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Economy

FM Nirmala Sitharaman assures investors of addressing pain points to encourage investments

Finance Minister Nirmala Sitharaman on Tuesday assured investors that the government will address any possible pain points to encourage investments in the country. Addressing a roundtable on 'Investing in India's Digital Revolution' in San Francisco, the minister encouraged constant engagement with investors to understand and address their concerns. The Finance Minister said she was open to receive suggestions, understand pain points and offer necessary redressal wherever possible. "FM Smt. @nsitharaman said that in order to promote a robust #Startup ecosystem in India, @DPIITGoI has set up a very proactive #Startup cell and encouraged those interested in Indian #StartUps to engage with @DPIITGoI." a tweet from the Finance Ministry said.

https://economictimes.indiatimes.com/news/economy/policy/fm-nirmala-sitharaman-assures-investors-of-addressing-pain-points-to-encourage-investments/articleshow/91121418.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23

Land, labour and education key to support India's economic growth as Ukraine war lingers: IMF

The International Monetary Fund (IMF) said India needs to strengthen its labour, land and education sector, with a focus on improving participation of women in the labour force, if it wants to improve its growth potential. The three areas are potential bottlenecks that could hamper India's growth, IMF said. Furthermore, putting focus on infrastructure investment and keeping a commodity fiscal stance could be an appropriate action to support the vulnerable households, it added. For FY 2023, IMF cut growth outlook for India last week by 80 basis points to 8.2 per cent amid spillovers from the Russia Ukraine war. "In India, the difficult policy tradeoffs are evident from the fallout from the Ukraine war, especially, higher oil prices expected to weigh on gross and increase current account deficits and push up inflation. While growth is still expected to be strong at 8.2 percent, this is 0.8 percentage points lower than in the January Update," Anne-Marie Gulde-Wolf, Acting Director of the IMF's Asia and Pacific Department said.

<https://www.financialexpress.com/economy/land-labour-and-education-key-to-support-indias-economic-growth-as-ukraine-war-lingers-imf/2504951/>

90% states publish draft rules on 4 labour codes, implementation imminent: Govt

Union Labour Minister Bhupender Yadav has exuded confidence that four labour codes, which would bring another wave of reforms, will soon be implemented as around 90 per cent of states have already come out with draft rules. In 2019 and 2020, 29 central labour laws were amalgamated, rationalised and simplified into four labour codes, viz, the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health & Working Conditions Code, 2020, noted the Survey. During an interaction, Yadav told reporters that around 90 per cent of the states have already published draft rules on four labour codes and he expects the four legislations would become operational soon.

<https://economictimes.indiatimes.com/news/india/90-states-publish-draft-rules-on-4-labour-codes-implementation-imminent-says-bhupender-yadav/articleshow/91128926.cms>

Banking and Finance

PM street vendor's scheme (SVANidhi) to continue till December 2024

The Centre on Wednesday approved the continuation of the Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) scheme till December 2024, according to an official statement. The approval was given by the Cabinet Committee on Economic Affairs chaired by Prime Minister Narendra Modi, the statement said, adding that through PM SVANidhi, affordable collateral-free loans are given to street vendors. "Today's approval has increased the loan amount to Rs 8,100 crore, thereby providing the street vendors working capital to further expand their business and making them AtmaNirbhar," the statement said.

https://www.business-standard.com/article/economy-policy/pm-street-vendor-s-scheme-svanidhi-to-continue-till-december-2024-122042700838_1.html

RBI not keen on Niti Aayog's digital bank proposal

With the Reserve Bank of India (RBI) issuing operational guidelines for digital banking units earlier this month, it seems to be shutting down on Niti Aayog's proposal to issue exclusive digital bank licenses, an idea that the government's think-tank had floated in November 2021. This means that, neo-banks such as RazorpayX, Jupiter, Niyoy, Fi, and Open, which had pinned hopes on becoming digital banks based on the Niti Aayog's recommendations may have to continue with the partnership model with banks.

According to a highly placed source, RBI wasn't comfortable handing out fresh digital licenses as it could lead to further fragmentation of the market. It may also have been difficult for the candidates to clear RBI's bar on 'fit-and-proper' criteria for bank promoters.

<https://www.thehindubusinessline.com/money-and-banking/rbi-not-keen-on-niti-aayogs-digital-bank-proposal/article65359663.ece>

LIC IPO is right-sized, won't crowd out monetary supply: DIPAM Secy

The initial public offering (IPO) of Life Insurance Corporation of India is right sized given the constraints in the market, DIPAM Secretary Tuhin Kanta Pandey said on Wednesday while underlining that even after the reduced size at about ₹21,000 crore, it would be the biggest IPO ever in the country. "This is right sized considering the capital market environment and will not crowd out capital and monetary supply even in the current environment constraints," Pandey said at a press conference.

<https://www.thehindubusinessline.com/money-and-banking/lic-ipo-is-right-sized-dipam-secy/article65359597.ece>

GST compensation for 8 months released to states, Rs 78,704 cr pending: Finance Ministry

The Finance Ministry on Wednesday said the Centre has already released eight months of GST compensation dues to the states for the fiscal ended March 2022 and Rs 78,704 crore is pending due to inadequate balance in the cess fund. In a statement, the ministry said normally, GST compensation for 10 months (April-January) of any financial year is released during that year and the compensation of February-March is released only in the next financial year. "... compensation of eight out of ten months of 2021-22 has already been released to States. The pending amount will also be released as and when amount from cess accrues in the compensation fund," it said.

<https://economictimes.indiatimes.com/news/economy/finance/gst-compensation-for-8-months-released-to-states-rs-78704-cr-pending-finance-ministry/articleshow/91133142.cms>

26% growth in health insurance premium recorded; 12% of claims related to covid-19 – ICRA

ICRA expects the general insurance industry's gross direct premium income (GDPI) to grow by 10-12% in FY2023, led by higher growth in the health and commercial business segments with increasing awareness of medical insurance and uptick in economic activity. Already the resumption of economic activity after the waning of Covid-19 infections, has led to the industry's gross direct premium income (GDPI) growth recovering by an estimated 11% in FY2022 (compared to a 4% growth in FY2021). The GDPI of PSU insurers is expected to grow moderately at 4-6%, while private insurers are expected to capture market share by growing at a higher rate of 13-15% in FY2023. However, economic uncertainty due to structural challenges in the automobile industry and rising commodity prices amid the geopolitical crisis pose downside risk to FY2023 growth.

<https://www.financialexpress.com/money/insurance/26-growth-in-health-insurance-premium-recorded-12-of-claims-related-to-covid-19-icra/2505659/>

Industry

Modi govt sets timeline to roll out 1st indigenous commercial chipsets by 2023-24

The government has set a timeline to commercially roll out the first indigenous chipsets by 2023-24 under the Digital India RISC-V programme launched on Wednesday, Union minister Rajeev Chandrasekhar said on Wednesday. The Minister of State for Electronics and IT said that the Digital India RISC-V (DIR-V) programme aims to create future generations of microprocessors that will serve the need of India's strategic focus on mobility, computing and digitisation. "One big milestone that I am very focused on is to have the first set of commercial silicon of Shakti and Vega processors available by December 2023 or early 2024. "We want at least a few companies to adopt their product designs to DIR-V products Shakti and Vega before 2023-24 and when the silicon is ready, they start manufacturing and incorporating chips in the products," Chandrasekhar told reporters.

<https://www.financialexpress.com/industry/modi-govt-sets-timeline-to-roll-out-1st-indigenous-commercial-chipsets-by-2023-24/2505477/>

MSME Minister Narayan Rane launches initiative to promote entrepreneurship, create awareness on MSME schemes

MSME Minister Narayan Rane on Wednesday launched a month-long initiative Enterprise India to promote entrepreneurship culture in the country and create awareness about its various schemes offered to micro, small and medium enterprises (MSMEs). The ministry tweeted it has planned a series of commemorative events and activities from April 27 to May 27, 2022, to encourage youth toward entrepreneurship and benefit from various MSME schemes. The initiative was launched during Rane's meeting with various industry associations. "We have to collectively work towards MSME development, enhance their production, increase (their share in) GDP and exports, and make India self-reliant. We understand businesses have been under stress due to Covid and hence the government had launched multiple schemes for small businesses to support them. I want to assure you all that we will continue to upgrade and develop the MSME sector and I hope you (industry associations) will cooperate in realising the vision of Atmanirbhar Bharat," Narayan Rane said in his address.

<https://www.financialexpress.com/industry/sme/msme-eodb-msme-min-narayan-rane-launches-initiative-to-promote-entrepreneurship-create-awareness-on-msme-schemes/2505504/>

Third wave did little to dent demand for packaged goods

Out-of-home demand for packaged goods exceeded expectations in the quarter ended March despite the third wave of Covid-19 in January, as per companies that have declared their fourth quarter earnings. "Despite the third Covid wave impacting January sales, the out-of-home business posted better-than-expected results in the first quarter, mainly resulting from faster channel openings," Nestle India said in its earnings update.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/third-wave-did-little-to-dent-demand-for-packaged-goods/articleshow/91134352.cms>

Electric vehicle makers told to halt two-wheeler launches

The government has asked electric two-wheeler manufacturers not to launch new vehicles till instances of fire are investigated. This was communicated to manufacturers at a meeting called by the roads, transport and highways ministry on Monday to discuss the rise in incidents of fire in electric two-wheelers. "EV makers have also been verbally dissuaded from launching new vehicles until clarity about the cause of fires and steps required to stop them have been firmed up," said an official privy to the deliberations.

<https://economictimes.indiatimes.com/industry/renewables/electric-vehicle-makers-told-to-halt-two-wheeler-launches/articleshow/91133703.cms>

Micro, small enterprises enhanced their digital adoption post Covid to market products, transact online: Crisil

Over 65 per cent of around 540 micro and small enterprises (MSEs) surveyed by Crisil recently said they had adopted or upgraded their use of digital channels for growth amid pandemic-led disruption last year. The ratings agency on Wednesday said the survey was conducted to gauge usage of digital channels including online aggregators, social media platforms, and company websites by MSEs during the pandemic. Of the total respondents, 59 per cent were micro enterprises with revenue less than Rs 5 crore and others were small businesses with revenue up to Rs 25 crore.

The digital usage benefitted respondents in the immediate-to-short run by helping manage transactions at a distance, deliver goods efficiently, and facilitate access to financial services, apart from bringing in tangible benefits such as enhanced customer acquisition, operational efficiency, workforce enhancement, risk management, innovation and reduction in manpower requirement, the survey noted.

<https://www.financialexpress.com/industry/sme/msme-tech-micro-small-enterprises-enhanced-their-digital-adoption-post-covid-to-market-products-transact-online-crisil/2505321/>

India's retail industry to reach \$2 trillion by 2032: Report

As the country recovers from the pandemic, the retail industry has resumed its growth trajectory and is likely to witness 10 per cent annual growth to reach approximately USD 2 trillion by 2032, according to a report. According to a BCG-RAI report titled "Racing towards the next wave of Retail in India", while certain industry segments like food and grocery, restaurants and Quick service restaurant (QSR), and consumer durables have recovered to pre-COVID levels, others like jewellery and accessory, apparel, and footwear remain on track to a full recovery. "The Indian economy continues to be driven by consumption and we are observing that consumption growth is back in the positive territory after the two-year COVID pause," BCG Managing Director and Senior Partner Abheek Singhi said.

https://economictimes.indiatimes.com/industry/services/retail/indias-retail-industry-to-reach-2-trn-by-2032-report/articleshow/91122999.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23

Agriculture

Govt hikes non-urea fertiliser subsidy to Rs 61,000 cr for 6 mths of FY23

With prices going through the roof due to the ongoing Russia-Ukraine crisis, the Centre today approved a subsidy of Rs 60,939.23 crore for non-urea fertilisers for the first six months of this financial year. The move would enable companies to continue selling the vital soil nutrients at affordable rates to farmers. This is almost 45.23 per cent more than the Budget Estimates for non-urea fertilisers for the entire Fy-23. After today's support, companies will be able to sell one bag of Di-Ammonia Phosphate (DAP) at Rs 1350 because the Centre will absorb the remaining cost of the same, estimated to be around Rs 2501 as subsidy. Earlier, this month, fertiliser companies had raised DAP prices by Rs 150 per bag from Rs 1200 to Rs 1350. For NPKS, the prices were increased in the range of Rs 20-110 per 50 kg bag depending upon the grade.

https://www.business-standard.com/article/economy-policy/govt-hikes-non-urea-fertiliser-subsidy-to-rs-61-000-cr-for-6-mths-of-fy23-122042701104_1.html

Infrastructure

Major ports asked to build infra for ensuring zero waiting time for cargoes by 2025

The Shipping Ministry has asked all major ports to ensure adequate infrastructure by 2025 for achieving zero waiting time for inward as well as outbound cargoes. In an office memorandum, the Ministry of Ports, Shipping and Waterways (MoPSW) noted that port capacity required in 2047 will be around six-times of the present port capacity. "Major Ports should carry out detailed planning. If these are constraints on waterfronts and /or land availability, the major ports shall explore possibility of setting up satellite ports," it said. The memorandum also said the major port authorities shall prepare a comprehensive master plan 2047 for the entire port area including cargo projections, warehousing etc with ultimate aim to achieve efficient logistics for enhancing economic development.

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/major-ports-asked-to-build-infra-for-ensuring-zero-waiting-time-for-cargoes-by-2025/articleshow/91128258.cms>

Millennials driving realty growth in Tier 2 & 3 cities

New trends are constantly shaping up the real estate sector as demand continues to grow across segments and locations. Various factors such as reverse migration, flexible work options, learning from home, and the desire for ample open and green spaces have turned the tide in favor of Tier 2 & 3 cities. A large chunk of the young workforce or millennials is now investing in real estate in Tier 2 & 3 cities for opulent living, work-life balance, well-being, and future security. Additionally, a wish to stay close to family, connectivity upgrades, and vibrant social infrastructure

have also made Tier 2 & 3 locations a favorite investment spot for millennials. A survey done by ANAROCK revealed that out of all participants who prefer to buy in Tier 2 cities, 61% are end-users while the remaining are buying for investment purposes.

<https://www.financialexpress.com/money/millennials-driving-realty-growth-in-tier-2-3-cities/2505696/>

Haryana RERA to formulate guideline for handing over of projects to RWAs

Haryana Real Estate Regulatory Authority (HaRERA) will come up with a detailed guideline for handing over of projects to RWAs, formation of RWAs and obligation of builders. The authority in partnership with other departments is organising a conclave on RWAs to make them aware of the existing Act. The authority in partnership with other departments is organising a conclave on RWAs to make them aware of the existing Act.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/haryana-rera-to-formulate-guideline-for-handing-over-of-projects-to-rwas/articleshow/91131211.cms>

Bengaluru records highest growth in office rental values; Delhi-NCR becomes 9th most expensive market

Knight Frank, in its recent edition of the Asia-Pacific Prime Office Rental Index for Q1 2022 noted that amongst all cities of the region, Bengaluru saw the highest growth in rental values in the first quarter at 5.8 per cent in Q1 2022 as compared to the previous quarter. Knight Frank, in its recent edition of the Asia-Pacific Prime Office Rental Index for Q1 2022 noted that amongst all cities of the region, Bengaluru saw the highest growth in rental values in the first quarter at 5.8 per cent in Q1 2022 as compared to the previous quarter.

<https://www.financialexpress.com/money/bengaluru-records-highest-growth-in-office-rental-values-delhi-ncr-becomes-9th-most-expensive-market/2505049/>

US aviation watchdog likely to maintain highest safety rating for India

US aviation watchdog Federal Aviation Administration (FAA) has completed the audit of India's aviation regulator DGCA. Sources said that the FAA team was satisfied with the work and changes in regulations by India and is likely to maintain a Category 1 status rating under its International Aviation Safety Assessment (IASA) programme. A continuation of the highest standard by the FAA will be a relief for Indian airlines especially the Tata group which intends to increase Air India flights on the India-US routes. Its joint venture with Singapore Airlines- Vistara is also looking to launch its US operations.

https://www.business-standard.com/article/economy-policy/us-aviation-watchdog-likely-to-maintain-highest-safety-rating-for-india-122042701180_1.html

Telecom

Cabinet clears Rs 2,426 cr to upgrade 2G mobile sites in naxal areas to 4G

The Cabinet has approved upgradation of 2G mobile sites to 4G in naxal-hit areas at a cost of Rs 2,426 crore, Union Minister Anurag Thakur said on Wednesday. The project is spread across naxal-affected area in 10 states and the task has been assigned to the state-owned telecom firm BSNL. "We have 4G here but LWE (left wing extremism) areas have 2G connectivity. To provide 4G in place of 2G facility, the Cabinet under leadership of Prime Minister Narendra Modi approved Rs 2,426 crore for upgradation of 2,542 mobile towers from 2G to 4G. All these towers are in naxal affected area," Thakur told reporters after the cabinet meeting.

https://www.business-standard.com/article/economy-policy/cabinet-clears-rs-2-426-cr-to-upgrade-2g-mobile-sites-in-naxal-areas-to-4g-122042700796_1.html

Energy

Cabinet approves 540 MW hydro project on river Chenab in J&K

The Cabinet Committee on Economic Affairs (CCEA), on Wednesday, approved the 540 Megawatt (MW) Kwar Hydro Electric Project located on river Chenab in the Kishtwar district of Jammu and Kashmir (J&K) at an investment of ₹4,526.12 crore. The project will be implemented by Chenab Valley Power Projects (CVPPL), a joint venture between NHPC and JKSPDC. The project will generate 1,975.54 million units (MU) in a 90 per cent dependable year, said the Power Ministry in a statement. The Centre is extending a grant of ₹69.80 crore towards the cost of enabling

infrastructure and also supporting the Union Territory by providing a grant of ₹655.08 crore for equity contribution of JKSPDC (49 per cent) in CVPPPPL, it added.

<https://www.thehindubusinessline.com/companies/approval-for-540-mw-hydro-project-on-river-chenab-in-jk/article65360188.ece>

Healthcare

PM calls for prioritising administering Covid vax to children

Prime Minister Narendra Modi on Wednesday said administering vaccines to every single “eligible child at the earliest” should be a priority while Covid-appropriate behaviour has to be adhered to in all public places. Modi’s comments were made during his interaction with Chief Ministers through video conferencing. The meeting was called to review the Covid situation in the country amidst apprehensions of a fourth wave and increasing positivity rate of infections across several states including the national capital of Delhi. India’s Covid cases have been inching up over the last few days, particularly in the Delhi – NCR area. The country reported 2,927 new coronavirus case on a 24-hour basis and 32 deaths (which includes 26 backlog from Kerala, one each in Mizoram and Delhi, and four in Maharashtra). Active cases comprised 0.04 per cent of total infections and recovery rate stood at 98.75 per cent. Daily positivity rate was at 0.58 per cent.

<https://www.thehindubusinessline.com/news/pm-calls-for-prioritising-administering-covid-vax-to-children/article65360239.ece>

Gap between 2nd dose of Covid jab, precaution dose to be reduced to 6 months soon

The government is likely to soon reduce the gap between the second dose of COVID-19 vaccine and the precaution dose from the current nine months to six months, official sources said on Wednesday. A recommendation on lessening the gap is expected to be made by the National Technical Advisory Group on Immunisation (NTAGI) which is set to hold a meeting on April 29, they told PTI. Studies at ICMR and other international research institutions have suggested that antibody level wanes after about six months from the primary vaccination with both doses and giving a booster increases the immune response.

<https://economictimes.indiatimes.com/news/india/gap-between-2nd-dose-of-covid-jab-precaution-dose-to-be-reduced-to-6-months-soon/articleshow/91129071.cms>

ICMR task force meets to discuss inclusion of Pfizer’s Paxlovid for Covid treatment

The Indian Council of Medical Research’s (ICMR) National Task Force on Covid-19 is likely to meet this week to review data available on antiviral drug Paxlovid to decide on its inclusion in the treatment guidelines, people aware of the matter told ET. The Indian Council of Medical Research’s (ICMR) National Task Force on Covid-19 is likely to meet this week to review data available on antiviral drug Paxlovid to decide on its inclusion in the treatment guidelines, people aware of the matter told ET.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/icmr-task-force-meets-to-discuss-inclusion-of-pfizers-paxlovid-for-covid-treatment/articleshow/91116752.cms>

External

Indonesian U-turn: Export ban will cover crude palm oil

In its latest policy flip-flop, Indonesia on Wednesday said it will expand its ban on export of palm oil to crude oil palm, setting off the palm oil market virtually afire. The announcement coming around noon in Jakarta time from the country’s Coordinating Minister for Economic Affairs, Airlangga Hartarto, saw crude palm oil July contracts soaring by 10 per cent past 7,000 Malaysian ringgits to 7,001 a tonne (₹1.23 lakh) on Bursa Malaysia Derivatives. This is the highest level the edible oil has increased to after March 9. In a briefing, Hartarto, said the ban on the export of palm oil will include crude palm oil, RBD palm oil and used cooking oil. The ban will come into effect from Thursday (April 28) and will last until domestic cooking oil prices ease, which some Indian buyers see as short-term.

<https://www.thehindubusinessline.com/economy/agri-business/indonesian-u-turn-export-ban-will-cover-crude-palm-oil/article65360776.ece>

Australia to ask India for tariff cuts on more farm products in CECA talks

Australia plans to ask India for tariff reduction on a number of agricultural commodities such as nuts, pulses, grains, oilseeds, packaged food and cotton, which were not included in the free trade agreement (FTA) signed between the two countries earlier this month. The tariff concessions will be sought as part of the negotiations for the full-fledged comprehensive pact, likely to begin within the next two months. "The government is working to position Australia as India's primary partner in agribusiness, key supplier of agricultural commodities and critical partner in technical knowledge....customs duties and import tariff remain key issues for our industries and we will continue to seek tariff reduction in negotiations towards the Comprehensive Economic Cooperation Agreement," according to the Department of Foreign Affairs and Trade (DFAT), which has come up with an update on the country's India Economic Strategy to 2035. Progress on technical market access issues in both markets helped two-way agricultural trade exceed \$714 million in 2020, the report pointed out.

<https://www.thehindubusinessline.com/economy/australia-to-ask-india-for-tariff-cuts-on-more-farm-products-in-ceca-talks/article65360715.ece>

Coal imports by power plants lowest in years

Coal imports by power plants fell to record low to 24 million tonnes between April-February of last financial year on high prices amid worries of unprecedented power demand and low stock position at power stations. This is a 43% decline against 42 million tonnes in the corresponding period of FY21, latest commerce ministry data showed. The imports are 63% lower than Apr-Feb FY20 at 65 million tonnes. Imports by power plants in 2016-17 were 66 million tonnes.

<https://economictimes.indiatimes.com/industry/energy/power/coal-imports-by-power-plants-lowest-in-years/articleshow/91132517.cms>

India exports 13.5 MT finished steel worth Rs 1 trillion in FY22: Minister

India exported 13.5 million tonne (MT) of finished steel valuing Rs 1 lakh crore in the last financial year, Minister of Steel Steel Fagga Singh Kulaste has said. According to official data, India's finished steel exports were at 10.78 million tonne in 2020-21. "India exported 13.5 MT finished steel amounting to Rs 1 lakh crore and imported steel of around Rs 46,000 crore during FY22," Kulaste said at Steel and Engineering Exports organised by Metalogic PMS on Tuesday. The value of merchandise exports from India was at USD 420 billion, he said.

https://www.business-standard.com/article/economy-policy/india-exports-13-5-mt-finished-steel-worth-rs-1-trillion-in-fy22-minister-122042700599_1.html

China, Russia, India, four others on US property rights 'Priority Watch List'

The United States on Wednesday placed India, China, Russia and four other countries on its annual 'Priority Watch List' for intellectual property protection and enforcement. The other countries that have been put on the list issued by the Office of the US Trade Representative are Argentina, Chile, Indonesia and Venezuela. All seven countries on this year's list were on last year's, too.

<https://economictimes.indiatimes.com/news/india/china-russia-india-four-others-on-us-property-rights-priority-watch-list/articleshow/91132269.cms>