



July 08, 2022 – Friday

## Economy

### **RBI may announce more measures to stabilise rupee: Nomura**

The RBI's move is a bold statement on its currency strategy, but one has to wait and see if these measures really bring in the inflows amid a tide in favour of the US, say Nomura Economists. If the measures fail to rein in the rupee, the central bank may not hesitate to announce more measures to increase forex inflows as the concerns over the current account and balance of payments persist. The measures could be in addition to the central bank's intervention in the currency markets. " If the pressure on the rupee continues, we could potentially see more measures being announced by the central bank," said Sonal Varma, chief India economist, at Nomura in an interaction with ET. " Anything that helps bring in more dollar inflows or reduces dollar outflows either on the capital account or the current account can be announced along side continued intervention"

<https://economictimes.indiatimes.com/news/economy/policy/rbi-may-announce-more-measures-to-stabilise-rupee-nomura/articleshow/92729305.cms>

### **R&D jobs in India increase by 42% in 3 years; searches up too: Indeed**

Roles in Indian research and development (R&D) increased 42 per cent in the last three years, according to the latest data from job website Indeed. Job postings in R&D also grew by over 40 per cent between May 2020 and 2021, said Indeed. Among job seekers, searches for roles in R&D increased 21 per cent in the last three years. Bengaluru (formerly known as Banagalore) leads in the number of jobs for R&D jobs. Pune, Hyderabad, Mumbai, and Chennai come next to make up the top five cities for such jobs. The five cities account for nearly 75 per cent of the total R&D jobs in India. Top roles posted as a part of R&D jobs include R&D engineer (7.6 per cent), software engineer (4.5 per cent), software architect (1.4 per cent) and full stack developer (1.3 per cent). Indeed, citing data from IT services industry lobby group Nasscom, said India is home to global capability centers (GCCs) of over 1,300 MNCs, around 45 per cent of global GCCs. "These directly employ more than 1.3 million people and generate over \$33.8 billion in revenue. This growth is also underpinned by the Make In India initiative which is designed to foster innovation, enhance skill development, and build best-in-class talent in the country," said Indeed.

[https://www.business-standard.com/article/economy-policy/r-d-jobs-in-india-increase-by-42-in-3-years-searches-up-too-indeed-122070700945\\_1.html](https://www.business-standard.com/article/economy-policy/r-d-jobs-in-india-increase-by-42-in-3-years-searches-up-too-indeed-122070700945_1.html)

## Banking and Finance

### **RBI Governor Shaktikanta Das asks states to find out effective ways to address debt issues**

Reserve Bank of India (RBI) Governor Shaktikanta Das on Thursday asked state governments to find out effective ways to address the issues related to debt and cash management. The governor was addressing the 32nd Conference of the State Finance Secretaries (SFS). In his address, Das highlighted the importance of the SFS conference as an effective platform to deliberate on, and find out effective ways to address various issues relating to states' debt and cash management, RBI said in a statement. He emphasised on the need for the states to adopt prudent borrowing strategy and efficient cash management practices, keeping in view the evolving macroeconomic scenarios.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-governor-shaktikanta-das-asks-states-to-find-out-effective-ways-to-address-debt-issues/articleshow/92733383.cms>

### **Incremental credit to MSMEs on an upswing since beginning of pandemic: SBI report**

The incremental credit to MSMEs since the beginning of the pandemic (March 2020) has been on an upswing witnessing a significant jump of Rs 2.7 lakh crores, of which disbursements under the Emergency Credit Line Guarantee Scheme (ECLGS) have been around Rs 2.36 lakh crores, said State Bank of India's latest Ecowrap report on Thursday. "For a like-to-like comparison, if we factor in the interest payments to incremental credit, the growth in pure credit disbursements to MSME sector could be around Rs 3.2 lakh crores since the beginning of the pandemic," the report noted. While 74 per cent of the credit or Rs 2.36 lakh crore is because of the credit guarantee scheme, the remaining 25 per cent is because of other schemes including the revised MSME definition, it added. In terms of overall credit growth, ECLGS contributed 15 per cent of the expansion., SBI report said.

<https://www.financialexpress.com/industry/sme/msme-fin-incremental-credit-to-msmes-on-an-upswing-since-beginning-of-pandemic-sbi-report/2586023/>

## **Industry**

### **FMCG sector expected to see recovery in volumes in the second half of the fiscal**

With expectations of a normal monsoon and a softening in prices of commodities like palm oil, FMCG companies and analysts are hopeful of witnessing a revival in demand, especially in rural consumption, in the second half of the fiscal year. With expectations of improvement in margins, companies may also put off any further price hikes believe experts. This comes at a time when rural consumption slowdown, amidst inflationary pressures, has been flagged as a key concern by the FMCG players. The unprecedented inflation seen in palm oil and crude-based derivatives led many FMCG companies to take price hikes in the range of 10–15 per cent over the past few months, which adversely impacted consumer spending.

<https://www.thehindubusinessline.com/companies/fmcg-sector-expected-to-see-recovery-in-volumes-in-the-second-half-of-the-fiscal/article65608431.ece>

### **Cos with over Rs 5 cr annual turnover will soon have to generate GST e-invoices for B2B transactions: Official**

GST-registered businesses with annual turnover of more than Rs 5 crore will soon have to generate electronic invoices for B2B transactions, a top official said on Thursday. Central Board of Indirect Taxes and Customs (CBIC) Chairman Vivek Johri said the GST Council, comprising finance ministers of the Centre and states, had decided to implement it in a phased manner and with e-invoices being generated, for every B2B (Business-to-Business) transaction, invoice matching by tax authorities would not be required under Goods and Services Tax (GST). "We started with a very high threshold and soon we are going to have all taxpayers with an annual turnover of more than Rs 5 crore having to generate e-invoices for their B2B part of business. With the launch of e-invoice, we don't need invoice matching," Johri said at a event organised by industry body PHDCCI here. Currently, businesses with turnover of over Rs 20 crore will have to generate e-invoices for B2B transactions.

<https://www.financialexpress.com/industry/cos-with-over-rs-5-cr-annual-turnover-will-soon-have-to-generate-gst-e-invoices-for-b2b-transactions-official/2586127/>

### **IT companies' revenue growth to slide sharply in FY23: Report**

The information technology services sector will see a sharp fall in revenue growth to 12-13 per cent in FY23 from 19 per cent in FY22, ratings agency Crisil said on Thursday. However, the current depreciation in the rupee, strong demand for new age technologies like artificial intelligence, cloud computing and Internet of Things will help the over USD 220-billion sector maintain a double digit growth, it said in a report. The moderation from 19 per cent to 12-13 per cent will be the highest in the last eight years, it said and attributed the decline to expected tightening of IT expenditure by corporates amid the inflationary headwinds in the United States and European Union (EU), which together contribute almost 85 per cent to the sector's revenue. The agency also said the revenue growth in FY22 was higher on a lower base of 6 per cent in the COVID-hit FY21. There can be a marginal fall in profit margins to 22-23 per cent from 24 per cent due to rising employee costs and travel expenses, the report said and added that operating profitability will be "healthy".

<https://www.financialexpress.com/industry/it-companies-revenue-growth-to-slide-sharply-in-fy23-report/2586447/>

## Infrastructure

### **FM Sitharaman asks Niti Aayog to map all industrial activities for incorporating them into PM Gati Shakti**

Finance Minister Nirmala Sitharaman on Thursday asked the Niti Aayog to prepare a report mapping all the industrial activities such as corridors, logistics parks and pharma hubs so that they can be incorporated under the PM Gati Shakti initiative of the government. She also suggested to the shipping ministry to look at all the sea ports in the country and their linkages with industrial corridors. These suggestions were part of seven action points elaborated by the minister during the first meeting of the Apex Monitoring Authority for the National Industrial Corridor Development Programme. "I would like the NITI Aayog to map all this (industrial corridors, freight corridors, defence corridors, manufacturing zones, textile parks, logistics parks, medical and pharma hubs). Map it all and tell us where you see a possibility for bringing them under the PM Gati Shakti," she said. "I find many of them still lying loose and unconnected. Mapping it up will probably give a better idea of how they can all come into this scheme of things," she added.

<https://www.financialexpress.com/economy/fm-sitharaman-asks-niti-aayog-to-map-all-industrial-activities-for-incorporating-them-into-pm-gati-shakti/2586525/>

### **Govt approves construction of Rs 2,415-cr project to connect Haryana with Jewar airport in UP**

Union minister Nitin Gadkari on Thursday announced that the government has approved the construction of a road linking Haryana to the upcoming Jewar International Airport in Gautam Budh Nagar district of Uttar Pradesh. The construction of greenfield connectivity to Jewar International Airport (connecting Delhi-Mumbai Expressway) from DND Faridabad-Ballabhag Bypass KMP link in Gautam Budh Nagar district under Bharatmala project in Uttar Pradesh and Haryana with a budget of Rs 2,414.67 crore has been approved, Gadkari said. In a series of tweets, the minister said this road will be constructed on hybrid annuity mode with a total length of 31.425 kilometres. The construction period will be two years and the project will also connect Agra, Mathura and western Uttar Pradesh, the road transport and highways minister added.

<https://www.financialexpress.com/infrastructure/airlines-aviation/govt-approves-construction-of-rs-2415-cr-project-to-connect-haryana-with-jewar-airport-in-up/2586541/>

### **Road-based logistics sector may see 7-9% revenue rise this fiscal: Report**

The road-based logistics sector is expected to grow 7-9 per cent this fiscal on favourable demand but margins may be under pressure due to higher fuel cost, says a report. However, operators' debt coverage metrics are expected to marginally weaken in FY23 from FY22 levels. This will be largely due to the debt-funded vehicle replacement capex induced by the upcoming scrappage policy, along with the rising interest rate regime, rating agency Icria said in the report on Thursday. It has a stable outlook for the sector. The agency expects the aggregate operating profit margin to remain in the range of 12-14 per cent in FY23 compared to 14.2 per cent in FY22. Accelerated pace of business activities and lower lockdown-linked restrictions from H2 of FY22 have aided faster revenue recovery in FY22 and the growth momentum is likely to continue with an estimated 7-9 percent uptick in top line in FY23 year-on-year, the report said.

[https://www.business-standard.com/article/markets/road-based-logistics-sector-may-see-7-9-revenue-rise-this-fiscal-report-122070700864\\_1.html](https://www.business-standard.com/article/markets/road-based-logistics-sector-may-see-7-9-revenue-rise-this-fiscal-report-122070700864_1.html)

### **Central Vista Avenue redevelopment project to be completed by July 18: Union Minister Hardeep Singh Puri**

The redevelopment project of the Central Vista Avenue, stretching from Vijay Chowk to India Gate, will be completed by July 18, Union Housing and Urban Affairs Minister Hardeep Singh Puri said on Thursday. Puri said some minor works are currently being carried out at one or two underpasses, which are likely to be completed soon. The redevelopment project of the Central Vista — the nation's power corridor — envisages a new triangular Parliament building, a common central secretariat, the revamping of the three-kilometre-long Rajpath from Vijay Chowk to India Gate, a new prime minister's residence and a prime minister's office, and a new vice-president's enclave. "The redevelopment project of Central Vista Avenue is almost ready. Some minor works are being carried out at one or two underpasses. The project will be completed by July 15 or July 18," the minister told reporters on the sidelines of an event here.

<https://www.financialexpress.com/infrastructure/central-vista-avenue-redevelopment-project-to-be-completed-by-july-18-puri/2586522/>

## Energy

### **Oil ministry to push for ₹44,000 crore compensation to offset LPG losses**

The petroleum and natural gas ministry is planning to push for an allocation of ₹44,000 crore to compensate state-run oil companies for the losses they have been incurring by selling domestic cooking gas at below-market rates, said people aware of the matter. The amount would go towards offsetting oil marketing companies' losses on the sale of cooking gas in 2021-22 and 2022-23 as well as providing subsidies to Ujjwala customers this year, said the people. The proposal is likely to be finalised shortly and sent to the finance ministry, they said. The government had stopped giving subsidies on cooking gas since the beginning of the Covid-19 pandemic in 2020 but continued to provide a marginal amount of ₹10-20 with every refill on account of freight support to customers located in areas far away from depots. Recently, the government announced the resumption of a subsidy of Rs 200 per cylinder for Ujjwala customers. Domestic cooking gas prices are up 77% in two years on a combination of higher international rates and absence of subsidies.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/oil-ministry-to-push-for-44000-crore-compensation-to-offset-lpg-losses/articleshow/92733235.cms>

### **All existing inter-state power transmission lines mapped on PM GatiShakti portal, says power ministry**

All existing inter-state transmission system lines have been mapped on the portal of the PM GatiShakti National Master Plan which was launched in October, 2021 to push infrastructure development in the country. "In line with goal of PM GatiShakti, entire existing Inter State Transmission System (ISTS) lines have been mapped on the portal spanning across length and breadth of the country," a power ministry statement said. Also, it informed that the 90 per cent under-construction ISTS lines have been integrated to the portal and the remaining 10 per cent are to be integrated after finalisation of route survey by respective transmission service providers. PM GatiShakti NMP portal will ultimately aid in solving problems of development of infrastructure in the country by building a secure, sustainable, scalable and collaborative approach towards infrastructure planning for seamless connectivity to economic zones, it stated. Prime Minister Narendra Modi launched PM GatiShakti NMP in October last year with the objective to bring different ministries/utilities and infrastructure planning under a single unified vision across all sectors such as highways, railways, aviation, gas, power transmission, and renewable energy.

<https://www.financialexpress.com/industry/all-existing-inter-state-power-transmission-lines-mapped-on-pm-gatishakti-portal-says-power-ministry/2586338/>

### **BHEL commissions 100-MW floating solar photovoltaic plant in Telangana**

State-run engineering firm Bharat Heavy Electricals Ltd (BHEL) on Thursday said it has successfully commissioned 100-MW floating Solar photovoltaic plant at NTPC Ramagundam in Telangana. The plant is installed across the natural raw water reservoir, saving valuable land resources, and also conserves water by reducing evaporation, a company statement said. The plant will ensure that the aquatic ecosystem is maintained while producing clean power, with innovatively engineered layouts and arrangements for the solar photovoltaic (PV) modules, electricals and floaters, the statement said. All major components of the solar plant -- solar PV modules, floaters, biodegradable natural ester oil filled inverter-duty transformers, switchgear, SCADA and cables are indigenous, contributing to the government's 'Make in India' mission.

[https://www.business-standard.com/article/companies/bhel-commissions-100-mw-floating-solar-photovoltaic-plant-in-telangana-122070700510\\_1.html](https://www.business-standard.com/article/companies/bhel-commissions-100-mw-floating-solar-photovoltaic-plant-in-telangana-122070700510_1.html)

## Telecom

### **Telecom Inc ups salary hikes amid talent war**

The telecom industry, including top operators Reliance Jio, Bharti Airtel and Vodafone Idea, are giving salary hikes of an average 10-12% for this fiscal year, a significant increase compared with the average increment of 7.5% last year, said staffing firms. For the three telcos, they said the average increments are 8-12%. Most of the companies have communicated the pay hikes to employees. While some have already given out the higher salaries, others are expected to implement them effective July, the staffing firms said.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-inc-ups-salary-hikes-amid-talent-war/articleshow/92732677.cms>

## States

### **Chhattisgarh govt approves electric vehicle policy to create employment**

The Chhattisgarh government on Thursday approved its Electric Vehicle (EV) Policy 2022 to make the state an EV-manufacturing hub, create employment, and reduce environment degradation. Chief Minister Bhupesh Baghel gave approval to the policy at a cabinet meeting. The government has set a target of five years in having EVs accounting for 15 per cent of the new registrations of vehicles, individual or commercial. EV manufacturers will be given exemptions (manufacturing EVs, components of EVs, EV battery and charging infrastructure) under the policy. Establishing charging infrastructure will be mandatory in the housing policy of the state (making charging points mandatory in residential and commercial complexes). Charging stations will come up in government buildings and private ones. The policy ensures training in skills in EVs and encourages manufacturing in EV technology. It also calls upon existing automobile manufacturers to diversify into EV manufacturing.

[https://www.business-standard.com/article/economy-policy/chhattisgarh-govt-approves-electric-vehicle-policy-to-create-employment-122070701050\\_1.html](https://www.business-standard.com/article/economy-policy/chhattisgarh-govt-approves-electric-vehicle-policy-to-create-employment-122070701050_1.html)

## Healthcare

### **NTAGI to decide on including Corbevax as a booster dose in inoculation drive**

The National Technical Advisory Group on Immunisation (NTAGI) is likely to review the data of Corbevax to consider allowing it to be administered to those fully vaccinated with Covishield or Covaxin, amid emergence of new sub lineage in the country. Corbevax has been cleared by the Drug Controller General of India (DCGI) as a booster. "We will review the data of Corbevax in our next meeting slated to happen this month and evaluate if mix and match of vaccines can be allowed," a person the know told ET. India has been using the same vaccine used in the first two shots for the precaution, or third, dose as well since January, even though it approved Corbevax as a booster.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/ntagi-to-decide-on-including-corbevax-as-a-booster-dose-in-inoculation-drive/articleshow/92732761.cms>

## External

### **Government puts in place new approval framework for wheat flour exports**

India Thursday imposed restrictions on outbound shipments of wheat flour (atta), refined flour (maida) and semolina (rava/sirgi), in a move aimed at containing price rise. New Delhi had banned wheat exports in May. Exporters of these commodities would now need approval of the inter-ministerial committee on export of wheat for shipments from July 12. "Export policy of wheat flour (atta) remains free but export shall be subject to recommendation of the inter-ministerial committee on export of wheat," the Directorate General of Foreign Trade said in a notification. The new approval framework will be applicable for wheat flour, refined flour, semolina, wholemeal atta and resultant atta.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/government-puts-in-place-new-approval-framework-for-wheat-flour-exports/articleshow/92717454.cms>

### **Finance Ministry pegs dollar value at Rs 79.90 for computing import duty**

The Finance Ministry Thursday pegged the exchange rate for dollar at Rs 79.90 for calculation of import duty with effect from July 8, as against Rs 78.95 a fortnight ago. The sharp revision is due to depreciation of rupee against dollar following outflow of capital caused by various external factors, including the hardening of interest rate globally. Similarly, in case of pound sterling, the value has been fixed at Rs 96.10 as compared to Rs 96.70 earlier, according to a finance ministry statement. As regards euro, the conversion rate for calculating taxes on imported goods has been fixed at Rs 82.15 as compared to Rs 83.10 on June 16, it said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/finance-ministry-pegs-dollar-value-at-rs-79-90-for-computing-import-duty/articleshow/92732520.cms>

### **RBI measures to have positive impact on overseas fund inflows: DEA Secretary**

Economic Affairs Secretary Ajay Seth on Thursday said the measures taken by Reserve Bank of India (RBI) will increase inflows of overseas funds and help in strengthening the rupee against the US dollar. RBI on Wednesday raised the overseas borrowing limits for companies and liberalised norms for foreign investments in government bonds as it announced a slew of measures to boost foreign exchange inflows. Seth said RBI measures, including on External Commercial Borrowing (ECB), are transitory and for shorter duration, and would help in boosting the foreign currency inflows into the country. RBI on Wednesday increased the ECB limit under the automatic route from USD 750 million or its equivalent per financial year to USD 1.5 billion and eased the norms for FPI investments in the debt market. Seth also expressed hope that the global challenges would subside in the short term. Unveiling the measures on Wednesday, the central bank said that all capital flows barring portfolio investments remain stable and an adequate level of reserves provides a buffer against external shocks.

<https://www.financialexpress.com/economy/rbi-measures-to-have-positive-impact-on-overseas-fund-inflows-dea-secretary/2586386/>

### **China's share in India's total imports falls to 15.4 pc in 2021-22**

The share of Chinese imports in the country's total inbound shipments has declined to 15.4 per cent in 2021-22 from 16.5 per cent in 2020-21, sources said on Thursday. They also said the major items imported from China into India are used for meeting the demand of sectors like telecom and power. Citing some examples, they said imports like Active Pharmaceutical Ingredients (APIs) and drug formulations provide Indian pharma industry raw material for producing finished goods which are also exported. Increase in imports of information and communication technology products and medical and scientific instruments can be attributed to the surge in demand of these products during COVID-19 times. "Moreover, the rising prices of commodities globally have also played a significant role in adding to import value," one of the sources said. Exports to China increased marginally to USD 21.25 billion last fiscal from USD 21.18 billion in 2020-21, while imports rose to USD 94.16 billion from about USD 65.21 billion in 2020-21. India's exports to China at USD 21.2 billion in 2021-22 were its third highest, after the US and UAE. Exports to the neighbouring country stood at USD 11.9 billion in 2014-15.

<https://www.financialexpress.com/economy/chinas-share-in-indias-total-imports-falls-to-15-4-pc-in-2021-22/2586548/>