



March 08, 2022 – Tuesday

### Key Developments

#### Govt re-opens application window for PLI scheme for white goods

The government has reopened the application window for the Production Linked Incentive (PLI) scheme for white goods — which includes ACs and LED lights — from March 10 to April 25, 2022, giving another chance to prospective investors who failed to apply the first time round last year. However, the incentive shall be available only for the remaining tenure of the scheme, according to an official release issued by the Department for Promotion of Industry and Internal Trade (DPIIT) on Monday.

<https://www.thehindubusinessline.com/economy/govt-re-opens-application-window-for-pli-scheme-for-white-goods/article65201995.ece>

### Economy

#### Nirmala Sitharaman raps CBDT and CBIC for not addressing tax assessee's grievances

Union Finance Minister Nirmala Sitharaman on Monday came down heavily on the tax boards for allegedly not responding to grievances of the tax assesseees and directed their officials to reserve Saturdays to hold meetings with them. During the Budget Outreach Programme between Finance Ministry officials, the industry and trade bodies in Bengaluru, the General Manager and the Chief Financial Officer of the Karnataka Bank Muralidhar Krishna Rao posed a question seeking clarity on certain provisions of the GST Act and the direct tax deductions impacting the banking sector.

<https://www.financialexpress.com/economy/nirmala-sitharaman-raps-cbdt-and-cbic-for-not-addressing-tax-asseeseees-grievances/2453232/>

### Banking and Finance

#### RBI releases booklet on modus operandi of financial frauds

Sharing of confidential information by customers, knowingly or unknowingly, is one of the major causes leading to financial frauds, according to a booklet, "BE(A)WARE", released by the Reserve Bank of India. The booklet gives information on the common modus operandi used by fraudsters and precautions to be taken while carrying out various financial transactions.

<https://www.thehindubusinessline.com/money-and-banking/rbi-releases-booklet-on-modus-operandi-of-financial-frauds/article65202348.ece>

#### Women borrowers' tally grows at CAGR of 19% in 5 yrs; men at 14%: CIBIL

The number of women borrowers has increased at a compound annual growth rate (CAGR) of 19 per cent in five years (calendar 2016-2021), compared to a CAGR growth of 14 per cent for male borrowers during the same period. The share of women borrowers has increased to 29 per cent in 2021 – up from 25 per cent in 2016, according to CIBIL data. Credit penetration for women (percentage of borrowers to total adult population) has improved to 12 per cent in 2021 from 6 per cent in 2016. The Credit Information Bureau said in terms of total outstanding retail

credit balances, the share of women borrowers was 23 per cent. Growth in women borrowers has remained strong despite the aftermath of the Covid-19 pandemic. Women showed a stronger rate of growth at 11 per cent compared to the 6 per cent growth rate of male borrowers through CY 2021

[https://www.business-standard.com/article/economy-policy/women-borrowers-tally-grows-at-cagr-of-19-in-5-yrs-men-at-14-cibil-122030700693\\_1.html](https://www.business-standard.com/article/economy-policy/women-borrowers-tally-grows-at-cagr-of-19-in-5-yrs-men-at-14-cibil-122030700693_1.html)

#### **Proposed hike in motor TP insurance to help insurers amidst claim inflation**

The proposed hike in motor third-party premium after two years will have an impact on consumers but will benefit industry, experts said, pointing out that there has been a high amount of inflation. Customers who wish to avoid an increase in premium can renew their policies before the new rates become effective on April 1, 2022, said Ashwini Dubey, Head-Motor Renewals, Policybazaar.com.

<https://www.thehindubusinessline.com/money-and-banking/proposed-hike-in-motor-tp-insurance-to-help-insurers-amidst-claim-inflation/article65200710.ece>

#### **Industry**

#### **Rising input cost to put pressure on steel companies' profit margin**

Imposition of sanctions on Russia is set push up input cost of steel companies for some time till raw material trade flows re-adjust. Being the fifth largest global coal producer, Russia accounted for 10 per cent and 17 per cent of the international trade in metallurgical and thermal coal last year.

<https://www.thehindubusinessline.com/economy/rising-input-cost-to-put-pressure-on-steel-companies-profit-margin/article65200792.ece>

#### **FSSAI budget for 2022-23 lower than 2019-20 allocation**

Earlier this week Food Safety and Standards Authority of India (FSSAI) announced that it would soon announce a star rating system for packaged food items. Every packet would need to display a star system, much like the energy efficiency rating, to help make it easier for consumers to understand the calorific value of the product.

The initiative will give a fillip to the government's Fit India initiative, but it shall also bring more work for the FSSAI.

[https://www.business-standard.com/article/economy-policy/fssai-budget-for-2022-23-lower-than-2019-20-allocation-122030700982\\_1.html](https://www.business-standard.com/article/economy-policy/fssai-budget-for-2022-23-lower-than-2019-20-allocation-122030700982_1.html)

#### **India has an electric opportunity to focus on budget cars**

Sales of electric vehicles in India tripled last year to 14,800 units and there are growing signs of momentum in this key potential market of 1.4 billion people. Impatient consumers rushing to switch from gasoline-powered two wheelers to electric scooters have been haranguing startups like Ola Electric on social media over the waiting times for deliveries. Luxury brands are aggressively targeting the nation's most affluent. Tesla has been haggling over tax breaks to ramp up sales in India, while Mercedes-Benz is rolling out a locally assembled EQS, the electric version of its flagship S-Class sedan, this year. BMW also plans to launch multiple plug-in models. Even so, it's the mid-point of the gasoline-powered passenger vehicle market — options that sit between a bargain two-wheeler and a pricey foreign marque — that has traditionally been India's most lucrative segment. Maruti Suzuki India, Hyundai and Tata Motors, all of which have budget combustion-engine cars, accounted for almost three-quarters of local sales last month, according to the Federation of Automobile Dealers Associations.

[https://economictimes.indiatimes.com/industry/renewables/india-has-an-electric-opportunity-to-focus-on-budget-cars/articleshow/90054293.cms?utm\\_source=ETTopNews&utm\\_medium=HP&utm\\_campaign=TN&utm\\_content=23](https://economictimes.indiatimes.com/industry/renewables/india-has-an-electric-opportunity-to-focus-on-budget-cars/articleshow/90054293.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23)

#### **India Inc busy with back-to-office drill as Covid-19 cases decline**

With a sharp decline in the rate of Covid-19 infections, companies across sectors that had switched to work from home, are now ready to welcome their employees back to office. However, there is a clear divide emerging amongst sectors — between those that want 100 per cent of their employees to work from office, and those, led by the IT companies and startups, that are opting for a hybrid workplace model.

[https://www.business-standard.com/article/companies/india-inc-busy-with-back-to-office-drill-as-covid-19-cases-decline-122030700045\\_1.html](https://www.business-standard.com/article/companies/india-inc-busy-with-back-to-office-drill-as-covid-19-cases-decline-122030700045_1.html)

## Agriculture

### India turns 'preferred' source for white sugar supply as global market turns volatile

India is becoming a "preferred" source for sugar supplies, particularly white sugar trade in spot, as various factors — from a volatile crude oil price movement to prospects of higher freight rates — are forcing buyers to look for safe, reliable and competitive sellers. "In the last three years, we have established as one of the reliable exporters of sugar in the global market. This has helped various countries, especially in the Gulf, to look at Indian sugar," said Praful Vithalani, President, All India Sugar Traders Association (AISTA).

<https://www.thehindubusinessline.com/economy/agri-business/india-turns-preferred-source-for-white-sugar-supply-as-global-market-turns-volatile/article65201015.ece>

## Infrastructure

### Public-Private Partnership to be key driver of PM Gati Shakti scheme: MoS Finance

Minister of State for Finance Pankaj Chaudhary on Monday said Public-Private Partnership (PPP) would be the key driver of the Rs 100 lakh crore ambitious PM Gati Shakti initiative. This national master plan for multi-modal connectivity aims to develop infrastructure to reduce logistic costs and boost the economy. The PM Gati Shakti - National Master Plan was announced last year with an aim to break departmental silos and bring in more holistic and integrated planning and execution of projects with a view to address the issues of multi-modal and last-mile connectivities.

<https://economictimes.indiatimes.com/news/economy/infrastructure/public-private-partnership-to-be-key-driver-of-pm-gati-shakti-scheme-mos-finance/articleshow/90046811.cms>

## Energy

### Petrol, diesel price hike coming soon

Petrol and diesel prices are likely to be hiked this week as oil companies prepare to pare losses accumulated from keeping rates steady for over four months in the run-up to assembly elections in five states, including UP, despite international oil prices jumping to a 13-year high of USD 140 per barrel. West Texas Intermediate crude futures, the US oil benchmark, rose to USD 130.50 per barrel on Sunday evening, its highest since July 2008, before retreating. The international benchmark, Brent crude, hit a high of USD 139.13 at one point overnight, also its highest since July 2008.

[https://economictimes.indiatimes.com/industry/energy/oil-gas/petrol-diesel-price-hike-coming-soon/articleshow/90057576.cms?utm\\_source=ETTopNews&utm\\_medium=HP&utm\\_campaign=TN&utm\\_content=23](https://economictimes.indiatimes.com/industry/energy/oil-gas/petrol-diesel-price-hike-coming-soon/articleshow/90057576.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23)

### Govt may extend incentives to solar PV ancillary units to boost domestic manufacturing

In a bid to further increase the share of domestic manufacturing in solar photovoltaic (PV) modules in the country, the Ministry of New & Renewable Energy (MNRE) has suggested providing support across the entire value chain, including to the ancillary industries.

The suggestion is part of a number of recommendations shared by the MNRE with the Power Ministry last week during a webinar organised by the government as part of its efforts to facilitate effective and expeditious implementation of the Union Budget 2022. As part of this series, the sectoral group on resources comprising 7 ministries, including Power and MNRE, organised a webinar to deliberate on government initiatives in the energy and resources sector.

<https://www.thehindubusinessline.com/economy/govt-may-extend-incentives-to-solar-pv-ancillary-units-to-boost-domestic-manufacturing/article65201841.ece>

### Coal India will not have luxury to retain loss-making mines, official says

Mining behemoth Coal India will not have luxury to retain its loss-making mines with its aim to remain competitive in the wake of privatisation of coal blocks, a senior government official said on Monday. It is also expected that India will have a surplus of coal for thermal power plants by next year even though electricity demand grows by six per cent, he said. "Reforms will make the coal sector more vibrant for consumers of the dry fuel but there will be churn in mining activities. I think Coal India will not have the luxury to drag on loss-making mines and continue with financially inefficient mines," Coal Secretary A K Jain said while addressing a conference organised by Mjunction.

<https://www.financialexpress.com/industry/coal-india-will-not-have-luxury-to-retain-loss-making-mines-official-says/2453119/>

## States

### **Karnataka bounces back, adds 3 million new jobs since September 2017**

Karnataka has added about three million new formal jobs between September 2017 and November 2021. Those in the 18-21 year age group (10.9 lakh) are the largest chunk, closely followed by the 22-25 year age group (10.5 lakh). The 2021-22 saw the addition of net new payrolls surpass the pre-pandemic levels of 2019-20, according to the latest Economic Survey, presented by chief minister Basavaraj Bommai in the Assembly. It estimates that Karnataka has formalised about three lakh jobs since September 2017, going by the all India formalisation rate of 10%.

<https://economictimes.indiatimes.com/jobs/jobs-karnataka-bounces-back-adds-3-million-new-jobs-since-september-2017/articleshow/90036782.cms>

## External

### **Export of APEDA's agri products grows 23 per cent in Apr-Jan**

Exports of major agriculture and processed products, broadly divided under 27 categories by Agricultural and Processed Food Products Export Development Authority (APEDA), have jumped 23.4 per cent to \$19.7 billion during April-January of 2021-22 from \$15.97 billion in the year-ago period, the Commerce Ministry said on Monday. The APEDA-promoted products have nearly 50 per cent share in the country's overall agricultural export of \$41.25 billion (in 2020-21), whereas marine products came second with 14 per cent share, followed by spices with 10 per cent share.

<https://www.thehindubusinessline.com/economy/agri-business/export-of-apedas-agri-products-grows-23-per-cent-in-apr-jan/article65201350.ece>

### **Tea exporters worried about payment issues with Russia**

Tea exporters on Monday expressed concern over how to solve payment issues for their shipments to Russia since the CIS country's several banks have been blocked to access to a global financial system SWIFT, in the wake of the Russian-Ukraine crisis. Indian Tea Exporters' Association (ITEA) chairman Anshuman Kanoria said everything is uncertain and premature in the context of the conflict. "But the blocking of access to SWIFT for several Russian banks is worrisome. Russia is the largest importer of Indian tea, followed by Iran, with which there is also a payment problem due to sanctions imposed by the US," he said. The US along with its key allies, including the European Union and the UK, had decided to disconnect key sanctioned Russian banks from the Society for Worldwide Interbank Financial Telecommunication (SWIFT) in response to Moscow's invasion of Ukraine.

<https://www.financialexpress.com/industry/tea-exporters-worried-about-payment-issues-with-russia/2452845/>

### **FY23 wheat exports could reach 10 mt if Russia-Ukraine crisis persists**

India's wheat exports could touch a new record of 10 million tonnes in 2022-23, up from a record seven million tonnes in the current financial year, if global market conditions remain choppy and no curbs are imposed on outbound shipments. That is the bullish estimate by officials from global trading firms and market watchers who say the Russia-Ukraine crisis has not only attracted global buyers to India but also pushed the price of Indian wheat from around \$320 per tonne (FOB) to over \$360 per tonne in less than 10 days.

[https://www.business-standard.com/article/economy-policy/fy23-wheat-exports-could-reach-10-mt-if-russia-ukraine-crisis-persists-122030700017\\_1.html](https://www.business-standard.com/article/economy-policy/fy23-wheat-exports-could-reach-10-mt-if-russia-ukraine-crisis-persists-122030700017_1.html)

### **India's coal imports fall 8.76% in Feb, domestic production rises**

As coal prices inch up in the global market, the Indian market is witnessing a slump in import of the dry fuel. During the 11 months of the current fiscal, the total coal import has fallen by 8.76 per cent over the same period last financial year. Though the import of coking coal has increased in this period, there is a significant decrease in import of non-coking coal. The price of coal in the global market touched a record high of \$400 per tonne last week. The Russia-Ukraine war has led to increase in the price of metal and fuels, including brent crude and coal.

[https://www.business-standard.com/article/companies/india-s-coal-imports-fall-8-76-in-feb-domestic-production-rises-122030701156\\_1.html](https://www.business-standard.com/article/companies/india-s-coal-imports-fall-8-76-in-feb-domestic-production-rises-122030701156_1.html)