



February 16, 2023 – Thursday

Economy

India cereal inflation broad-based and worrying despite data discord: Economists

The soaring prices of cereals such as wheat and rice are a concern for the Indian economy even though the latest set of inflation data may overstate the extent of the increase, economists said. Inflation in the cereals category hit 16.12% in January compared to 13.79% in December, according to data released on Monday. Alongside cereals, rising prices of protein items like milk, eggs and meat pushed up food and beverages inflation to 6.2% in January from 4.6% a month ago. "Higher inflation in more heavily weighted components such as staple cereals and proteins was worrying," said Dhiraj Nim, an economist at ANZ Research.

<https://economictimes.indiatimes.com/news/economy/indicators/india-cereal-inflation-broad-based-and-worrying-despite-data-discord-economists/articleshow/97943289.cms>

Bengaluru, Mumbai continue to be sunshine locations for jobs in Q4: Survey

Continuing the recovery from the Covid-19 pandemic and benefitting from multiple government initiatives, Bengaluru, Mumbai and Chennai have emerged as the cities with the highest hiring sentiment in the services and manufacturing sectors respectively, according to a new report. The TeamLease Employment Outlook Reports for Q4 (January to March, 2023) show that close to 97% employers across both cities have expressed higher hiring intent for their corresponding sectors. For the services sector, Chennai (94%), Delhi (90%), Hyderabad (86%) and Mumbai (85%) follow suit as top locations, and for manufacturing, subsequent top cities include Bengaluru (94%), Chennai (89%), Delhi (84%) and Pune (73%).

<https://economictimes.indiatimes.com/jobs/bengaluru-mumbai-continue-to-be-sunshine-locations-for-jobs-in-q4-survey/articleshow/97936724.cms>

Banking and Finance

Sebi introduces issue summary document for filing IPO papers in XBRL format

Sebi on Wednesday introduced the issue summary document for filing papers pertaining to IPO and for further issue of securities in XBRL format, a move that will help provide data to stakeholders in a structured manner. This is part of the capital markets regulator's effort to make available relevant information at the stock exchanges and depositories in a structured manner. The rollout of the Issue Summary Document (ISD) will be done in a phased manner starting March 1, the Securities and Exchange Board of India (Sebi) said in a circular. The regulator has decided to introduce the ISD in XBRL format for Initial Public Offer (IPO), Further Public Offer, further issues -- preferential issue, qualified Institutions Placement (QIP), rights issue, issue of American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and Foreign Currency Convertible Bonds (FCCBs), among others.

https://www.business-standard.com/article/companies/sebi-introduces-issue-summary-document-for-filing-ipo-papers-in-xbrl-format-123021501795_1.html

Industry

MCA extends time for filing 45 company e-forms without additional fee

In what could be some relief for corporates facing glitches with version 3 of MCA 21, the Corporate Affairs Ministry (MCA) has decided to allow further 15 days time to file 45 company e-forms launched on January 23. These forms can now be filed by the stakeholders within the added 15 days window without additional fee, MCA said in a recent circular.

<https://www.thehindubusinessline.com/economy/policy/mca-extends-time-for-filing-45-company-e-forms-without-additional-fee/article66511382.ece>

Essentials get costlier as local output dips

Consumer prices of daily essentials like milk, rice, atta, staples and dal have increased 5-15% in the past one month, companies and retailers said, adding that the surge in prices may start to impact demand. A fall in domestic production, strong export demand, lag time in offloading the central pool of wheat stocks and supply constraints have led to a shortage of supplies and continued increase in costs of key commodities. "Prices of milk have gone up 14% in the past 15 months; at some stage this may start to impact demand," said RS Sodhi, president of the Indian Dairy Association and former managing director of Gujarat Cooperative Milk Marketing Federation that owns the Amul dairy brand.

<https://economictimes.indiatimes.com/industry/services/retail/essentials-get-costlier-as-local-output-dips/articleshow/97959022.cms>

Govt to spend 75% defence outlay for procurement from Indian firms: Rajnath

In a significant announcement, Defence Minister Rajnath Singh on Wednesday said the government will spend 75 per cent of the total defence capital outlay for procurement from domestic defence manufacturers from 2023-24. The decision will mean setting aside of around Rs 100,000 crore for procurement of military platforms and equipment from the Indian manufacturers, he said. Singh made the announcement at an event where several agreements and technology transfer agreements were firmed up among large number of defence companies which participated in Aero India 2023. "It is a very significant decision which will further strengthen the domestic defence manufacturing sector," Singh said.

https://www.business-standard.com/article/economy-policy/govt-to-spend-75-defence-outlay-for-procurement-from-indian-firms-rajnath-123021501039_1.html

Cement demand climbs up, not unusual profitability for Indian cos: Moody's

The infrastructure led investments in India will drive up the demand for cement and other building materials, said Moody's Investors Service in a report. According to Moody's, India's cement production will climb by around 6-8 per cent over fiscal years 2023 and 2024, following a 21 per cent jump for the fiscal year ended March 2022. However the industry is unlikely to enjoy unusually high profits as it did in fiscal 2022, Moody's added. The housing sector will remain the major demand driver as the segment accounts for 60-65 per cent of India's cement consumption, Moody's said. "Also, continued large investments in roads and infrastructure projects will fuel cement demand. India built 12,000 kilometers of highways in 2022 alone and this momentum will likely continue in 2023 and 2024, supported by various government initiatives," Moody's said.

https://www.business-standard.com/article/companies/cement-demand-climbs-up-not-unusual-profitability-for-indian-cos-moody-s-123021500832_1.html

Diamond units cut capacity by 40%

Fresh tensions between the US and China are adding to the anxieties of Indian diamond exporters who have reduced capacity utilisation of their cutting and polishing units by 40% due to a slowdown in global diamond sales over the last three months. "We do not know how the geopolitical tension will pan out in the coming days. Both the US and China are important markets for us," said Vipul Shah, chairman of Gem & Jewellery Export Promotion Council (GJEPC). Tensions between the US and China flared in recent weeks with the US forces shooting down a suspected Chinese spy balloon off South Carolina coast and the two countries trading charges of running surveillance operations.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/diamond-units-cut-capacity-by-40/articleshow/97959525.cms>

Hotels see a surge in room revenue in 2022

The year 2022 ended with a 90% year-on-year growth in revenue per available room for the hospitality sector over 2021. The fourth quarter (October- December) recording a 60.9% year-on-year 'RevPAR' growth over its corresponding quarter in 2021, as per JLL's latest Hotel Momentum India (HMI) Q4, 2022, a quarterly hospitality sector monitor. A performance metric widely used in the hospitality sector, RevPAR is calculated by dividing total room revenue by total rooms available. JLL stated that the hospitality sector continued to witness strong year-on-year growth in performance in the last quarter of last year, primarily driven by corporate travel, weddings, winter vacations and festivities.

<https://economictimes.indiatimes.com/industry/services/hotels-/restaurants/hotels-see-a-surge-in-room-revenue-in-2022/articleshow/97959153.cms>

Agriculture

Wheat prices fall by Rs 5/kg after launch of open market sale: Food Secy

Union Food Secretary Sanjeev Chopra on Wednesday said the prices of wheat in wholesale and retail markets have come down by about Rs 5 per kg after the Centre's decision to sell 3 million tonnes of the grain in the open market, and asserted that more steps will be taken if required to ease rates. The government is closely monitoring the prices of wheat and atta (wheat flour) and, if needed, will take more steps, including offering more wheat under the Open Market Sale Scheme (OMSS), to bring down the prices and provide relief to consumers, Chopra told reporters here. He said the government is not considering any proposal as of now to lift the ban on wheat exports, which was imposed in May last year after a sharp fall in its procurement.

https://www.business-standard.com/article/markets/wheat-prices-fall-by-rs-5-kg-after-launch-of-open-market-sale-food-secy-123021501103_1.html

Govt to raise sugar export quota in March after assessing output estimate

The government will take a call next month on increasing the sugar export quota from the present 60 lakh tonnes for the current marketing year after assessing the domestic production, Food Secretary Sanjeev Chopra said on Wednesday. The food ministry has allowed 60 lakh tonnes of sugar exports for the current 2022-23 marketing year (October-September), which is expected to see a drop in the sugar production. India exported a record 110 lakh tonnes of sugar in the previous year. "We have not yet taken a call. we are closely monitoring the production and we would take a call may be in March depending on what the final figures of anticipated production are," Chopra told reporters here when asked whether the government will hike the sugar export quota.

https://www.business-standard.com/article/economy-policy/govt-to-raise-sugar-export-quota-in-march-after-assessing-output-estimate-123021501185_1.html

G-20 members stressed on need to increase climate finance to help farmers take up adaption measures: Agri secretary

The G-20 members stressed on the need to increase climate finance to help farmers take up adaptation measures, agriculture secretary Manoj Ahuja said on Wednesday. Addressing media on the concluding day of the G20 first Agriculture Deputies' Meeting here, Ahuja said: "Climate finance was one of the issues which was discussed. The members felt that there was a need for an environment for increasing the climate financing in terms of financing farmers for adaptation measures." The member countries also suggested that farmers can be incentivised if they are adopting climate friendly farming or green agriculture. One of the ways was carbon credit, he said.

<https://www.financialexpress.com/economy/g-20-members-stressed-on-need-to-increase-climate-finance-to-help-farmers-take-up-adaption-measures-agri-secretary/2982436/>

Two lakh agriculture credit societies, fishery-dairy cooperatives to be set up

The Union Cabinet on Wednesday approved setting up of 2 lakh new primary agriculture credit societies (PACS) and dairy-fishery cooperatives in uncovered villages and panchayats over the next five years to strengthen cooperative movement in the country. At present, there are around 63,000 functional PACS out of nearly 99,000 PACS across the country. There are still 1.6 lakh panchayats without PACS and nearly 2 lakh panchayats without any dairy cooperative society. The ministry of cooperation has formulated a plan to establish viable PACS in each uncovered panchayat, viable dairy cooperatives in each uncovered panchayat/village and viable fishery cooperatives in each coastal panchayat/village as well as panchayat/ village having large water bodies, an official statement said.

<https://economictimes.indiatimes.com/news/economy/agriculture/two-lakh-agriculture-credit-societies-fishery-dairy-cooperatives-to-be-set-up/articleshow/97959832.cms>

Infrastructure

Indian Railways' boost to industrial activity via 1,724 km of Dedicated Freight Corridor project

To promote industrial activities across the country, Indian Railways has commissioned 1,724 km out of 2,843 km of Dedicated Freight Corridor (DFC) till February 07, 2023. The freight corridor will bring down the logistical cost and will boost the development of new industrial hubs and townships. The railways are constructing two Dedicated Freight Corridors – (a) Eastern Dedicated Freight Corridor (EDFC) and (b) Western Dedicated Freight Corridor (WDFC).

<https://www.financialexpress.com/infrastructure/railways/indian-railways-boost-to-industrial-activity-via-1724-km-of-dedicated-freight-corridor-project/2982218/>

Union Cabinet approves construction of Shinkun La tunnel in Ladakh

The Union Cabinet on Wednesday gave its nod for the construction of the 4.1-km Shinkun La tunnel on the Nimu-Padam-Darcha road link to provide all-weather connectivity to the border areas of Ladakh. Providing details of the cabinet decision, Union minister Anurag Thakur said the tunnel will be completed by December 2025 at a cost of Rs 1,681 crore. The length of the tunnel will be 4.1 km. An approach will also be built by December 2025. The Shinkun La tunnel will provide all-weather road connectivity to Ladakh and this will be the shortest route to the border areas of the Union territory, the minister said. "The Cabinet Committee on Security today approved the Shinkun La tunnel for Ladakh area which will provide all-weather connectivity to the Ladakh region with the entire country," the minister said.

https://www.business-standard.com/article/economy-policy/union-cabinet-approves-construction-of-shinkun-la-tunnel-in-ladakh-123021501651_1.html

Energy

Centre slashes windfall tax on crude oil from Rs 5,050/tonne to Rs 4,350

The Centre on Thursday cut the windfall profit tax on domestically produced crude oil from Rs 5,050 per tonne to Rs 4,350 per tonne. The additional excise duty on ATF was also cut to Rs 1.5 per litre from Rs 6 per litre earlier. Further, the government also slashed tax on export of diesel to Rs 2.5 per litre from Rs 7.5 per litre. Petrol continues to have zero excise duty. The new rates will come into effect on February 16. The windfall tax was first imposed on India first imposed windfall profit taxes on July 1, 2022 and is expected to continue due to high prices. It is likely to give about Rs 25,000 crore in the current fiscal ending March 31, top government officials said earlier this month to *PTI*. "As of now, crude prices are again on the rise. So, for time being windfall tax will continue," CBIC Chairman Vivek Johri said.

https://www.business-standard.com/article/economy-policy/centre-slashes-windfall-tax-on-crude-oil-from-rs-5-050-tonne-to-rs-4-350-123021600136_1.html

Centre bats for uniform financial assistance to all residential rooftop solar projects

The Ministry of New & Renewable Energy (MNRE) has clarified that there will be a uniform rate of central financial assistance (CFA) for the installation of residential rooftop solar (RTS) projects under the second phase of the programme.

<https://www.thehindubusinessline.com/economy/uniform-central-financial-assistance-to-all-residential-rooftop-solar-projects-mnre/article66513011.ece>

Telecom

Quality of service norms need upgradation: DoT

The Department of Telecommunications (DoT) believes that the current quality of service (QoS) norms are outdated and need to be upgraded in view of changes in technologies with the launch of 5G. The DoT, however, will leave it to the Telecom Regulatory Authority of India (Trai) to make the suitable changes and if the norms need to be strengthened. "The norms are outdated and need to be upgraded. But the technical aspect has to be seen by Trai.

We can only provide policy support to enable improvement in services," a top DoT official told ET. He added that the department has already provided policy support with regards to right of way (Row) and offering enough spectrum to telecom firms.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/quality-of-service-norms-need-upgradation-dot/articleshow/97958438.cms>

States

West Bengal Budget: A rural thrust with focus on social schemes

Ahead of the panchayat polls, the Mamata Banerjee government presented a Rs 3.39-trillion state Budget on Wednesday, focusing on social development schemes, agriculture and rural development. A long-standing demand, the government also proposed to hike dearness allowance (DA) for state government employees by 3 per cent. While presenting the Budget, West Bengal finance minister Chandrima Bhattacharya said, "In spite of a severe impact of the pandemic and various natural calamities in the last two years, our state has maintained a steady growth." "While the Indian economy is expected to grow at 6.95 per cent in the current fiscal year, West Bengal's economy may grow at a higher rate of 8.41 per cent in the same period," she said. The minister also added that while the all-India Index of Industrial Production (manufacturing) growth during 2022-23 (April to November) was 5 per cent, West Bengal's growth was 7.8 per cent.

https://www.business-standard.com/article/current-affairs/ahead-of-panchayat-polls-bengal-focuses-on-schemes-rural-thrust-in-budget-123021501788_1.html

Healthcare

Big private hospitals aren't stocking up on nasal vaccine amid poor demand

Major private hospitals including Max Healthcare, Fortis Healthcare and Indraprastha Apollo have not procured newly launched nasal vaccine for Covid-19 due to tepid demand for precautionary doses and receding cases. Bharat Biotech-manufactured Incovacc, the world's first nasal Covid-19 vaccine, was dispatched by the company in the first week of February. "In the last few weeks, we have hardly done Covid-19 vaccination. There is no demand and hence we decided to not procure any new vaccine," said a hospital executive, speaking on the condition of anonymity. Incovacc has been rolled out as a booster dose for adults aged 18 years and older. Hyderabad-based Bharat Biotech has made booking of it available on the government portal Co-WIN, priced at ₹800 per dose for the private market and ₹325 for central and state governments.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/big-private-hospitals-arent-stocking-up-on-nasal-vaccine-amid-poor-demand/articleshow/97959256.cms>

External

Exports dip by 6.58 pc in Jan; trade deficit lowest in 12-months at USD 17.75 bn

Contracting for the second month in a row, India's exports dipped by 6.58 per cent to USD 32.91 billion in January due to slowdown in global demand, even as the trade deficit touched a 12-month low of USD 17.75 billion during the month, according to official data released on Wednesday. Imports in January too contracted by 3.63 per cent, the second consecutive month, to USD 50.66 billion. Cumulatively, however, during April-January 2022-23, the country's merchandise exports rose 8.51 per cent to USD 369.25 billion, while imports increased 21.89 per cent to USD 602.20 billion, the data showed. The merchandise trade deficit for the April-January this fiscal stood at about USD 233 billion. The country's exports had contracted by 12.2 per cent to USD 34.48 billion in December 2022. Last time, it was in January 2022, when the trade deficit touched USD 17.42 billion.

<https://www.financialexpress.com/economy/exports-dip-by-6-58-pc-in-jan-trade-deficit-lowest-in-12-months-at-usd-1775-bn/2982455/>

Edible oil imports in Jan 2nd highest; record shipments of cooking oils in Nov-Jan

India's edible oil imports rose 33 per cent in January to 16.61 lakh tonnes, the highest since September 2021, driven by higher imports of sunflower oil, according to industry body SEA. Import of vegetable oils (edible and non-edible oils) in January rose 31 per cent to 16,61,750 tonnes from 12,70,728 tonnes in the same month last year. Edible oil

imports rose to 16,61,750 tonnes in January -- the second highest monthly volume after September 2021 -- from 12,51,926 tonnes, while non-edible oil imports fell to nil from 18,802 tonnes, the Solvent Extractors' Association of India (SEA) said in a statement. The total import of vegetable oils during the first three months of the oil year 2022-23 (November-October) rose 30 per cent to 47,73,419 tonnes compared to 36,71,161 tonnes in the same period last year.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/edible-oil-imports-in-jan-2nd-highest-record-shipments-of-cooking-oils-in-nov-jan/articleshow/97955886.cms>

Centre aims at almost doubling seafood exports to \$14 billion by 2025

The Centre is aiming at nearly doubling seafood exports to USD 14 billion by 2025, a Union minister said on Wednesday. Seafood exports are showing a positive trend this fiscal with three per cent growth in volume, she said. "In 2021-22, the (seafood) exports figure was worth USD 7.76 billion, which was 17 per cent of our agriculture shipments. We have a target to achieve USD 14 billion by 2025," Union Minister of State for Commerce and Industry Anupriya Patel said. She was speaking here at the inauguration of the India International Seafood Show 2023.

https://www.business-standard.com/article/economy-policy/centre-aims-at-almost-doubling-seafood-exports-to-14-billion-by-2025-123021501088_1.html

Foreign trade in rupee no great shakes despite surge in vostro accounts

Even as several private and public sector banks have opened special rupee vostro accounts to facilitate overseas trade in the rupee, the mechanism has started off only on a brief scale, a senior government official said.

https://www.business-standard.com/article/finance/special-vostro-accounts-for-overseas-trade-in-rupee-face-teething-troubles-123021501800_1.html

India-US ties deeper with announcement of Air India-Boeing deal: US

The mega commercial plane deal between Air India and Boeing is an opportunity to deepen an already profoundly intertwined relationship between India and the United States, the US said Wednesday. "It's an opportunity to deepen what is already a profoundly intertwined relationship based on shared interests, based on shared values, based on our deep economic ties. And with the announcements between Boeing and Air India yesterday, those ties are all the deeper," State Department Spokesperson Ned Price told reporters at his daily news conference. The "landmark" Air India-Boeing deal, according to US President Joe Biden, will create up to 1 million jobs across 44 states in the US. "It is something that we've heralded. It is an opportunity not only for the American economy and for workers here in this country, but it's an opportunity for the Indian people as well," Price said in response to a question, a day after the historic airplane deal between the two countries.

https://www.business-standard.com/article/current-affairs/india-us-ties-deeper-with-announcement-of-air-india-boeing-deal-us-123021600116_1.html

Next round of India, UK talks for free trade agreement to be held in March

The next round of negotiations for the proposed free trade agreement (FTA) between India and the UK is scheduled from March 20-24, commerce secretary Sunil Barthwal said on Wednesday. Barthwal said that talks are progressing and it was closed for 13 chapters. After the eight round of talks in March, it could be assessed that how many more rounds would happen and how much more time the talks would take to conclude. The last round of talks were concluded on February 10. India and the UK launched negotiations for the FTA in January last year with an aim to conclude talks by Diwali (October 24), but the deadline was missed due to political developments in the UK.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/next-round-of-india-uk-talks-for-free-trade-agreement-to-be-held-in-march/articleshow/97952896.cms>

Cabinet okays signing of MoU between India, Chile for agri cooperation

The Union Cabinet on Wednesday approved the signing of a memorandum of understanding (MoU) between India and Chile for cooperation in the field of agriculture and allied sectors. It provides for cooperation in the field of agriculture and allied sectors. Information and Broadcasting Minister Anurag Thakur briefed the media about the cabinet decisions. Under the MoU, a Chile-India Agricultural Working Group will be constituted which will be responsible for the supervision, review and assessment of the implementation of the MoU as well as for establishing

frequent communication and coordination. The meetings of the Agricultural Working Group will be held once a year alternatively in Chile and India.

https://www.business-standard.com/article/current-affairs/cabinet-approves-signing-of-mou-between-india-chile-for-agriculture-sector-123021600027_1.html