



February 18, 2022 – Friday

Key Developments

Govt notifies green hydrogen & ammonia policy; targets 5 million tonnes output by 2030

The Ministry of Power on Thursday notified the green hydrogen and ammonia policy under which the government is offering to set up manufacturing zones for production, connectivity to the ISTS (inter-state transmission system) on priority basis, and free transmission for 25 years if the production facility is commissioned before June 2025. The government has raised its production target by five times from 1 million tonnes (m) to 5 mt by 2030. In October last year, Minister of State for New and Renewable Energy Bhagwanth Khuba had said that India is targeting initially around 1 million tonnes annual green hydrogen production by 2030.

<https://www.thehindubusinessline.com/markets/commodities/govt-notifies-green-hydrogen-ammonia-policy-targets-5-million-tonnes-output-by-2030/article65059464.ece>

Economy

India sees dip in Jan unemployment rate as 6.6 million people moved out of the labour market: CMIE

India witnessed a significant dip in unemployment rate in January as 6.6 million people moved out of the labour market resulting in a dip in unemployment rate and the labour force participation rate last month, the Centre for Monitoring Indian Economy said. Though January witnessed a shift towards better quality jobs, the quantum of employment continues to remain a challenge in February, it said.

<https://economictimes.indiatimes.com/news/economy/indicators/india-sees-dip-in-jan-unemployment-rate-as-6-6-million-people-moved-out-of-the-labour-market-cmie/articleshow/89638507.cms>

E-way bills' generation picks up, indicates spurt in consumption, GST receipts

The number of e-way bills generated for inter-state trade in goods under the goods & services tax (GST) system stood at 23.59 lakh a day in the first 13 days of February, 14% higher than in the first 16 days of the previous month, reflecting a pick-up in commerce after the spread of the Omicron variant of Covid-19 subsided. Generation of e-way bills had declined 4% on month to 22.2 lakh in January, compared with 23.1 lakh in December. E-way bills stood at 3.07 crore in the first 13 days of February.

<https://www.financialexpress.com/economy/e-way-bills-generation-picks-up-indicates-spurt-in-consumption-gst-receipts/2436267/>

Banking and Finance

No switch auctions in February and March 2022: RBI

The Reserve Bank of India (RBI), in consultation with the Government of India, has decided not to conduct the Government Security (G-Sec) switch auctions scheduled to be held in February and March 2022. This decision has been taken as the budgetary provision of switches for the current year has been completed, the central bank said in a statement.

<https://www.thehindubusinessline.com/money-and-banking/no-switch-auctions-in-february-and-march-2022-rbi/article65059771.ece>

Bank loans to industries get momentum after 21 months

Bank loans to industries crossed the Rs 29 lakh crore mark for the first time in 21 months and settled at Rs 29.85 lakh crore at the end of December, with an improvement in consumer and business confidence that laid the pitch for sustained economic revival. Top bankers expect the momentum to continue, with an increase in demand and the government placing its thrust on infrastructure spending and capacity expansion.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-loans-to-industries-gets-momentum-after-21-months/articleshow/89644675.cms>

RBI's new deadline to comply with NPA norms will give respite to NBFCs into MSME lending: Experts

The Reserve Bank of India's decision to defer the implementation of its non-performing assets (NPA) upgradation norms by six months would give some respite to non-banking financial companies (NBFCs) particularly those lending to MSMEs, according to experts. The central bank on Tuesday had extended the deadline for NBFCs to adhere to the new asset classification norms, issued in November last year, from March 31 to September 30, 2021. 2021 was a rough year for NBFCs, primarily because of contained lockdowns that impacted loan collections considerably. This had impacted overall NPA profiles and performance of many budding NBFCs, said Tanesh Gagnani, Executive Director at NBFC Akasa Finance Limited. However, the six-month extension "will help NBFCs in a big way as they now have more time to adhere to the new rule and improve NPA profiles. The pace of economic recovery is expected to pick up in 2022, and for NBFCs, the extended deadline gives them more room to work and improve their MSME portfolio," Gagnani told Financial Express Online.

<https://www.financialexpress.com/industry/sme/msme-fin-rbis-new-deadline-to-comply-with-npa-norms-will-give-respite-to-nbfc-into-msme-lending-experts/2436931/>

Government to sell Kerala-based HLL Lifecare as a whole and not in parts: DIPAM

The Department of Investment and Public Asset Management (DIPAM) has said the Thiruvananthapuram-based HLL Lifecare will be sold as a whole and not in parts. Also, the acquirer may get an opportunity to exit from part of the business. The Government aims to sell its entire stake in HLL Lifecare, which produces the 'Moods' brand of condoms and other contraceptives.

<https://www.thehindubusinessline.com/economy/policy/government-to-sell-kerala-based-hll-lifecare-as-a-whole-and-not-in-parts-dipam/article65058674.ece>

Banking sector in pink of health, credit growth to pick up: Ind-Ra

India Ratings & Research (Ind-Ra) expects banking sector credit growth to hit double digits for the first time in eight years supported by demand for loans from companies to support rising capital expenditure. The Fitch arm expects credit growth to clock 10% in 2022-23 for the first time since 2013-14 when it had hit 14%. It has however, reduced its estimate for the current fiscal ending March 2022 to 8.4% from 8.9%.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banking-sector-in-pink-of-health-credit-growth-to-pick-up-ind-ra/articleshow/89640333.cms>

Industry

Indian digital-first brands have \$250 bn opportunity by 2030: Report

Online shoppers in India are seeking new experiences in the age of social and video commerce and this has given digital-first brands a massive \$250 billion market opportunity by 2030, a new report has shown. India's e-tailing gross merchandise value (GMV) reached \$53 billion in 2021, demonstrating post-Covid acceleration. "Additionally, Indian e-tailing showed impressive growth (on-quarter) in 2021 while other global players struggled to maintain the momentum," according to the report by Bengaluru-based market research firm RedSeer. "The current B2C retail landscape is evolving rapidly with the emergence of new consumer behaviours and expectations. The rise of new retail channels, particularly video and social commerce, is further changing the way consumers shop and what they expect from brands, a said Mrigank Gutgutia, Associate Partner, RedSeer.

https://www.business-standard.com/article/companies/indian-digital-first-brands-have-250-bn-opportunity-by-2030-report-122021700365_1.html

Employers' intent to hire freshers rises by 30% for Jan-Jun

There is a 30 per cent spike in the intent to hire freshers in the January-June period of this year, as compared to the previous half year, indicating a significant recovery in economic activity, a report said on Thursday. According to TeamLease EdTech's flagship 'Career Outlook Report', more than 47 per cent of companies have expressed their intent to hire freshers in the in the current half year (January-June 2022), while only 17 per cent companies were keen to increase their fresher pool in the corresponding period last year. "It is heart-warming to see that despite the continued challenges of the pandemic, the inclination of companies to hire freshers continues to be on an upward trajectory. The 30 per cent overall jump in hiring sentiment is a reflection of this growth," Shantanu Rooj, founder and CEO of TeamLease EdTech, said.

<https://economictimes.indiatimes.com/jobs/employers-intent-to-hire-freshers-rises-by-30-for-jan-jun/articleshow/89643163.cms>

Agriculture

Centre to reach out to 1 crore Fasal Bima policy-holder farmers

In an attempt to create more awareness among farmers about the flagship Pradhan Mantri Fasal Bima Yojana (PMFBY), the Centre has decided to launch a massive drive of reaching out to nearly 1 crore enrolled farmers physically and distributing them the policy papers of current rabi season.

The nationwide programme to be launched at a function in Indore, Madhya Pradesh by Union Agriculture Minister Narendra Singh Tomar from February 26, is banking on States' active participation for the success. The Ministry has written to all the 20 participating States where PMFBY is operational to coordinate with insurance companies for the "door to door" delivery programme, an official said.

<https://www.thehindubusinessline.com/economy/agri-business/centre-to-reach-out-to-1-crore-fasal-mima-policy-holder-farmers/article65059450.ece>

Infrastructure

Big progress under PM Gati Shakti National Master Plan! 22 Expressways, 23 key infra projects, 35 MMLPs & more

The Road Transport and Highways Ministry had made significant progress under the Modi government's "PM Gati Shakti National Master Plan", aimed at improving multi-modal connectivity as well as last mile connectivity across India. As part of the PM Gati Shakti NMP, MoRTH plans to develop a total of 22 Greenfield Expressways, 23 other major infrastructure projects and other highway projects and also 35 Multi-Modal Logistics Parks (MMLPs), as part of the Ministry's Bharatmala Pariyojana as well as other schemes. According to the Ministry of Road Transport and Highways, "Gati Shakti" is a digital platform, which will bring 16 ministries, including roadways and railways together, for integrated planning as well as coordinated implementation of infra connectivity projects for industrial cluster and economic nodes.

<https://www.financialexpress.com/infrastructure/big-progress-under-pm-gati-shakti-national-master-plan-22-expressways-23-key-infra-projects-35-mmlps-more/2436694/>

Housing prices up 3-7% in top 8 cities in 2021; new launches up 75%: Report

Housing prices increased in the range of 3-7 per cent last year across eight major cities due to rise in rates of construction raw materials like cement and steel, according to property brokerage firm PropTiger.com. In its report 'Real Insight Residential - Annual Round-up 2021', PropTiger.com, which is owned by Australia's REA group, housing sales increased 13 per cent in 2021, to 2,05,936 units from 1,82,639 units in the previous year. The new launches of housing units rose 75 per cent to 2.14 lakh units in 2021 compared to 1.22 lakh units in the preceding year. "Beyond the numbers which speak for themselves, what is remarkable is the resilience of the real estate market in India. Despite multiple waves of the pandemic, which resulted in multiple lockdowns, the residential real estate market has not only bounced back but is also on the cusp of a cyclical upturn," said Dhruv Agarwala, Group CEO, Housing.com, Makaan.com and PropTiger.com.

https://www.business-standard.com/article/companies/housing-prices-up-3-7-in-top-8-cities-in-2021-new-launches-up-75-report-122021700619_1.html

Telecom

India's mobile subscriber count down by 12.8 mn in Dec 2021: Trai data

The mobile user count in India fell by 12.8 million in December 2021 compared to the previous month, with Reliance Jio and Vodafone Idea suffering subscriber losses, even as Bharti Airtel added customers, Trai data showed on Thursday. Reliance Jio lost about 12.9 million wireless subscribers, and that pulled down its mobile subscriber tally to 415.7 million in December 2021. Vodafone Idea lost 1.61 million mobile subscribers, and its base stood at 265.5 million in December 2021. In contrast, Airtel gained 475,000 customers, ramping up its wireless user base to 355.7 million, as per monthly subscriber data released by Telecom Regulatory Authority of India (TRAI).

https://www.business-standard.com/article/pti-stories/india-s-mobile-subscriber-count-down-by-1-28-crore-in-dec-2021-trai-data-122021700561_1.html

Energy

India bags ten bids for eight oil and gas blocks in latest bid round

As many as four companies, including three state-owned, put in 10 bids for the eight oil and gas blocks on offer in India's latest round of bidding for exploration acreage, according to the Directorate General of Hydrocarbons (DGH). Total six out of the eight blocks on offer got single bids while there were two bidders for the remaining area, DGH said in a summary of bids received on blocks that were offered in the seventh bid round of Open Acreage Licensing Policy (OALP). State-owned Oil and Natural Gas Corporation (ONGC) bid for five out of the eight blocks or areas offered for exploring and producing oil and gas, while Oil India Ltd (OIL) was the only bidder for the two blocks it made an offer for. GAIL was the sole bidder for the lone block on offer from Rajasthan.

https://www.business-standard.com/article/economy-policy/india-bags-ten-bids-for-eight-oil-and-gas-blocks-in-latest-bid-round-122021700626_1.html

As summer approaches, Rajasthan floats tender to procure 1000 MW power

Fearing power outages during the summer, Rajasthan has floated a tender for purchasing 1000 megawatt (MW) round-the-clock power for the short term through a tariff-based competitive bidding process for the March-August 2022 period. The move is to prepare for the peak summer season demand. Rajasthan Urja Vikas Nigam (RUVNL) floated a request for proposal (RFP) inviting bids from interested applicants for procurement of power for the short term through the tariff-based competitive bidding (TBCB) process. RUVNL floated the tender on behalf of the state government discoms of Jaipur, Jodhpur and Ajmer. The last date for submitting bids is February 23, 2022 and the non-financial technical bids will be opened on the same day, a notification said.

<https://www.thehindubusinessline.com/companies/as-summer-approaches-rajasthan-floats-tender-to-procure-1000-mw-power/article65060014.ece>

States

Gujarat eyes global play with new biotech policy

The Gujarat government on Thursday unveiled new Biotechnology Policy offering upto 25 per cent financial support on the capital investments in the sector. The policy looks to create about 1.2 lakh new employment opportunities, while attracting estimated investment of over ₹20,000 crore in the sector. The policy's operative period will be five years starting 2022 till 2027.

<https://www.thehindubusinessline.com/news/gujarat-eyes-global-play-with-new-biotech-policy/article65059892.ece>

External

FinMin extends validity of anti-dumping duty on 'aluminium foil' imports from China

The Finance Ministry has extended the validity of anti-dumping duty on 'aluminium foil' (5.5 micron to 80 micron) imports from China till June 15. This follows the Directorate General of Trade Remedies (DGTR) initiating in September 2021 the sunset review investigation of the anti-dumping duty imposed on "aluminium foil" (5.5 micron to 80 micron) from China.

<https://www.thehindubusinessline.com/economy/finmin-extends-validity-of-anti-dumping-duty-on-aluminium-foil-imports-from-china/article65059080.ece>

Sugar exports jump over three-fold to 31.5 lakh tonnes in Oct-Jan

India's sugar exports in the first four months of the sugar season 2021-22 have jumped 242 per cent on robust demand. Shipments during October-January period stood at 31.5 lakh tonnes as compared to 9.2 lakh tonnes in the same period last year, according to the Indian Sugar Mills Association (ISMA), the apex trade body. Indian exporters have contracted around 50 lakh tonnes of the sweetener for exports, so far. Further, it is reported that over 8 lakh tonnes of sugar is in pipeline to be exported in February 2022.

<https://www.thehindubusinessline.com/economy/agri-business/sugar-exports-jump-over-three-fold-to-315-lakh-tonnes-in-oct-jan/article65058853.ece>

India-UAE free trade pact to favour labour-intensive products, service providers

India hopes to gain greater market access in the UAE for labour-intensive items such as textiles & apparels, gems & jewellery, chemicals & pharmaceuticals and engineering goods as well as higher mobility for its service providers under the India-UAE free trade agreement scheduled to be finalised on Friday. "Import duties will be brought down or eliminated on all items traded between the two countries except a small negative list of products that would be kept out of the pact. Care has been taken to ensure that third country exports are not routed through UAE into India by putting in place adequate rules of origin restrictions," a person tracking the matter told BusinessLine.

<https://www.thehindubusinessline.com/economy/india-uae-free-trade-pact-to-favour-labour-intensive-products-service-providers/article65059279.ece>