



April 18, 2023 – Tuesday

Economy

Wholesale inflation continues downtrend, moderates to 1.34% in March

India's wholesale price index (WPI)-based inflation eased to 1.34 per cent in March on an annual basis from 3.85 per cent in February, stated provisional data from the Commerce Ministry on Monday. March is the 10th straight month when wholesale price index (WPI) based inflation has declined. The decline in the rate of wholesale inflation in March is primarily contributed by fall in prices of basic metals, food products, textiles, non-food articles, minerals, rubber & plastic products, crude petroleum & natural gas and paper and paper products. Inflation in wheat and pulses was 9.16 per cent and 3.03 per cent, respectively while in vegetables it was (-)2.22 per cent. Inflation in oilseeds was (-)15.05 per cent in March 2023.

<https://economictimes.indiatimes.com/news/economy/indicators/wholesale-inflation-continues-downtrend-moderates-to-1-34-in-march/articleshow/99550850.cms>

Consumer confidence survey shows improvement in spending from Covid lows

As the Covid-19 pandemic wanes, consumer confidence is seen improving, albeit below the pre-pandemic levels. These are the key findings of the Reserve Bank of India's latest consumer confidence survey. "Household spending was buoyant on the back of higher essential and non-essential spending," the survey noted. While 75 per cent of the respondents noted an increase in their spending in March 2023, the proportion was just 64.1 per cent in March 2022. People seem to be spending more on essential items now — around 85.3 per cent of the people said their spending on essential items has increased in the March 2023 survey. This is the highest since November 2019. The proportion of this group of people was 76.6 per cent a year back, in March 2022.

<https://www.thehindubusinessline.com/data-stories/data-focus/consumer-confidence-survey-shows-improvement-in-spending-from-covid-lows/article66747604.ece>

New space policy to boost private participation in space sector: Jitendra Singh

India has built end-to-end capability in the space sector and is poised for a greater participation in the global space economy, Union Science and Technology Minister Jitendra Singh said on Monday. Addressing the G20 Space Economy Leaders meeting in Shillong, Singh said the Union Cabinet has approved the Indian Space Policy 2023 to give further boost to private investments and encourage private participation in all areas of space activities. "The reforms aim to make private industries co-travellers in India's space journey by allowing them to undertake independent end-to-end space activities. The increased private industry participation will eventually result in increased contribution of India in the global space economy," the minister said addressing the gathering in Shillong virtually.

<https://economictimes.indiatimes.com/news/india/new-space-policy-to-boost-private-participation-in-space-sector-jitendra-singh/articleshow/99564107.cms>

Parliamentary standing panel questions new attendance and payment systems for MGNREGS workers

The Centre's new initiatives of National Mobile Monitoring System (NMMS) for marking attendance and Aadhaar-based payment system for beneficiaries of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) have come under the scanner of a parliamentary committee. As MGNREGS beneficiaries protest against

non-payment and delayed payment of wages across states and at Jantar Mantar in New Delhi, the standing committee on rural development started examining the initiatives introduced earlier this year.

<https://economictimes.indiatimes.com/news/india/parliamentary-standing-panel-questions-new-attendance-and-payment-systems-for-mgnregs-workers/articleshow/99567112.cms>

Better pay hikes in the offing for manufacturing sector

Riding on the back of a strong recovery and the first normal year for manufacturing since the Covid-19 outbreak, employees can expect better salary hikes this year, according to industry executives and a survey. A majority of companies (60%) are planning to hand out better increments this year compared to last year, found a survey conducted by CIEL HR Services, the findings of which were shared exclusively with ET. The survey tracked about 720 companies employing more than 800,000 employees across the country to ascertain the appraisal and hiring sentiments in the manufacturing sector.

<https://economictimes.indiatimes.com/news/economy/indicators/better-pay-hikes-in-the-offing-for-manufacturing-sector/articleshow/99566302.cms>

Banking and Finance

Credit card adoption to increase in 2023, UPI most preferred: Worldline report

Even as United Payments Interface (UPI) was the most preferred medium for digital payments with a volume and value market share of 84 per cent, 2022 also saw increased adoption of credit cards and a slowdown in debit card transactions. Debit and credit cards which collectively accounted for 7 per cent of the transactions in terms of volume and 14 per cent in terms of value.

<https://www.thehindubusinessline.com/money-and-banking/credit-card-adoption-to-increase-in-2023-upi-most-preferred-worldline-report/article66748348.ece>

SME loan defaults to rise for NBFCs in the coming quarters: Moody's

Defaults on loans to small and medium enterprises (SME) by finance companies in India are expected to rise in the coming quarters since hardening interest rates are increasing the repayment burden, rating agency Moody's has said. Also, options to refinance such loans for SMEs are limited, it added. Rising interest rates, increasing costs amid high inflation and a muted operations environment for small businesses have weighed on SME borrowers' ability to meet debt repayments over the past year. Moody's, in a statement, said delinquencies for loans against properties (LAP) extended to SMEs in securitised portfolios will continue to increase. A securitised paper is termed as asset-backed security (ABS).

https://www.business-standard.com/finance/news/sme-loan-defaults-to-rise-for-nbfc-in-the-coming-quarters-moody-s-123041700317_1.html

Insurers seek sops to cover specially abled

General insurance companies will seek tax exemptions or direct subsidy to provide full coverage to specially abled people through new product offerings, said industry executives. It comes after the Insurance Regulatory and Development Authority of India (IRDAI) asked the insurers to come out with a new insurance product along these lines, they said. Insurers will make a representation to the IRDAI in this regard, said a senior executive with one of the general insurance companies. "There is a view within the players that the government should ideally take responsibility for the welfare of specially abled persons, as in foreign countries, and if insurers in India are being asked to bring out such special covers, then the industry should be given a tax exemption or subsidy," said the executive.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/insurers-seek-sops-to-cover-specially-abled/articleshow/99566970.cms>

Private equity and venture capital funds' investments decline 4 pc to USD 5.3 billion in March

Private equity and venture capital funds' investments declined by 4 per cent to USD 5.3 billion in March 2023 as against the year-ago period, a report said on Monday. In terms of number of deals, there were only 82 transactions in March 2023 as against 125 in the year-ago period, as per the report by industry lobby IVCA and consultancy firm

EY. For the January-March quarter, the deal activity declined by 21 per cent by the value of investments to USD 13.3 billion as compared to the year-ago period. The consultancy firm's partner Vivek Soni said collapse of Silicon Valley Bank led to a spike in uncertainty, further exacerbating the tight funding environment for startups.

<https://economictimes.indiatimes.com/industry/banking/finance/private-equity-and-venture-capital-funds-investments-decline-4-pc-to-usd-5-3-billion-in-march/articleshow/99567205.cms>

Industry

Cement demand seen rising 8-9 pc in FY24 over 9 pc growth in FY23

Continued government push to build infrastructure will drive cement demand further this fiscal by 8-9 per cent on top of a 9 per cent growth in FY22, which will help the sector see some recovery in profitability, a report said. According to India Ratings, which has a neutral outlook for the sector for the year, recovery in profitability despite the inflationary pressure and healthy balance sheets will keep the sector in good stead despite the large capex pipeline. The agency expects demand to grow 8-9 per cent in FY24 over an estimated 9 per cent growth in FY23, giving the sector a five-year compounded annual growth rate of 4.5 per cent. Softening fuel cost to drive recovery in operating margins even as the industry is likely to increase prices only in low single digit. The agency expects operating margins to recover to Rs 950-1,000/MT in FY24 on the back of softening power and fuel cost. Downside risks could arise from a rebound in coal and petcoke prices, though.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/cement-demand-seen-rising-8-9-pc-in-fy24-over-9-pc-growth-in-fy23/articleshow/99564271.cms>

Supported by PLI, export of electronic products overtake garment exports

Data released by the commerce department estimates that the exports of electronic products may have increased over 50 per cent in the financial year 2022-2023 to \$23.6 billion. The export of electronic products from India has overtaken ready-made garment exports, The Times of India (ToI) has reported. The development assumes significance because garment exports have traditionally been the centrepiece of Indian exports. The shift to the export of electronic products comes on the heels of a substantial increase in the export of mobile phones. The report added that electronic goods were the sixth-biggest item in the basket, which was slightly lower than the \$25.4 billion for drugs and pharmaceuticals. Notably, India is the world's major manufacturer and exporter of generic medicines.

https://www.business-standard.com/industry/news/supported-by-pli-export-of-electronic-products-overtake-garment-exports-123041700283_1.html

Non-metros keep up with, at times overtake, big city EV demand

Sales of electric vehicles (EVs), once limited to larger cities such as Delhi, Mumbai and Bengaluru, are seeing traction in non-metro markets, with the availability of more models in the mass segment, the spread of charging infrastructure and lower running costs accelerating adoption. Mercedes, BMW, Audi and Volvo are witnessing a similar acceptance beyond the big cities. Tata Motors, which accounts for more than 80% of sales in the electric four-wheeler segment, had about a fourth of its Tiago EVs going to first-time buyers in states such as Bihar, Madhya Pradesh, Uttar Pradesh and Andhra Pradesh. At Ather Energy, non-metro centres contribute 53% to overall sales of its electric scooters.

<https://economictimes.indiatimes.com/industry/renewables/non-metros-keep-up-with-at-times-overtake-big-city-ev-demand/articleshow/99570701.cms>

Agriculture

Down 23% y-o-y, India's wheat procurement likely to rise with arrivals

Though wheat procurement by government agencies such as the Food Corporation of India (FCI) is 23 per cent lower so far, there is no cause for concern as harvest has been delayed in key growing States such as Punjab and Haryana this year. Wheat procurement for the current season, which began on April 1, was 41.69 lakh tonnes (lt) as of April 16 compared with 54.41 lt in the corresponding period a year ago. Due to delayed harvesting in Punjab and Haryana, procurement is likely to recover in the coming weeks. The procurement in Madhya Pradesh and Uttar Pradesh is much higher than the year-ago level.

<https://www.thehindubusinessline.com/economy/agri-business/down-23-y-o-y-indias-wheat-procurement-likely-to-rise-with-arrivals/article66747809.ece>

Centre will continue to monitor tur, urad dal stocks; more central team to visit states

The Union Food and Consumer Affairs Ministry on Monday asserted that it will continue to monitor domestic stocks of tur and urad dals, and take measures to ensure that traders disclose their inventories properly. According to an official statement, senior officers from the Department of Consumer Affairs visited 10 various locations across four states to interact and observe the stock disclosure status of tur and urad during the past few days. Consumer Affairs Secretary Rohit Kumar Singh took an internal meeting with these officers who visited major pulses markets and interacted with various market players. During the last week, a meeting with the All India Dal Mills Association in Indore was held on April 15. That apart, the department deputed 12 senior officers to visit various places in Karnataka, Madhya Pradesh, Maharashtra and Tamil Nadu to take stock of ground reality.

<https://economictimes.indiatimes.com/news/india/centre-will-continue-to-monitor-tur-urad-dal-stocks-more-central-team-to-visit-states/articleshow/99564739.cms>

Higher yields to lift soyabean output to 124.11 lakh tonnes, says SOPA

The Soyabean Processors Association of India (SOPA) has revised upwards the crop estimates for kharif 2022 at 124.11 lakh tonnes on higher yields. The earlier estimates had pegged the 2022 crop size at 120.39 lakh tonnes (lt). SOPA, which had undertaken the mid-term review of the crop estimates based on the recent field survey, said the upward revision was on account of higher yields, which are at 1,051 kg per hectare compared with the earlier projections of 1,084 kg/ha.

<https://www.thehindubusinessline.com/economy/agri-business/higher-yields-to-lift-soyabean-output-to-12411-lakh-tonnes-says-sopa/article66747312.ece>

Infrastructure

DPIIT aims to get a clear picture of India's logistics cost in about 4 months: Official

The Department for Promotion of Industry and Internal Trade (DPIIT) is aiming to get a clear picture of the country's logistics costs in the next four months, a senior government official said on Monday. At present, the government is going by certain estimates, which suggest that India's logistics cost stands at about 13-14 per cent of the country's GDP (gross domestic product). The department has conducted a workshop last month on logistics cost framework, and a task force has been set up to formulate a framework to determine the cost in the country. "The task force will give its report in two months' time...in about four months, we should have an estimate, that's what we are aiming for," Special Secretary in the DPIIT Sumita Dawra told reporters here.

<https://economictimes.indiatimes.com/news/india/dpiit-aims-to-get-a-clear-picture-of-indias-logistics-cost-in-about-4-months-official/articleshow/99564658.cms>

76 big infra projects worth Rs 5.14 lakh cr evaluated under PM Gati Shakti in past 1 year

As many as 76 key infrastructure projects worth about Rs 5.14 lakh crore of different ministries have been evaluated under the PM Gati Shakti initiative in the last one year, a senior official said on Monday. These projects have been recommended by the Network Planning Group (NPG) constituted under the PM Gati Shakti initiative launched in October 2021. Special secretary in the Department for Promotion of Industry and Internal Trade (DPIIT) Sumita Dawra said that the usage of the PM Gati Shakti - National Master Plan has increased by the central ministers and states also. On October 13, 2021, the plan was launched with the aim to develop an integrated infrastructure to reduce logistic costs. All logistics and connectivity infrastructure projects, entailing investments of over Rs 500 crore, are routed through NPG.

<https://economictimes.indiatimes.com/news/economy/infrastructure/76-big-infra-projects-worth-rs-5-14-lakh-cr-evaluated-under-pm-gati-shakti-in-past-1-year/articleshow/99565477.cms>

Indian road logistics industry to clock high single-digit growth this fiscal: Report

The Indian road logistics industry is expected to clock a high single-digit growth this fiscal on an elevated base of the previous year, ICRA said on Monday. The credit ratings agency also expects the demand momentum to continue in FY24, aided by stable domestic consumption and investment demand, ICRA said. The Indian road logistics industry's

revenue growth is pegged at a high single-digit on an elevated base of FY2023, Icra said, adding that the outlook is stable. The Indian road logistics industry's revenue growth is pegged at a high single-digit on an elevated base of FY2023, Icra said, adding that the outlook is stable. The downside risks to the estimates remain from any material tapering of demand due to high inflationary and interest rate regime, the emergence of any further Covid waves, or a sub-par monsoon impacting the overall economic health, given its strong linkage to economic activity on an aggregate basis, it said.

<https://www.financialexpress.com/industry/indian-road-logistics-industry-to-clock-high-single-digit-growth-this-fiscal-report/3050514/>

Shipping Ministry clears ₹123-crore oil jetty project at Kandla port

Ministry of Shipping, Ports and Waterways on Monday approved a project for development of an oil jetty at Deendayal Port, Kandla (Gujarat), on build-operate-transfer basis under the PPP mode. The estimated cost of developing the oil jetty will be ₹123.40 crore.

<https://www.thehindubusinessline.com/economy/logistics/sarbananda-sonowal-clears-123-crore-rupees-oil-jetty-project-in-kandla-port/article66747411.ece>

Energy

Diesel sales jump on agricultural demand

Diesel sales in India jumped up sharply in the first half of April as agricultural activity pick-up and trucking increased to meet industrial demand, preliminary industry data showed on Monday. Demand for diesel, the most consumed fuel in the country accounting for about two-fifths of the demand, soared over 15 per cent to 3.45 million tonnes in the first half of April when compared to a year ago. Month-on-month sales rose 8.4 per cent when compared with 3.19 million tonnes of diesel consumed in the first half of March that had witnessed seasonal slowdown. Petrol sales rose about 2 per cent to 1.14 million tonnes during April 1 to 15 when compared with the same period of last year. Sales however fell 6.6 per cent month-on-month, the data showed.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/diesel-sales-jump-on-agricultural-demand/articleshow/99557327.cms>

Harshdeep Puri confident of meeting 20 pc ethanol blending target next fiscal

Oil minister Hardeep Singh Puri on Monday exuded confidence of meeting the target of supplying petrol mixed with 20 per cent ethanol by 2025, five years earlier than the previously planned roll-out in 2030. Petrol blended with 20 per cent ethanol was rolled out at select petrol pumps in 11 states and Union Territories in February as part of a programme to increase use of biofuels to cut emissions as well as dependence on foreign exchange-draining imports. At present, 10 per cent ethanol is blended in petrol (10 per cent ethanol, 90 per cent petrol) and the government is looking to double this quantity by 2025. "I am sure we will be able to supply 20 per cent ethanol blended petrol by next (fiscal) year," he said. India saved as much as Rs 41,500 crore in forex outgo from 10 per cent blending besides benefiting the farmers, he said at a biofuels conference here.

<https://economictimes.indiatimes.com/industry/renewables/harshdeep-puri-confident-of-meeting-20-pc-ethanol-blending-target-next-fiscal/articleshow/99559527.cms>

Telecom

Telecom sector dials up Centre to slash levies for 5G viability

India's top telcos Reliance Jio, Bharti Airtel and Vodafone Idea have called on the government to sharply reduce levies, reasoning that they are investing top dollars for the fastest 5G rollout seen anywhere in the world but have no clear visibility in terms of additional revenue from the next-gen services. The top telcos, through industry body Cellular Operators Association of India (COAI), want the licence fee to be brought down to 1% from 3%, and the USO (universal service obligation) levy of 5% be deferred till the ₹64,774 crore lying in the fund gets exhausted.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-sector-dials-up-centre-to-slash-levies-for-5g-viability/articleshow/99570411.cms>

States

Arunachal Pradesh sees 65% growth in construction of highways in eight years

The border state of Arunachal Pradesh witnessed a 65% growth in construction of national and state highways from 2015-16 to 2022-23, according to the Arunachal Pradesh government. From 30,692 km in 2015-16, road construction covered up to 50,555 km in 2022-23, of which 2,506 km are border roads, as per data shared with ET. The total length of the international border in Arunachal is 1,863 km that includes 1,126 km with China, 520 km with Myanmar and 217 km with Bhutan. Speaking to ET, Arunachal CM Pema Khandu said, "At present, Arunachal has the highest funds spent on roads and bridges in the entire country. About 12.7% of the state budget has been allocated for roads and bridge construction."

<https://economictimes.indiatimes.com/news/economy/infrastructure/arunachal-pradesh-sees-65-growth-in-construction-of-highways-in-eight-years/articleshow/99566567.cms>

Healthcare

Authorities cancel licences of several drug companies for lapses

Central and state drug regulatory authorities have cancelled or suspended the licences of several manufacturing units and revoked the product permissions of a few others citing quality issues, government officials in the know said. Regulators had inspected dozens of drug manufacturing units in Himachal Pradesh, Uttarakhand, Haryana, Madhya Pradesh and Maharashtra, following reports of the death of 19 children in Uzbekistan allegedly caused by contaminated cough syrup made in India. They took the action mostly during January and February. These manufacturers are accused of failing to comply with established good manufacturing practices.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/authorities-cancel-licences-of-several-drug-companies-for-lapses/articleshow/99566969.cms>

External

DGFT lays out procedure for exporters to apply for amnesty scheme

The commerce ministry on Monday laid out a procedure for applying for amnesty scheme for one-time settlement of default in export obligation by certain exporters. The directorate general of foreign trade (DGFT), under the ministry, directed the regional authorities to process any such applications within three working days. "Application for AA (advance authorisation)/EPCG (export promotion for capital goods) discharge/closure shall be filled online by logging onto the DGFT website and navigating to services," the DGFT said in a policy circular. The government announced the new foreign trade policy (FTP) on March 31. It included an amnesty scheme for exporters for one-time settlement of default in export obligation by the holders of advance and EPCG (export promotion for capital goods) authorisations.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgft-lays-out-procedure-for-exporters-to-apply-for-amnesty-scheme/articleshow/99564570.cms>

Free trade agreement on the cards as Russian Deputy PM Denis Manturov begins 2-day India visit

India and Russia are in talks for a free trade agreement to guarantee investment between the two countries, Russia's deputy prime minister said on Monday. Russian Deputy Prime Minister and minister for trade and industry Denis Manturov began a two-day visit to India on Monday primarily to attend an inter-governmental meeting on trade, culture and science and technology. Russia, a traditional defence equipment supplier, displaced Iraq last month to become India's top supplier of crude oil. Overall Indian imports from Russia increased almost fourfold to \$46.33 billion in the year to March 31. Moscow was looking to increase machinery imports from India to improve the trade balance, Manturov said.

<https://economictimes.indiatimes.com/news/india/russian-deputy-pm-denis-manturov-begins-2-day-india-visit/articleshow/99547452.cms>

WTO panel rules against India in IT tariffs dispute with EU, Japan and Taiwan

India has violated global trading rules in a dispute with the European Union, Japan and Taiwan over import duties on IT products, a World Trade Organization panel said on Monday. "We recommend that India bring such measures

into conformity with its obligations," the WTO panel's report said. The WTO had set up dispute settlement panels to decide on New Delhi's move to levy 10% customs duty on mobile phones and some other ICT products for the first time in July 2017 which it increased to 15% that year. The duties were further increased to 20% despite opposition from a number of WTO members. The EU, US, China, Singapore, Taiwan, Canada, Japan and Thailand initiated consultations with India on the matter claiming that the move substantially affects them.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-panel-rules-against-india-in-it-tariffs-dispute-with-eu-japan-and-taiwan/articleshow/99563508.cms>

India's share in global computer services exports jumps to 11% in FY23: Analysis

With software exports hitting a record high of USD 320 billion in FY23, the country's share in global computer services exports has jumped to around 11 per cent in the year, according to an analysis. But the country still lags in the overall services export share at about 4 per cent, according to analysis of the trade data for FY23 by DBS senior economist Radhika Rao.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-share-in-global-computer-services-exports-jumps-to-11-in-fy23-analysis/articleshow/99564838.cms>

Passenger vehicle exports from India rise 15 pc in FY23; Maruti Suzuki leads segment

Passenger vehicle exports from India rose 15 per cent in FY23 with Maruti Suzuki India leading the segment with dispatches of over 2.5 lakh units, as per the latest data by industry body SIAM. The total passenger vehicle (PV) exports stood at 6,62,891 units in the 2022-23 fiscal as compared to 5,77,875 units in 2021-22. Passenger car shipments saw a 10 per cent growth at 4,13,787 units, while utility vehicle exports rose 23 per cent at 2,47,493 units during the last fiscal, the data by the Society of Indian Automobile Manufacturers (SIAM) showed. Exports of vans, however, declined to 1,611 units last fiscal, from 1,853 units in the 2021-22 fiscal year.

<https://economictimes.indiatimes.com/industry/auto/auto-news/passenger-vehicle-exports-from-india-rise-15-pc-in-fy23-maruti-suzuki-leads-segment/articleshow/99558852.cms>