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Economy

India will get its own index to quantify heat impact next year: IMD chief

India will launch its own composite index next year to quantify the impact of heat on its population and generate impact-based heat wave alerts for specific locations, the India Meteorological Department (IMD) has said. The IMD began issuing an experimental heat index for different parts of the country last week, taking into account air temperature and relative humidity to determine how hot it really feels. "The heat index is an experimental product. It is not validated and we have mentioned that (on the IMD's website) too. We are coming up with our own system now, a multi-parameter product called 'heat hazard score'. We hope that it will be better than the others," Mrutyunjay Mohapatra, Director General of Meteorology, IMD, told PTI.

https://www.business-standard.com/india-news/india-will-get-its-own-index-to-quantify-heat-impact-next-year-imd-chief-123050300456_1.html

Private Final Consumption Expenditure in FY22: Textiles top the list, followed by alcohol & footwear

Expenditure on clothing topped the list in terms of growth rate for various items under the Private Final Consumption Expenditure (PFCE) in FY22, followed by alcohol and footwear, according to a report by the Statistics Ministry. However, the increase in food expenditure was in the single digit. PFCE includes the final consumption expenditure of households and non-profit institutions serving households (NPISH) such as temples and gurdwaras.

<https://www.thehindubusinessline.com/economy/private-final-consumption-expenditure-in-fy22-textiles-top-the-list-followed-by-alcohol-footwear/article66808121.ece>

Higher EPS pension: Labour ministry clarifies how it will compute pension on higher wages

The labour ministry, on Wednesday, clarified that it would draw 1.16 % additional contribution from within the overall 12% of the contribution of the employers into the provident fund while computing the pension on higher wages, thus complying with the Supreme Court directive dated November 4, 2022. The move, which will relieve the burden on the employees who had subscribed to the Employees' Pension Scheme, will be retrospective in nature, it said in a statement issued late on Wednesday night. "Accordingly, keeping in mind the letter and spirit of the EPF & MP Act and the Code, it has been decided to draw 1.16 % additional contribution from within the overall 12% of the contribution of the employers into the provident fund," it said, adding that this provision is retrospective in nature.

<https://economictimes.indiatimes.com/news/economy/policy/higher-eps-pension-labour-ministry-clarifies-how-it-will-compute-pension-on-higher-wages/articleshow/99969847.cms>

Banking and Finance

FY23 deficit target met, capex marginally lower

The Centre is learnt to have met the fiscal deficit target (revised estimate) of 6.4% of the nominal gross domestic product (GDP) in 2022-23, as marginally higher net (post-devolution) tax receipts offset the impact of a slight downward revision of the GDP in the second advance estimate. The overall expenditure was slightly lower than the respective RE, with capital expenditure of over Rs 7.2 trillion, as against RE of Rs 7.28 trillion, an informed source said.

<https://www.financialexpress.com/economy/fy23-deficit-target-met-capex-marginally-lower/3072096/>

IRDAI closely monitors insurers' investments, intervenes if needed: Debasish Panda, Chairperson

The Insurance Regulatory and Development Authority of India (IRDAI) closely monitors the investments made by insurance companies and intervenes whenever it is deemed necessary, says its chairman, Debasish Panda. There are more than 20 firms whose applications are being considered for setting up insurance ventures in the country, he tells Dheeraj Tiwari in an interview. Edited excerpts:

<https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-closely-monitors-insurers-investments-intervenes-if-needed-debasish-panda-chairperson/articleshow/99969289.cms>

Industry

Over 600 products to come under the ambit of mandatory quality norms

The Centre is working on bringing 643 products under the ambit of mandatory quality control orders to ensure compliance with quality standards. The Bureau of Indian Standards (BIS) is also in the process of finalising and developing standards for emerging sectors such as drones (unmanned aerial vehicles), electric vehicles & charging infrastructure including battery swapping. Speaking to mediapersons on Wednesday, Minister for Commerce & Industry, Consumer Affairs & Food and Public Distribution Piyush Goyal said as part of government's focus to develop a robust quality ecosystem in the country, a total of 115 Quality Control Orders (QCOs) covering 493 products have been notified by various Ministries.

<https://www.thehindubusinessline.com/economy/over-600-products-to-come-under-the-ambit-of-mandatory-quality-norms/article66808848.ece>

Demand for daily groceries, essentials surges to highest in two years, finds report

Demand for daily groceries and essentials rose 3.9% in the quarter to March, highest in two years, largely driven by urban markets even as sales in villages improved. The quantity of FMCG goods bought, or volumes, in rural markets went up 2.1% and 5.9% in cities from a year earlier, according to data from Kantar Worldpanel, a global consumer research firm owned by communications and advertising giant WPP. A year ago, the overall market had fallen 1.3% during the quarter, entirely dragged by urban demand that declined 3.7%. "Impact of inflation and monetary tightening on economic growth and demand seems to be slowing down. We are seeing demand slowly starting to come back, especially in India, in places where there is stress," Sunil D'Souza, managing director at Tata Consumer Products, told analysts.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/demand-for-daily-groceries-essentials-surges-to-highest-in-two-years-finds-report/articleshow/99969917.cms>

Indian steel prices drop first time since January on weak global cues, slowdown in domestic buying

Indian steel prices dropped 2-4 per cent month-on-month in May following softened global cues, stressed demand due to increasing imports and slower than expected export offers from key markets like UAE and Vietnam.

<https://www.thehindubusinessline.com/economy/indian-steel-prices-drop-first-time-since-january-on-weak-global-cues-slowdown-in-domestic-buying/article66804323.ece>

Agriculture

El Nino: Indian government urges States to be prepared for the 'worst'

The Centre on Wednesday asked its States to be prepared for the "worst situation" and ensure adequate availability of seeds for the kharif season in case of deficient monsoon rainfall. The latest advisory has come after the India Meteorological Department (IMD) confirmed that the majority of global models indicate the emergence of a moderate El Nino during the monsoon season (June–September), which contributes 72 per cent of the annual rainfall in the country. Addressing the annual Kharif Campaign, organised to prepare strategies for the upcoming season, Union Agriculture Secretary Manoj Ahuja said the weather department has forecast a normal monsoon and El Nino conditions could develop during the monsoon season.

<https://www.thehindubusinessline.com/economy/agri-business/el-nino-indian-government-urges-states-to-be-prepared-for-the-worst/article66808446.ece>

India eyes sugarcane model to raise maize output to meet 20% ethanol blending target

The Indian government may have to develop a sugarcane-type ecosystem for the maize crop over the next two years if the country has to achieve the 20 per cent ethanol blending with petrol (EBP) target, as the molasses-based units would not be able to meet the entire target. Under the Sugarcane Control Order, sugar mills are mandated to buy entire sugarcane that will be offered by farmers within a geographical area decided by State governments at not below a price fixed by the Centre.

<https://www.thehindubusinessline.com/economy/agri-business/india-eyes-sugarcane-model-to-raise-maize-output-to-meet-20-ethanol-blending-target/article66807722.ece>

Energy

Coal Ministry sets Rs 50,000 crore asset monetisation target for FY24

The coal ministry has set a ₹50,119-crore assets monetisation target for the current fiscal, much higher than the FY23 target of ₹30,000 crore. Auction of commercial coal mines is expected to fetch ₹40,000 crore while ₹10,100 crore of revenues are expected through Coal India Ltd, as per the action plan for FY24 released by the ministry. The Coal India component usually comes through revenue sharing of mine development operations, sale of abandoned mines, and long-term outsourcing contracts for hiring equipment for coal extraction, overburden removal and transportation. Coal India has a ₹16,500-crore capital expenditure plan for FY24, while NLC India is expected to spend ₹2,880 crore and Singareni Collieries Company Ltd ₹1,650 crore.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/coal-ministry-sets-rs-50000-crore-asset-monetisation-target-for-fy24/articleshow/99969908.cms>

Govt to offer a year's extension to select solar, wind power projects

The Ministry of New & Renewable Energy (MNRE) has offered a year's extension, till March 31, 2024, to select solar, solar-wind hybrid projects that were bid on or after April 10, 2021. Projects whose scheduled commissioning date (SCD), which includes time extensions already granted, if any, can also avail of such time extension.

<https://www.thehindubusinessline.com/economy/govt-to-offer-a-years-extension-to-select-solar-wind-power-projects/article66807798.ece>

India must reduce energy intensity to reach net zero 2070 target: RBI

India's goal of achieving the net zero target by 2070 would require an accelerated reduction in the energy intensity of GDP by around 5 per cent annually and a significant improvement in its energy-mix in favour of renewables to around 80 per cent by 2070-71, a report released by the Reserve Bank of India (RBI) on Wednesday said. It further said that India's green financing requirement is estimated to be at least 2.5 per cent of GDP annually till 2030, adding that a balanced policy intervention with progress ensured across all policy levers, will enable India to achieve its green transition targets by 2030, thus making the net zero goal by 2070 attainable. The report on currency and finance (RCF) for 2022-23 titled "Towards a Greener Cleaner India" contains a series of articles by various experts.

https://www.business-standard.com/india-news/india-must-reduce-energy-intensity-to-reach-net-zero-2070-target-rbi-123050301005_1.html

Telecom

Need similar licensing regime for content delivery: Trai's PD Vaghela

The Telecom Regulatory Authority of India (TRAI) is open to the idea of tariff forbearance for the broadcasting sector which is facing challenges due to the emergence of new technologies and changes in consumer behaviour, said its chairman, PD Vaghela. "I will be very happy if the industry sits together and gives me a roadmap on how we should go for forbearance," Vaghela said on Wednesday, speaking at the Ficci Frames 2023 event. He cited the example of the telecom sector where the TRAI is following the forbearance policy on tariffs. There has been a clamour in the broadcast sector to regulate video-streaming platforms and DD Free Dish that are eating into the pay-TV base. As per a Ficci-EY report, the pay-TV industry's subscriber base fell by 5 million homes in 2022.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/need-similar-licensing-regime-for-content-delivery-trais-pd-vaghela/articleshow/99958778.cms>

Trai recommends IB ministry to grant infra status to telcos, broadcasters

The Telecom Regulatory Authority of India (Trai) on Wednesday sent a recommendation to the government of India to grant infrastructure status to the broadcasting and cable service sector, The Economic Times (ET) has reported. In its recommendations regarding 'ease of doing business' in the telecom and broadcasting sector, the industry regulator said, "The authority recommends that given the importance of the cable services sector in expanding television services as well as broadband services, the government may consider and grant 'infrastructure status' to 'broadcasting and cable services sector.'"

https://www.business-standard.com/industry/news/trai-recommends-ib-ministry-to-grant-infra-status-to-telcos-broadcasters-123050300734_1.html

States

Mills log record billion-litre ethanol output in Uttar Pradesh

The ethanol production in the current sugarcane crushing season (2022-23) has hit the billion-litre (bl) mark and is counting. At present, the sugarcane area and sugarcane output is estimated at 2.85 million hectares and 235 mt respectively. "Rising ethanol production is helping the sugar mills in making faster payments to farmers," said Sanjay Bhoosreddy, UP's additional chief secretary for sugarcane and excise. The mills have settled nearly 75 per cent of their cane arrears in the current season, he added. UP is the country's biggest ethanol producer. A sugar byproduct, ethanol is used for a variety of purposes ranging from mixing in fossil fuel to pharmaceutical and chemical industries.

https://www.business-standard.com/india-news/mills-log-record-billion-litre-ethanol-output-in-uttar-pradesh-123050201352_1.html

Lithium reserves found in Jammu and Kashmir put on bidding block

The central government is expected to complete the auction of the 5.9-million tonne (mt) lithium reserves discovered in the Reasi district of the northern Union Territory (UT) of Jammu & Kashmir (J&K) by the end of this calendar year, Union Mines Secretary Vivek Bharadwaj said on the sidelines of the launch of the Federation of Indian Chambers of Commerce and Industry (Ficci) report on 'New-Age Energy Minerals' on Tuesday.

"Auction will be over by the end of this year," said Bharadwaj, adding, "We have already recommended a transaction advisor to the J&K government for the auction of lithium reserves."

https://www.business-standard.com/india-news/india-likely-to-auction-jammu-and-kashmir-lithium-reserves-by-december-123050200839_1.html

External

WTO needs to look at farm subsidy issue with open mind: FM Sitharaman

The World Trade Organisation (WTO) should look at the issue of farm subsidies with an open mind as it impacts the food security needs of emerging economies in the backdrop of Covid pandemic and the Russia-Ukraine war, finance minister Nirmala Sitharaman said on Wednesday. Speaking at the Asian Development Bank (ADB) Governor's seminar on 'Policies to support Asia's rebound', Sitharaman said sooner a solution is found out by the WTO, the better it would be for the world.

<https://www.financialexpress.com/economy/wto-needs-to-look-at-farm-subsidy-issue-with-open-mind-fm-sitharaman/3072799/>

India weighs options against EU law on retaliatory tariffs

India is exploring ways to counter the EU's domestic law that allows it to impose retaliatory tariffs in response to an appeal into the non-functioning dispute settlement mechanism of the World Trade Organization (WTO). Officials said the EU law violates global trade norms and can become another dispute at the organisation. While the EU has not invoked the law as yet, New Delhi is also examining if it can retaliate by imposing higher duties on products coming from the EU against the quota restrictions put in place by the bloc on steel imports from India in 2020. A WTO panel last month ruled in favour of the EU, Japan and Taiwan on India's import duty on mobile phones and

base stations, among others. The EU has in place Enforcement Regulation that allows it to enforce its rights by imposing customs duties or other restrictions in response to an appeal into the void (the non-functioning WTO Appellate Body).

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-weighs-options-against-eu-law-on-retaliatory-tariffs/articleshow/99969263.cms>

India's oil imports from Russia seen peaking in May amid China competition

Russia remained the top crude supplier to India in April, further improving its market share to 36%, but a slow month-on-month increase fuelled expectations that the imports from the country could peak in May. That's being attributed to competition from China for the oil. Russia supplied 1.68 million barrels a day (mbd) of crude to Indian refiners in April, 4% higher than 1.61 mbd in March, according to energy cargo tracker Vortexa. China imported 1.3 mbd by sea from Russia while Europe imported 206,000 barrels per day in April.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/russia-oil-imports-seen-peaking-amid-china-competition/articleshow/99972438.cms>