

Daily News Monitor: 31 March 2021

1. Investment by FIIs in Indian equities hits 2-decade peak

Source: Livemint ([Link](#))

Foreign Institutional Investors (FIIs), the main driver of Indian equities, invested more than ₹2.75 trillion (\$37 billion) in the stock markets in fiscal 2020-21, the highest in the last two decades, as per data from National Securities Depository Ltd. Previously, in fiscal 2009-10, 2010-11 and 2012-13, FII inflows had crossed \$20 billion. Investments zoomed as central banks pumped in trillions of dollars to try and revive coronavirus-hit economies, creating a gush of liquidity. India has been a huge beneficiary of the inflows of foreign institutional money into emerging markets. In the absence of domestic liquidity support, foreign investors have been driving the markets. Benchmark indices in India have surged more than 70% in this fiscal so far. In FY2019-20, FII outflow was just \$90.37 million.

2. Government likely to extend further current foreign trade policy

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

The government is expected to further extend the existing foreign trade policy (FTP), which is scheduled to lapse from April 1 this year, for few more months, an official said. FTP provide guidelines for enhancing exports to push economic growth and create jobs. On March 31, 2020, the government had extended the Foreign Trade Policy 2015-20 for one year till March 31, 2021, amid the coronavirus outbreak and the lockdown. The official said that stakeholder consultation is going on for the new policy and the existing policy could be extended for few more months. In such a policy, the government announces support measures for both goods and services exporters.

3. World Bank raises India growth projection by 4.7 percentage points for FY22

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

The World Bank has scaled up its projection for India's economic growth by 4.7 percentage points to 10.1 per cent for Financial Year 2021-22, citing a strong rebound in private consumption and investment growth. The report, 'South Asia Economic Focus, Spring 2021, South Asia Vaccinates', also forecast the economy to decline by 8.5 per cent in FY 2021, higher than eight per cent projected by India's National Statistical office. Considering the uncertainty in 2021-22, the Bank also gave a range of economic growth for India: 7.5 to 12.5 per cent. "Given the significant uncertainty pertaining to both epidemiological and policy

developments, real GDP growth for FY'22 can range from 7.5 to 12.5 percent, depending on how the ongoing vaccination campaign proceeds, whether new restrictions to mobility are required, and how quickly the world economy recovers," it said.

4. India blocks two bank accounts of China's ByteDance in tax case: Report

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

Indian authorities have blocked bank accounts of ByteDance in the country for alleged tax evasion and the company has asked a court to quash the directive which it fears will hit its operations hard, two sources with direct knowledge told Reuters. ByteDance in January cut its India workforce after New Delhi decided to retain a ban on its popular video app TikTok, first prohibited last year following a border clash between India and China. China has repeatedly criticized India's move and said it suspected it was against WTO rules. ByteDance still has around 1,300 employees in India, most of whom service its overseas operations, including work on activities such as content moderation. In mid-March, two of ByteDance India's bank accounts in Citibank and HSBC were ordered blocked by authorities for alleged evasion of certain taxes in online advertising dealings between the ByteDance unit in India and its parent entity in Singapore, TikTok Pte Ltd, the two sources said.

5. B2B startup Udaan witnesses huge surge in business across Bharat

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

Udaan, India's largest business-to-business e-commerce platform, witnessed a huge surge in business across its food, lifestyle and electronics business in the year 2020. The three categories together accounted for over 1350 sellers from across India, primarily Bharat (tier 2 and tier 3 cities and rural India), registering a sales turnover of more than Rs 1 crore each on the Udaan platform during last year. "With around 65-70 per cent of the country's population residing in Bharat, who are catered to by small kirana and retail shops, it is extremely important that these small retailers are brought into the digital ecosystem to benefit from the e-commerce scale," said Sujeet Kumar, co-founder, Udaan. "This is what Udaan is doing and we call this 'Bharat ka e-commerce'. We are humbled to see the positive impact of our initiatives on small businesses of Bharat, who are growing and expanding their business on Udaan."

6. Govt asks pharma companies to expand clinical trials

Source: Livemint ([Link](#))

Scientists and vaccine developers should apply for complementary clinical trials on infants, children, pregnant women and immunocompromised people, the department of

biotechnology (DBT) said, with the aim of expanding the country's covid-19 vaccination strategy to more population groups. The trials will be funded by the Coalition for Epidemic Preparedness Innovations (CEPI), a global alliance financing and coordinating the development of vaccines against infectious diseases. The DBT is supporting the implementation of the Ind-CEPI Mission, India Centric Epidemic Preparedness through Rapid Vaccine Development. India has already revised the intervals between two doses of Covishield from the existing 4-6 weeks to 4-8 weeks following scientific evidence showing enhanced protection against covid by increasing the interval of the second dose. Other nations are considering doing the same or using a mix of vaccines to increase the use of available stock and speed up mass vaccination. The government has said that clinical trials may provide additional data on dose timing and 'mix and match' strategies.