



May 10, 2022 – Tuesday

## Economy

### India Business Confidence Improves: FICCI Survey

FICCI's latest Business Confidence Survey reports an improvement in the confidence level of India Inc. Overall Business Confidence Index stood at 67.6 in the current round compared to 63.9 previously. The survey finds an improvement in both current conditions and the expectations of Indian companies in its latest round. The Current Condition Index improved to 66.1 from 62.6 in the last survey, while the Expectations Index improved to 68.4 from 64.5. The findings reflect improved confidence amongst industry members in the near term on some operational parameters, including sales and investments. As reflected in the latest survey results, the demand situation is progressively witnessing an improvement. The geopolitical stress is causing considerable uncertainty. The Russia Ukraine conflict impacts already high global commodity prices and has raised fresh concerns regarding global recovery.

[https://www.business-standard.com/article/news-cm/india-business-confidence-improves-ficci-survey-122050900418\\_1.html](https://www.business-standard.com/article/news-cm/india-business-confidence-improves-ficci-survey-122050900418_1.html)

### GST Council mulling 28% tax on Bitcoin, other cryptocurrencies

In what could further dampen the mood of crypto investors in the country, the goods and services tax (GST) council is mulling a 28 per cent tax on cryptocurrencies, at par with the current GST on casinos, betting and lottery, multiple media reports claimed on Monday. The services such as crypto mining along with sales and purchases are likely to attract the 28 per cent GST if the proposal goes through in the next GST meeting, according to reports. The date of the next GST meeting is yet to be finalised. The Ministry of Finance has already imposed a 30 per cent tax on profits made from the transfer of crypto assets and non-fungible tokens (NFTs).

<https://economictimes.indiatimes.com/news/economy/policy/gst-council-mulling-28-tax-on-bitcoin-other-cryptocurrencies/articleshow/91447695.cms>

### From dairy to motor fuel, how rising prices of essentials may push inflation up to 7.5% in April

From cooking fuel to motor fuel, and from edible oils to dairy products, the length and breadth of everyday essential products are witnessing an increase in prices. This uptick could further aggravate inflation readings for the month of April, according to Barclays. CPI (Consumer Price Index) inflation is expected to breach Reserve Bank of India's upper tolerance limit for the fourth straight month and inflate to 7.5 per cent or upwards, Barclays added. The government is expected to release CPI inflation readings for April this week. Apart from higher inflation in food and fuel basket (ie, of items such as meat, fruit, cooking oil, motor and cooking fuels), core inflation may also rise further, continuing its trend observed over the past few months, Barclays said in a note last week. "We expect the persistence of inflation at elevated levels to prompt the monetary policy committee to undertake another 50 basis points hike in repo rate in June," it added. Barclays expects food inflation to rise to 7.8% per cent in April, the highest print in 17 months.

<https://www.financialexpress.com/economy/from-dairy-to-motor-fuel-how-rising-prices-of-essentials-may-push-inflation-up-to-7-5-in-april/2517409/>

### Monetary policy must respond nimbly to second inflation round: IMF official

Shanaka Jayanath (Jay) Peiris, the lead author of the International Monetary Fund's (IMF) Asia and Pacific Outlook which came out last month, was in Delhi recently. He told Indivjal Dhasmana that while the Federal Reserve's decision to raise key benchmark rate by 50 basis points was largely anticipated, any large movements in global equity markets from a sharper-than-expected tightening in the advanced economies would have implications for equity outflows from India.

[https://www.business-standard.com/article/economy-policy/imf-asia-and-pacific-outlook-monetary-policy-must-respond-nimble-to-second-inflation-round-jay-pereis-122050900452\\_1.html](https://www.business-standard.com/article/economy-policy/imf-asia-and-pacific-outlook-monetary-policy-must-respond-nimble-to-second-inflation-round-jay-pereis-122050900452_1.html)

#### **Hiring demand up 15% in April with recovery in retail sector: Report**

Improving business sentiment has boosted the overall hiring demand which witnessed a 15 per cent year-on-year growth in April, led by banking, financial services and insurance sector as well as recovery in the retail sector, a report said on Monday. India has registered an overall growth of 15 per cent year-on-year and 4 per cent month-on-month in hiring demand as a result of increased positive business sentiment, said the Monster Employment Index (MEI)— a monthly analysis of online job posting activity carried out by Monster India. After a prolonged setback induced by the humanitarian crisis, sectors such as production and manufacturing, travel and tourism, import and export, have also shown marked improvement with the first double-digit annual growth in two years, reports MEI. Retail sector showed remarkable recovery with double-digit growth, a first since the COVID-19 pandemic started receding, the report noted.

[https://www.business-standard.com/article/markets/hiring-demand-up-15-in-april-with-recovery-in-retail-sector-report-122050900869\\_1.html](https://www.business-standard.com/article/markets/hiring-demand-up-15-in-april-with-recovery-in-retail-sector-report-122050900869_1.html)

#### **Banking and Finance**

#### **MPs cannot use interest on MPLADS funds for development works; Centre revises norms**

Parliamentarians cannot utilise interest accrued on MPLADS funds for development works with the Centre revising the norms for utilisation of money under various central sector schemes. According to the revised procedure for flow of funds under the CSS, including MPLADS, of the Finance Ministry, all interest earnings should be compulsorily remitted to the Consolidated Fund of India. The revised procedures have been intimated to MPs by Lok Sabha and Rajya Sabha secretariats.

<https://economictimes.indiatimes.com/news/india/mps-cannot-use-interest-on-mplads-funds-for-development-works-centre-revises-norms/articleshow/91450547.cms>

#### **Impact NBFCs lending to MSMEs, others facing credit crunch; need nearly Rs 3 lakh cr to sustain growth: Study**

Despite driving financial inclusion at the bottom of the pyramid (BOP) focusing on MSMEs loans, auto loans, and others, small and medium non-MFI NBFCs in the impact sector are facing credit and scalability challenges, according to a new study released on Monday. Based on an analysis of 100 impact NBFCs and a survey among 25 of them, the study State of Impact NBFCs 2021 said Rs 58,000 crores equity capital and Rs 2,32,000 crores in debt-capital in five years would be required to sustain NBFCs' growth. Less than 10 per cent of such impact NBFCs have been able to achieve credible scale in the past five years owing to challenges in raising equity and debt capital, the joint study by debt platform Northern Arc, Impact Investors Council (IIC), and knowledge partner TransUnion Cibil noted. NBFCs part of the research — with a portfolio size of less than Rs 5,000 crore and over 75 per cent BOP clients — were from Northern Arc's portfolio.

<https://www.financialexpress.com/industry/sme/msme-fin-impact-nbfc-lending-to-msmes-others-facing-credit-crunch-need-nearly-rs-3-lakh-cr-to-sustain-growth-study/2517522/>

#### **PMJJBY subscription increases to 128 mn, PMSBY at 284 mn in 7 years**

The Centre's flagship life insurance scheme — Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), and accidental insurance scheme, Pradhan Mantri Suraksha Bima Yojana (PMSBY) — have seen enrollments rise to 128 million and 284 million, respectively, in seven years of inception. Atal Pension scheme, that provides a subscriber aged 18-40 years with a guaranteed pension of Rs 1,000 to Rs 5,000 per month after attaining the age of 60 years, depending on the contribution, has seen its subscribers increase to 40 million in the last seven years. All three social security schemes were launched by the government on May 9, 2015. PMJJBY, provides life insurance cover worth Rs 2 lakh at Rs 330 per annum to all account holders aged between 18 and 50 years, and has provided claims for Rs

11,522 crore to families of 576,121 persons. Nearly 50 per cent of claims were paid out for Covid-19 deaths, the Ministry of Finance said in a statement.

[https://www.business-standard.com/article/economy-policy/pmijby-subscription-increases-to-128-mn-pmsby-at-284-mn-in-7-years-122050900395\\_1.html](https://www.business-standard.com/article/economy-policy/pmijby-subscription-increases-to-128-mn-pmsby-at-284-mn-in-7-years-122050900395_1.html)

### **Govt asks RBI to lower bond yields as inflation risks spiral: Report**

India has asked its central bank to either buy back government bonds or conduct open market operations to cool yields that have hit their highest since 2019, as inflation risks push foreign investors to sell, a government source told Reuters on Monday. The 10-year benchmark bond ended at 93.69 rupees on Monday, yielding 7.46%, after earlier reaching a high of 7.49%. "The discussion with the RBI (Reserve Bank of India) is at an advanced stage as current yields are not at comfortable levels," the government official, with direct knowledge of the matter, said on condition of anonymity. The official said government expects the RBI to conduct a switch operation, offering investors a chance to exchange their short-dated bonds for debt with a longer maturity, or to buy back government bonds within the next two weeks.

[https://www.business-standard.com/article/economy-policy/govt-asks-rbi-to-lower-bond-yields-as-inflation-risks-spiral-report-122050900936\\_1.html](https://www.business-standard.com/article/economy-policy/govt-asks-rbi-to-lower-bond-yields-as-inflation-risks-spiral-report-122050900936_1.html)

### **Dipam red flags disparity in IPO process, shoots letter to Sebi**

The Department of Investment and Public Asset Management (DIPAM) has raised the issue of disparity in payment timelines between retail and institutional investors in initial public offerings (IPO). Sources said the government department has shot a letter to market regulator Sebi and investment bankers' industry body AIBI seeking a halt in IPO activity till the issue is addressed. Sebi called a meeting with investment bankers to discuss the matter and possible alternatives. Currently, the qualified institutional buyers (QIB) and non-institutional investors (NII) get one or two extra days to make payments after submitting their bids. However, retail investors have to make immediate payments.

[https://www.business-standard.com/article/markets/dipam-red-flags-disparity-in-ipo-process-shoots-letter-to-sebi-122050901076\\_1.html](https://www.business-standard.com/article/markets/dipam-red-flags-disparity-in-ipo-process-shoots-letter-to-sebi-122050901076_1.html)

## **Industry**

### **Steel prices may fall to Rs 60,000/tonne by March: Crisil Report**

Steel prices, which have been on a song for the past two years, are finally set to correct on weak seasonality, and may trade at around Rs 60,000/tonne by the end of the current fiscal year, down from the Rs 76,000/tonne peak it scaled last month, says a report. Prices are still holding high because of the continuing uncertainty over supply disruptions, decarbonization measures globally, especially in China and geopolitical risks stemming from the Russia-Ukraine war, which has driven up raw material costs, Crisil said in a report on Monday. Price corrections are likely due to the onset of monsoon next month which will pull down demand as constructions will be on hold along with the likely lower premium realisation that domestic mills may get from exports, the report said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steel-prices-may-fall-to-rs-60000/tonne-by-march-crisil-report/articleshow/91438089.cms>

### **Niti Aayog member says imported cells 'may not be' suitable for Indian conditions**

Amid multiple incidents of electric vehicles catching fire, Niti Aayog Member and eminent scientist V K Saraswat has said that battery cells imported for electric vehicles "may not be" suitable for the country's conditions and emphasised the need for locally manufacturing the cells. Amid multiple incidents of electric vehicles catching fire, Niti Aayog Member and eminent scientist V K Saraswat has said that battery cells imported for electric vehicles "may not be" suitable for the country's conditions and emphasised the need for locally manufacturing the cells. His comments also come against the backdrop of authorities probing such incidents and Union minister Nitin Gadkari, recently, asserting that recall of all defective vehicles will be ordered after the expert panel submits its report.

<https://economictimes.indiatimes.com/industry/renewables/ev-fire-incidents-niti-aayog-member-says-imported-cells-may-not-be-suitable-for-indian-conditions/articleshow/91440633.cms>

## **Agriculture**

### **With cotton prices rising, Centre calls all stakeholders to the table**

With a section of the cotton-based textile and garments industry producers calling for a ban on its export and others threatening to go on strike against the continually rising raw cotton and yarn prices, Minister for Commerce & Industry and Textiles, Piyush Goyal, has called a meeting of all stakeholders, including cotton and cotton yarn traders, spinners, garment manufacturers and exporters, on Wednesday, to look for possible solutions. "Whatever the Ministry decides will be in the larger interest of the entire value chain. We normally allow market forces to operate but if we see that there is a requirement for government intervention, it should be done. At the same time, it should be done in a manner that it does not adversely affect any one segment of the value chain," Textiles Secretary Upendra Prasad Singh told BusinessLine.

<https://www.thehindubusinessline.com/markets/commodities/piyush-goyal-calls-stakeholders-meeting-to-discuss-rising-cotton-prices/article65398418.ece>

### **Average retail wheat flour price rises 13% Rs 32.91 per kg in a year**

The average price of wheat flour in retail markets stood at Rs 32.91 per kilogram on Monday, a nearly 13 per cent increase compared to the year-ago period, according to official data. The all-India average retail price of wheat flour or atta was Rs 29.14 per kg on May 8, 2021. The data from the consumer affairs ministry showed that the maximum price of atta was Rs 59 per kg, minimum price was Rs 22 per kg and modal price Rs 28 per kg on Monday. On May 8, 2021, the maximum price was Rs 52 per kg, minimum price was Rs 21 per kg and modal price was Rs 24 per kg. On Monday, atta prices stood at Rs 49 per kg in Mumbai, Rs 34 per kg in Chennai, Rs 29 per kg in Kolkata and Rs 27 per kg in Delhi.

[https://www.business-standard.com/article/markets/average-retail-wheat-flour-price-rises-13-rs-32-91-per-kg-in-a-year-122050900962\\_1.html](https://www.business-standard.com/article/markets/average-retail-wheat-flour-price-rises-13-rs-32-91-per-kg-in-a-year-122050900962_1.html)

## **Energy**

### **NTPC invites bids to import 4.53 million tonnes of coal**

State-owned power giant NTPC has invited bids to procure imported 4.53 million tonnes (MT) coal mainly for blending with the domestic dry fuel in thermal plants. The NTPC tender for the import of coal assumes significance in view of the ongoing dry fuel shortage at power plants. Earlier this month, the power ministry had directed all the states and gencos (electricity-generating firms) to import at least 10 per cent of their requirement of coal for blending amid shortages at thermal plants. The company had invited bids to procure 4.93 MT of imported coal last month. It has been mandated to procure 20 MT of imported coal in 2022-23 for blending with the domestic dry fuel at its thermal plants because of the ongoing shortage.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/ntpc-invites-bids-to-import-4-53-million-tonnes-of-coal/articleshow/91447614.cms>

### **Indian Railways' SWR installs 4656.60 KWp solar panels at Service buildings and major stations so far**

South Western Railway is one of the Indian Railways zones which has taken giant strides aimed at the conservation of energy. The SWR zone, so far, has installed 4656.60 KWp Solar panels at Service buildings and major railway stations. SWR has provided solar panels at 120 stations rooftop as well as seven service buildings. Besides, Solar Rooftop plants have also been provided to both the Workshops in the zone and both the Sheds, Krishnarajapuram Diesel Shed and Hubballi EMD Shed. Additionally, as many as 295 Level Crossing gates have been provided with Solar Panels. During the last financial year, the solar electricity generation was 46.11 lakh units in the SWR zone resulting in saving in electricity bills to the tune of Rs 1.96 crores.

<https://www.financialexpress.com/infrastructure/railways/indian-railways-swr-installs-4656-60-kwp-solar-panels-at-service-buildings-and-major-stations-so-far-details/2517545/>

## **Telecom**

### **Trai leaves spectrum tenure call, mmWave reservation for satcom issues to DoT**

The Telecom Regulatory Authority of India (Trai) has asked the Department of Telecommunications (DoT) to decide whether to auction spectrum for 20 or 30 years and if crucial millimetre wave frequency in the 27.5-28.5 GHz band

should be auctioned for 5G services, throwing the crucial aspects in the government's court. "...it is for the DoT to decide whether frequency range 27.5-28.5 GHz is to be allocated/auctioned for IMT/5G," Trai said in its response to DoT's letter seeking clarifications around auction issues. The responses were uploaded on the regulator's website on Monday. Trai has also said that the reserve price - Rs 7 crore a unit - computed for this entire chunk of spectrum - 24.25-27.5 GHz bands - would be applicable in case DoT auctioned airwaves only till 27.5 Mhz.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/trai-leaves-spectrum-tenure-call-mmwave-reservation-for-satcom-issues-to-dot/articleshow/91450661.cms>

## Infrastructure

### Govt to set up panel on RERA non-compliance

India has decided to assess the reasons for non-compliance of orders issued by various chapters of the Real Estate Regulatory Authority (Rera) that was set up to ensure protection to troubled homebuyers. A committee including homebuyers and realty developers will be formed to examine different orders that have been passed by the state-specific authorities, but have not been complied with yet. The government may also seek state governments to provide their inputs in this matter with an objective of making Rera more effective and offering an impactful recourse mechanism to homebuyers. The decision to this effect was taken in the recent meeting of the Central Advisory Council (CAC).

<https://economictimes.indiatimes.com/news/economy/infrastructure/govt-to-set-up-panel-on-rera-non-compliance/articleshow/91452046.cms>

### NRI investments in Indian real estate expected to grow by 12%

NRIs have started returning to invest in Indian real estate as NRI investments in Indian real estate amounted to \$13.1 billion last year and it is expected to grow by 12% this year, according to a report by 360 Realtors. "The real estate sector has proven to be an attractive asset class with healthier relative returns, it has gained the attention of both locals and NRIs alike. The NRI buyers today look for a well-connected living ecosystem curated with numerous choices to live, work, and play luxuriously," said Aakash Ohri, Group Executive Director and Chief Business Officer, DLF Home Developers Ltd.

<https://economictimes.indiatimes.com/nri/invest/nri-investments-in-indian-real-estate-expected-to-grow-by-12/articleshow/91447684.cms>

## States

### PM Modi to launch Madhya Pradesh govt's startup policy on May 13

Prime Minister Narendra Modi will on May 13 virtually launch the Madhya Pradesh government's Startup Policy and Implementation Plan-2022, aimed at encouraging budding entrepreneurs in the state, an official said on Monday. The event will be held at the Brilliant Convention Centre in Indore in the presence of MP Chief Minister Shivraj Singh Chouhan, the official from the public relations department said. Various programmes have been launched across the state to bring awareness about the state's start-up policy, specially developed to strengthen and bring to reality the entrepreneurial ideas of youth, the official said. Madhya Pradesh Micro, Small and Medium Enterprises Department secretary P Narhari said, "The new policy, which is quite different from the old one, will be implemented in tandem with the MP Startup Centre." The startup centre will have a dedicated office, a head/mentor for every startup and experts from the relevant field, who will help the entrepreneurs, Narhari said.

<https://www.financialexpress.com/industry/sme/pm-modi-to-launch-madhya-pradesh-govts-startup-policy-on-may-13/2517583/>

## Healthcare

### Teleconsultation is the future of India's health system: Union Health Minister Mansukh Mandaviya

Emphasising the Centre's commitment to providing health services to the last mile, Union Health Minister Mansukh Mandaviya on Saturday said teleconsultation is the future of India's health system. Union Health Minister addressed the concluding session of 'Swasthya Chintan Shivir', the 14th Conference of the Central Council of Health and Family Welfare (CCHFV), at Kevadia, Gujarat on May 5-7. Highlighting the importance of working in the spirit of cooperative

federalism, Mandaviya said, "States goals provide us national goals. They provide us roadmap for various policies. The citizen in the last mile should be our priority for delivery of health services."

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/teleconsultation-is-the-future-of-indias-health-system-union-health-minister-mansukh-mandaviya/articleshow/91404578.cms>

## External

### India allows additional 2,051 MT raw sugar exports to US under tariff-rate quota

The government has permitted additional export of 2,051 metric tonne of raw sugar under the tariff-rate quota (TRQ) to America for the US fiscal year ending September 30, 2022, according to DGFT. TRQ is a quota for a volume of exports that enter the US at relatively low tariffs. After the quota is reached, a higher tariff applies to additional imports. "Additional quantity of 2,051 MT of raw sugar, for export to the US, under TRQ up to September 30, 2022, has been notified," Directorate General of Foreign Trade (DGFT) has said in a public notice. It added that with this quantity, total sugar export to the US under TRQ during US fiscal year 2022 would be 10,475 MT.

<https://www.financialexpress.com/economy/india-allows-additional-2051-mt-raw-sugar-exports-to-us-under-tariff-rate-quota/2517688/>

### India initiates anti-dumping probe against imports of optical fibre from China, Indonesia, Korea

India has initiated an anti-dumping probe against imports of a certain type of optical fibre from China, Indonesia and South Korea following a complaint by a domestic player. The duty is aimed at protecting domestic industry from cheap imports. The commerce ministry's investigation arm Directorate General of Trade Remedies (DGTR) is probing the alleged dumping of 'Dispersion Unshifted Single-mode Optical Fibre' originating in or exported from these three nations. The product is used for the manufacture of different kinds of cables, including optical fibre, tight buffer cables, armoured and un-armoured cables. The DGTR in a notification has stated that the applicant has alleged that material injury is being caused to the domestic industry due to the dumped imports from these countries.

<https://www.financialexpress.com/economy/india-initiates-anti-dumping-probe-against-imports-of-optical-fibre-from-china-indonesia-korea/2517703/>

### Indian buyers grab discounted Russia LNG shipments shunned by rest of world

India's liquefied natural gas importers are purchasing extra volumes from Russia at a discount as most other spot buyers shun the fuel. Companies including Gujarat State Petroleum Corp. and GAIL India Ltd. recently bought several LNG spot shipments from Russia at prices below prevailing market rates, according to traders with knowledge of the matter. They may purchase more as long as the Russian fuel remains cheaper than rival suppliers, the people said, who requested anonymity to discuss private details. India gets almost three-quarters of its LNG under long-term contracts, but sweltering heat and ongoing blackouts are forcing the nation's utilities to top up with spot shipments, which are trading at well above normal due to a global supply crunch. With demand for gas in the fertilizer sector also rising, some importers are snapping up the discounted Russian shipments.

[https://www.business-standard.com/article/economy-policy/indian-buyers-grab-discounted-russia-lng-shipments-shunned-by-rest-of-world-122050900648\\_1.html](https://www.business-standard.com/article/economy-policy/indian-buyers-grab-discounted-russia-lng-shipments-shunned-by-rest-of-world-122050900648_1.html)

### Oman eyes PTA with India; to boost India's trade ties with Gulf after UAE CEPA

Qais Mohamed Al Yousef Oman's Minister of Commerce & Industry & Investment Promotion will visit India this week eyeing to push the Preferential Trade Agreement (PTA) close on the heels of India-UAE CEPA opening up opportunities for India in the resource rich Gulf region. The Oman Minister besides holding dialogue with his Indian counterpart Piyush Goyal could also call on the Prime Minister and National Security Adviser underscoring the significance of strategic partnership in the Indian Ocean Region, ET has learnt. Coinciding with the visit of Al Yousef, UAE's Minister of Economy Abdulla Bin Touq Al Marri is expected to visit India to push investment partnership exploring opportunities across sectors both in India as well as UAE, according to persons familiar with the development.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/oman-eyes-pta-with-india-to-boost-indias-trade-ties-with-gulf-after-uae-cepa/articleshow/91450700.cms>