatua Committee. A Government Resolution (GR) stated that aggregators can surge their fare up to three times of the base fare of the black and yellow taxis, which is Rs 14.85 per km at present. In its report, the Khatua panel had recommended to fix the base fare between Rs 14 and Rs 16 per km for three categories of aggregator cabs regular, mid-sized and premium, whereas the upper cap for surge pricing recommended for them is Rs 26, Rs 32, and Rs 38 per km, respectively. The government has also accepted the new fare revision formulae recommended by the committee for the revision of fares of the black and yellow taxis and auto rickshaws. Maharashtra has nearly 75,000 black and yellow cabs and over 10 lakh auto rickshaws.

7. Despite Rs 2k losses, Swiggy serving more millennials than rival Zomato

Source: Financial Express ([Link](#))

Millennials may be swiggying more every time hunger pangs strike them. According to data sourced from market research firm Kalagato, Swiggy delivered 45-49 million orders during December 2019 while rival Zomato trailed with 32-36 million orders. Swiggy and Zomato that have considerable financial muscle are locked in a fierce competition for a bigger pie of the online food delivery market. Losses for Swiggy jumped to over Rs 2,000 crore in the year to March 2019 from Rs 385 crore in FY18, whereas Zomato's losses increased to Rs 570.52 crore in FY19 from about Rs 79 crore in FY18.

8. FM Nirmala Sitharaman to meet heads of merging banks on Thursday

Source: Financial Express ([Link](#))

Finance Minister Nirmala Sitharaman will hold meeting with chief executives of amalgamating banks on 12 March to review preparedness for the merger beginning April 1. Earlier this month, the Union Cabinet headed by Prime Minister Narendra Modi approved consolidation of 10 state-owned banks into four. According to sources, the finance minister will review planning and preparedness of merging banks on March 12. Agenda of the high-profile meeting includes readiness of anchor banks to minimise disruption to customers and ensuring credit flow to productive sectors of the economy, sources said.

9. India 2019 thermal coal imports rise 12.6% to nearly 200 million tonnes: government
Source: Money Control ([Link](#))

India's thermal coal imports rose 12.6 percent to nearly 200 million tonnes in 2019, government data reviewed by Reuters showed, reflecting the second straight year of growth in shipments of the fuel despite attempts by the government to cut imports. Coal is among the top five commodities imported by India, the world's largest consumer, importer and producer of the fuel. Imports of thermal coal - mainly used for power generation - jumped 12.6 percent to 197.84 million tonnes in 2019. However, imports of coking coal - used mainly in the manufacturing of steel - fell marginally, following two straight years of increase, government data showed.

10. Mukesh Ambani lost Asia wealth crown to Jack Ma in \$5.8-billion rout
Source: Business Standard ([Link](#))

Indian energy tycoon Mukesh Ambani is no longer Asia's richest man, relinquishing the title to Jack Ma after oil prices collapsed along with global stocks. The rout, exacerbated by mounting fears that the spread of the novel coronavirus will thrust the world into a recession, erased \$5.8 billion from Ambani's net worth on 9 March and pushed him to No. 2 on the list of Asia's richest people, according to the Bloomberg Billionaires Index. Ma, the Alibaba Group Holding founder, who ceded the No. 1 ranking in mid-2018, is back on top with a \$44.5 billion fortune, about \$2.6 billion more than Ambani. Oil plunged the most in 29 years on 9 March as Saudi Arabia and Russia vowed to pump more in a struggle for market share. The slump comes just as the coronavirus is spurring the first decline in demand in more than a decade.