



March 20, 2023 – Monday

Economy

Share of self-employed goes up after the pandemic, says NSO report

Amid massive loss of formal employment during the pandemic, more men and women in urban India declared themselves self-employed in 2021-22, according to a report released by the National Statistical Office (NSO). The report titled "Women and Men in India 2022" showed 39.5 per cent male workers and 39.4 per cent female workers in urban India declared that they were self-employed, compared with 38.7 per cent and 34.5 per cent, respectively, during the pre-pandemic year of 2018-19. In 2020-21, when the pandemic hit the Indian economy, the share of salaried persons in urban India dipped to 45.3 per cent for men and 50.1 per cent for women. In 2021-22, the recovery was faster for men at 46.2 per cent than for women at 50.3 per cent.

https://www.business-standard.com/article/current-affairs/share-of-self-employed-goes-up-post-pandemic-says-nso-report-123031900779_1.html

Mixed payment mode for MGNREGS wages to continue till March 31

For wage payment under the Mahatma Gandhi National Rural Employment Guarantee Scheme (NREGS), the Government has decided, on the request of States, to have a mixed model for payment route up to March 31. The payment of wages to every beneficiary under MGNREGS is being done using Aadhaar Based Payment System (ABPS) as well as the National Automated Clearing House (NACH) depending upon the ABPS status of the beneficiary.

<https://economictimes.indiatimes.com/news/india/mixed-payment-mode-for-mgnregs-wages-to-continue-till-march-31/articleshow/98789790.cms>

Urban infrastructure principles on the cards in July G20 meeting

The Group of Twenty (G20) nations, led by India, is working to finalise the priority principles of financing sustainable urban infrastructure, which is expected to be endorsed by the bloc's finance ministers and central bank governors when they meet in Gandhinagar in early July.

https://www.business-standard.com/article/economy-policy/g-20-finance-ministers-may-endorse-urban-infrastructure-principles-in-july-123031900778_1.html

Banking and Finance

Bank crisis abroad won't hit India's macro stability: DEA Secy Ajay Seth

The collapse of two American lenders and the crisis at Credit Suisse are unlikely to impact India's banking system or its broader macroeconomic stability, said economic affairs secretary Ajay Seth. But in the event of the crisis getting more pronounced, global capital flows may get adversely affected, Seth told ET. The government is in regular talks with key regulators such as the Reserve Bank of India (RBI) and Securities and Exchange Board of India on all relevant financial sector matters, including potential spillover risks from this crisis, he said. However, the situation has not reached "anywhere near" the level of the 2008 global financial crisis, he said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-crisis-abroad-wont-hit-indias-macro-stability-dea-secy-ajay-seth/articleshow/98790180.cms>

PSBs want lower FY23 dividend payouts, look to shore up capital

State-owned banks have urged the government to lower their dividend payout for this financial year as they are looking to shore up their capital, said people familiar with the development. The government expects banks to pay dividends on the lines of central public sector enterprises, which pay 30% of the profit after tax or 5% of the net worth, whichever is higher. According to two bank executives aware of the developments, banks have sought relief on the quantum of payout. The issue was discussed at a meeting at February-end between senior bank representatives and government officials, said one of the bankers, adding that further discussions were on with the government.

<https://economictimes.indiatimes.com/news/economy/finance/psbs-want-lower-fy23-dividend-payouts-look-to-shore-up-capital/articleshow/98779974.cms>

States' capex may cross 3% of GSDP

Capital expenditure of states could cross 3% of gross state domestic product in 2023-24, following the Centre's capital spending push in the annual budget, showed an ET analysis of 16 states. The analysis revealed that the capex of the 16 states, which account for 80% of the GDP and the total expenditure of the states, could be about 20% higher than in the current financial year. The combined capex of the 16 states and the Centre is expected to be 5.9% of the GDP, as they could spend close to ₹18 lakh crore on capital activities. In the pre-Covid-19 2019-20, the combined spending of the Centre and these 16 states was 4% of the GDP.

<https://economictimes.indiatimes.com/news/economy/finance/states-capex-may-cross-3-of-gsdp/articleshow/98780150.cms>

GST dept to scrutinise I-T, MCA data to identify entities not paying taxes

The GST department will soon begin analysing ITRs filed by businesses and professionals and also MCA filings to ascertain if the entities are adequately discharging their GST liability and widening the taxpayer base. Currently, there are 1.38 crore registered businesses and professionals under the Goods and Services Tax (GST), which was launched on July 1, 2017. Businesses in manufacturing and services sectors with annual turnover of more than Rs 40 lakh and Rs 20 lakh, respectively are required to register themselves under the GST and file tax returns.

<https://economictimes.indiatimes.com/news/economy/policy/gst-dept-to-scrutinise-i-t-mca-data-to-identify-entities-not-paying-taxes/articleshow/98780285.cms>

Industry

Number of unsold cars soars, new bookings decline

Inventory of unsold cars with dealers has touched a four-year high and pace of fresh bookings has started to slow down, signaling an easing of demand. Most carmakers maintain that the inventory levels are reasonable and not an area of concern as of now. Unsold stock in car dealer network is likely to reach around 300,000 units (worth \$2.5 billion) by the end of March 2023 - the highest since September 2019, as per industry estimates. Also, the rate of cancellation which used to be an average 10% of the total bookings till a few months back, has increased to 15-20%. There are an estimated 800,000 outstanding orders in the market. The softening trend comes as the pent-up demand that boosted sales in the last two years is dissipating with normalisation of production.

<https://economictimes.indiatimes.com/industry/auto/auto-news/auto-off-the-pace-number-of-unsold-cars-soars-new-bookings-decline/articleshow/98782288.cms>

Passenger vehicles set for price rise with OBD-2 migration from April

Automakers are going to announce hike in car prices ranging between ₹10,000 and ₹30,000 with the imminent migration to on-board diagnostics (OBD) 2-compliant vehicles from April. The price hikes could be implemented across categories. As part of BS-VI stage 2, passenger vehicles are mandated to fit a diagnostic device called On Board Diagnostic (OBD) 2 from April. The devices will monitor emission levels in real time with earlier tests conducted in a laboratory. The changes will be undertaken in the engine of the vehicles including the software.

<https://www.thehindubusinessline.com/companies/passenger-vehicles-set-for-price-rise-with-obd-2-migration-from-april/article66638680.ece>

FMCG: Consumers back to buying regular or mid-priced packs

Sales of mid-priced or regular packs in fast moving consumer goods (FMCG) have started to pick up in the last 3-4 weeks especially in categories like snacks, biscuits, edible oil and detergents after several months indicating that consumers have started to open up their purse strings a bit more than before which may aid to the recovery of the sector. Manufacturers said sales of regular packs, essentially priced between ₹30 and ₹80-90 have improved in both cities and tier-I towns, including in modern retail and ecommerce, since consumers who were hitherto buying small packs have started to upgrade their purchases. "There has been some traction in mid-sized packs priced between ₹40 and ₹90 as compared to the fact that most consumers were earlier moving to the small packs," said Mayank Shah, senior category head at Parle Products. "In the last one month, growth is coming from these packs including in modern trade and ecommerce," he said.

<https://economictimes.indiatimes.com/industry/cons-products/fmcf/fmcf-consumers-back-to-buying-regular-or-mid-priced-packs/articleshow/98781899.cms>

Hotels expect new signings to rise as good times roll on

Many more hotels will be signed in India this year compared to last year with some chains even considering doubling their last year signing numbers, industry insiders said. "While the growth in occupancy and room rates across hotels was undoubtedly a result of pent-up demand, the prevailing belief is that this increased optimism will persist. It is for this reason that we expect a 15-20% growth in new hotel signings compared to 2022. Compared to 2019, the number of new hotel signings this year would be similar if not more. At least we at Hotelivate are doing nearly double the number we had signed in 2019," said Manav Thadani, founder-chairman of hospitality consultancy Hotelivate.

<https://economictimes.indiatimes.com/industry/services/hotels/-/restaurants/hotels-expect-new-signings-to-rise-as-good-times-roll-on/articleshow/98782160.cms>

Agriculture

Govt aims to cap fertiliser subsidy, pilot projects in 7 districts soon

The government will roll out a modified direct benefit transfer (DBT) scheme of fertilisers in seven districts across as many states on a pilot basis. Under the new plan, sales of subsidised fertilisers to farmers will be capped, taking into consideration their land holdings. The government has, however, abandoned a plan to make farmers pay for the nutrients at market rates, before they receive the subsidies in their bank accounts.

<https://www.financialexpress.com/economy/govt-aims-to-cap-fertiliser-subsidy-pilot-projects-in-7-districts-soon/3015100/>

Efficient processing key for strengthening millet value chain: Official

Improved varieties, better shelf life, efficient processing and access to markets are all vital for strengthening the millet value chain, a senior Agriculture Ministry official said on Sunday. "We must carry out R&D in all areas of the value chain of millets and bring together the knowledge of production, processing and storage and make it available to the consumer," Joint Secretary in the Agriculture Ministry Vijaya Lakshmi Nadendla said addressing a plenary session at the Global Millets Conference. The government is propagating millets cultivation and increasing demand, it is expected that more women will get engaged in the cultivation of millets, thereby leading to a need for skilling and capacity building, she said at another session at the conference.

https://www.business-standard.com/article/current-affairs/efficient-processing-key-for-strengthening-millet-value-chain-official-123031900847_1.html

Energy

OilMin accepts all major Kirit Parikh panel recommendations on gas pricing

The Petroleum and Natural Gas Ministry has accepted the main recommendations of the Kirit Parikh committee on natural gas pricing, and will be further recommended by them to the Cabinet soon, several officials said. The move is expected to have a significant impact on the energy sector, as the price of natural gas will likely increase.

https://www.business-standard.com/article/economy-policy/oilmin-accepts-all-major-kirit-parikh-panel-recommendations-on-gas-pricing-123031900507_1.html

India's power consumption rises 10% in Apr-Feb to 1,375 bn units

India's power consumption surged 10 per cent to 1375.57 billion units (BU) during April-February this fiscal year and has already surpassed the level of electricity supplied in entire 2021-22. The government data showed that power consumption in April-February 2021-22 was 1245.54 BU. In entire fiscal year 2021-22, power consumption was 1374.02 BU, which is less than 1375.57 BU recorded during April 2022 to February 2023 period. Experts say power consumption is expected to grow in double digits in the coming months in view of forecasts of unprecedented high demand, especially in summer. The power ministry has estimated peak power demand in the country at 229 GW during April this year, which is higher than 215.88 GW recorded in the same month a year ago. The ministry has taken many steps to meet high power demand and also asked state utilities to not go for power cuts or load shedding. https://www.business-standard.com/article/economy-policy/india-s-power-consumption-rises-10-in-apr-feb-to-1-375-bn-units-123031900165_1.html

Wind energy projects made 64.54 bn electricity units in April-Jan of FY23

The electricity produced from wind energy projects was 64.54 billion units during the April-January period of 2022-23, according to the Ministry of New and Renewable Energy data. Tamil Nadu and Gujarat are the two states which lead in terms of generating electricity through wind energy. During April 2022-January 2023, Gujarat produced 17,062 million units of electricity from wind energy power projects. Tamil Nadu was the second highest generator of electricity from wind energy power projects, as it generated 15,703 million units of electricity during the period under review. The government has taken several measures for promoting wind energy, like declaration of trajectory for wind renewable purchase obligation - Wind RPO - up to 2030. In addition to this, the government has announced concessional Customs duty exemption on certain components required for manufacturing of wind electric generators. Generation-based incentive is being provided to the wind projects commissioned on or before March 31, 2017. https://www.business-standard.com/article/current-affairs/wind-energy-projects-made-64-54-bn-electricity-units-in-april-jan-of-fy23-123031900973_1.html

States

Karnataka gives nod to 78 industrial projects of Rs 5,298-cr investment

The State Industries and Commerce Department has cleared a total of 78 investment proposals worth Rs 5,298.69 crore promising 13,917 jobs. At the State Level Single Window Clearance Committee (SLSWCC) meeting chaired by the Minister for Large and Medium Scale Industries Murugesh R Nirani, these proposals were cleared, a statement issued by the office of the Minister on Sunday said. The committee considered and approved 17 important large and medium size industrial projects with investments of more than Rs 50 crore. These projects are worth Rs 3,552.66 crore and are expected to create employment opportunities for 6,933 people in the State. Also, 59 new projects with investments of more than Rs 15 crore and less than Rs 50 crore were also approved. These projects worth Rs 1,542.88 crore would generate jobs for 6,984 people in Karnataka, the statement read. Two projects of additional investment have also been approved, which will result in an investment of Rs 203.15 crore and would generate massive employment opportunities, it said. https://www.business-standard.com/article/current-affairs/karnataka-gives-nod-to-78-industrial-projects-of-rs-5-298-cr-investment-123031900875_1.html

AP's GSDP, sectoral growth show significant fall at constant prices

Contrary to the notion that the Andhra Pradesh's economy is performing well, data shows that there is a significant fall in the growth rates of all key macro-economic parameters in the year 2022-23. <https://www.thehindubusinessline.com/economy/aps-gsdp-sectoral-growth-show-significant-fall-at-constant-prices/article66638414.ece>

Integrated textile park to bring over 300,000 jobs in Telangana: Reddy

Union Minister G Kishan Reddy on Sunday said the PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park will generate over 3 lakh jobs in Telangana. Speaking at an event, Reddy said, "The central government under the leadership of Narendra Modi has decided to establish seven mega textile parks. The PM has decided to set up

one of the seven parks in Telangana. It is going to bring a great advantage to the textile industry in Telangana. The training, exports and other value-added activity of the mini textile activities will be increased." The Union Minister said the Central government is investing around Rs 4,400 crore in the textile parks. The Telangana textile park will get more than Rs 10,000 crore of investments. Apart from this, many products from Telangana can be exported to various foreign countries. The textile park will bring in more than 1 lakh direct jobs and more than 2 lakh indirect jobs to the people of Telangana, Reddy said. He said the Centre is fully committed to the development of Telangana in all fields including national highways, railways, textile, agriculture, employment generation, investment, IT and others.

https://www.business-standard.com/article/economy-policy/integrated-textile-park-to-bring-over-300-000-jobs-in-telangana-reddy-12303200053_1.html

Projects worth Rs 32,000 crore underway in Ayodhya: UP CM Adityanath

Uttar Pradesh Chief Minister Yogi Adityanath on Sunday said that development projects worth Rs 32,000 crore by the central and state governments for the overall development of Ayodhya are currently underway. Chief Minister Yogi Adityanath was addressing the media on Sunday during his one-day visit to Ayodhya. He said, "When the projects get off the ground in a year, the world will see Ayodhya as the most beautiful city. The construction work of Lord Shri Ram's grand temple at Shri Ram Janmabhoomi is progressing on a war footing within the stipulated time frame. Lord Shriram sitting in his temple will shower blessings on the country and the world." "Today physical verification and review of various development works of the Central and State Governments were done in Ayodhya along with Darshan-Pujan," he remarked further.

https://www.business-standard.com/article/current-affairs/projects-worth-rs-32-000-crore-underway-in-ayodhya-up-cm-adityanath-123031900834_1.html

Aspirational population in Sikkim keen on innovation, digitisation: CM

Sikkim initiated the first day of the Startup 20 meeting as part of G20 events in Gangtok on Saturday. Minister of State for Commerce and Industries Som Prakash attended the inaugural session alongside Sikkim Chief Minister Prem Singh Golay. Commerce and Industries MOS Som Prakash said there are more than 90,000 startups in India registered with DPIIT. "It is an opportunity for youngsters, who have ideas and knowledge, to do something for the country. We help them to transform their ideas into reality. India has the third-largest startup initiative in the world. We have exchanges with startups from other countries. Utmost importance is given to startups," he said.

Sikkim Chief Minister Prem Singh Golay, in his address, said the population of Sikkim is aspirational towards startups.

https://www.business-standard.com/article/economy-policy/aspirational-population-in-sikkim-keen-on-innovation-digitisation-cm-123031900050_1.html

External

India, EU conclude another round of talks for proposed trade agreement

India and the European Union (EU) on Saturday concluded the fourth round of talks for a comprehensive free trade agreement in Brussels, a move aimed at further strengthening economic ties between the two sides.

The next round of the talks is planned for 12-16 June here. India and the 27-nation bloc resumed negotiations on June 17 last year after a gap of over eight years on the proposed agreements on trade, investments and Geographical Indications (GI). "Round 4 of India EU-FTA negotiations held at Brussels," Nidhi Mani Tripathi, Joint Secretary in the Department of Commerce has said in a tweet. She is India's chief negotiator for the agreement. India had started negotiations for a trade pact with the EU in 2007 but the talks stalled in 2013 as both sides failed to reach an agreement on key issues, including customs duties on automobiles and spirits and the movement of professionals.

https://www.business-standard.com/article/international/india-eu-conclude-another-round-of-talks-for-proposed-trade-agreement-123031900628_1.html

India should target \$350 bn exports through e-commerce by 2030: GTRI

India should target USD 350 billion worth of goods export through e-commerce by 2030 and for that the government needs to address pain points of the sector by taking steps like formulating a separate policy, a report by economic think tank GTRI said. The Global Trade Research Initiative (GTRI) said the current e-commerce export provisions in India are a patchwork over the rules framed for regular B2B (business-to-business) exporters. India's e-commerce

exports have the potential to grow at a faster pace than its IT exports did in the early 2000s, it said. With Global business-to-consumer (B2C) e-commerce exports estimated to grow from USD 800 billion to USD 8 trillion by 2030, India's strengths in high-demand customized products, expanding seller base, and higher profit margins per unit of export place it in a prime position to benefit from this trend. GTRI has identified 21 action points for accelerating the country's exports through online medium. India's current e-commerce export numbers remain far below their potential. Currently, e-commerce exports account for only USD 2 billion, less than 0.5 per cent of the country's total goods export basket.

https://www.business-standard.com/article/economy-policy/india-should-target-350-bn-exports-through-e-commerce-by-2030-gtri-123031900195_1.html

India, Maldives hold fourth defence cooperation dialogue in Male

India and the Maldives conducted the 4th Defence Cooperation Dialogue (DCD) in Male on Sunday and reviewed the entire gamut of bilateral defence engagements, while agreeing to increase the complexity of existing exercises. The dialogue was co-chaired by Defence Secretary Giridhar Aramane and his Maldivian counterpart, Chief of Defence Force, Maldives National Defence Forces Major General Abdulla Shamaal. This DCD is the highest institutionalised interactive mechanism between the two countries. Its significance in chartering the future course of relations between both the Armed Forces was highlighted by the importance given to the talks by the two nations.

https://www.business-standard.com/article/current-affairs/india-maldives-hold-fourth-defence-cooperation-dialogue-in-male-123031900711_1.html