



May 14, 2024 – Tuesday

## Economy

### Retail inflation eases to 4.83% in April on softening fuel prices

Retail inflation as measured by the consumer price index (CPI) marginally eased by 2 basis points to an 11-month low of 4.83 per cent in April aided by softening core and fuel inflation even though food inflation accelerated. The data released by the National Statistical Office (NSO) on Monday showed food inflation shot up to 8.7 per cent in April from 8.52 per cent in the preceding month, driven by acceleration in the prices of fruits (5.22 per cent), oils (9.43 per cent), cereals (8.63 per cent), and protein-rich items like meat and fish (8.17 per cent). Though the prices of vegetables (27.8 per cent), and pulses (16.84 per cent) decelerated compared to the preceding month, they still recorded a double-digit rise in April.

[https://www.business-standard.com/economy/news/retail-inflation-eases-to-4-83-in-april-on-softening-fuel-prices-124051301422\\_1.html](https://www.business-standard.com/economy/news/retail-inflation-eases-to-4-83-in-april-on-softening-fuel-prices-124051301422_1.html)

### Over 514 million jobs created during 2014-2024

Over 514 million person years of employment was generated between 2014 and 2024 out of which 197.9 million was as a result of governance-led interventions and 316.1 million due to credit-led interventions, said a SKOCH report on Job Generative Impact of Modinomics, released on Monday. man-year or person-year is a unit of measurement for the amount of work done by an individual throughout the entire year expressed in hours. The report is based on 80 case studies covering borrowers who took multiple loans and data of various government schemes. "Over a period between 2014-24, a total of 514.0 million employment has been generated. Out of which 197.9 million employment has been generated by governance-led interventions. The rest, 316.1 million, has been contributed by credit-led interventions," it said. SKOCH Group is India's think tank dealing with socio-economic issues, focusing on inclusive growth since 1997.

<https://economictimes.indiatimes.com/news/economy/indicators/over-514-million-jobs-created-during-2014-2024/articleshow/110093849.cms>

### Centre may raise MGNREGA outlay in full Budget

The Centre may increase the outlay for its flagship Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) by over `5,000 crore in the 2024-25 full Budget, as demand for work is expected to go up with more houses being built in rural areas, an official told FE. In April, demand under the scheme witnessed a moderation with the month-wise work demanded by households declining 10% year-on-year.

<https://www.financialexpress.com/policy/economy-centre-may-raise-mgnrega-outlay-in-full-budget-3485226/>

## Finance

### PSBs to identify one 'champion sector' in their business plans

Public sector banks (PSBs) will identify one "champion sector" in their business plans, to expand significant presence in it by developing specific sector capabilities, said officials. The lenders will also look to design tailored products for segment-specific lending and build internal capacities such as stress testing and early warning signals, they said. "We are discussing these metrics with PSBs as part of their business roadmap till 2026-27," said one of the officials,

who did not wish to be identified. This initiative is part of the Viksit Bharat (developed nation) strategy for PSBs, which includes onboarding sector-specific advisors and developing credit underwriting models to expedite loan approvals.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/psbs-to-identify-one-champion-sector-in-their-business-plans/articleshow/110093782.cms>

#### **EPFO introduces auto claim settlement for education, marriage, housing**

The EPFO has expanded the scope of auto claim settlement facility under para 68K and 68B of EPF Scheme, 1952 to housing, marriage and education purposes, the labour ministry said in a statement on Monday. In addition, the limit for auto claim settlement has also been doubled to Rs1,00,000 from the current limit of Rs50,000. Auto mode of claim settlement was introduced in April, 2020 for the purpose of advance for illness. During the financial year 2023-24, EPFO settled around 45 million claims, of which more than 60 per cent (28.4 million) claims were advance claims.

[https://www.business-standard.com/economy/news/epfo-introduces-auto-claim-settlement-for-education-marriage-housing-124051301363\\_1.html](https://www.business-standard.com/economy/news/epfo-introduces-auto-claim-settlement-for-education-marriage-housing-124051301363_1.html)

#### **Domestically held gold reserve rise by 40% in 5 years, shows RBI data**

India's gold reserve, held domestically, surged by 40 per cent between March 2019 and March 2024, latest data released by the Reserve Bank of India showed. Total gold reserves saw an uptick of 34 per cent during the same period. As of the end of March 2024, the Reserve Bank of India held a total of 822 metric tonnes of gold, with 408 metric tonnes held within the country. The total gold reserve stood at 612 metric tonnes as at the end of March 2019, out of which 292 metric tonnes were held domestically.

[https://www.business-standard.com/economy/news/domestically-held-gold-reserve-rise-by-40-in-5-years-shows-rbi-data-124051301330\\_1.html](https://www.business-standard.com/economy/news/domestically-held-gold-reserve-rise-by-40-in-5-years-shows-rbi-data-124051301330_1.html)

#### **India Inc including NBFCs files ECB intent worth \$7.73 billion in March**

Indian firms, including non-banking financial companies, have filed intent in March with the Reserve Bank of India to raise \$7.73 billion through External Commercial Borrowings. Out of this, the intent for fund raise through the automatic route amounted to \$5.76 billion and that via approval route was \$1.97 billion, according to RBI data. Amongst prominent companies which filed intent include private steel producer JSW Steel — \$900 million, public sector power sector unit NTPC — \$745.2 million and Power Finance Corporation — \$450 million.

[https://www.business-standard.com/industry/news/india-inc-including-nbfc-files-ecb-intent-worth-7-73-billion-in-march-124051301402\\_1.html](https://www.business-standard.com/industry/news/india-inc-including-nbfc-files-ecb-intent-worth-7-73-billion-in-march-124051301402_1.html)

#### **Banks' underwriting standards at risk amid consumer loan growth: Fitch**

Asset quality of Indian banks' consumer loans has held up well so far, but an accumulation of "untested risks" due to rapid growth may challenge lenders' underwriting standards and risk controls, Fitch Ratings said on Monday. "Fitch's assessment of Indian banks' risk profiles also factors in lower transparency in terms of data disclosures on retail underwriting, such as loan-to-value ratio, borrower debt serviceability, credit bureau scores, and recovery rates, than most Asian banking systems," the rating agency said in a statement.

[https://www.business-standard.com/industry/banking/banks-risk-appetite-to-be-key-in-determining-creditworthiness-fitch-124051300357\\_1.html](https://www.business-standard.com/industry/banking/banks-risk-appetite-to-be-key-in-determining-creditworthiness-fitch-124051300357_1.html)

#### **New functionality in AIS rolled out for taxpayers**

In a move towards making the tax filing system more transparent, the Central Board of Direct Taxes (CBDT) has introduced a new functionality in the Annual Information Statement (AIS) that will allow taxpayers to share feedback on every transaction displayed therein, confirm any transaction listed and provide response on the feedback on a real-time basis. The move will allow taxpayers to verify and correct data provided in the AIS before filling their income tax returns. AIS provides details of tax deductions, collections or financial transactions reported by entities obligated to provide data.

<https://economictimes.indiatimes.com/news/economy/policy/new-functionality-in-ais-rolled-out-for-taxpayers/articleshow/110093859.cms>

**Industry**

### **India Inc revenue up, but profit grows at slowest pace in 6 quarters**

India Inc reported an uptick in revenue growth in the January-March quarter (Q4) of 2023-24 (FY24), but it came at the cost of a deceleration in earnings growth. The numbers also show a skew in the sectoral contribution of revenue and profit growth during the quarter. Most of the gains in net sales and net profit came from banking, financial services, and insurance (BFSI) companies, and automakers. The combined net sales (gross interest income in the case of banks and other lenders) of 631 listed companies in the Business Standard sample were up 10.1 per cent year-on-year (Y-o-Y) in Q4FY24, up from 9.4 per cent growth in Q3 and the highest in the past four quarters.

[https://www.business-standard.com/industry/news/india-inc-revenue-up-but-profit-grows-at-slowest-pace-in-6-quarters-124051301131\\_1.html](https://www.business-standard.com/industry/news/india-inc-revenue-up-but-profit-grows-at-slowest-pace-in-6-quarters-124051301131_1.html)

### **Urban demand slows down for FMCG products as rural picks up steam**

Rural demand has overtaken urban demand in the quarter, but urban demand, which was driving fast-moving consumer goods sales, is now starting to witness a slowdown. According to Kantar Worldpanel, rural has overtaken urban growth at the quarterly level quicker than expected. "In fact, urban has considerably slowed down. It was growing at 5.6 per cent in the fourth quarter of calendar year (CY) 2023; however, that dropped to 4.7 per cent (January-March)," K Ramakrishnan, managing director, South Asia, Kantar Worldpanel, said.

[https://www.business-standard.com/economy/news/urban-demand-slows-down-for-fmcb-products-as-rural-picks-up-steam-124051301076\\_1.html](https://www.business-standard.com/economy/news/urban-demand-slows-down-for-fmcb-products-as-rural-picks-up-steam-124051301076_1.html)

### **Air-conditioner manufacturers face shortage of products or models due to unprecedented demand**

Air-conditioner manufacturers like Voltas, Daikin and Blue Star said there is a shortage of products or models in the industry, due to unprecedented demand amid the heatwave conditions prevailing for the past month and a half. With sales now picking up in the North, the shortage is expected to get worse. As per executives, the industry is going to face a notional sales loss of around 400,000-500,000 units, or Rs 1,200-1,500 crore of potential business. The extended period of heatwave conditions since March-end in the South and East, and higher-than-average temperature in the West drove AC sales to a record level this year, taking the industry off guard as far as production planning for this summer was considered.

<https://economictimes.indiatimes.com/industry/cons-products/durables/air-conditioner-manufacturers-shortage-of-products-or-models-due-to-unprecedented-demand/articleshow/110090302.cms>

## **Agriculture**

### **Tea Association of India flags a strange phenomenon**

Tea Association of India (TAI) stated that the strange phenomenon of drop in crop production with no concomitant rise in prices is in stark contrast to the 2020 scenario when drop in production due to covid closure caused a sharp rise in realization of tea prices. Prabir Kr. Bhattacharjee Secretary-General Tea Association of India stated that data released by Tea Board of India indicates a drop of production of around 40% in Assam and around 23% in West Bengal up to the month of March 2024 as against last year during the same period. Due to lack of rainfall and high temperatures the region has witnessed significant wilting of tea bushes, which indicates further crop loss in the coming months.

<https://economictimes.indiatimes.com/news/economy/agriculture/tea-association-of-india-flags-a-strange-phenomenon/articleshow/110090584.cms>

## **Telecom**

### **Soon-to-be unfair trade practice, telemarketing & fraudulent calls to incur criminal liability**

The Centre will soon classify pesky calls and other modes of unsolicited commercial communication as unfair trade practices, as it seeks to check financial fraud being perpetrated primarily through mobile phones. The move will make such callers and messagesenders criminally liable under consumer protection laws. The Department of Consumer Affairs is working to bring out relevant guidelines in a couple of months. These will put accountability on telemarketers and their principal entities — such as banks, real estate companies or any other consumer-facing business — while sending promotional or transactional messages or making such calls for customer conversion.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/soon-to-be-unfair-trade-practice-telemarketing-fraudulent-calls-to-incur-criminal-liability/articleshow/110094275.cms>

#### **'Govt needs Rs 4.2 trn to connect 240 mn households with broadband'**

India will need an investment of Rs 4.2 trillion by 2030 for connecting 24 crore households in the country with broadband services, according to an industry expert. While speaking at the Broadband India Forum conference, Prashant Singhal, Telecom Sector Leader, Emerging Markets, Partner in a member firm of EY Global, said that at present 4 crore households are connected with broadband in India.

[https://www.business-standard.com/industry/news/govt-needs-rs-4-2-trn-to-connect-240-mn-households-with-broadband-124051301074\\_1.html](https://www.business-standard.com/industry/news/govt-needs-rs-4-2-trn-to-connect-240-mn-households-with-broadband-124051301074_1.html)

#### **Your phone bill could rise by up to 25% post election**

Mobile phone users could see about 25% increase in their bills after the general election as telecom companies prepare for the fourth round of tariff hikes in recent years, a move which would give a boost to their average revenue per user (ARPU). "We expect a meaningful hike of around 25% by the operators in the near term on the back of a stable competitive environment, their need to improve profitability following heavy 5G investment, and continued government support," said a report by brokerage Axis Capital.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/your-phone-bill-could-rise-by-up-to-25-post-election/articleshow/110093910.cms>

### **States**

#### **Maharashtra: Government hospitals gear up to outsource critical services**

Government hospitals in Maharashtra are gearing up to delegate critical services. District and sub-district hospitals across Maharashtra are preparing to introduce advanced diagnostic and treatment services such as MRI, CT scans, cardiac catheterization labs, and dialysis in the coming months, reported ToI. This initiative aims to enhance healthcare accessibility in remote areas through collaborations with private entities. Recently, the public health department sealed multiple agreements with private firms to establish and manage 22 MRI and 31 CT scan facilities. Krshnaa Diagnostics and Unique Wellness clinched contracts for MRI and CT scan services, while Escag Sanjeevani from Kolkata secured the deal to oversee dialysis services at 68 centers.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/maharashtra-government-hospitals-gear-up-to-outsource-critical-services/articleshow/110073151.cms>

### **Healthcare**

#### **Drug regulator forms panel to evaluate OTC candidates**

India's drug regulator has formed an expert panel to evaluate several currently prescription drugs that can be sold over the counter (OTC) after various pharmaceutical companies lobbied the regulator to make their drugs an OTC product, people in the know told ET. The sub-committee, which includes various doctors from the country's top government hospitals, representatives from Indian Council of Medical Research (ICMR), drug controllers from various states, will develop a mechanism for the drugs to be sold OTC, considering globally prevalent regulations and practices.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/drug-regulator-forms-panel-to-evaluate-otc-candidates/articleshow/110061040.cms>

### **External**

#### **Govt plans to make anti-fake review rules mandatory for e-commerce firms**

The government is considering to make it mandatory for e-commerce companies to comply with quality norms for consumer reviews after a voluntary push failed to effectively curb fake reviews, a top official said on Monday. The government issued the new quality norms for e-tailers a year ago, prohibiting them from publishing paid reviews and demanding disclosure of such promotional content. But fake reviews of products and services on e-commerce platforms are still slipping through, said Nidhi Khare, Secretary at the Consumer Affairs Ministry.

<https://economictimes.indiatimes.com/news/economy/policy/govt-plans-to-make-anti-fake-review-rules-mandatory-for-e-commerce-firms/articleshow/110088897.cms>

### **Soyameal exports up 8.8% at 15.23 lakh tonnes during October-April**

Exports of soyabean meal has picked up on higher demand from countries such as Bangladesh and Iran among others. Shipments were up by around 8.8 per cent during the October-April period of oil year 2023-24 at around 15.23 lakh tonnes over same period last year's 14 lakh tonnes, as per the latest estimates by the Soyabean Processors Association of India (SOPA).

<https://www.thehindubusinessline.com/economy/agri-business/soyameal-exports-up-88-at-1523-lakh-tonnes-during-october-april/article68171377.ece>

### **India's import from FTA partner nations up 38% in FY24 against FY19**

India's imports from its key free trade agreement (FTA) partner nations grew at a faster pace compared to total inbound shipments entering the country, according to a report. Imports from the FTA partners saw a nearly 38 per cent increase, totalling \$187.92 billion in 2023-24 (FY24), which was faster when compared to the 31.4 per cent jump to \$675.45 billion in the country's overall imports. The growth in shipments spans a five-year comparison, from 2018-19 (FY19) to FY24, Delhi-based think tank Global Trade Research Initiative (GTRI) said.

[https://www.business-standard.com/economy/news/india-s-import-from-fta-partner-nations-up-38-in-fy24-against-fy19-124051301152\\_1.html](https://www.business-standard.com/economy/news/india-s-import-from-fta-partner-nations-up-38-in-fy24-against-fy19-124051301152_1.html)

### **Govt may consider lifting curbs on rice exports**

Given the huge surplus of rice stocks and the forecast of an 'above normal' monsoon that will likely boost paddy sowing in the kharif season, the government may need to look at lifting the restrictions on rice exports imposed last year. Sources told FE that the government will assess the sowing of kharif paddy—expected to commence next month—before taking a call on removing curbs on shipments. "We need to look at lifting restrictions on rice shipments as kharif crop prospects look bright," an official said.

<https://www.financialexpress.com/policy/economy-govt-may-consider-lifting-curbs-on-rice-exports-3485291/>

### **Govt working to help exporters deal with countervailing duty cases**

The government is working on a verification system to help exporters deal with countervailing duty cases on domestic products over the RODTEP scheme, an official said. The exercise is important as countervailing or anti-subsidy duties were imposed on certain domestic units by the US and European Union (EU). The products which were investigated by these countries involved reimbursement of levies like electricity duty, VAT on fuel or APMC taxes under the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP).

[https://www.business-standard.com/industry/news/govt-working-to-help-exporters-deal-with-countervailing-duty-cases-124051301212\\_1.html](https://www.business-standard.com/industry/news/govt-working-to-help-exporters-deal-with-countervailing-duty-cases-124051301212_1.html)

### **Chabahar Port deal with Iran sparks sanctions warning for India from its 'good friend' US**

Just hours after India signed a 10-year agreement to manage the Chabahar Port in Iran, the United States issued a warning, underscoring the "potential risk of sanctions" for "anyone" engaging in business dealings with Tehran. Vedant Patel, Principal Deputy Spokesperson for the US State Department, however said that the US would let the Indian government speak on its foreign policy objectives. "We are aware of these reports that Iran and India have signed a deal concerning the Chabahar Port, I would let the government of India speak to its own foreign policy goals, vis-a-vis the Chabahar Port as well as its own bilateral relationship with Iran," Vedant Patel said in the press briefing on Monday (local time).

<https://economictimes.indiatimes.com/news/india/india-risks-sanctions-over-iran-chabahar-port-project-us-state-department-warns/articleshow/110099319.cms>

### **India's diesel shipments to Europe slip 20% as US, Gulf supplies rise**

India's diesel exports to Europe fell by a fifth sequentially in April as rising competition from US and Gulf suppliers amid softening demand in the continent weakened margins on the fuel. Diesel exports to Europe declined to 210,000 barrels per day (bpd) in April from 262,000 bpd in March, according to energy cargo tracker Vortexa.

Europe consumes more than 40% of India's diesel exports. India's overall diesel exports fell 9% to 517,000 bpd in April from 567,000 bpd in March. Exports to Asia, however, rose 33% to 69,000 bpd in April from 52,000 bpd in March.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-diesel-shipments-to-europe-slip-20-as-us-gulf-supplies-rise/articleshow/110093758.cms>

#### **India to extend budgetary support of \$50 million to Maldives**

India on Monday decided to continue its budgetary support to the Maldives government with the rollover of a \$50 million treasury bill for another year. This follows the Maldivian government's special request made during Foreign Minister Moosa Zameer's visit here last week. The State Bank of India has subscribed for one more year to the \$50 million Government Treasury Bill, issued by the Ministry of Finance of Maldives, upon maturity of the previous subscription, the High Commission of India in Male said in a statement.

<https://economictimes.indiatimes.com/news/economy/finance/india-to-extend-budgetary-support-of-50-million-to-maldives/articleshow/110085310.cms>