



February 22, 2022 – Tuesday

Key Developments

India's draft data policy unlocks govt data for all, mulls monetisation

The Indian government on Monday published a draft data policy for public consultation that says all data for every government ministry and department will be open and shareable barring certain exceptions. The policy document – Draft India Data Accessibility & Use Policy 2022 – prescribes that a regulatory authority called Indian Data Council (IDC) and an agency by the name of India Data Office (IDO) will oversee framing of metadata standards and enforcement, respectively. While the India Data Council will be comprised of the India Data Office and data officers of five other government departments, the IDO will be constituted by the Ministry of Electronic and Information Technology (MeitY).

https://www.business-standard.com/article/economy-policy/india-s-draft-data-policy-unlocks-govt-data-for-all-mulls-monetisation-122022100933_1.html

Corbevax becomes third Covid vaccine to be approved for children in India

A third Covid-19 vaccine for children has now obtained the Indian drug regulator's nod. Biological E's (BE) receptor binding domain (RBD) protein sub-unit vaccine against Covid-19 has been granted an emergency use authorisation (EUA) from the Drugs Controller General of India (DCGI). based on interim results of the ongoing phase-2 and 3 clinical study. Cadila Healthcare's ZyCoV-D and Bharat Biotech's Covaxin are two vaccines that have already been approved in this category. Of these, Covaxin is already in use for vaccinating adolescents 15-17 years. Covaxin got a recommendation for approval to be used in children as young as two year olds from the Subject Expert Committee (SEC) last October. In December, however, the DCGI decided to give its nod for use of Covaxin in 12-18 years.

https://www.business-standard.com/article/current-affairs/corbevax-is-third-covid-vaccine-to-be-approved-for-children-in-india-122022101017_1.html

Regular international flights likely to resume from March 15: Report

Regular international flights are likely to resume from March 15 and will follow the standard operating procedures effective at Indian airports for foreign arrivals and departure, government sources said on Monday. Given the consistent decline in Covid cases, a decision on resuming scheduled international flights has almost been arrived at by the Civil Aviation Ministry following consultation with the Health Ministry, they said. However, no official announcement has been made by the Directorate General of Civil Aviation so far. "Regular International flights is likely to resume from March 15. The Guidelines for International Arrivals, which came into effect from February 14, will be followed at airports for the passengers of these flights," an official source said.

https://www.business-standard.com/article/pti-stories/regular-international-flights-likely-to-resume-from-march-15-report-122022101281_1.html

Economy

MSME Ministry releases 2021-22 annual report; expenditure on multiple schemes remains minuscule

The annual report for the year 2021-22 has been released by the Ministry of Micro, Small and Medium Enterprises (MSMEs), sharing data related to expenditure on major schemes for the nine-month period ended December 2021.

Even as the budgetary allocation for the MSME Ministry was more than doubled to Rs 15,700 crore for FY22 from Rs 7,572 crore in FY21, the actual expenditure on multiple MSME schemes remained meagre, the annual report showed. For instance, the Entrepreneurship and Skill Development Programmes (ESDP), which aimed to promote new enterprises, build the capacity of existing MSMEs and inculcate entrepreneurial culture, incurred Rs 1.83 crore expenditure out of Rs 10 crore allocated to it. A total of 15,599 aspiring entrepreneurs were part of 315 programmes related to awareness about entrepreneurship, skill development, business management, and more.

<https://www.financialexpress.com/industry/sme/msme-eodb-msme-ministry-releases-2021-22-annual-report-expenditure-on-multiple-schemes-remains-minuscule/2440274/>

Recovery tracker: Retail and recreation visits at record high as cases drop

Weekly indicators of economic activity moved higher in the latest week even as daily Covid-19 cases fell below 25,000. Retail and recreation visits were at their highest level since search engine Google made available records at the beginning of the pandemic. They are now 5.1 per cent higher than a comparative baseline value from the early part of 2020. Google gathers statistics on visits to various categories of places based on anonymised location data. Workplace visits also rose.

https://www.business-standard.com/article/economy-policy/recovery-tracker-retail-and-recreation-visits-at-record-high-as-cases-drop-122022100786_1.html

Nomura business resumption index at record high in week-ended Feb 20

The Nomura India Business Resumption Index (NIBRI) rose to a record high of 122.8 for the week ended February 20 from 119.5 in the prior week, the Japanese financial services company said on Monday. It highlighted weak demand due to higher inflation and pandemic scarring as the underlying recovery remains uneven with sluggish services and consumption even prior to the third wave. NIBRI has risen to almost 23 percentage points (pp) above pre-pandemic levels and around 21pp above the third wave nadir.

<https://economictimes.indiatimes.com/news/economy/indicators/nomura-business-resumption-index-at-record-high-in-week-ended-feb-20/articleshow/89727368.cms>

Banking and Finance

RBI to undertake \$5 b sell/buy swap auction next month

The Reserve Bank of India (RBI) has decided to undertake a US Dollar/ Indian Rupee sell/ buy swap auction of \$5 billion on March 8, amid the upcoming reversal of a buy/sell auction it had undertaken for a similar amount three years back and expected volatility in the foreign exchange market once US Fed hikes rates. Under a sell/buy swap, a bank buys US Dollars (USDs) from RBI and simultaneously agrees to sell the same amount of USDs at the end of the swap period. Similarly, under a buy/sell swap, a bank sells USDs to RBI and simultaneously agrees to buy the same amount of USDs at the end of the swap period.

<https://www.thehindubusinessline.com/money-and-banking/rbi-to-undertake-5-b-sellbuy-swap-auction-next-month/article65071545.ece>

Government considers ways to ensure privacy of CBDC users

The Government is mulling over ways to provide a mechanism to ensure the anonymity of users in Central Bank Digital Currency (CBDC) just like paper or metal-based fiat currency. Experts have called for an approach that strikes a balance between adoption and privacy. "One option could be inclusion of a specific provision, while passing the finance bill, to ensure the anonymity of users," a source said. Anonymity means the central bank does not keep a record of users on the basis of a particular series of currency. Banks would have records about the value of the transaction, but not details about the specific series of currency with a particular customer.

<https://www.thehindubusinessline.com/money-and-banking/government-considers-ways-to-ensure-privacy-of-cbdc-users/article65070799.ece>

'Gold loan NBFCs may adopt aggressive growth strategies amid competition'

Facing intense competition from banks, gold loan Non-Banking Financial Companies (NBFCs) are likely to adopt aggressive strategies to maintain and expand their gold loan franchise, says a report. Many banks, both private and public, have become fairly active in the gold loan space, enticed by high yield and liquid security, India Ratings and

Research said in a report released on Monday. For example, gold loan portfolio across banks has jumped by more than 89 per cent year-on-year to Rs 60,700 crore in FY21 and Rs 70,900 crore in the first nine months of FY22. "Facing intense competition from banks, and absence of any spikes (as seen in the past) in gold prices, (gold loan-focused) NBFCs, especially the ones with a large portfolio, are likely to adopt aggressive strategies to maintain and expand their gold loan franchise," the agency said.

https://www.business-standard.com/article/finance/gold-loan-nbfc-may-adopt-aggressive-growth-strategies-amid-competition-122022100867_1.html

PMJJBY policyholders eligible for LIC IPO at discount

Subscribers of Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) are eligible for LIC initial public offering at a discount, Chairman of insurance company M R Kumar said on Monday. "PMJJBY is part of that and reservation will be there (for the policyholders)," Kumar said in an interaction with the media. Launched in 2015, PMJJBY offers a renewable one year life cover of Rs 2 lakh to all savings bank account holders in the age group of 18-50 years, covering death due to any reason, for a premium of Rs 330 per annum per subscriber. This government scheme is offered or administered through LIC. As per the Draft Red Herring Prospectus (DRHP) filed last week, the maximum bid amount under the Policyholder Reservation Portion by an eligible policyholder would not exceed Rs 2,00,000 (net of policyholder discount). It further said policyholders having one or more policies of LIC as on the date of DRHP and bid/offer opening date and who are residents of India would be eligible to apply in this offer, under the Policyholder Reservation Portion.

<https://www.financialexpress.com/market/ipo-news/pmjjby-policyholders-eligible-for-lic-ipo-at-discount/2440674/>

Industry

SEA asks members to reduce MRP of cooking oils by Rs 3-5/kg

The Solvent Extractor's Association (SEA) of India, representing cooking oil manufacturers has advised it's members to cut minimum retail price (MRP) by Rs 3-5/kilograms. "Edible oil prices in the world are skyrocketing and this "imported inflation" is not only giving sleepless nights to all stakeholders but also to the hapless Indian consumers," said SEA in a release. The prices are showing no immediate signs of moderating and some exporting countries like Indonesia have also started regulating exports of palm oil by way of licensing. "The tensions in Black Sea region between Russia and Ukraine is adding fuel to fire into the Sunflower Oil Complex which comes from that region. Inclement weather in Brazil on account of La Niña has also reduced Soya Crop drastically in Latin America," said SEA.

<https://economictimes.indiatimes.com/industry/cons-products/food/sea-asks-edible-oil-players-to-reduce-minimum-retail-price/articleshow/89725746.cms>

India Inc all set to welcome staff back to offices

India Inc seems to be ready to go back to the office. Several Indian companies will be getting their employees in full time as the third wave looks to be receding across the country. Many across sectors have already either switched or will restore 100% presence at corporate offices by next month, with states easing curbs on work attendance. Not all will go back to pre-Covid practices, with some adopting a hybrid system.

<https://economictimes.indiatimes.com/news/company/corporate-trends/india-inc-all-set-to-welcome-staff-back-to-offices/articleshow/89733774.cms>

Agriculture

Indian monsoon likely to be 'normal', predicts Skymet

The south-west monsoon, which is crucial for agricultural production and rural economy, is expected to be "normal" this year, says private weather forecaster Skymet. In its "Preliminary Monsoon Forecast Guidance for 2022" on Monday, Skymet said the negative sea surface temperature anomalies in the equatorial Pacific Ocean are weakening. This warming inclination of the Pacific Ocean, albeit within neutral limits, may not lead to an above-normal or excess rainfall. Still, chances of a 'corrupt' monsoon are also ruled out.

<https://www.thehindubusinessline.com/economy/agri-business/skymet-predicts-a-normal-monsoon-this-year/article65070479.ece>

Infrastructure

Bumpy ride ahead for road companies with order likely to enter slow lane

The dynamics of road-building in 2022-23 may be affected by fund-raising constraints placed on National Highways Authority of India (NHAI). NHAI will avoid borrowing in 2022-23 and will therefore depend on cess funds for 75 per cent of its capex. This implies that the roads sector will absorb a very large share of the entire fuel cess raised and there could be a cash crunch unless tolls (which currently funds around 10 per cent of NHAI's capex) grow substantially. In effect, there is likely to be a funding gap, which could be met to some extent by asset monetisation. https://www.business-standard.com/article/companies/bumpy-ride-ahead-for-road-companies-with-order-likely-to-enter-slow-lane-122022101127_1.html

3 Gujarat highway stretches may be lined up for sale

The government may look to add three highway stretches from Gujarat to the asset monetisation pipeline after they were handed back to the National Highways Authority of India after end of the 15-year concession period. The Centre's target to mop up Rs 45,000 crore from monetisation of highway projects is expected to get a boost during the next financial year as the roads are high toll earners, sources told TOI. The three projects in Gujarat, with a cumulative length of 377 km, can be monetised to generate Rs 18,000-20,000 crore, the sources said. <https://economictimes.indiatimes.com/news/economy/infrastructure/3-gujarat-highway-stretches-may-be-lined-up-for-sale/articleshow/89717725.cms>

Energy

India expects fuel demand to grow 5.5% in the next fiscal year: Govt data

India's fuel demand is likely to grow 5.5% in the next fiscal year beginning April 1, initial government estimates show, reflecting a pick-up in industrial activity and mobility in Asia's third largest economy after months of stagnation. India's fuel consumption in 2022-23, a proxy for oil demand, could rise to 214.5 million tonnes from the revised estimates of 203.3 million tonnes for the current fiscal year ending March 2022, according to government forecasts. The estimates were released on the website of the Petroleum Planning and Analysis Cell (PPAC), a unit of the federal oil ministry. Local demand for gasoline, used mainly in passenger vehicles, is expected to rise by 7.8% to 33.3 million tonnes, while gasoil consumption was slated grow by about 4% to 79.3 million tonnes, the data showed. https://www.business-standard.com/article/economy-policy/india-expects-fuel-demand-to-grow-5-5-in-the-next-fiscal-year-govt-data-122022100951_1.html

Strong demand outlook for domestic solar OEMs: ICRA

ICRA Ratings on Monday said it expects the business prospects for domestic solar original equipment manufacturers (OEMs) to remain strong aided by several policy measures over the medium-term. Many of the domestic OEMs have announced sizeable capital expenditure to augment the cell and module capacity, including the capex for integrated facilities under PLI scheme by the winning bidders, an official statement said. However, timely commissioning and ramp-up of on-going capex in module manufacturing value chain remains a critical in the near to medium term. <https://economictimes.indiatimes.com/industry/renewables/strong-demand-outlook-for-domestic-solar-oems-icra/articleshow/89723424.cms>

States

NABARD projects priority sector lending of Rs 6.13 lakh crore during 2022-23 for Maharashtra

The National Bank for Agricultural and Rural Development (NABARD) has projected priority sector lending of ₹ 6.13 lakh crore during 2022-23 for Maharashtra. The State Focus Paper projecting a potential credit outlay of Rs.6,13,503 crore to priority sectors, with 57% share allocated for MSMEs in the State during 2022-23 was launched by Uddhav Thackeray, Chief Minister on Monday in Mumbai. The Maharashtra Regional Office of NABARD, Pune conducted the State Credit Seminar on Monday at Mumbai. The credit projections include estimations of ₹1,43,019 crore (23%) for agriculture, ₹3,48,372 crore (57%) towards MSME and ₹1,22,112 crore (20%) to other priority sectors. "Possible

ways of increasing credit outreach in the State, specially to small and marginal farmers were discussed in detail," said a NABARD release.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/nabard-projects-priority-sector-lending-of-6-13-lakh-crore-during-2022-23-for-maharashtra/articleshow/89731248.cms>

Healthcare

BA.2 variant: No need to panic, as Omicron wave is fast disappearing: T Jacob John

Concerns about the Omicron sub-variant BA.2 should not result in panic in India, said renowned virologist T Jacob John on Monday. Talking to BusinessLine, John said there is no need to worry as the Omicron wave, which was majorly driven by BA.2 sub-variant, is already receding fast. He said though the BA.2 variant is at least 30 per cent more transmissible than the BA.1 variant, the symptoms are more or less the same.

<https://www.thehindubusinessline.com/news/ba2-variant-no-need-to-panic-as-omicron-wave-is-fast-disappearing-t-jacob-john/article65071598.ece>

Cumulative COVID-19 vaccine doses administered in India cross 175.78 crore

The cumulative number of COVID-19 vaccine doses administered in the country crossed 175.78 crore on Monday, the Union health ministry said. More than 32 lakh (32,03,706) vaccine doses have been administered till 7 pm. More than 1.91 crore (1,91,45,905) precaution doses have been administered to healthcare workers, frontline workers and those aged 60 and above with comorbidities so far, it said. The daily vaccination tally is expected to increase with the compilation of the final reports for the day by late night.

<https://economictimes.indiatimes.com/news/india/cumulative-covid-19-vaccine-does-administered-in-india-cross-175-78-crore/articleshow/89732108.cms>

External

Anti-dumping rejections due to public interest: CBIC chairman Vivek Johri

The finance ministry has cited public interest and differences over data interpretation for rejecting anti-dumping duty and safeguard duty recommendations by the commerce ministry. The issue had become a bone of contention between the two ministries. Central Board of Indirect Taxes and Customs (CBIC) chairman Vivek Johri told Business Standard that the Centre — while taking a call on whether or not to impose anti-dumping duty — has to balance the interests of the manufacturing industry and the user industry.

https://www.business-standard.com/article/economy-policy/anti-dumping-rejections-due-to-public-interest-cbic-chairman-vivek-johri-122022100012_1.html

India's auto, pharma, engineering exports to UAE set to grow through trade pact: Govt

The government on Monday said that India's automobile exports to the United Arab Emirates are projected to increase \$160 million in the next five years while engineering exports are seen growing 10% in the first two years and 15% in the next three years at \$7 billion, \$8 billion and \$9.2 billion in FY25, FY26, and FY27, respectively due to the Comprehensive Economic Partnership Agreement (CEPA) that the two sides have inked.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-auto-pharma-engineering-exports-to-uae-set-to-grow-through-trade-pact-govt/articleshow/89727097.cms>

Electronics imports from Asean countries dip after govt tightens rules

The central government has noticed a dip in the import of certain electronic hardware items from India's free trade agreement (FTA) partners, especially the Association of Southeast Asian Nations, after it mandated documents beyond the usual certificate of origin (COO) to claim preferential tariff benefits.

https://www.business-standard.com/article/economy-policy/electronics-imports-from-asean-countries-dip-after-govt-tightens-rules-122022200022_1.html

\$14 bn remitted by Indians in Apr-Dec as Covid-19 restrictions ease

Outward remittances under the Reserve Bank of India's Liberalised Remittance Scheme (LRS) have made a strong comeback in the current financial year after a tepid 2020-21 as Covid-led disruptions impacted the flows. According

to the latest data released by the RBI, outflows under the scheme were \$13.8 billion in the first nine months of the current financial year as compared to 12.7 billion for the entire FY21. Remittances in the last three months of 2021 were \$4.9 billion, mainly due to a surge in travel and studies abroad-related remittances.

https://www.business-standard.com/article/economy-policy/14-bn-remitted-by-indians-in-apr-dec-as-covid-19-restrictions-ease-122022101463_1.html