



May 04, 2022 – Wednesday

Economy

Govt pegs NREGS persondays work generation at 227.6 crore

The government has pegged its labour budget or persondays work to be generated under the rural employment guarantee scheme at 227.6 crore for 2022-23, lowest since 2018-19, anticipating a significant dip in demand for work under the Mahatma Gandhi National Rural Employment Guarantee Act on the back of higher capex allocation with focus on the labour intensive sectors. The labour budget for 2021-22 stood at 337.76 crore, in 2020-21 at 385.67 crore, in 2019-20 at 277.63 crore and in 2018-19 at 256.56 crore. The labour budget for 2021-22 stood at 337.76 crore, in 2020-21 at 385.67 crore, in 2019-20 at 277.63 crore and in 2018-19 at 256.56 crore.

<https://economictimes.indiatimes.com/jobs/govt-pegs-nregs-persondays-work-generation-at-227-6-crore/articleshow/91294899.cms>

CBDT to taxmen: Complete 30% faceless assessments by end-June

The Central Board of Direct Taxes (CBDT) has asked the faceless assessment units to make provisions for completion of assessments in a systematic and time-bound manner. It also directed tax officials to keep reassessments, penalty proceedings, and refund matters on 'priority' in the first half of the current fiscal year (2022-23). In a recent action plan floated by the apex decision-making body in matters of income-tax (I-T), it said at least 30 per cent of the faceless assessments and penalty proceedings should be disposed of by end-June. The time limit for their completion expires on September 30. Faceless assessment units identify issues, seek information, and analyse material to conduct assessment.

https://www.business-standard.com/article/economy-policy/cbd-t-to-taxmen-complete-30-faceless-assessments-by-end-june-122050400030_1.html

Banking and Finance

India should take caution in introducing CBDC, says NCAER report

India should take a cautious approach towards launching a central bank digital currency (CBDC) as it could be hazardous to institutions, retail-end users, and to the reputation of the central bank, says a paper by the National Council of Applied Economic Research (NCAER). Written by director general Poonam Gupta, it says that while a CBDC would have more penetration, the reach of Unified Payments Interface is widespread. "We argue that many of these arguments for CBDCs have been advanced uncritically. Their proponents fail to acknowledge that some of these goals can be advanced at lower cost and at less risk through alternative means," the report stated.

https://www.business-standard.com/article/economy-policy/india-should-take-caution-in-introducing-cbdc-says-ncaer-report-122050400036_1.html

Domestic MFs take up 71.12% of LIC's anchor book portion

A majority of LIC's anchor investor portion has been subscribed by domestic mutual funds with only a handful of foreign portfolio investors (FPIs) featuring in the list of investors disclosed by the insurance company to stock exchanges. Out of 123 anchor investors, 99 are domestic mutual funds accounting for 71.12 per cent of the anchor

book portion in the company's IPO. "Out of the total allocation of 5,92,96,853 equity shares to anchor investors, as many as 4,21,73,610 equity shares (71.12 per cent) were allocated to 15 domestic mutual funds through 99 schemes," LIC said in a stock exchange filing on Tuesday. A majority of LIC's anchor investor portion has been subscribed by domestic mutual funds with only a handful of foreign portfolio investors (FPIs) featuring in the list of investors disclosed by the insurance company to stock exchanges. Out of 123 anchor investors, 99 are domestic mutual funds accounting for 71.12 per cent of the anchor book portion in the company's IPO.

<https://www.thehindubusinessline.com/markets/lic-ipo-anchor-investors-portion-fully-subscribed/article65377633.ece>

State govts' borrowings to be lower by Rs 50,000 crore in Q1: ICRA

The state government borrowings through the bond market could be lower by Rs 50,000 crore in Q1FY23 at Rs 1.4 trillion, according to rating agency ICRA. During Apr 1-May 2 FY2023, only Andhra Pradesh (Rs 44 billion), Maharashtra (Rs 40 billion), Punjab (Rs 25 billion) and Haryana (Rs 15 billion) raised through State Development Loans (SDL). Together, they borrowed Rs 124 billion, about 82 per cent lower than the Rs 672 billion that as many as 19 states had initially indicated for this period. The government of India released a substantial Rs 8.8 trillion to the states in FY22, compared to Rs 7.4 trillion in the revised estimates for FY22.

https://www.business-standard.com/article/economy-policy/state-govts-borrowings-to-be-lower-by-rs-50-000-crore-in-q1-icra-122050400033_1.html

Industry

Textile Ministry approves three more applicants under PLI scheme

The Textile Ministry has approved the applications of three additional companies under the production-linked incentive (PLI) scheme for textiles, which includes Birla Fashion and Retail Ltd and RSWM Ltd of the Bhilwara Group, taking up the total number of selected applicants to 64. "In the approved 64 applications so far, the proposed total investment is ₹19,798 crore and projected turnover of ₹1,93,926 crore with a proposed employment of 2,45,362," according to a Textile Ministry note.

<https://www.thehindubusinessline.com/economy/textile-ministry-approves-three-more-applicants-under-pli-scheme/article65379012.ece>

AC sales hit record high of 17.5 lakh units in April; to touch 90 lakh in 2022: CEAMA

Driven by the early arrival of summer and intense heat wave, residential air conditioner makers are looking forward to a record sales of around 90 lakh units this year, said Consumer Electronics and Appliances Manufacturers Association on Tuesday. Already, in April the industry has clocked the sale of around 17.5 lakh units, which is also an all-time high for the month. However, the availability of certain products could be an issue in the next couple of months as manufacturers may not be in a position to supply their entire range of models to meet market demand, especially the energy-efficient 5-star range, due to high demand and supply constraints of components such as controllers and compressors, said Eric Braganza, president of CEAMA (Consumer Electronics and Appliances Manufacturers Association).

<https://economictimes.indiatimes.com/industry/cons-products/durables/ac-sales-hit-record-high-of-17-5-lakh-units-in-april-to-touch-90-lakh-in-2022-cema/articleshow/91285531.cms>

Parts supply still the weakest link in India's production chain

Shortage of components due to the Ukraine war and Covid-induced curbs in China are impacting production of automobiles and electronic products in the June quarter, and the tight situation will continue for the entire year, said executives of leading companies. These executives said input costs were at lifetime highs and the consumer should brace for price hikes. According to industry estimates, automobile and electronics companies could not manufacture about 5-10% of their planned output in April, and the impact will be bigger in May-June.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/parts-supply-still-the-weakest-link-in-indias-production-chain/articleshow/91274142.cms>

Akshaya Tritiya gold sales top pre-Covid level by 25-30%

Akshaya Tritiya gold sales surpassed the pre-Covid-19 level by 25-30% to 27.5-28 tonnes this year, according to industry executives, as shops were open for the first time on this occasion after two years. In the pre-Covid 2019, total gold sales of 22 tonnes were recorded on Akshaya Tritiya, a day in the Hindu calendar when it is considered auspicious to buy gold and gold jewellery. The fall in prices to ₹51,340 per 10 grams from last week's high of ₹54,000 per 10 gm added to the footfall, said the executives, as did Tuesday being a public holiday on account of Eid and a number of weddings lined up till July.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/akshaya-tritiya-gold-sales-top-pre-covid-level-by-25-30/articleshow/91294803.cms>

Agriculture

Wheat allocation to be cut, rice to go up for beneficiaries

The government will increase allocation of rice and decrease that of wheat to beneficiaries under its free grains programme as part of efforts to ensure availability of wheat in the domestic market amid a forecast of reduced crop yield this year. Under the Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY), 800 million poor people are entitled to 5 kg free foodgrain every month. According to a letter from the food ministry to the Food Corporation of India, allocation of wheat has been reduced to 7.1 mt from 18.2 million tonnes (MT). Rice allocation has been increased from 21.6MT to 32.7 MT.

<https://economictimes.indiatimes.com/news/economy/agriculture/pmgkay-wheat-allocation-to-be-cut-rice-to-go-up-for-beneficiaries/articleshow/91295065.cms>

After five record crops, heat wave threatens India's wheat output, export plans

India's wheat output looks likely to fall in 2022 after five consecutive years of record harvests, as a sharp, sudden rise in temperatures in mid-March cut crop yields in the world's second-biggest producer of the grain. The drop could curb Indian exports of the staple. Cashing in on a rally in global wheat prices after Russia invaded Ukraine, India exported a record 7.85 million tonnes in the fiscal year to March - up 275% from the previous year.

<https://economictimes.indiatimes.com/news/economy/agriculture/after-five-record-crops-heat-wave-threatens-indias-wheat-output-export-plans/articleshow/91285698.cms>

Punjab to conclude procurement from May 5 as wheat arrivals decline

In the wake of a "drastic decline" in wheat arrivals across Punjab, the Department of Food, Civil Supplies and Consumer Affairs has decided to conclude the procurement of the crop in the mandis across the state. Food, Civil Supplies and Consumer Affairs Minister, Lal Chand Kataruchak on Tuesday said that the closure of mandis in the state shall be done in a phased manner starting from May 5. The notification in this regard would be issued by the Punjab Mandi Board, he said, as per an official statement here. The minister thanked farmers, arhtiyas (commission agents), labourers, transporters and government officials involved in the month-long exercise of procurement of wheat in the state.

<https://economictimes.indiatimes.com/news/economy/agriculture/punjab-to-conclude-procurement-from-may-5-as-wheat-arrivals-decline/articleshow/91288075.cms>

Infrastructure

Govt's Rs 7,000-cr port monetisation drive delayed on security clearance

The government's ambitious asset monetisation drive for ports has gotten off to a rocky start, with the Ministry of Ports, Shipping and Waterways (MoPSW) having been able to award projects worth only 14 per cent of the target amount in 2021-22. The ministry has been able to monetise three projects worth approximately Rs 1000 crore, falling significantly short of the target of Rs 6924 crore from 13 projects for this fiscal year. According to NITI Aayog, the national monetisation pipeline (NMP) for the sector encompasses nine of India's 12 major ports. "All 13 projects have been processed and MoPSW is ready to award them, but the projects are yet to get security clearance. While three projects have been awarded, the remaining ten will be awarded once they're cleared by the concerned ministries," a senior official aware of the matter told Business Standard.

https://www.business-standard.com/article/economy-policy/govt-s-rs-7-000-cr-port-monetisation-drive-delayed-on-security-clearance-122050301110_1.html

Affordable housing finance companies loan book to grow 17-20% in FY23, says study

Affordable housing finance companies' (AHFCs) loan book is likely to expand by 17-20 per cent in the current financial year, supported by the government's higher focus on housing and a favourable tax regime, says a report. As on December 31, 2021, the total loan book of AHFCs stood at Rs 66,221 crore and constituted about 6 per cent of the overall housing finance companies (HFCs) loan book. "We expect the loan books for affordable housing finance companies (AHFCs) to grow by 17-20 per cent in FY2023, driven by factors like largely under-penetrated market, favourable demographic profile, government trust on housing and a favourable regulatory/tax regime that support the growth outlook," rating agency Icra Ratings said in a recent report.

<https://economictimes.indiatimes.com/industry/banking/finance/affordable-housing-finance-companies-loan-book-to-grow-17-20-in-fy23-says-study/articleshow/91289254.cms>

Telecom

Satcom Industry Association urges India to align with Europe, 120 nations on spectrum allocation

Expressing concerns over telecom regulator Trai's recommendations on spectrum auction, satellite communications industry body SIA has written to the government urging it to align the radiowaves allocation policy with Europe and over 120 countries. Satcom Industry Association (SIA), in a letter to Telecom Minister Ashwani Vaishnav, expressed serious concerns on recommendations of the Telecom Regulatory Authority of India (Trai) to include 27.5 to 28.5 GHz and 3.60 to 3.67 GHz bands in the proposed 5G spectrum auction.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/satcom-industry-association-urges-india-to-align-with-europe-120-nations-on-spectrum-allocation/articleshow/91288663.cms>

Energy

India falls 7.6% short of coal supply targets to utilities in April

India fell short of domestic coal supply targets to utilities by 7.6% in April, as output from mines owned by companies for self-use were 33% lower than required and a shortage of trains for delivery further exacerbated a crippling power crisis. India fell short of domestic coal supply targets to utilities by 7.6% in April, as output from mines owned by companies for self-use were 33% lower than required and a shortage of trains for delivery further exacerbated a crippling power crisis.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-falls-7-6-short-of-coal-supply-targets-to-utilities-in-april/articleshow/91285689.cms>

Coal India output rises to record high of 534.7 lakh tonnes in April

Production of coal by Coal India Limited surged to a record high of 534.7 lakh tonnes in April 2022, registering a year-on-year growth of 6.02 per cent, the government data showed on Tuesday. The previous highest ever monthly production by Coal India Limited was recorded in April 2019 having attained a production of 450.29 lakh tonnes. During the month of April 2022, India's total coal production stood at 661.54 lakh tonnes. While Coal India Ltd (CIL) and its subsidiaries produced 534.7 lakh tonnes of coal, production by Singareni Collieries Company Ltd (SCCL) stood at 53.23 lakh tonnes and production from captive mines touched 73.61 lakh tonnes during the month, according to data released by the Ministry of Coal.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/coal-india-output-rises-to-record-high-of-534-7-lakh-tonnes-in-april/articleshow/91285260.cms>

Power ministry tells state, private sector utilities to import 19 MT coal by June-end

India has asked state and private sector utilities to ensure delivery of 19 million tonnes of coal from overseas by end-June, according to a power ministry letter, reflecting an urgency to secure supplies in a pricey market amid increasing blackouts. The move, which marks the first time the world's second-largest coal importer is issuing timelines for imports, can put pressure on the global prices of coal as the utilities rush to avoid a repeat of the electricity crisis in

April. If the timelines are adhered to, the imports by the states and private utilities over the next five months for blending with domestic coal will surpass annual imports by the entities in at least six years.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-sets-end-june-coal-import-targets-as-power-woes-mount/articleshow/91282548.cms>

States can buy surrendered gas-based power from NTPC

The Centre has offered 1,114 Mw of previously surrendered electricity from gas-based stations of NTPC to states. This power generated from Dadri, Kawas, Gandhar, Anta and Auriya power stations of NTPC was surrendered by six states - Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan and Madhya Pradesh. These states had relinquished their share of power from these plants as the power purchase agreements had lapsed. "If any State/UT is interested to avail this power, a request can be made to the Ministry of Power indicating the quantum of power, the name(s) of the Central Generating Stations(s) and the period for which the power is required, so that suitable reallocation can be considered by the Ministry," a letter written on April 28 by the ministry of power to all states said.

<https://economictimes.indiatimes.com/industry/energy/power/states-can-buy-surrendered-gas-based-power-from-ntpc/articleshow/91296010.cms>

Healthcare

Technical group to discuss early administration of precaution dose for those travelling abroad

The NTAGI will discuss on Wednesday whether to allow early administration of the precaution dose of Covid-19 vaccine to those travelling abroad for education, employment, sporting events and business commitments. The advisory panel is also likely to deliberate on reducing the gap between the second dose of the Covid-19 vaccine and the precaution dose from the current nine months to six months for all, official sources told PTI on Monday. "Taking into account the scientific evidence and findings of the studies done here and internationally, some experts are of the view that the gap can be reduced from the current nine months to six months for all," an official source said.

<https://www.thehindubusinessline.com/news/technical-group-to-discuss-early-administration-of-precaution-dose-for-those-travelling-abroad/article65377672.ece>

SII lowers price of each dose of Covovax jab from Rs 900 to Rs 225

A day after its Covid shot Covovax was included on the CoWIN portal for inoculation of children aged 12-17 years at private vaccination centres, the Serum Institute of India (SII) on Tuesday reduced the price of each dose of the vaccine from Rs 900 to Rs 225, excluding taxes. Following recommendation of the National Technical Advisory Group on Immunisation (NTAGI) the provision of the vaccine option was included on the portal on Monday. Following recommendation of the National Technical Advisory Group on Immunisation (NTAGI) the provision of the vaccine option was included on the portal on Monday.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/sii-lowers-each-dose-of-covovax-jab-from-rs-900-to-rs-225-excluding-taxes/articleshow/91290599.cms>

External

India's exports zoom 24.2% in April to record \$38.19 billion, trade deficit widens

Led by petroleum products, electronic goods and chemicals, India's merchandise exports rose 24.22% on-year in April to \$38.19 billion, preliminary data released on Tuesday showed. A higher increase in imports of 26.55% at \$58.26 billion left a wider trade deficit in the first month of FY23. The trade gap was \$20.07 billion against \$15.29 billion in the year-ago period and \$18.51 billion in March 2022. "April exports jump 24.22%, continuing the record-breaking 2021-22 performance, resulting in highest ever exports in April," the commerce and industry ministry said in a statement.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-exports-rise-24-to-38-bn-in-april/articleshow/91285261.cms>

Rice exports slow down as focus shifts to wheat, logistics costs rise

Rice exports have slowed down in the past month as the focus has turned towards wheat shipments that are being given priority, while rising logistics costs and lack of warehouse space have complicated the issue. "The waiting time to load rice at Kandla port is one month. This has slowed rice exports, especially to West Asia and North Africa," said VR Sagar, Director, Bulk Logix. "Ports are giving importance for wheat shipments and ships which call at ports are accorded priority for berthing," said Delhi-based exporter Rajesh Paharia Jain.

<https://www.thehindubusinessline.com/economy/agri-business/rice-exports-slow-down-as-focus-shifts-to-wheat-logistics-costs-rise/article65378888.ece>

TRIPS council to discuss Covid vaccine patents on Friday

The TRIPS Council of the World Trade Organization will on Friday discuss a proposal floated by India, South Africa, the US and the EU to waive patents on Covid-19 vaccines. The proposal, shared in the presence of WTO director-general Ngozi Okonjo-Iweala informally with the members on Tuesday, allows the production and supply of Covid-19 vaccines without the patent holder's consent, and with minimal transaction costs. "It is an open text that requires the inputs of all members. There could be negotiations on it," said a Geneva-based official. "It is an open text that requires the inputs of all members. There could be negotiations on it," said a Geneva-based official.

<https://economictimes.indiatimes.com/news/india/trips-council-to-discuss-covid-vaccine-patents-on-friday/articleshow/91294984.cms>