

Daily News Monitor: 22 June 2020

1. Trade pacts under lens as India seeks to check Chinese imports

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

India is looking to plug loopholes as it seeks to reduce import dependence on China. The routing of Chinese goods to India through their common trade partners, inversion in duty structures and the exploitation of ambiguities in origin rules have all come under the government's scanner, said people with knowledge of the matter. Especially on the radar are the trade arrangements with South Asian countries under the South Asian Free Trade Area (SAFTA), the Asean group, and bilateral pacts with Singapore, Japan, South Korea and Sri Lanka, with a focus to plug gaps that aid imports from China. India suspects China is routing goods through these countries, taking advantage of the trade pacts.

2. Glenmark launches new coronavirus medicine at ₹103 per tablet. 10 things to know

Source: Livemint ([Link](#))

Having received the manufacturing and marketing approval from the Drugs Controller General of India (DCGI), drug firm Glenmark Pharmaceuticals has launched antiviral drug Favipiravir, under the brand name FabiFlu, for the treatment of patients with mild to moderate COVID-19 patients. Price at ₹103 per tablet, the prescription-based drug will be available as a 200 mg tablet at an MRP of ₹3,500 for a strip of 34 tablets. The exercise is to check if these agreements are leading to preferential rates being lower on finished products than the intermediate or raw material.

3. Glenmark Pharma gains 15% on launch of Favipiravir, a potential Covid drug

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

Shares of Glenmark Pharmaceuticals rallied 15 per cent to Rs 470 in the early morning trade on the BSE on 22 June after the company on 20 June said it has launched antiviral drug Favipiravir, under the brand name FabiFlu, for the treatment of patients with mild to moderate Covid-19 at a price of about Rs 103 per tablet. Till 09:17 am, a combined around 116,000 equity shares had changed hands and there were pending buy orders for 8.9 million equity shares on the NSE and BSE, the exchange data shows. This is a positive development for the company with short term benefits from the Indian market besides additional opportunity from export markets based approvals. "The company has received manufacturing and marketing approval from India's drug regulator, making FabiFlu the first oral Favipiravir-approved medication in India for the treatment of COVID-19," Glenmark Pharma said in a statement.

4. India ‘pharmacy of the world’ during COVID-19: Shanghai Cooperation Organisation

Source: Livemint ([Link](#))

India is playing the role as the “pharmacy of the world” during the COVID-19 pandemic with its vast experience and deep knowledge in medicine, setting the tone for many regional and global initiatives, Shanghai Cooperation Organisation Secretary-General Vladimir Norov has said. India has so far supplied medicines to 133 countries in the fight against COVID-19, which shows India's generosity, despite the fact that the country's government has taken urgent measures to prevent and treat the disease on a national scale, Norov told PTI in an interview. This is a worthy and responsible example of the behaviour of a major power, and at the same time demonstrates the complementarity and mutual support of the SCO member states, he said.

5. Rerating candidate! RIL becomes 1st Indian company to hit m-cap of \$150 billion

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

Reliance Industries (RIL) market capitalisation skyrocketed to \$150 billion in intraday trade on June 22, the first Indian company to achieve the feat. The stock, which hit a fresh record high of Rs 1804.10 on the BSE on Monday, has more than doubled investors’ wealth since hitting a low on March 24. The rally seen in RIL was swift and largely backed by the deals which helped the Mukesh Ambani-led company become debt-free company well ahead of its target of March 2021. The cumulative investment resulting from 11 deals struck by Reliance Industries for its digital unit, Jio Platforms, over the past nine weeks amounts to Rs 115,693.95 crore.

6. Importing these items from China may get difficult; govt mulls stricter curbs amid India-China faceoff

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

Amid tension on the borders with China, India is considering hardening a crackdown on sub-standard and “non-essential” imports across several segments, ranging from chemicals, pharmaceuticals and electrical machinery to furniture, toys and steel, sources told FE. While the government is unlikely to impose China-specific barriers, any such move will likely hit Beijing the most, as the neighbour is the biggest source of sub-standard supplies to India. The curbs could be in the form of both tariff and non-tariff measures. The government is considering a proposal to raise the import duties on dozens of products, where domestic supplies can be ramped up easily and where the inflows of sub-standard products from countries like China are substantial, one of the sources said. India’s trade deficit with China in the first 11 months of FY20 stood at a massive \$47 billion.

7. Pension fund FDI cap proposed at 49%

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

A comprehensive framework for foreign investments in the pension sector may soon be a reality, with the Department of Financial Services (DFS) coming out with draft rules. The draft rules propose that total foreign investment — covering both direct and indirect investments — can go up to 49 per cent in an Indian pension fund and the calculation would be done under regulations to be framed by PFRDA along with the Centre's Consolidated FDI policy. This is the first time the government is directly introducing an FDI limit of 49 per cent in the legislative framework for the pension sector, official sources said. Till date, the PFRDA Act, 2013, stipulated that FDI in pension funds will be capped at 26 per cent or the level specified under the Insurance Act (which now specifies the FDI limit at 49 per cent), whichever is higher.

8. Mukesh Ambani joins club of world's 10 richest

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

The net worth of Mukesh Ambani, chairman of Reliance Industries Ltd., has jumped to \$64.5 billion, making him the only Asian tycoon in the exclusive club of the world's top 10 richest people, according to the Bloomberg Billionaires Index. He overtook Larry Ellison of Oracle Corp. and France's Françoise Bettencourt Meyers, the wealthiest woman, to reach the No. 9 spot. Ambani, who owns 42% of Reliance, has benefited from a flurry of investment into the company's digital unit, Jio Platforms Ltd., that Reliance said has made it net-debt free ahead of a March 2021 target. The shares of the Indian conglomerate have doubled from a low in March, just as other billionaires on the list have been hit by the impact of the coronavirus pandemic.