

Daily News Monitor: 11 June 2020

1. Govt restricts export of swabs, probes, primers specific for Covid-19 testing

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

The government on 10 June restricted the exports of Swabs sterile synthetic fibre swabs (Nylon, Polyester, Rayon, or Dacron), probes and primers specific for Covid-19 testing, along with nine others. It also retained the restrictions on the export of specific diagnostic kits, reagents, and instruments such as swabs sterile synthetic fibre, silicon columns and magnetic stand, amid the Covid-19 pandemic. On April 4, the Directorate General of Foreign Trade (DGFT) had put restrictions on exports of all diagnostic kits and reagents to deal with the coronavirus crisis as these products are crucial for testing of patients.

2. Migrants to receive covid care via Ayushman Bharat scheme

Source: Livemint ([Link](#))

The government is preparing a list of migrant workers from across states to offer health insurance benefits under the flagship Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) amid the coronavirus crisis. The National Health Authority (NHA), the implementing agency, said on 10 June that it was coordinating with state governments to identify eligible beneficiaries, and is setting up a process to issue AB-PMJAY e-cards to migrants at the earliest. The move is aimed at ensuring health cover to the under-privileged during the pandemic. At present the cashless scheme provides health cover of as much as ₹5 lakh per family a year for secondary and tertiary care hospitalization to over 107.4 million poor and vulnerable families, or about 530 million individuals.

3. Coal India Limited set for marketing drive to create demand

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

State-run miner Coal India (CIL), which is primarily focused on supplying coal to the power sector, is now reorienting its marketing to create demand amid concerns over fall in despatches. The company is primarily tapping domestic coal based power plants and non power consumers which import coal. CIL so long didn't have to think of demand and meeting the power sector's requirement was a challenge till recently. Even when the non power sector was starved of coal and had to lift the fuel, paying high premium above notified prices through e-auctions, CIL gave priority to the power sector for supplies. However, with the power sector piling up with 50 million tonne of stocks sufficient for 29 days of consumption,

the mining behemoth will now have to focus on marketing and look into the factors that create demand.

4. Bharatmala project may be delayed by 4 years: Icra

Source: Livemint ([Link](#))

The Narendra Modi government's ambitious highway development scheme, Bharatmala Pariyojana, is likely to be delayed by four years. The project may be completed by FY2026 instead of the earlier envisaged FY2022, credit ratings agency Icra said. In fact, fewer road projects are likely to be awarded in 2020 than in the previous years, the report said. Till February 2020, a total of 246 road projects with an aggregate length of about 10,100 km were awarded under Bharatmala Pariyojana Phase -I at a total cost of ₹2,38,413 crore. The average cost of award stood at ₹23.80 crore per km which is 54% higher than initial estimated cost of Rs15.52 crore per km. The land acquisition cost for NHAI increased at a CAGR of 27% from FY 2007 to FY 2019 from ₹0.21 crore per hectare to around ₹4 crore per hectare. This along with prudent bidding by developers at a premium when compared to NHAI's base price has resulted in significantly higher awarded cost for BMP Phase-I when compared to initial estimates.

5. S&P Affirms India's Rating, Says Long-Term Outlook Is Stable

Source: BloombergQuint ([Link](#))

S&P Global Ratings retained India's sovereign rating as it expects the nation to outperform its global peers despite a blip this year due to the Covid-19 pandemic. The global ratings agency affirmed the long-term sovereign rating of India at 'BBB-' and short-term foreign and local currency credit ratings at 'A-3', according to its media statement. The outlook on the long-term rating remains stable, it said. "The stable outlook reflects our expectation that India's economy will recover following the containment of the Covid-19 pandemic, and the country will maintain its sound net external position," it said.

6. Garments exports: Vietnam-EU FTA to hurt Indian players

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

Indian garment exporters, already battered by the Covid-19 outbreak, are in for further trouble, as major competitor Vietnam has forged a free trade agreement (FTA) with the EU. Once the pact comes into force, likely in July, Vietnam will get duty-free access to the EU market in garments (apart from dozens of other products), while such supplies from India will continue to be taxed at 9.6%. This will further harden the challenge for India to even hold on to its market share in garment exports, let alone grab the space being gradually vacated by

China. The EU typically accounts for about 30% of India's garment exports. Of course, with the UK out of the EU now, the bloc's share in India's supplies will drop. India's garment exports dropped 4% year-on-year in FY20 to \$15.5 billion.

7. Nitin Gadkari pushes for land acquisition for 'Chambal Expressway'

Source: Money Control ([Link](#))

Union minister Nitin Gadkari said if the BJP government in Madhya Pradesh is able to acquire land for the ambitious project Chambal Expressway in three months, the Centre would quickly start work on it. His announcement came at a time when his party is gearing up for bypolls on 24 assembly seats, most of which are located in the impoverished ChambalGwalior region of the state, where the BJP came to power in March. Twenty-two Congress rebel MLAs, mainly loyalists of former Union minister Jyotiraditya Scindia, had resigned in March, resulting in collapse of the 15-month-old Kamal Nath government.

8. Dutch pension fund APG eyes Tata Power's RE InvIT

Source: Livemint ([Link](#))

In what may rank among the largest clean-energy deals in India, Dutch pension fund manager APG Asset Management NV has evinced interest in acquiring a 51% stake in Tata Power's renewable energy infrastructure investment trust (InvIT), said two people, requesting anonymity. Citibank was given the mandate to find an investor for the InvIT, which will house 3-giagwatt (GW) of renewable energy projects, besides ₹10,000 crore- ₹12,000 crore of debt. InvITs manage income-generating infrastructure assets, typically offering regular yield to investors and a liquid way to invest in infrastructure projects. Others expressing interest in the proposed InvIT include private equity firm Actis Llp, Ontario Municipal Employees' Retirement System (OMERS), Canada Pension Plan investment Board (CPPIB), and Caisse de dépôt et placement du Québec (CDPQ). The development comes amid renewed interests in India' green energy space. Adani Green Energy Ltd had recently bagged a manufacturing-linked solar contract from Solar Energy Corp. of India to develop 8 GW of projects, in a transaction valued at ₹45,000 crore.

9. Covid-19: Modi, Netanyahu discuss expanding cooperation in R&D in vaccines, diagnostics

Source: Livemint ([Link](#))

Prime Minister Narendra Modi on 10 June had a phone conversation with Benjamin Netanyahu, Prime Minister of Israel and they discussed expanding cooperation in R&D in vaccines, therapeutics & diagnostics in the wake of Covid-19. They also reviewed cooperation in areas of health tech, agri innovation, defence and IT. Modi reiterated his warm

congratulations for Netanyahu's recent assumption of office, and expressed confidence that the India-Israel partnership would continue to flourish under PM Netanyahu's leadership and guidance, said Prime Minister's Office. "The leaders discussed the potential areas in which India and Israel could expand their cooperation in the context of the Covid-19 pandemic, including research and development efforts in the fields of vaccines, therapeutics and diagnostics. They agreed to maintain the ongoing exchanges between expert teams of both countries, and also concurred that the fruits of such collaboration should be made available for the wider benefit of humanity," PMO said in a statement.

10. Govt considers infrastructure push, direct cash transfers to boost demand

Source: Business Standard ([Link](#))

With the economy opening up again in the wake of the easing of lockdown curbs in most parts of the country, the Centre is discussing a number of measures to help boost demand. These include an infrastructure push, which may lead to a higher capital expenditure than budgeted for 2020-21, sources told Business Standard. There are also discussions on increasing the scope and quantum of direct cash transfers to the beneficiaries who need it the most, two senior officials said. "With activity picking up, the priority now is pushing demand. There are talks on infrastructure. Any boost there will help create jobs, which we need right now," said one of the officials. "The National Infrastructure Pipeline is already in place, and that will serve as a starting point for our efforts."

11. India not ready to take up RCEP's 'flexible' offer

Source: The Hindu Business Line ([Link](#))

India is not ready to respond any time soon to the offer made by the 15-member Regional Comprehensive Economic Partnership (RCEP) to rejoin the free trade negotiations on much easier terms than before, especially as its industry and farmers are struggling to cope with the Covid-19 crisis, according to officials. "RCEP members such as Japan and Australia have been trying to convince India to return to the negotiating table over the past few weeks. However, New Delhi is clear that this is not the right time to respond with both the domestic and global economy going through an uncertain phase due to the continuing pandemic" an official aware of the developments told BusinessLine. New Delhi made its intention clear that it cannot be rushed into reconsidering its position on RCEP by refusing to allow the regional group to be mentioned during the recent virtual summit between Prime Minister Narendra Modi and his Australian counterpart Scott Morrison.