



May 02, 2022 – Monday

Economy

GST revenues at all-time high of Rs 1.68 lakh cr in April

The GST collection in April touched the highest ever level of about Rs 1.68 lakh crore, up 20 per cent from the year-ago period, on improved compliance and recovery in business activity, the Finance Ministry said on Sunday. The gross GST revenue collected in April is Rs 1,67,540 crore, of which CGST is Rs 33,159 crore, SGST Rs 41,793 crore, IGST Rs 81,939 crore (including Rs 36,705 crore collected on import of goods) and cess Rs 10,649 crore (including Rs 857 crore collected on import of goods), the ministry said. Giving comparable data of April GST return filing, the ministry said there is a "clear improvement in the compliance behaviour, which has been a result of various measures taken by the tax administration to nudge taxpayers to file returns timely, to making compliance easier and strict enforcement action was taken against errant taxpayers identified based on data analytics and artificial intelligence".
<https://www.financialexpress.com/economy/gst-revenues-at-all-time-high-of-rs-1-68-lakh-cr-in-april/2509362/>

India's jobless rate rises to 7.83% in April - CMIE

India's unemployment rate rose to 7.83% in April from 7.60% in March, data from the Centre for Monitoring Indian Economy (CMIE) showed on Sunday. The urban unemployment rate rose to 9.22% in April from 8.28% the previous month, while the rural unemployment rate slipped to 7.18% from 7.29%, the data showed. The highest unemployment rate of 34.5% was recorded in the northern state of Haryana, followed by 28.8% in Rajasthan.
<https://economictimes.indiatimes.com/news/economy/indicators/indias-jobless-rate-rises-to-7-83-in-april-cmie/articleshow/91236898.cms>

Sufficient stock of edible oils; monitoring prices, supply: Food Ministry

The government on Sunday said the country has sufficient stock of edible oils and it is keeping a close watch on the price as well as supply situation. "India has optimum stock of all edible oils. As per the industry sources, the present stock of all edible oils in the country is 21 lakh tonnes approx and 12 lakh tonnes approx. is in transit arriving in May, 2022," the food and consumer affairs ministry said in a statement. Therefore, the country has sufficient stock to cover the lean period due to ban on export by Indonesia, it added. On the oilseeds front, the agriculture ministry's second advance estimate released in February 2022 showed a very positive picture of soyabean production for the year 2021-22 at 126.10 lakh tonnes, which is higher than last year's production of 112 lakh tonnes.
https://www.business-standard.com/article/economy-policy/sufficient-stock-of-edible-oils-monitoring-prices-supply-food-ministry-122050100821_1.html

Banking and Finance

UPI hits record high in April

Unified Payments Interface (UPI) hit a record high in April with 558 crore transactions amounting to ₹9.83-lakh crore, the highest for the payment platform — both in terms of volume and value of transactions — since its inception. In April 2021, UPI had processed 264 crore transactions worth ₹4.93-lakh crore. UPI had processed 540.56 crore payments in March amounting to ₹9,60,581.66 crore, data from the National Payments Corporation of India

revealed. In contrast, it had processed 452.74 crore transactions worth ₹8,26,843 crore in February this year. It crossed the \$1 trillion payment mark for FY22 at ₹84,17,572.48 crore.

<https://www.thehindubusinessline.com/money-and-banking/upi-hits-record-high-in-april/article65373022.ece>

Fundraising via REITs, InvITs slumps 59% to Rs 22,145-cr in FY22 on uncertainty around world

Fundraising through emerging investment instruments — REITs and InvITs — plunged 59 per cent to Rs 22,145 crore in 2021-22 primarily on account of uncertainty around the world and volatility in the stock market. In comparison, Rs 54,731 crore was raised in 2020-21. Prior to that, Rs 11,496 crore was mobilised through these avenues in 2019-20, data with the Securities and Exchange Board of India (Sebi) showed. The funds were raised through initial offer, preferential issue, institutional placement and rights issue. The total fundraising also included money collected by unlisted InvITs, Sebi noted. REITs and InvITs are relatively new investment instruments in the Indian context but extremely popular in global markets. While an REIT comprises a portfolio of commercial real assets, a major portion of which are already leased out, InvITs comprise a portfolio of infrastructure assets such as highways, power transmission assets.

<https://www.financialexpress.com/market/fundraising-via-reits-invits-slumps-59-to-rs-22145-cr-in-fy22-on-uncertainty-around-world/2509208/>

IRDAI panel suggests 'micro insurance' modules for low-income group, small businesses

A committee appointed by regulator IRDAI has suggested over a dozen low-cost "micro insurance" modules with a view to expand protection plans for uncovered population and small businesses. The committee has suggested that the insurers should be allowed to adopt a modular approach using various permutations and combinations for Combi MI (Micro Insurance) products. 'MI' aims to protect low-income people with insurance products that are affordable. The objective of MI is to empower people to cope with and recover from common risks such as death of the breadwinner, paying for treatment of serious illnesses, reconstructing destroyed homes and businesses, among others.

<https://www.financialexpress.com/money/insurance/irdai-panel-suggests-micro-insurance-modules-for-low-income-group-small-businesses/2509367/>

Industry

Defence Ministry's procurement from MSMEs on GeM portal hits all-time high in FY22

Purchase of defence-related goods and services by the Defence Ministry from micro, small and medium enterprises (MSMEs) and others on the government's business-to-government (B2G) portal Government eMarketplace (GEM) jumped over 250 per cent in the financial year 2021-22 from the previous year. According to a statement by the ministry on Saturday, procurement orders through GeM reached an all-time high of Rs 15,047.98 crore during FY22. "The GeM was started in August 2016 to revamp the old tender process and bring greater probity and transparency in government procurement through digitisation. In a short span since its inception, the Ministry of Defence has embraced the digital drive and embarked on this path with absolute resoluteness. Despite multiple challenges on the ground, the results have been astounding," the ministry said.

<https://www.financialexpress.com/industry/sme/msme-eodb-defence-ministrys-procurement-from-msmes-on-gem-portal-hits-all-time-high-in-fy22/2509390/>

Govt to review design linked incentive scheme to support 100 cos: MoS IT

The government will review norms of the design linked incentive (DLI) program which envisages to support 100 companies involved in product design in the semiconductor space as part of a Rs 76,000 crore scheme for developing the electronic chip ecosystem in the country, Minister of State for Electronics and IT Rajeev Chandrasekhar said on Sunday. "Whether the DLI norms need to be modified... We have got some feedback from this conference that maybe the DLI has been designed to be very narrow. Maybe there is a cap on funding that is too restrictive. We will examine all that," Chandrasekhar told reporters.

https://www.business-standard.com/article/economy-policy/govt-to-review-design-linked-incentive-scheme-to-support-100-cos-mos-it-122050100455_1.html

Indonesia's ban on palm oil exports a concern but impact to be transitory: FMCG industry

Indian FMCG players, particularly food and snacks manufacturers, have said they are concerned about Indonesia's move to ban exports of crude palm oil, though some of them expect the decision is likely to have only transitory impacts on a short-term basis. Several industry leaders hint that they will reduce their reliance on palm oil in phases and shift to alternatives such as rice bran oil and cottonseed oil for food products. Last week Indonesia, the world's largest palm oil producer, banned shipments of crude palm oil (CPO), adding to the previous sanctions on refined oil, to soften the prices in its domestic market.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/indonesias-ban-on-palm-oil-exports-a-concern-but-impact-to-be-transitory-fmcg-industry/articleshow/91234387.cms>

Car sales in slow lane as parts crunch bites

Sales of passenger vehicles continued to remain subdued, despite strong demand in the local market, due to the global shortage of semi-conductors which restricted production at some of the country's leading automakers. But even as market leaders Maruti Suzuki and Hyundai Motor India both reported a decline of 10% in monthly sales at 121,995 units and 44,001 units, respectively, Tata Motors, Toyota Kirloskar Motor and Skoda Auto India fared well to report robust growth in volumes on back of new model launches and somewhat on a lower base. "The shortage of electronic components had a minor impact on the production of vehicles, mainly domestic models," Maruti Suzuki said in a statement.

<https://economictimes.indiatimes.com/industry/auto/auto-news/car-sales-in-slow-lane-as-parts-crunch-bites/articleshow/91241710.cms>

Power crisis could disrupt automotive supply chain

The national-level power crisis which is reportedly the worst in six years could further strain the fragile supply chain of the automotive industry with micro and small enterprises beginning to feel the pinch. An upset in the parts supply chain could potentially disrupt automotive production linkages. Tier-2 and tier-3 suppliers could be the worst affected by the ongoing power crisis as many do not have a captive power source and therefore, are dependent on state-supplied electricity. Vehicle manufacturers and large tier-1 suppliers have a secured renewable power source and therefore have a very low requirement from power supplied by the States.

<https://www.thehindubusinessline.com/economy/power-crisis-could-disrupt-automotive-supply-chain/article65372559.ece>

ICE two-wheelers feel the heat amid electric vehicle adoption, EV popularity rising despite battery fires

As electric two-wheelers gain traction, those powered by internal combustion engines (ICE) felt the heat, with sales down 11% in FY22 from the year earlier. Sales of ICE-powered vehicles such as passenger vehicles, three-wheelers and trucks all grew in the same period. While two-wheeler EVs have hit a speed bump, after a spate of battery-related fires, traditionally powered scooters and bikes have been losing shine, said experts. Industry experts put it down to the 'word of mouth' sales that two-wheeler EVs have been garnering. A slew of launches, better financing and popularity among younger buyers is giving ICE two-wheelers some concerns.

<https://economictimes.indiatimes.com/industry/renewables/ice-two-wheelers-feel-the-heat-amid-electric-vehicle-adoption-ev-popularity-rising-despite-battery-fires/articleshow/91225124.cms>

Power woes hit sales of frozen foods, medicines

India's worst power shortage in over six years is leading to loss of sales momentum of summer products such as ice-creams, soft drinks and frozen foods, and some medicines in some cases over the past one week, as small to mid-sized retailers are refusing to stock large inventories of frozen or cold products since they don't have reserves of power back-ups amid long hours of power cuts, executives said. "The power shortage is impacting offtake of categories such as ice-creams. Household demand is being impacted, and neighbourhood retailers too are unable to stock inventories because many of them don't have so much power backup systems," said RJ Corp chairman Ravi Jaipuria, which holds bottling rights for beverages maker Pepsi and operates the company's own ice-cream brand Creambell.

<https://economictimes.indiatimes.com/industry/energy/power/power-woes-hit-sales-of-frozen-foods-medicines/articleshow/91242092.cms>

Infrastructure

Mumbai property registration scales yet another peak with 11,744 deals in best-ever April

Property registration in Mumbai, the country's biggest and most expensive real-estate market, continues its record-setting spree. April saw fresh peaks for the Maximum City even after the government raised ready reckoner and stamp duty rates for apartments in the city that's home to the world's most expensive private residence in its exclusive southern tip. The country's financial capital witnessed the registration of over 11,744 property deals in April, making it one of the highest performances ever, showed data from the Inspector General of Registration, Maharashtra. While registration numbers rose 16% from a year ago, the state exchequer fetched 43% higher revenue at Rs 738 crore, a 10-year high for the month of April.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/mumbai-property-registration-scales-yet-another-peak-with-11744-deals-in-best-ever-april/articleshow/91233084.cms>

Telecom

Operators fail TRAI's network quality test in multiple cities

A driving test conducted by the Telecom Regulatory Authority of India (TRAI) across 16 cities has revealed that telecom networks are not meeting quality of service benchmarks in many areas. To check the quality of mobile services, regulator TRAI has been conducting operator-assisted drive tests capturing real-time data to monitor the level of call drops and voice quality across multiple cities over the past few years. At its recent test across 16 cities, TRAI found the telecom network in Dimapur, Kohima, Darjeeling, Kalimpong, Siliguri, Patna, Itanagar, Malda and Agartala was not up to the mark. In almost all of these regions besides Patna, all operators - Airtel, BSNL, Reliance Jio, and Vodafone Idea - failed the Drive test. Airtel, Vodafone Idea, and Reliance Jio could not meet the regulator's benchmark for 4G network strength in these regions. Other criteria not met by the operators occasionally included the drop call rate.

<https://www.thehindubusinessline.com/info-tech/operators-fail-trais-network-quality-test-in-multiple-cities/article65372928.ece>

Agriculture

India wheat procurement target may be missed by a mile

With government officials at the Centre saying wheat production this year could be 8-10 million tonnes lower than initial estimates, the Food Corporation of India (FCI) and other State agencies may find it tough to even procure 20 million tonnes (mt) of the grain during the current rabi marketing season. This is less than 50 per cent of the 44 mt target set for wheat procurement. With the crop shrivelling in excess heat witnessed since the second week of market, production is likely to be lower than the record 111.32 mt estimated by the Ministry of Agriculture last month. Stakeholders in the wheat industry are divided on their view over wheat output.

<https://www.thehindubusinessline.com/economy/agri-business/india-wheat-procurement-likely-to-be-lower-by-over-50-of-govt-target/article65373749.ece>

Energy

Centre's call to import coal meets with lukewarm response

Despite pulling all strings to enhance coal supplies, the government may find itself in a tricky situation as its move to allow imports to the extent of 10 per cent for blending is likely to evoke a lukewarm response — particularly from private power producers and states — due to high international coal prices making it commercially unviable. Due to fewer rakes being available to ferry coal, the Union Power Ministry had asked Gencos to mix 10 per cent imported coal in their feedstock, up from the earlier four per cent. Based on the requirement of 10 per cent imported coal for blending, Gencos have been advised to import coal amounting to about 60.7 million tonnes (MT). However, not all are game for it. In addition to this, there is growing concern that once monsoon breaks, transporting domestic fuel may also become challenging.

<https://www.thehindubusinessline.com/news/centres-call-to-import-coal-meets-with-lukewarm-response/article65372743.ece>

Power Minister to meet states, lenders on reviving stressed plants

Power and renewable energy minister RK Singh will on Monday meet relevant state officials, project developers and lenders to discuss measures to revive 7,150 MW stressed or under liquidation coal-based projects, sources told ET. The ministry will also discuss aggregating electricity demand from states and conducting bulk auctions to help states and stressed plants tie up contracts, they said. The meeting comes amid a 14% rise in power requirement in April to 134 billion units, the highest consumption in any single month ever.

<https://economictimes.indiatimes.com/industry/energy/power/power-minister-to-meet-states-lenders-on-reviving-stressed-plants/articleshow/91241242.cms>

Peak shortage shoots up to 10.77 GW this week, deepens power crisis

The latest data of national grid operator, Power System Operation Corporation (POSOCO) showed that peak power shortage was just 2.64GW on Sunday which shot up to 5.24 GW on Monday, 8.22 GW on Tuesday, 10.29 GW on Wednesday and further to 10.77 GW on Thursday. The data also showed that the peak shortage came down slightly to 8.12GW on Friday despite peak power demand met or the highest supply touching an all-time high of 207.11GW on April 29, 2022. Interestingly, amid intensifying heatwave across the country which would not relent for a few more days as per the weather department, the peak power supply touched record levels thrice in this week.

<https://www.financialexpress.com/industry/peak-shortage-shoots-up-to-10-77-gw-this-week-deepens-power-crisis/2509286/>

Fuel sales growth moderates in April on high prices

Petrol sales growth moderated to 2.1 per cent in April when compared with the same period in the preceding month, while diesel demand was almost flat. Cooking gas LPG, which had consistently shown growth even during the pandemic period, saw a massive 9.1 per cent month-on-month drop in consumption during April. Petrol and diesel prices rose by Rs 10 per litre between March 22 and April 6 — the highest-ever increase during a 16-day period since fuel prices were deregulated two decades back. On March 22, cooking gas prices too were hiked by Rs 50 per cylinder to Rs 949.50 — the highest-ever rate for the subsidised fuel.

<https://www.financialexpress.com/market/commodities/fuel-sales-growth-moderates-in-april-on-high-prices/2509433/>

Aviation turbine fuel price hiked by 3.22 pc to record high

Jet fuel prices on Sunday were hiked by 3.22 per cent — the ninth straight increase this year — to an all-time high, reflecting a surge in global energy prices. The price of aviation turbine fuel (ATF) — the fuel that helps aeroplanes fly — was hiked by Rs 3,649.13 per kilolitre, or 3.22 per cent, to Rs 1,16,851.46 per kl (Rs 116.8 per litre) in the national capital, according to a price notification of state-owned fuel retailers. The increase in ATF price comes on the back of the steepest ever hike of 18.3 per cent (Rs 17,135.63 per kl) effected on March 16 and a 2 per cent (Rs 2,258.54 per kl) increase on April 1. Prices were increased by a marginal 0.2 per cent on April 16.

<https://www.financialexpress.com/market/commodities/aviation-turbine-fuel-price-hiked-by-3-22-pc-to-record-high/2509198/>

States

Karnataka govt clears 60 projects

The Karnataka government has approved 60 industrial projects worth Rs 2,465.94 crore that would generate jobs for over 8,575 people in the State. The 131st State-level single-window clearance committee (SLSWCC) meeting held under the chairmanship of Minister for Large and Medium Scale Industries Murugesh R Nirani on Saturday cleared the projects. The committee considered and approved 10 large and medium-size projects at an investment of over Rs 50 crore. The projects worth Rs 1,522.33 crore are expected to create employment opportunities for 3,190 people, a statement from the Minister's office said.

<https://www.financialexpress.com/industry/karnataka-govt-clears-60-projects/2509482/>

External

India-UAE trade pact comes into force

The free trade agreement between India and the UAE has come into effect on Sunday, under which domestic exporters in various sectors like textiles, agriculture, dry fruits, gems and jewellery will get duty-free access to the UAE market. In a symbolic gesture for operationalising the agreement, Commerce Secretary BVR Subrahmanyam handed over Certificates of Origin to three exporters from the gems and jewellery sector here. These consignments to Dubai will not attract any customs duty under the pact, which is officially termed as Comprehensive Economic Partnership Agreement (CEPA). The Central Board of Indirect Taxes and Customs (CBIC) and the Directorate General of Foreign Trade (DGFT) has issued relevant notifications for the operationalisation of the agreement from May 1. <https://www.financialexpress.com/economy/india-uae-trade-pact-comes-into-force/2509408/>

India, Mauritius trade pact may include safeguard mechanism related provisions

India-Mauritius trade agreement may include safeguard mechanism related provisions to protect the domestic industry from a sudden or unusual surge in imports of goods, according to sources. The agreement between the two countries came into force on April 1, 2021. After the implementation of such pacts, provisions can be added to the agreement if both sides agree to that. The sources said a chapter on general economic cooperation is also expected to be included in the pact, which is officially termed as Comprehensive Economic Cooperation and Partnership Agreement (CECPA). The safeguard mechanism comes into play when there is a sudden increase in imports of any commodity, which can impact domestic industry and under that provision, concessional customs duty on that particular good is replaced with existing taxes, which is applicable to all nations. The mechanism also includes stricter rules of origin to prevent any routing of products from a third country.

<https://www.financialexpress.com/economy/india-mauritius-trade-pact-may-include-safeguard-mechanism-related-provisions/2509234/>

Pharma exports hit Rs 1.83 lakh crore in 2021-22

Pharma exports have touched Rs 1,83,422 crore in 2021-22 against Rs 90,415 crore in 2013-14, the commerce ministry said on Sunday. The exports in 2021-22 sustained a positive growth despite the global trade disruptions and drop in demand for COVID related medicines, it added. "Indian pharma companies enabled by their price competitiveness and good quality, have made a global mark, with 60 per cent of the world's vaccines and 20 per cent of generic medicines coming from India," the ministry said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/pharma-exports-hit-rs-1-83-lakh-crore-in-2021-22/articleshow/91230366.cms>