



March 29, 2022 – Tuesday

Economy

Centre likely to distribute more rice than wheat to manage stock

The central government may have to distribute more rice than wheat in the latest extension of the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) announced on Saturday for six months starting April 1 to prevent a drawdown in its wheat stocks at the end of 2022-23 (FY23), said trade and grain industry sources. The official statement released on Saturday said the government plans to allocate 24.4 million tonnes (mt) of wheat and rice for PMGKAY for the next six months starting April 1.

https://www.business-standard.com/article/economy-policy/centre-likely-to-distribute-more-rice-than-wheat-to-manage-stock-122032800017_1.html

Govt plans to procure military equipment worth Rs 5 lakh cr from domestic source in next 5-7 years

The defence ministry on Monday said it plans to procure military equipment worth Rs 5 lakh crore from the domestic industries in the next five to seven years in line with its policy of promoting indigenous defence manufacturing. Minister of State for Defence Ajay Bhatt put out the projected figure of procurement from domestic sources while replying to a question in Rajya Sabha. The minister in his reply mentioned the lists and the government's priorities. "The positive indigenisation list comprises defence equipment which will be designed, developed and manufactured over a period from 2020 to 2025," he said, adding that the it was not possible to assess at this juncture the actual on account of the decision to not import the items.

<https://economictimes.indiatimes.com/news/defence/govt-plans-to-procure-military-equipment-worth-rs-5-lakh-cr-from-domestic-source-in-next-5-7-years/articleshow/90501419.cms>

Banking and Finance

'5,200 cos with credit exposure of over Rs 5 cr declared as NPAs till Dec'

More than 5,200 companies having credit exposure of Rs 5 crore or above were categorised as non-performing assets (NPAs) or bad loans on the banks' books as of December 31, 2021, Parliament was informed on Monday. Scheduled commercial banks (SCBs) and All Indian Financial Institutions report certain credit information of all borrowers having aggregate credit exposure of Rs 5 crore and above to the RBI, under its CRILC database, since the quarter ended June 2014, Minister of State for Finance Bhagwat Karad said. The number of unique borrowers having aggregate credit exposure of Rs 5 crore and above, identified as companies, and classified as non-performing assets (NPA) stood at 5,231 as of December 31, 2021, Karad said in a written reply to the Lok Sabha.

https://www.business-standard.com/article/finance/5-200-cos-with-credit-exposure-of-over-rs-5-cr-declared-as-npas-till-dec-122032800705_1.html

Govt's total liabilities rise 2% to Rs 128.41 lakh cr in December quarter

The government's total liabilities rose to Rs 128.41 lakh crore in December quarter from Rs 125.71 lakh crore in the three months ended September 2021, according to the latest public debt management report. The increase reflects

a quarter-on-quarter increase of 2.15 per cent in October-December 2021-22. In absolute terms, the total liabilities, including liabilities under the 'Public Account' of the government, jumped to Rs 1,28,41,996 crore at the end of December 2021. As of September 30, the total liabilities stood at Rs 1,25,71,747 crore. The report released by the finance ministry on Monday said public debt accounted for 91.60 per cent of the total outstanding liabilities in December quarter compared to 91.15 per cent at the end of September.

https://economictimes.indiatimes.com/news/economy/finance/govts-total-liabilities-rise-2-to-rs-128-41-lakh-cr-in-december-quarter/articleshow/90496359.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Covid claims doubled in FY22 due to Delta variant

Covid-19 cases may have eased in recent months and the third wave was not as severe as expected, but Covid related health insurance claims surged this fiscal, possibly led by the Delta variant. Insurers continue to remain under pressure despite increased awareness and purchase of such covers. While there were 9.83 lakh Covid related claims in 2020-21, these surged to 19.47 lakh in the current fiscal, recording an increase of 98 per cent. As the second wave of the pandemic led to many cases of hospitalisation, Covid claims also increased dramatically. The average ticket size of Covid related claims across the industry also remains high at ₹91,881.

<https://www.thehindubusinessline.com/data-stories/health-insurance-covid-claims-doubled-in-fy22-due-to-delta-variant/article65267270.ece>

India Inc's IPO activity at record high in FY22

Fundraising through an initial public offering (IPO) was at its highest ever in a fiscal in the financial year 2021-22, according to data released by Prime Database . As per Pranav Haldea, Managing Director, PRIME Database Group, 52 Indian corporates raised an all-time high of ₹1,11,417 crore through the mainboard IPOs in the financial year 2021-22 even as the last quarter witnessed only five IPOs. The IPO amount for 2021-22 was over 3.5 times of ₹31,268 crore raised through 30 IPOs in 2020-21. The previous best year was 2017-18 in which ₹81,553 crore was raised.

<https://www.thehindubusinessline.com/markets/india-incs-ipo-activity-at-record-high-in-fy22/article65267804.ece>

Industry

Airlines and 5-star hotels count gains as Indians holiday lavishly

Indians are holidaying lavishly now, spending more on five-star hotels and booking business-class seats as the country emerges from the coronavirus pandemic that restricted travel for two years, according to the South Asian nation's second-biggest online travel agency. "People are living their lives and splurging on travel," Prashant Pitti, a co-founder of EaseMyTrip, said in an interview with Bloomberg Television on Monday. "It's a shift which is happening for good, for long-term."

https://www.business-standard.com/article/economy-policy/airlines-and-5-star-hotels-count-gains-as-indians-holiday-lavishly-122032800638_1.html

Majority of consumers postpone decision to buy vehicle due to COVID-19: Report

The COVID-19 pandemic has forced 80 per cent of consumers to postpone their decision to purchase a four-wheeler, while 82 per cent of respondents deferred plans to buy a two-wheeler, according to a survey by Mobility Outlook. With electric vehicles (EV) gaining traction in India, 40 per cent of two-wheeler (2W) customers are willing to buy an EV this year, a slight increase from 2021. But for four-wheelers (4W), it remained the same as last year at 33 per cent, as per the survey by Mobility Outlook -- a brand of CarTrade Tech, which sought responses from 2,56,351 consumers. "As per this year's report, 80 per cent of respondents postponed their decision to purchase a 4W vehicle and 82 per cent postponed their decision to purchase a 2W vehicle due to COVID-19 after effects.

<https://economictimes.indiatimes.com/industry/auto/auto-news/majority-of-consumers-postpone-decision-to-buy-vehicle-due-to-covid-19-report/articleshow/90493177.cms>

Agriculture

Govt's paddy procurement reaches 741.62 lac tons so far in 2021-22 season

The Centre has procured 741.62 lakh tonne of paddy in the ongoing 2021-22 marketing year so far at the minimum support price (MSP), Union Food Ministry said on Monday. "Till now about 105.14 lakh farmers have been benefitted with MSP value of Rs 1,45,358.13 crore," the ministry said in a statement. A quantity of 741.62 lakh tonne of paddy has been procured till March 27 of the ongoing 2021-22 marketing year, it said. Out of the total procurement undertaken so far, maximum of 187.28 lakh tonne of paddy has been procured from Punjab, followed by 92.01 lakh tonne from Chhattisgarh, 70.22 lakh tonne from Telangana, 55.30 lakh tonne from Haryana and 66.53 lakh tonne from Uttar Pradesh till March 27 of the ongoing marketing year.

<https://www.financialexpress.com/economy/govts-paddy-procurement-reaches-741-62-lac-tons-so-far-in-2021-22-season/2474091/>

Onion production estimated higher this crop year but potato, tomato output may decline

India's horticulture output is likely to drop marginally by 0.4 per cent to 333.25 million tonnes (mt) during the current crop year (July 2021-June 22) compared with the previous year. The output of vegetables, spices, and plantation crops is set to decline. However, among the key essential items, while production of potato and tomato may drop, that of onion is pegged higher. Releasing the first advance estimates of the crop year and the final estimates of 2020-21 area and production of horticultural crops, the Union Agriculture Ministry said data has been compiled on the basis of information received from States and other government agencies. According to the official data, the fall in horticulture output is despite a higher area under cultivation at 27.56 million hectares (mh) in 2021-22 against 27.48 mh last year.

<https://www.thehindubusinessline.com/economy/agri-business/onion-production-estimated-higher-this-crop-year-but-potato-tomato-output-may-decline/article65268117.ece>

Now, government plans to launch super app for farmers

The government plans to launch a super app for farmers, consolidating multiple digital entities and existing mobile applications meant for them, said an official at the ministry of agriculture and farmers' welfare. The consolidation will help farmers in accessing information such as latest research and development, weather and market updates, services available, government schemes and advisories for different agro-climatic zones under one umbrella. The ministry is looking at combining apps like Kisan Suvidha, Pusa Krishi, MKisan, Shetkari Masik Android App, Farm-opedia, Crop Insurance Android App, AgriMarket, Iffco Kisan and ICAR's Krishi Gyan among others.

https://economictimes.indiatimes.com/news/economy/agriculture/now-government-plans-to-launch-super-app-for-farmers/articleshow/90504378.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

Infrastructure

NH stretch to reduce Bengaluru-Mysuru travel time to 75 minutes; to be ready in October: Nitin Gadkari

The 117-kilometre long stretch of the national highway in Karnataka that will reduce the travel time from Bengaluru to Mysuru to just 75 minutes will be completed in October, Union minister Nitin Gadkari said on Monday. Currently, it takes about 3 hours of travel time from Bengaluru to Mysuru. The 117 km-long stretch of the Bengaluru-Nidaghatta-Mysuru section of NH-275 is being developed at a cost of Rs 8,350 crore. Gadkari, the Minister for Road Transport and Highways, said the stretch will be completed in October. It will enhance the connectivity between the two important cities and will also provide an impetus to tourism and economy of the region.

<https://economictimes.indiatimes.com/news/india/nh-stretch-to-reduce-bengaluru-mysuru-travel-time-to-75-minutes-to-be-ready-in-october-nitin-gadkari/articleshow/90495960.cms>

Homebuyers expect housing prices to rise over next six months, looking for habitability & affordability for deal closure: Survey

The strengthening of business activities post the second wave of the pandemic and moderate impact of third wave have lent optimism to the consumer sentiments across all sectors. The overall improvement in consumer confidence has also trickled down to the residential realty markets. While the residential demand in 2021 was below the pre-COVID levels, it has surpassed the bottomed-out levels of the preceding year. According to a joint survey conducted

by Housing.com & NAREDCO, the importance of owning a home has never been so prominent as safety and security have become paramount. The respondents have chosen real estate as their preferred asset class even amidst the pandemic.

<https://www.financialexpress.com/money/homebuyers-expect-housing-prices-to-rise-over-next-six-months-looking-for-habitability-affordability-for-deal-closure-survey/2473802/>

Housing prices may go up 10-15 pc on rise in construction cost : CREDAI-MCHI

Realtors' body CREDAI on Monday said the cost of construction has gone up by 20-25 per cent, mainly during the last 45 days, due to steep rise in prices of raw materials like steel, and builders will be forced to increase property prices from next month by an average 10-15 per cent. CREDAI-MCHI, the Maharashtra chapter of CREDAI, demanded that the central as well as state governments consider giving relief to the industry by reducing stamp duty and GST rates, besides allowing input tax credit (ITC) to developers.

<https://www.financialexpress.com/industry/housing-prices-may-go-up-10-15-pc-on-rise-in-construction-cost-credai-mchi/2473928/>

Telecom

DoT for changes in law to allocate E, V-band spectrum

The Department of Telecommunications (DoT) is proposing legislative changes to address long pending issues such as the disbursement of E- and V-band spectrum as the government considers allocating these airwaves instead of auctioning them, said a top official. Telecom secretary K Rajaraman also told ET that Vodafone Idea's (Vi) application for swapping the accrued interest on its deferred dues for government equity could be approved within the next two-three weeks. Cash-strapped Vodafone Idea had urged the government to expedite the approval for clarity on the company's shareholding pattern which is crucial for bringing external investors on board.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/dot-for-changes-in-law-to-allocate-e-v-band-spectrum/articleshow/90504241.cms>

Energy

CIL allays supply shortfall fears; making efforts to meet projected coal demand

Allaying fears of coal supply shortage, state-owned Coal India on Monday said it is concentrating its efforts to meet the projected demand of the power sector on priority basis. The state-owned coal miner in this fiscal till March 24 has supplied an all-time high of 528 million tonnes (MT) of coal to the country's power utilities. This is 98.5 per cent of the pro-rated demand of 536 MT projected by the Ministry of Power and the Central Electricity Authority. "Coal India Ltd (CIL) allays the supply shortfall apprehension of the power sector and is concentrating its efforts to meet the projected coal demand of this regulated sector on priority basis," the company said in a statement.

<https://economictimes.indiatimes.com/industry/energy/power/cil-allays-supply-shortfall-fears-making-efforts-to-meet-projected-coal-demand/articleshow/90495281.cms>

Fuel price revision continues; petrol price up 30 paise, diesel up 35 paise

The oil marketing companies (OMCs) on Monday continued with the auto fuel price revision by raising the retail selling price (RSP) of petrol by about 30 paise and that of diesel by around 35 paise — for the sixth time since March 22. Post this hike, the prices have been raised by Rs 4 for petrol and Rs 4.10 per litre for diesel overall. Following the price revision, the rate of petrol or motor spirit (MS), in the national Capital is now Rs 99.41 per litre, while the revised rates in Mumbai, Chennai and Kolkata are Rs 114.19 per litre, Rs 105.18 a litre, and Rs 108.85 per litre, respectively.

<https://www.thehindubusinessline.com/markets/commodities/fuel-price-revision-continues-petrol-price-up-30-paise-diesel-up-35-paise/article65266633.ece>

India Inc to face significant cost inflation on high imported coal prices: ICRA

Prices of imported coal are poised to spike by 45-55% Q-o-Q in Q1 FY2023 as markets face supply disruption following the Russia-Ukraine conflict, ICRA said. As per latest ICRA note on the coal sector, this will severely impact domestic

users of imported coal since, notwithstanding some moderation from the all-time highs of March 2022, coal prices are expected to stay elevated throughout FY2023.

https://economictimes.indiatimes.com/news/economy/indicators/india-inc-to-face-significant-cost-inflation-on-high-imported-coal-prices-icra/articleshow/90495687.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

States

Odisha reboots economy after Covid impact, to grow at 10.1% in FY22 : CM

Odisha Chief Minister Naveen Patnaik on Monday said the state's economy has been protected from the adverse impact of COVID-19 and is likely to register a growth of 10.1 per cent in the current fiscal. Speaking on the motion of thanks to the governor for his address to the assembly at the beginning of the budget session, the CM said his government has "successfully" managed the pandemic. "As per advance estimates for 2021-22, Odisha will register 10.1 per cent growth as compared to 8.8 per cent growth in the national economy," he said. Noting that the recovery from COVID-19 was a huge challenge, Patnaik said, "We have met this challenge with resolve and have been able to successfully reboot our economy."

<https://economictimes.indiatimes.com/news/india/odisha-reboots-economy-after-covid-19-impact-to-grow-at-10-1-in-fy22-cm/articleshow/90496979.cms>

External

Govt not considering buying crude oil in rupees from Russia: MoS

India has no plans to pay in rupees for the Russian oil its public sector companies buy, Parliament was informed on Monday. India buys less than one per cent of its total oil imports from Russia. But western sanctions against Russia for its invasion of Ukraine have given way to talk of a rupee trade for the oil and gas purchases. "At present, oil public sector undertakings neither have any contract nor is any such proposal under consideration from Russia or any other country for the purchase of crude oil in Indian rupees," Minister of State for Petroleum and Natural Gas Rameswar Teli said in a written reply to the Rajya Sabha. He did not elaborate.

https://www.business-standard.com/article/current-affairs/india-not-considering-buying-crude-oil-from-russia-using-rupees-122032800643_1.html

Sri Lanka seeks additional \$1-bn credit line from India: Report

Sri Lanka has sought an additional credit line of \$1 billion from India to import essentials amid its worst economic crisis in decades, two sources said on Monday, as the Indian foreign minister began talks with the government of its neighbour. Sri Lanka faces an economic crisis as it struggles to pay for essential imports of food and fuel after a 70% drop in foreign exchange reserves since January 2020 led to a currency devaluation and efforts to seek help from global lenders. New Delhi has indicated it would meet the request for the new line, to be used for importing essential items such as rice, wheat flour, pulses, sugar and medicines, said one of the sources briefed on the matter.

https://www.business-standard.com/article/international/sri-lanka-seeks-additional-1-billion-credit-line-from-india-report-122032800641_1.html