



March 15, 2023 – Wednesday

## Economy

### WPI inflation eases to 25-month low in Feb as manufacturing prices cool

The wholesale price index (WPI)-based inflation rate fell to a 25 month low of 3.85 per cent in February, pulled down by a higher base and easing of pricing pressure across various goods categories. WPI stood at 4.73 per cent in January 2023, compared to 2.51 per cent in January 2021. It is the fifth consecutive month that factory-gate inflation has seen a single-digit print after remaining in double digits for 18 months. Data released by the ministry of commerce and industry on Tuesday showed that inflation for manufactured items eased to 1.94 per cent in February from 2.99 per cent in January. It was led by softening price pressure in sectors like manufactured food products, leather, wood, paper, chemicals and cement among others. Though, contraction in prices continued in textiles and fats.

[https://www.business-standard.com/article/economy-policy/wpi-inflation-eases-to-25-month-low-in-feb-as-manufacturing-prices-cool-123031400602\\_1.html](https://www.business-standard.com/article/economy-policy/wpi-inflation-eases-to-25-month-low-in-feb-as-manufacturing-prices-cool-123031400602_1.html)

### Govt taking steps to make India \$5 trn economy 'at an early date': FinMin

The government on Tuesday informed the Rajya Sabha that it is taking steps to make India a USD 5 trillion economy earlier than the International Monetary Fund's forecast year of 2026-27. The IMF's World Economic Outlook earlier said the size of the Indian economy will increase from USD 3.2 trillion in 2021-22 to USD 3.5 trillion in 2022-23 and cross USD 5 trillion in 2026-27. "The government has been taking steps to make the country a USD 5 trillion economy at an early date," Minister of State for Finance Pankaj Chaudhary said in a written reply to the Upper House. Observing that the outbreak of the COVID pandemic in 2020 and the Russia-Ukraine conflict in 2022 has impacted the world output, increased inflation in several countries and raised uncertainty in the world economy, he said, "lower uncertainty in the global economic outlook will help India become a USD 5 trillion-dollar economy earlier".

[https://www.business-standard.com/article/economy-policy/govt-taking-steps-to-make-india-5-trn-economy-at-an-early-date-finmin-123031400794\\_1.html](https://www.business-standard.com/article/economy-policy/govt-taking-steps-to-make-india-5-trn-economy-at-an-early-date-finmin-123031400794_1.html)

### Hotter summer likely in 2023; above normal temp in most parts: IMD

A hotter than normal summer is expected in 2023 with temperatures likely to reach 2-3 degree celsius above normal in some parts of Indo-Gangetic plains and eastern India during the last week of March, the India Meteorological Department (IMD) told a high level meeting on Tuesday. At the review meeting, chaired by Cabinet Secretary Rajiv Gauba here, the IMD said above normal maximum temperatures are likely over most parts of northeast, east and central India and some parts of northwest India. Temperatures could be 2-3 degree celsius above normal in some parts of Indo-Gangetic plains and eastern India during last week of March, the IMD informed the meeting convened to review preparedness for the ensuing summer and mitigation measures. The cabinet secretary noted that since a hotter than normal summer is expected, states and union territories need to be adequately prepared to meet the associated challenges, according to an official release.

[https://www.business-standard.com/article/current-affairs/hotter-summer-likely-in-2023-above-normal-temp-in-most-parts-imd-123031401161\\_1.html](https://www.business-standard.com/article/current-affairs/hotter-summer-likely-in-2023-above-normal-temp-in-most-parts-imd-123031401161_1.html)

## Banking and Finance

### **Rupee trade approvals granted in 60 cases to 18 countries: Finmin**

The Reserve Bank of India (RBI) has approved 60 requests to open Special Rupee Vostro Accounts (SRVAs) of correspondent banks from 18 countries, Finance Ministry informed Lok Sabha on Tuesday. These countries include the UK, Singapore, and New Zealand beside others. Last July, RBI allowed invoicing and payments for international trade in Indian Rupee. It put in place the arrangement to promote global trade growth with emphasis on exports from India and to support the increasing interest of the global trading community in Indian rupee (INR). A framework has been put in place by RBI and it is applicable for any partner country seeking to undertake trade with India in INR. <https://www.thehindubusinessline.com/economy/rupee-trade-approvals-granted-in-60-cases-to-18-countries-finmin/article66619118.ece>

### **Not in favour of setting up Fiscal Council, Centre tells Rajya Sabha**

The central government on Tuesday informed the Rajya Sabha said that it is not in favour of setting up a Fiscal Council as was suggested by the different Finance Commissions. The 15th Finance Commission had suggested to the centre to set up an independent Fiscal Council with powers to access records as required from the Union as well as the States. Similar suggestions were made by the 13th and the 14th Finance Commissions. Disagreeing with the suggestion, Minister of State for Finance Pankaj Chaudhary in a written reply in the Upper House said the "institutions such as the Comptroller and Auditor General of India, the National Statistical Commission, the Finance Commission, etc. perform some or all of the roles proposed for the Fiscal Council by different Finance Commissions on Fiscal Responsibility and Budget Management (FRBM)." [https://www.business-standard.com/article/economy-policy/not-in-favour-of-setting-up-fiscal-council-centre-tells-rajya-sabha-123031401049\\_1.html](https://www.business-standard.com/article/economy-policy/not-in-favour-of-setting-up-fiscal-council-centre-tells-rajya-sabha-123031401049_1.html)

### **Despite near record supply, states' borrowing cost dips marginally**

As many as 12 states raised Rs 32,600 crore at the weekly auction of government securities on Tuesday at an average price of 7.68 per cent, down by 2 basis points over last week, making it the second largest auction in the quarter. Aditi Nayar, the chief economist and head of research at Icra Ratings, said the drawdown is a sharp 24 per cent more than indicated in the quarterly borrowing calendar. Additionally, the drawdown is more than double the year-ago level. Yet the weighted average cut-off eased by 2 bps to 7.68 per cent, with the weighted average tenor declining mildly to 15 years from 16. But the spread between the 10-year state bonds and the similar Central government bond yields rose to 34 bps from 30 bps last week. <https://economictimes.indiatimes.com/news/economy/finance/despite-near-record-supply-states-borrowing-cost-dips-marginally/articleshow/98639287.cms>

### **HNIs turning to gold loans to meet emergency requirements**

Non-banking finance companies (NBFCs) that focus on gold loans are witnessing increasing demand for loans from high-net-worth individuals (HNIs) to fulfil emergency fund requirements. HNIs now comprise about 9-12% of such NBFCs' customer base, joining MSMEs and traders among the large takers of gold loans. An increasing gold price is driving this demand. A higher price means a greater amount of credit available to the customer, Muthoot Finance managing director George Alexander Muthoot said. For the Kerala-based NBFC, HNIs account for nearly 12% of its customers. <https://economictimes.indiatimes.com/industry/banking/finance/banking/hnis-turning-to-gold-loans-to-meet-emergency-requirements/articleshow/98638955.cms>

## **Industry**

### **Summer Rush: Consumer companies' production in top gear**

For the first time in 18 months, consumer goods companies are ramping up production - anticipating a pick-up in demand - particularly for 'summer products' due to higher-than-usual temperatures. White goods makers are increasing production and running their cooling product line of air conditioners, refrigerators, coolers and chest freezers at 90-100% capacity compared with 60-70% in January-February. Even fast-moving consumer goods (FMCG) and beer companies are running their assembly lines at full steam. "After a long time, we are running plants at full capacity and there is full utilisation of shifts due to the spike in volume sales since last month," said Godrej Appliances business head Kamal Nandi.

<https://economictimes.indiatimes.com/industry/cons-products/durables/summer-rush-consumer-companies-production-in-top-gear/articleshow/98644125.cms>

#### **Govt clears smartphone PLI incentives worth Rs765 cr**

The government has cleared another tranche of financial incentives to the tune of Rs 765 crore under the production-linked incentive (PLI) scheme for large scale electronics manufacturing, with the bulk being given to Apple's contract manufacturer Wistron. The government will release financial incentives worth Rs601.93 crore to Wistron, followed by Rs149.63 crore for Indian contract manufacturer Padget (Dixon Technologies), according to data provided by industry body India Cellular and Electronics Association (ICEA) Tuesday.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/govt-clears-smartphone-pli-incentives-worth-rs765-cr-wistron-to-get-rs-601-93-cr/articleshow/98639726.cms>

#### **Agriculture**

##### **Too early to speak on impact of high temp on wheat crop: Agriculture Min**

Union Agriculture Minister Narendra Singh Tomar on Tuesday said there has not been any effect seen so far on wheat crop due to high temperatures and it will be too early to say about the likely impact. On whether there has been any adverse impact seen in wheat crop as harvesting has started in some states like Madhya Pradesh, Tomar said, "Weather-related challenges are always there in front of agriculture." Tomar was speaking on the sidelines of an event organised here by Plant Based Food Industry Association (PBFIA).

[https://www.business-standard.com/article/economy-policy/too-early-to-speak-on-impact-of-high-temp-on-wheat-crop-agriculture-min-123031400862\\_1.html](https://www.business-standard.com/article/economy-policy/too-early-to-speak-on-impact-of-high-temp-on-wheat-crop-agriculture-min-123031400862_1.html)

#### **Infrastructure**

##### **National Highway building maintains slight lead above last year levels**

National highway (NH) building till February 2023 has surpassed levels achieved during the same period of fiscal 2021-22 as per the latest data shared by the Ministry of Road Transport and Highways. According to the centre, 8,064 kilometre (km) of NH have been constructed in the fiscal 2022-23 compared with 8,045 km in the comparable months of the previous fiscal. This is the second consecutive month that highway construction was improved, albeit slightly, over the previous year. Construction of NH prior to January 2023 had trailed FY22 in all the previous months of the FY23.

<https://economictimes.indiatimes.com/industry/transportation/roadways/national-highway-building-maintains-slight-lead-above-last-year-levels/articleshow/98636676.cms>

#### **Energy**

##### **Unified tariff structure for gas pipelines to start from April 1**

More than a dozen gas pipelines that form the national gas grid are on track to come under a unified tariff structure from April 1, a top Petroleum and Natural Gas Regulatory Board (PNGRB) official said on Tuesday.

[https://www.business-standard.com/article/economy-policy/unified-tariff-for-gas-pipelines-to-begin-from-april-1-pngrb-member-123031401105\\_1.html](https://www.business-standard.com/article/economy-policy/unified-tariff-for-gas-pipelines-to-begin-from-april-1-pngrb-member-123031401105_1.html)

##### **Use hydropower units optimally at peak hours: Power Ministry**

The power ministry has asked states to operate hydropower plants optimally at peaking hours in April and May to help support demand and maintain grid stability. Power minister RK Singh held a meeting with states last Thursday to assess preparedness to meet electricity demand in the upcoming summer months, people aware of the deliberations said.

<https://economictimes.indiatimes.com/industry/energy/power/use-hydropower-units-optimally-at-peak-hours-power-ministry/articleshow/98640648.cms>

#### **Telecom**

### **Key satellite communication spectrum detail has Trai in a bind**

The Telecom Regulatory Authority of India (Trai) is in a bind while charting out modalities for auctioning airwaves for satellite communication. As per officials aware of the details, the biggest challenge that the regulator is facing is around which unit to use while selling such spectrum. Since satellite spectrum is different from access or mobile spectrum, selling it on a per MHz basis may not be a feasible option. In case, some quantum has to be given on a per MHz basis, specific supporting conditions need to be prescribed. Officials told ET that the regulator has had around three rounds of discussions with the Department of Telecommunications (DoT) on the matter but hasn't found a solution so far. The DoT, on its part, has made it clear that while it wants satcom airwaves to be auctioned, it is the Trai's responsibility to spell out the modalities.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/key-satellite-communication-spectrum-detail-has-trai-in-a-bind/articleshow/98640331.cms>

### **DoT issues advisory to secure consumer IoT services**

To secure the internet of things (IoT) ecosystem end-to-end, the Department of Telecommunications (DoT) has said that there should not be universal default passwords for devices and the associated web services shall use multi-factor authentication. Further, any password reset process shall be possible only after appropriate authenticating of the user. Releasing a broad set of guidelines to machine 2 machine (M2M) and IoT stakeholders for securing consumer IoT, the DoT said many M2M/IoT devices are being sold with universal default usernames and passwords (such as admin) and this has been the source of many security issues in these devices which needs to be eliminated.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/dot-issues-advisory-to-secure-consumer-iot-services/articleshow/98639144.cms>

## **States**

### **J&K got Rs 1,547 cr investment in 2022-23, says MoS Home Nityanand Rai**

A record investment of Rs 1,547 crore has been received by Jammu and Kashmir in the current fiscal till January, Union Minister of State for Home Nityanand Rai said in the Lok Sabha on Tuesday. Rai said the government expects investments to further increase in the next five years in various important sectors like manufacturing, services, healthcare and pharmaceuticals, agro-based industry, and tourism, including film and medical. During 2022-23 till January, a record investment of Rs 1,547.87 crore has been received by the Union Territory and this investment during the current financial year is the highest ever compared to any of the previous financial years, he said replying to a written question. The minister said Jammu and Kashmir had received investment of Rs 376.76 crore in 2021-22, Rs 412.74 crore in 2020-21, Rs 296.64 crore in 2019-20, Rs 590.97 crore in 2018-19 and Rs 840.55 crore in 2017-18.

[https://www.business-standard.com/article/economy-policy/j-k-got-rs-1-547-cr-investment-in-2022-23-says-mos-home-nityanand-rai-123031400887\\_1.html](https://www.business-standard.com/article/economy-policy/j-k-got-rs-1-547-cr-investment-in-2022-23-says-mos-home-nityanand-rai-123031400887_1.html)

## **External**

### **India seen to sail towards record goods exports this FY amid turbulent waters**

India's premier export financing institution expects merchandise exports to hit a record high in this fiscal year ending March 31, even as geopolitical concerns dent the growth run rate of outbound shipments. The Export-Import Bank of India, or India Exim Bank, pegs India's merchandise exports for January-March at \$110.9 billion, leading to record exports of \$447.3 billion for the full year. Non-oil exports are forecast to amount to \$87.7 billion during the same period. "The new diversified markets including those of Brazil, South Africa and Saudi Arabia have led to the increase in exports by up to two times... The ongoing trade negotiations with UK, EU, Canada, Israel etc, will also add further impetus to our exports," A Sakthivel, President, Federation of Indian Export Organisations, had said earlier.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-seen-to-sail-towards-record-goods-exports-this-fy-amid-turbulent-waters/articleshow/98647752.cms>

### **India-European Union trade council's first ministerial meet by June**

India and the European Union (EU) will hold the first ministerial meeting of the Trade and Technology Council (TTC) in the next two months to strengthen cooperation in strategic technologies and building resilient supply chains.

[https://www.business-standard.com/article/economy-policy/india-eu-to-hold-first-meeting-of-trade-and-technology-council-soon-123031401098\\_1.html](https://www.business-standard.com/article/economy-policy/india-eu-to-hold-first-meeting-of-trade-and-technology-council-soon-123031401098_1.html)

#### **India exports wheat worth Rs 11,728 cr during Apr-Jan of this fiscal: Govt**

The country has exported wheat worth Rs 11,728.36 crore during the April-January period of this fiscal year, the government said on Tuesday. In May last year, the government had banned exports of wheat to boost domestic availability and control prices. In a written reply to Lok Sabha, Union Agriculture Minister Narendra Singh Tomar said, "At present, there is no proposal for lifting restriction on export of wheat before the Department of Agriculture and Farmers Welfare". "During the current fiscal year (up to January 2023), Rs 11,728.36 crore worth of wheat has been exported," he added. Although the export was banned, the government had said wheat export will be allowed in case of shipments where the Irrevocable Letter Of Credit (ILOC) has been issued on or before May 13. Tomar said, as per second advance estimates for the agriculture year 2022-23, the wheat production in the country is estimated at 112.18 million tonnes which is higher by 4.44 million tonnes than the production achieved during 2021-22 crop year (July-June).

[https://www.business-standard.com/article/economy-policy/india-exports-wheat-worth-rs-11-728-cr-during-apr-jan-of-this-fiscal-govt-123031401137\\_1.html](https://www.business-standard.com/article/economy-policy/india-exports-wheat-worth-rs-11-728-cr-during-apr-jan-of-this-fiscal-govt-123031401137_1.html)

#### **Export of tyres expected to rise by 15% in FY23, says ATMA Chairman**

Export of tyres from India is expected to rise by 15 per cent in the ongoing fiscal, Automotive Tyre Manufacturers' Association Chairman Satish Sharma said on Tuesday. Fast integration with global supply chains helped by the globally aligned regulatory environment in the country has led to an increase in the addressable market for Indian manufactured tyres, he said. "Tyre exports from India went up by 50 per cent last year and we are likely to close the ongoing financial year with nearly 15 per cent growth," Automotive Tyre Manufacturers' Association (ATMA) said in a statement quoting Sharma. He was speaking at the ATMA Partners' Summit 2023. ATMA, citing Ministry of Commerce data, said tyre exports from India during the April-December period of FY23 went up by 15 per cent at Rs 17,816 crore as against Rs 15,507 crore in the year-ago period.

[https://www.business-standard.com/article/economy-policy/export-of-tyres-expected-to-rise-by-15-in-fy23-says-atma-chairman-123031400892\\_1.html](https://www.business-standard.com/article/economy-policy/export-of-tyres-expected-to-rise-by-15-in-fy23-says-atma-chairman-123031400892_1.html)