

Daily Economic News Summary:20 March 2020

1. PM Modi's COVID-19 task force to meet today; direct cash transfer on the cards

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

Prime Minister Narendra Modi on 19 March announced setting up of an Economic Task Force to combat coronavirus impact on the Indian economy. The government is working on a relief package for the coronavirus (COVID-19) pandemic, CNBC-TV18 reported. The COVID-19 Economic Task Force is set to meet at 10.30 am on March 20 to finalise details of the same. The Union Cabinet meet is at 11 am. Among the consideration is a direct cash transfer scheme for the most vulnerable sections of society. For self-employed individuals, the government is considering deferring the repayment of easy monthly installments (EMIs) of loans, according to CNBC-TV18.

2. Implement 'Work from Home' policy to curb spread of virus infections, advises government to companies

Source Firstpost ([Link](#))

The government on 19 March advised companies to implement 'Work from Home' policy for their staff as part of encouraging "social distancing" to curb spreading of coronavirus infections. The corporate affairs ministry has already allowed companies to conduct board meetings through video conference and other audiovisual means till 30 June. It would also come out with a web form for companies/ LLPs to confirm their readiness to deal with the coronavirus threat. This is aimed at collecting details of companies and LLPs that adopt 'Work from Home' policy.

3. Finance Commission sets up panel to review fiscal consolidation road map

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

The Finance Commission has constituted an 8-member panel to review the fiscal consolidation road map of the both state and central governments. The panel will be headed by 15th Finance Commission Chairman N K Singh. The Terms of Reference of the panel include making recommendations on the definition of deficit and debt for the central government, overall states, the general government and public sector enterprises by considering all explicit and measurable

liabilities of the sovereign and by bringing in consistency between the definition of debt (stock) and deficit (flow), the Finance Commission said in a statement on 19 March.

4. Centre prohibits export of all ventilators, surgical masks, raw material

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

The Centre has prohibited export of all ventilators, disposable surgical masks and specific textile raw material for masks and coveralls in a move that could increase the availability of personal protective gear for healthcare professionals in the country fighting the deadly coronavirus. “The export of all ventilators, surgical/disposable (2/3 ply) masks and textile raw material for masks and coverall only falling under the ITCHS Codes specified against each has been prohibited, with immediate effect,” according to the notification issued by the Directorate General of Foreign Trade (DGFT) on 19 March, late evening.

5. 376 Indian students in Italy who tested negative for Covid-19 to be brought back

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

Of the 380 swab samples collected of Indian students stranded in Italy, four have tested positive for novel coronavirus (COVID19) while as many as 376 are negative and can be brought back to India, the Ministry of External Affairs (MEA) has said. Also, Dammu Ravi, Additional Secretary, MEA, confirmed that the first Covid-19 death of an Indian abroad was confirmed in Iran. Officials said that while 201 Indians have been evacuated from Iran including students and pilgrims, 255 others who have been tested positive will not be evacuated. Officials have also said that an Air India - 787 dreamliner with a capacity of 236 seats will be flown to Rome on March 21 for evacuating those stranded Indians who have tested negative.

6. Covid-19: No international commercial flights to enter India from March 22

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

Amid coronavirus pandemic, India on 19 March announced it will not allow any international commercial passenger aircraft to land from March 22 to March 29. The central government said the railways and Civil Aviation Ministry must suspend all concessional travel on trains and flights, except for students, patients and disabled people. “Similarly, all children below 10 should be advised to stay at home and not to venture out,” it added. The Centre has requested states to enforce work from home for private sector employees, except for those working in emergency and essential services.

7. Over \$1-million aid disbursed to Saarc nations amid coronavirus spread: MEA

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

Over \$1 million has already been disbursed out of the \$10 million fund set up by India to enable Saarc (South Asian Association for Regional Cooperation) countries tackle the COVID-19 pandemic, Ministry of External Affairs spokesperson Raveesh Kumar said at a special briefing. The fund was set up 15 March during a video conference of Saarc heads of nations. “The emergency fund is up and running. We’ve received many requests from other Saarc countries in the form of masks, gloves etc. The quantum of assistance requested so far has crossed \$1 million,” Kumar said. Supplies to Bhutan and Maldives have already been dispatched and requests from other Saarc countries are being processed. Kumar stressed that a crisis of such magnitude did not recognise borders and required a coordinated response at regional as well as global levels.

8. 15th FC to monitor coronavirus pandemic situation ahead of second report

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

The Fifteenth Finance Commission (15th FC) will monitor the situation in India in the wake of coronavirus pandemic and also the country’s response to it, as part of its deliberations ahead of the recommendations for 2020-21 (FY21) to 2025-26 (FY26). The Commission’s Chairman N K Singh said on 19 March that some aspects that will need to be examined include health-sector specific needs, the larger impact on the economy of the Centre and states, and disaster relief funds. Also on 15 March, the 15th FC announced it was setting up a committee to review the fiscal consolidation road map of the government. “We will need to watch and monitor the situation. The report for FY21 has been submitted. Going forward for subsequent years, some things need to be examined,” said Singh, adding, “Sector-specific needs while dealing with the health sector will need to be looked at. The larger consequences of the impact on the economy and states will need separate considerations.”

9. India Inc seeks stimulus to tackle coronavirus

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

India Inc has made a strong pitch for a stimulus to deal with the economic crisis triggered by the Covid-19 pandemic. Confederation of Indian Industry (CII) president Vikram Kirloskar told ET that the government should relax the fiscal deficit target and unveil steps such as extending deadlines for recognition of non-performing assets (NPAs) and direct transfers to those in low

income bracket. "This is a good time to increase the fiscal deficit... Government should look at direct payment to people who are not paying income tax, or are in the lower income bracket," Kirloskar said.

10. Coronavirus: Corporate affairs ministry asks businesses to report preparedness

Source: Livemint ([Link](#))

The ministry of corporate affairs has asked businesses to extend work-from-home policy for employees to the maximum extent possible, and sought compliance reports on their readiness to fight COVID-19. Injeti Srinivas, secretary in the ministry, urged businesses to implement preventive measures including videoconferencing, staggered work timings and work from home policies as well as advisories by public health authorities. The compliance report will have to be submitted in a web form to be made available on 23 March. Since companies and limited liability partnerships (LLPs) are major employers, especially in urban areas, their full cooperation is essential in containing the spread, morbidity and mortality due to the disease, Srinivas said in an advisory.

11. Kerala govt announces Rs 20,000 crore package amid coronavirus spread

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

The Kerala government has announced a Rs 20,000-crore financial package for the state to tide over the present crisis being faced by the southern state in the wake of the coronavirus (COVID-19) outbreak. This includes Rs 14,000 crore to clear all arrears pending in various sectors and a Rs 500-crore health package. On 19 March, the state has reported one more positive case, taking the total confirmed COVID-19 cases to 28, of which 25 patients are under treatment, said state Chief Minister Pinarayi Vijayan. "The state is facing a huge crisis and normal life has been affected. This has impacted the economy. The financial package is expected to revive the economy," said Vijayan in Thiruvananthapuram on 19 March after a review meeting with the health minister and other officials. He said the fund has to come from the state government and there won't be any problem in finding the fund.

