

Weekly Compendium of Economic and Business Developments

(Period ending 23rd April 2022)

PHD Research Bureau disseminates information to the members of PHD Chamber & other Industry stakeholders on various economic and business development issues at International, National and Sub-National arena such as IMF's GDP growth estimates for India at 8.9% in FY2022, 8.2% and growth projection at 8.2% in FY2023 & 6.9% in FY 2024; release of the Draft of Battery Swapping Policy by NITI Aayog; WPI inflation stands at 14.6% in March 2022; CPI inflation rises to 6.95% in March 2022, decisions taken by the Union Cabinet, among others. The details of disseminated information during the week ending 23rd April 2022 are appended.

World Economy

- [IMF estimates India's GDP growth rate at 8.9% in FY2022 and projects growth at 8.2% in FY2023 & 6.9% in FY 2024 - According to World Economic Outlook 2022:](#) War Sets Back The Global Recovery, April 2022, the war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. IMF has estimated India's GDP to grow at 8.9% in FY2022 and projects the growth for FY2023 at 8.2% & 6.9% in FY2024. Developments in China continue to dominate the outlook for Asia, especially for emerging Asia. For the Asia region more broadly, limited direct trade links to Russia and Ukraine mean that spillover effects will be limited to the commodity price channel and to indirect impacts via weaker demand from key trading partners, such as the euro area
- [South Asia Economic Focus 2022: Reshaping Norms a New Way Forward -](#) According to the World Bank's South Asia Economic Focus Reshaping Norms: A New Way Forward, the uneven recovery from the pandemic has left countries in South Asia with multiple policy challenges, which are exacerbated by the impact of the war in Ukraine. While several countries are navigating rising inflation and growing difficulties to finance fiscal deficits and trade deficits, the region must also chart a new way forward to address rising inequality, unleash new growth potential, and accommodate an energy transition. To reshape their economies, the region cannot avoid redesigning tax systems, increasing competition, and challenging vested interests and existing gender norms. This issue of the South Asia Economic Focus describes recent economic developments, analyzes the economic impact on South Asia of the war in Ukraine, presents growth forecasts, provides risk scenarios, and concludes that reshaping economies goes hand in

hand with reshaping norms.

Indian Economy

- **NITI Aayog Releases Draft Battery Swapping Policy** - During the COP26 summit in Glasgow, India committed to reduce carbon emission intensity by 45%, and take non-fossil energy capacity to 500 GW by 2030 and meet 50% of energy requirements from renewable energy by 2030, and finally achieve the Net Zero target by 2070. The road transport sector is one of the major contributors to CO2 emissions and accords to one third of the particulate matter emissions. To decarbonize the transport sector, transition to clean mobility, led by electric vehicles, is paramount. Electric mobility represents a viable option to meet these commitments, while packed with innovative business solutions, appropriate technology, and support infrastructure. Several supporting initiatives have been implemented, such as the Faster Adoption and Manufacturing of Electric (Hybrid) Vehicles in India (FAME) I and II, and the Production Linked Incentive (PLI) for National Programme on Advanced Cell (ACC) Battery Storage (NPACC), to boost indigenous battery manufacturing capacity.
- **Central Government amends Nidhi Rules, 2014 to safeguard the interest of general public** - Under the Companies Act, 1956, a Nidhi or Mutual Benefit Society meant a company which the Central Government declared as Nidhi or Mutual Benefit Society by notification in the official gazette. Under the Companies Act, 2013, initially there was no need for a company to get declaration from Central Government to function as a Nidhi Company. Such companies were required to only incorporate as a Nidhi and meet requirements under sub-rule (1) of rule 5 of Nidhi Rules viz., minimum membership of 200, Net Owned Fund (NoF) of Rs. 10 lakh, NOF to deposit ratio of 1:20 and keeping 10% unencumbered deposits in schedule commercial banks or post offices within one year of commencement of Nidhi Rules, 2014.
- **India's overall exports (Merchandise and Services) touched an all-time high of USD 669.65 Billion in April-March 2021-22, jumped by 34.50 per cent over the same period last year** - Merchandise exports in March 2022 were USD 42.22 Billion, as compared to USD 35.26 Billion in March 2021, exhibiting a positive growth of 19.76 per cent. As compared to March 2020, exports in March 2022 exhibited a positive growth of 96.48 per cent. Merchandise imports in March 2022 were USD 60.74 Billion, which is an increase of 24.21 per cent over imports of USD 48.90 Billion in March 2021. Imports in March 2022 have registered a positive growth of 93.00 per cent in comparison to March 2020. The merchandise trade balance for March 2022 was estimated at USD (-) 18.51 Billion as against USD (-) 13.64 Billion in March 2021, which is a decline of (-) 35.72 per cent. As compared to March 2020 (USD (-) 9.98 Billion), trade balance in March 2022 exhibited a negative growth of (-) 85.51 per cent.
- **WPI inflation stands at 14.6% in March 2022** - The annual rate of Wholesale Price Index (WPI) inflation stands at 14.6% (Provisional) for the month of March 2022 as compared to 13.1% (Provisional) for the month of February 2022 and 13.68% in January 2022. The WPI inflation stood at 7.9% in March 2021. The high rate of inflation in March, 2022 is primarily due to rise in prices of mineral oils, crude petroleum & natural gas, basic metals, etc owing to disruption in global supply chain caused by Russia-Ukraine conflict as compared the corresponding month of the previous year.

- [**Insolvency and Bankruptcy Board of India amends the Insolvency and Bankruptcy Board of India \(Voluntary Liquidation Process\) Regulations, 2017**](#) - The Insolvency and Bankruptcy Board of India Insolvency and Bankruptcy Board of India has amended the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and thereby notified the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Amendment) Regulations, 2022 (Amendment Regulations). The Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 provide mechanism for voluntary liquidation of solvent corporate person.
- [**NITI Aayog launches Event of the State Energy and Climate Index Round- 1**](#) - The State Energy & Climate Index (SECI) Round I ranks the states' performance on 6 parameters, namely, (1) DISCOM's Performance (2) Access, Affordability and Reliability of Energy (3) Clean Energy Initiatives (4) Energy Efficiency (5) Environmental Sustainability; and (6) New Initiatives. The parameters are further divided into 27 indicators. Based on the composite SECI Round I score, the states and UTs are categorized into three groups: Front Runners, Achievers, and Aspirants.
- [**CPI inflation rises to 6.95% in March 2022**](#) - The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) is releasing All India Consumer Price Index (CPI) on Base 2012=100 and corresponding Consumer Food Price Index (CFPI) for Rural (R), Urban (U) and Combined (C) for the month of March 2022 (Provisional) in this press note. CPIs for Sub-Groups and Groups for both All India and all States/UTs are also being released. The CPI inflation rises to 6.95% (prov.) in March 2022 as compared to the 6.1% (final) in February 2022. The CPI inflation for rural and urban for the month of March 2022 is 7.7% and 6.1% respectively.
- [**February 2022 IIP growth stands at 1.7%**](#) - Growth in industry output, as measured in terms of IIP, for the month of February 2022 stands at 1.7% as compared to 1.5% in January 2022. IIP growth in February 2021 stood at (-)3.2%. The growth in the three sectors mining, manufacturing and electricity in February 2022 stands at around 4.5%, 0.8%, 4.5%, respectively over February 2021. Primary goods growth stands at around 4.6%, capital goods at 1.1%, intermediate goods at 4.3%, infrastructure/construction goods at 9.4%, consumer durables at (-)8.2% and consumer non-durables growth at (-)5.5% during February 2022 as compared to same month previous year.
- [**Decisions taken by the Union Cabinet \(13th April 2022\)**](#) - Cabinet approves signing of a Memorandum of Cooperation between India and Japan in the area of Decentralized Domestic Wastewater Management; Cabinet approves Bilateral Memorandum of Understanding between Securities and Exchange Board of India and Manitoba Securities Commission, Canada; Cabinet approves policy for use of land acquired under the Coal Bearing Areas (Acquisition & Development) Act, 1957 and Cabinet approves continuation of revamped Centrally Sponsored Scheme of Rashtriya Gram Swaraj Abhiyan (RGSA) from 01.04.2022 to 31.03.2026.

Our Voice

Economic activity remains steady, sustainable growth seen in coming quarters: PHD Chamber - Economic activity remains steady in March 2022 with the lead economic and business indicators showing stable performance. Out of the 10 lead economic and business indicators of QET (Quick Economic Trends), tracked by the industry body PHDCCI, 5 have shown uptick for the month of March 2022 as compared with 5 out of 10 indicators showing the uptrend in February 2022.

GST Collections, E-way Bill, Railway Freight, Unemployment Rate and Exports have registered a positive growth in March 2022. Exports registered the positive growth of more than 19% in March 2022, increasing from US\$ 35.3 billion in March 2021 to US\$ 42.2 billion in March 2022. GST collections registered y-o-y growth of around 15% in March 2022, increasing from Rs 1,23,902 crore in March 2021 to Rs 1,42,095 crore in March 2022. Railway freight registered y-o-y growth of 7% from 130.4 Million Tonnes in March 2021 to 139.3 Million Tonnes in March 2022. E-way Bills have shown y-o-y growth of around 10%, in March 2022, increasing from 71.2 million in March 2021 to 78.2 million in March 2022. Unemployment rate has registered a sequential decline of (-)6% in March 2022, from 8.1% in February 2022 to 7.6% in March 2022.

Forex reserves has declined sequentially by (-)2.2% in March 2022, decreasing from US\$ 631.5 Billion in February 2022 to US\$ 617.6 Billion in March 2022. Exchange rate depreciated by 2% from an average of 74.92 INR/USD in February 2022 to 76.21 INR/USD in March 2022. The SENSEX (monthly average) declined sequentially by 2% in March 2022 from 57698 in February 2022 to 56404 in March 2022. CPI inflation edged up to the level of 6.95% in March 2022 as compared to 6.07% in February 2022. Passenger vehicle sales registered y-o-y decline of (-)3.9% in March 2022, decreasing from 2,91,000 units in March 2021 to 2,79,501 units in March 2022.

Going ahead, the pace of economic activity is expected to remain strong with sustainable growth on the back of various structural reforms undertaken by the Government during the last 2 years. 10 economic and business indicators of QET include demand and supply indicators along with external and financial sectors indicators.

Economy so far

- **All-India Consumer Price Index Numbers for Agricultural and Rural Labourers for March, 2022 Released** – The All-India Consumer Price Index Number for Agricultural Labourers (Base: 1986-87=100) for the month of March, 2022 increased by 3 points each to stand at 1098 (One thousand ninety eight) and 1109 (One thousand one hundred and nine) points respectively. The major contribution towards the rise in general index of Agricultural Labourers and Rural Labourers came from clothing, bedding & footwear group to the extent of 1.09 & 1.44 points respectively mainly due to increase in prices of saree cotton (mill), dhoti cotton (mill), shirting cloth cotton (mill), plastic chappal/shoes, leather chappal/shoes, etc.
- **Gem, jewellery exports rebound 56 pc to USD 39 bn in FY22: Gem and Jewellery Export Promotion Council (GJEPC)** - Gems and jewellery exports rebounded in 2021-22 to touch USD 39.15 billion, showing a nearly 55 per cent jump compared to the previous financial year, industry body GJEPC said. The gross gems and jewellery exports stood at USD 25.40 billion during 2020-21, the Gem and Jewellery Export Promotion Council (GJEPC) said in a statement.
- **Agriculture absorbed additional 11 million workers over last 3 years: CMIE** - Driven by good performance compared to other sectors during the pandemic, agriculture has absorbed an additional 11 million workers over the last three years while the rest of the economy lost 15 million jobs, the Centre for Monitoring Indian Economy said. According to CMIE's Consumer Pyramids Household Survey, agriculture saw an estimated 4.5 million increase in employment during fiscal 2021-22.

- **NITI Aayog Releases Draft Battery Swapping Policy for Stakeholder Comments** - During the COP26 summit in Glasgow, India committed to reduce carbon emission intensity by 45%, and take our non-fossil energy capacity to 500 GW by 2030 and meet 50% of our energy requirements from renewable energy by 2030, and finally achieve the Net Zero target by 2070. The road transport sector is one of the major contributors to CO2 emissions and accounts to one third of the particulate matter emissions.
- **NITI, UNICEF tie up for development goals for children** - The NITI Aayog and UNICEF have entered into a collaboration to jointly develop a comprehensive measure to understand the multidimensional attainments and deprivations among children in India across health and nutrition, education, water and sanitation, household living standards and protective environment. The aim is to analyze the status of children around critical child related Sustainable Development Goals to establish recent trends.
- **Smartphone sales may have declined in January-March quarter** - The third wave of Covid-19 and continuing supply chain constraints seem to have affected India's smartphone market in the January-March quarter with some market trackers estimating a decline in sales year on year and others seeing muted growth. The biggest challenge for brands this year will be keeping devices affordable in a price-sensitive market.
- **Government likely to set export target of \$800 Billion for FY23** - India is likely to set an ambitious export target of around \$800 billion for goods and services for 2022-23, almost 19.5% higher than \$670 billion clocked in 2021-22. The targets - of \$450-480 billion for merchandise and \$350 billion for services - were discussed in a series of meetings that Hon'ble Commerce and Industry Minister Shri Piyush Goyal had with exporters yesterday. India's goods exports touched a record \$420 billion in 2021-22, exceeding the government's target by about 5% and up 40% on-year while services exports touched \$250 billion.
- **Oil import from OPEC steadies after six-year slump** - OPEC's share of India's oil imports for the 2021-22 financial year remained almost flat year on year, arresting sharp declines over the past six years, as refiners snapped up short-haul crude from West Asia to counter rising global prices. Indian refiners snap up short-haul crude from West Asia to counter rising global prices.
- **India's Non-basmati rice exports grow by 109% since 2013-14 to USD 6115 million** - India's non-basmati rice exports witnessed an astounding growth of 109 % from USD 2925 million in FY 2013-14 to USD 6115 million in FY 2021-22. As per DGCIS data, India exported rice to over 150 countries across the globe in 2021-22. India exported more than USD one million to 76 countries out of the 150 countries reported in 2021-22, It indicates the diversification of India's rice export over the years.
- **Flow of money into NRI deposits till February moderates sharply, shows data** - The flow of money into deposits of non-resident Indians (NRIs) moderated to \$2.3 billion during April 2021-February 2022 from \$8.88 billion in the year-ago period. The outstanding deposits were down to \$139.58 billion at the end of February 2022 compared with \$142.35 billion a year ago, according to the Reserve Bank of India data. The foreign currency or FCNR deposits saw the maximum contraction. They declined from \$22.09 billion in February 2021 to \$17.29 billion in February

2022.

- **PLI scheme draws investment of ₹2.34 lakh crore in 14 sectors** - India's production-linked incentive (PLI) scheme to encourage domestic manufacturing has generated investment commitments of ₹2.34 lakh crore across 14 sectors, according to data collated from various ministries. Automobile and auto components, advanced chemistry cell batteries, specialty steel and high-efficiency solar panels have attracted the maximum interest.
- **India ends FY22 with 2.6% drop in oil production** - India's crude oil production fell 2.67 per cent in the fiscal year ending March 31, as state-owned ONGC produced less than the target, but natural gas output rose helped by KG production by Reliance-BP. Crude oil production at 29.69 million tonnes in 2021-22 (April 2020 to March 2022) was 2.63 per cent lower than the 30.5 million tonnes output a year back and 11.67 per cent below the target of 33.61 million tonnes, according to official data released by the oil ministry.
- **PM Gati Shakti crucial for India to become \$5 trillion economy: Shri Nitin Gadkari** - The PM Gati Shakti National Master Plan (NMP), aimed at improving multi-modal connectivity and last-mile connectivity across the country, is important for achieving the prime minister's dream of making India a USD 5 trillion economy by 2024-25, Hon'ble Union minister Shri Nitin Gadkari said yesterday. Speaking at an event to mark the 15th Civil Services Day, Gadkari further said coordination and communication are required among different stakeholders for the completion of infrastructure projects.
- **India restarts tea, rice, other exports to Russia-** India's exports to Russia have resumed with containers carrying goods including tea, rice, fruits, coffee, marine products and confectionery shipping out last week, said people with knowledge of the matter. Banks led by Russia's largest lender, Sberbank, are facilitating settlement of bilateral trade moving largely through ports in Georgia.
- **Exports rise 37% to US\$18.8 bn during April 1-14-** India's exports increased by 37.01 per cent to USD 18.79 billion during April 1-14 on the back of healthy growth in sectors like petroleum, gems and jewellery, according to a preliminary data of the commerce ministry. Exports during April 1-14, 2021, stood at USD 13.72 billion. Imports during the period rose by 12.24 per cent to USD 25.84 billion, the data showed. Imports excluding petroleum increased in the said period by 18.24 per cent against the same period of 2021-22.
- **Coal shortage causing electricity crisis in 12 states, says Maharashtra Minister-** Maharashtra Energy Minister Nitin Raut on Tuesday said 12 states are facing electricity issues due to shortage of coal and that his department was working to mitigate the shortfall here with micro-level planning. Talking to reporters here, Raut said there was no load-shedding in Maharashtra for the past five to six days due to this micro-level planning and the power deficit stood at 15 per cent.
- **Domestic wheat prices up by 5-7% on fears of fall in production due to heat damage-** Domestic wheat prices are up by 5% to 7% on reports of lower yields of the crop being harvested across the country, which has also driven up the export prices. Punjab, Haryana and Uttar Pradesh have reported 10-35% fall in yield due to early onset of summer season and excess rainfall in December and January shrinking grain size.

- **Government procures 69.24 lakh tonnes wheat so far for nearly Rs 14,000 crore-** The government has procured 69.24 lakh tonnes of wheat in the rabi marketing season so far at minimum support price (MSP) for nearly Rs 14,000 crore. Wheat procurement has recently commenced in Rabi Marketing Season 2022-23 in the states of Madhya Pradesh, Haryana, Punjab, Uttar Pradesh, Uttarakhand, Chandigarh, Himachal Pradesh, Gujarat and Rajasthan," an official statement said.
- **Hon'ble FM Smt Sithraman meets IMF chief; discusses impact of geopolitical situation on global growth-** Hon'ble Finance Minister Smt Nirmala Sitharaman met IMF managing director Kristalina Georgieva and discussed a range of issues, including impact of geopolitical situation on global growth. During the meeting held on the sidelines of the ongoing annual spring meetings of the International Monetary Fund (IMF) and the World Bank, the IMF chief highlighted India's well-targeted policy mix that has helped the country's economy remain resilient even with a limited fiscal space.
- **Loan assets securitised by NBFCs jump 43 pc to Rs 1.25 lakh crore last fiscal: Report-** Total value of loan assets securitised by non-banking financial companies, including housing finance firms, grew by around 43 per cent in the last fiscal year to Rs 1,25,000 crore, driven by quick economic recovery and lower base effect, a report said on Monday. The amount of loans securitised by NBFCs (Non-Banking Financial Companies) and HFCs (Housing Finance Companies) in FY21 stood at Rs 87,300 crore, Icra Ratings said in a report.
- **In RMS 2022-23, 69.24 LMT wheat procured from 9 states (upto 17.04.2022)-** Wheat procurement has recently commenced in Rabi Marketing Season 2022-23 in the States of Madhya Pradesh, Haryana, Punjab, Uttar Pradesh, Uttarakhand, Chandigarh, Himachal Pradesh, Gujarat and Rajasthan. A quantity of 69.24 LMT of wheat has been procured upto 17.04.2022 benefitting 5.86 Lakh farmers with MSP value of Rs. 13951.41 crore.
- **Sugar exports may jump to 90 lakh tonnes in 2021-22: ISMA-** Sugar exports are estimated to increase to over 90 lakh tonnes in the current marketing year ending September, from 71-72 lakh tonnes in the previous year, on better demand for the Indian sweetener from Bangladesh and Indonesia, according to industry body ISMA. The sugar marketing year runs from October to September.
- **PE inflow in realty sector declines 47% to \$1 billion in Jan-Mar 2022-** Private equity investment into the Indian real estate sector fell 47 per cent to USD 1 billion during January-March this year compared to the year-ago period, but the inflows jumped over 4.5 times from the previous quarter, according to property consultant Savills India. The PE (Private Equity) inflows stood at USD 1.9 billion in the same quarter last year. During October-December 2021, the investments were at USD 218 million.
- **Extreme poverty in India declined by 12 percentage points between 2011-2019: World Bank -** Extreme poverty is estimated to have declined 12.3 percentage points between 2011 to 2019 in India, says a World Bank Policy Research Working Paper. The extreme poverty count fell from 22.5% in 2011 to 10.2% in 2019 and the decline in rural areas was much higher than in urban areas, estimates the study.

- **Ease of doing business: Government eases norms under export incentive scheme** - In a move to reduce compliance burden and facilitate ease of doing business, the government has relaxed certain procedures under the Export Promotion Capital Goods (EPCG) scheme that allows duty free capital goods imports subject to an export obligation. Exporters have to export finished goods worth six times of the actual duty saved in value terms in six years.
- **Panel backs raising monthly EPFO wage ceiling to Rs 21,000**- A high-level committee has backed a proposed increase in wage ceiling under the Employees' Provident Fund Organisation (EPFO) to Rs 21,000 a month from the current Rs 15,000. The committee has, however, said the government can implement the increase from a later date considering all inputs.
- **GST Council may do away with 5% rate; move items to 3% & 8% slabs** - With most states on board to raise revenue so that they do not have to depend on Centre for compensation, the GST Council at its meeting next month is likely to consider a proposal to do away with the 5 per cent slab by moving some goods of mass consumption to 3 per cent and the remaining to 8 per cent categories. Currently, GST is a four-tier structure of 5, 12, 18 and 28 per cent. Besides, gold and gold jewellery attract 3 per cent tax.
- **Software exports grow to Rs 1,761 crore from 4 Indore IT SEZs** - Software export from four IT special economic zones, climbed to Rs 1,761.19 crore in the last fiscal, registering around 52 per cent growth following a surge in demand in IT services. The four IT SEZs accounted for Rs 1,161.40 crore of exports in 2020-21, an official of the Central Commercial and Industries Ministry said on Saturday. He said that software exports from TCS SEZ rose to Rs 867.35 crore, registering a growth of around 60 per cent in the last fiscal.
- **Wheat purchase reaches record 17 lakh trillion in Punjab this season so far** - Wheat procurement in the ongoing Rabi marketing season reached 17 lakh metric tonnes so far in Punjab, registering a record purchase of crop in the last 15 years. The total purchase of wheat touched 17 lakh MT on April 13 which was the highest purchase on this date in the last 15 years.
- **February 2022 IIP growth stands at 1.7%**- Growth in industry output, as measured in terms of IIP, for the month of February 2022 stands at 1.7% as compared to 1.5% in January 2022. IIP growth in February 2021 stood at (-)3.2%. The growth in the three sectors mining, manufacturing and electricity in February 2022 stands at around 4.5%, 0.8%, 4.5%, respectively over February 2021. Primary goods growth stands at around 4.6%, capital goods at 1.1%, intermediate goods at 4.3%, infrastructure/construction goods at 9.4%, consumer durables at (-)8.2% and consumer non-durables growth at (-)5.5% during February 2022 as compared to same month previous year.
- **CPI inflation rises to 6.95% in March 2022**- Retail inflation galloped to 6.95 per cent in March from 6.07 per cent in the previous month on the back of hardening of food prices. This is the third straight month in which the inflation measured by the consumer price index has clocked above the RBI's upper end of tolerance band. The RBI has the mandate to maintain inflation at a medium-term target of 4% with an upper tolerance level of 6% and lower tolerance level of 2%.
- **Rising prices of essentials, fuel spare no one, strain household budgets across country**- A sharp rise in prices of essential commodities over the past few months coupled with the latest burden

of steep hike in fuel rates have made life difficult for almost every section of the society across the country, with people finding it hard to manage their household budget.

- **ADB Financing to Support Urban Development in Nagaland-** The Government of India and the Asian Development Bank today signed a \$2 million Project Readiness Financing (PRF) Loan for designing climate resilient urban infrastructure, strengthening institutional capacity and improving municipal resource mobilization in 16 district headquarter towns (DHTs) in Nagaland.
- **June or August? Timing – and quantum - of rate hikes dominate D-Street chatter-** Two months, a war in Europe's eastern rim, and oil at 140 dollar a barrel: These data points seemed to have prompted policymakers in Ballard Estate to align themselves with other central bankers in their collective fight against the common foe –inflation.
- **Q4 results: Banks are likely to report strong growth, improved asset quality-** Shrugging off the Covid-19 pandemic related pains, banks are likely to have registered healthy growth in the fourth quarter of the fiscal, aided by robust credit offtake and improvement in asset quality.
- **Trai recommendations on cut in spectrum prices lower than industry's demand: Analysts-** Trai recommendations on cut in 5G spectrum base price are incrementally positive, not transformational, some sector analysts said, while others felt that bidding intensity could be moderate or muted in the upcoming auction. The reduction proposed in pricing, though largely on expected lines, is not in sync with the 90 per cent drop that the industry had been asking for, the experts said.
- **Steel ministry seeks duty-free import of ferronickel-** Union steel ministry has asked the finance ministry to remove the basic customs duty on ferronickel, a key raw material for stainless steel makers. The move will help stainless steel makers to reduce their input cost. At present, a 2.5 per cent duty is imposed on the imports of ferronickel.
- **WTO lowers its 2022 global trade growth forecast-** The World Trade Organization (WTO) on Tuesday revised down its forecast for global trade growth this year to 3% from 4.7% due to the impact of the Russia-Ukraine war. The economic reverberations of this conflict will extend far beyond Ukraine's borders," said WTO Director-General Ngozi Okonjo-Iweala at a press conference presenting the findings.
- **India, US to restart commercial dialogue, CEO forum later this year: Blinken-** India and the US are restarting their bilateral commercial dialogue and the CEO's forum later this year to deepen their bilateral trade and investment relationship, US Secretary of State Antony Blinken has announced. Blinken made this announcement at a joint news conference with Defence Secretary Lloyd Austin along with their Indian counterparts --External Affairs Minister S Jaishankar and Defence Minister Rajnath Singh after the 2+2 Ministerial.
- **We should take textile exports to \$100 billion by 2030:** Shri Piyush Goyal- Hon'ble Union Minister Shri Piyush Goyal on Tuesday pitched for taking the textiles exports of the country to USD 100 billion by 2030 as the sector is recording a healthy growth. The textiles minister also said the exports would get a boost as the sector would get zero duty access in the UAE and Australia. India has signed a trade pact with both these countries.

- **Drip Capital plans trade facilitation services to support SMBs-** Drip Capital, a fintech providing trade finance, has set its sight on building a trade facilitation offering for small and medium businesses (SMBs) to help them in their cross border trade. The company is now looking to build a trade facilitation platform that would help solve certain pain points for SMBs in their cross border business. Some of the pain points for them are forex and insurance.
- **Shri Piyush Goyal takes comprehensive review on the progress of the National Industrial Corridor Development Program NICDC-** Hon'ble Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal took a comprehensive review on the progress of the National Industrial Corridor Development Program. The meeting was attended by senior officials of Department for Promotion of Industry and Internal Trade (DPIIT) and NICDC.
- **Coal India's capital expenditure grows 12% to Rs 14,834 cr in FY'22-** State-owned CIL said its capital expenditure registered a growth of 12 per cent to Rs 14,834 crore in FY'22. Coal India's capital expenditure was at Rs 13,284 crore in FY'21. Stating that the capex growth in FY'22 came on the back of a strong base, Coal India (CIL) in a statement said the entire capital expenditure was met through internal accruals.
- **Odisha government signs agreement with BPCL to explore green energy possibilities-** The Odisha government signed an agreement with Bharat Petroleum Corporation Ltd (BPCL) for exploring green energy possibilities in the state. The Memorandum of Understanding (MoU) was signed between Industrial Promotion and Investment Corporation of Odisha Ltd (IPICOL).
- **Telangana-Thailand MoU to focus on SMEs, startups-** The Industries and Commerce Department of Telangana has signed a memorandum of understanding (MoU) with the Ministry of Commerce of Thailand for collaboration in areas like startups, food processing, wood processing and wood-based industries.
- **Natural gas to scale new heights; go long-** Natural gas futures on the Multi Commodity Exchange (MCX) broke out of the key resistance band of ₹465-480 and hit a multi-year high of ₹519.7. The contract seems to be able to hold above the ₹500-mark and, going forward, it is expected to hit fresh highs.
- **Morgan Stanley's report: Indian economy at the cusp of an industrial capex cycle journey -** The Indian economy is at the cusp of an industrial capex cycle journey, argues Morgan Stanley, as corporate balance sheets have undergone deleveraging and the health of banking system has been restored. Consumer demand is also expected to get a fillip with pandemic related restrictions are being relaxed gradually. Morgan Stanley expects momentum in private capex to pick up in the coming months. The sustained pickup in end demand trends will mean a continued improvement in capacity utilisation, boding well for the capex outlook. Capital goods imports have yet to recover, but over the next 6-9 months the country should see further improvement in capex momentum.
- **Defence, Railways lead capital expenditure drive, FY22 spend close to Revised Estimate -** The Centre's capital expenditure got an year-end boost in FY22, thanks to huge funds released to the

defence sector and the Railways, enabling it close the year with capex not far away from the Revised Estimate (RE) of Rs 6.03 trillion. The total expenditure by the Centre in the last financial year was around the RE of Rs 37.7 trillion.

- **Food prices likely pushed India inflation to 16-month high in March, says poll** - India's retail inflation likely sped up to a 16-month high of 6.35% in March, well above the Reserve Bank of India's upper tolerance band for a third straight month, in part due to a sustained rise in food prices, a Reuters poll found. The full effect of the spike in crude oil and global energy prices following Russia's invasion of Ukraine in late February is not expected to appear in consumer prices until April as the pass-through to consumers at fuel pumps was delayed.
- **GST compensation: Some states may get relief package** - The Centre may offer a special package to states to tide over financial difficulties as the compensation regime for the goods and services tax (GST) ends in June this year after the agreed five-year period. The package may be discussed at the next GST Council meeting and could include financial assistance for specific projects, permission for a special levy and flexible borrowing options among others.
- **Awarding of new road projects increases sharply to 5,113 km in March** - The length of road projects awarded by the National Highway Authority of India (NHAI) and the Ministry of Road Transport and Highways (MoRTH) together increased a little over two times to 5,113 kilometres (km) in March 2022 from the year ago. It was nearly six times higher than 735 km of the road length awarded in the previous month. With this, the total length of projects awarded in FY22 increased by 22% year-on-year to nearly 12,731 km.
- **Domestic air passenger traffic up 59% in FY2022, 40% lower than pre-pandemic level: Icra** - India's domestic air passenger traffic is estimated to have grown by around 59 per cent year-on-year to 84 million in FY22, although it is still about 40 per cent lower as compared to the pre-pandemic level, credit ratings agency Icra said on Monday. It also expects elevated Aviation Turbine Fuel (ATF) prices, aggravated by geo-political issues, to remain a near-term challenge for the industry and will be a key determinant of profitability for the sector.
- **Department of Telecommunications invites Expression of Interest for 5G Vertical Engagement and Partnership Program (VEPP) initiative** - The Department of Telecommunications (DoT) has invited Expression of Interest (EoI) for "5G Vertical Engagement and Partnership Program (VEPP)" initiative to build strong collaboration partnerships across 5G Use-case ecosystem stakeholders with velocity and with an exclusive emphasis to address User/Vertical Industry needs.
- **New materials & processes for carbon capture and utilization could show new light for global warming challenge** - A group of scientists have computationally designed a hybrid material which can absorb greenhouse gas methane, converting it to clean Hydrogen and also simulated a process of capturing carbon dioxide in-situ and converting it to high purity hydrogen from non-fuel grade bioethanol. They have also designed a facility that can test such materials and help further carbon capture research at the institute. Given the global warming potential of greenhouse gases, scientists are trying to explore innovative methods of absorbing these gases and converting them to useful substances. New materials that can play dual role of absorption as well as conversion is the new challenge area for scientist in carbon capture innovation.

- **As global brands take flight, Indian retailers book tickets for Russia** - Some Indian retailers are in talks to open shops in Russia even as global retail brands have pulled out from there following Russia's invasion of Ukraine. Home furnishing retailer and fashion brand are among the retailers exploring franchise opportunities in Russia.
- **Indian pharma chases growth with niche home buys, tie-ups as US booster fades** - The Indian pharma sector is witnessing heightened merger and acquisitions (M&A) activity as some of the leading companies reorganise their portfolios. These are not big-bang acquisitions in the US or India, but rather piece-meal buyouts of local brands and businesses. The US market with its headwinds related to increased competitive intensity, pricing pressures and high regulations, has not remained as lucrative as it was five to six years ago.
- **Centre follows uniform procurement policy; cannot take surplus parboiled rice: Food Secretary** - Asserting that it follows a uniform and non-discriminatory procurement policy, the Centre said the Telangana Government was told much in advance that the Food Corporation of India cannot procure surplus parboiled rice due to sufficient stocks coupled with limited PDS demand for the grain.
- **National Food Security Act: Food ministry's dynamic database to identify subsidy beneficiaries** - In a bid to develop a uniform criteria for identification of beneficiaries under the National Food Security Act (NFSA), the food ministry is formulating new guidelines in consultation with state governments. Currently, state governments follow different norms for identification of beneficiaries under NFSA, under which more than 800 million people are provided with highly subsidised food grains. It is not clear if and how the new guidelines could alter the number of beneficiaries.
- **Inflation, expensive fuel may eat into household budget: Economists:-** India's households may cut purchases of a range of goods - including biscuits, breakfast cereals, automobiles, hair oils, shampoos, detergents and white goods - this year because of the rise in prices and costlier fuel, economists say. Household spending on fuel and transport could rise by almost 2.5 percentage points in FY23 because of higher prices, HDFC Bank estimates, which may force spending cuts on other items as home budgets are adjusted.
- **Food prices likely pushed India inflation to 16-month high in March, says poll:** India's retail inflation likely sped up to a 16-month high of 6.35% in March, well above the Reserve Bank of India's upper tolerance band for a third straight month, in part due to a sustained rise in food prices, a Reuters poll found.
- **RBI holds rates, stance; inflation back in focus:-** The Reserve Bank of India (RBI) kept its key interest rate and monetary stance unchanged but announced a clear intent to rein in surging prices, signaling a possible shift in policy at the next review meeting in June. In our sequence of priorities, we have now put inflation before growth," Governor Shri Shaktikanta Das told reporters in a conference. "For the last three years, starting February 2019, we had put growth ahead of inflation.
- **RBI says sensitive to economic sanctions on Russia, no formal rupee- Rouble payment platform in place yet:** The Reserve Bank is working with the government to thrash out a payment

settlement solution for Indo-Russian trade, which is hit by the economic sanctions imposed on Moscow after it invaded Ukraine, but asserted that any such solution will be 'sensitive' to the prevailing economic blockade, the central bank said. RBI Governor Shri Shaktikanta Das was quick to add that it is a matter that the government has to deal with first, and as far as the central bank is concerned,

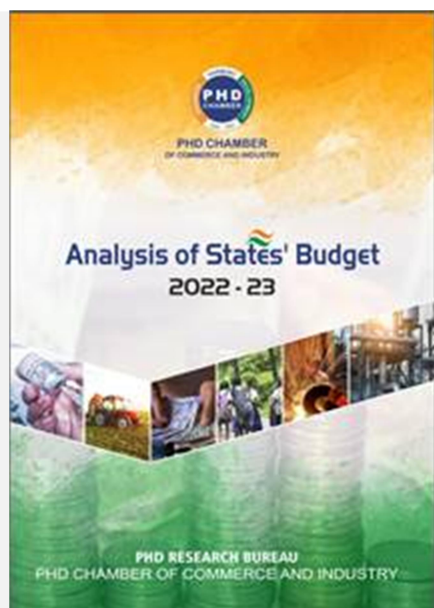
- **Standing Deposit Facility to be the new floor for policy rates:-** The Reserve Bank of India (RBI) has introduced the Standing Deposit Facility (SDF), allowing banks to park their excess funds at a higher rate but without taking any collateral from the central bank. Bankers said the RBI's move will push overnight rates higher and make the reverse repo rate redundant for now.
- **RBI investigating complaints against BNPL players:-** The Reserve Bank of India on Friday said that it was looking at a series of complaints against digital lenders, where customers found that they were disbursed loans without their consent. It also said that they could tweak "know your customer" rules to make it simpler.
- **Inflation forecast could be too optimistic:-** RBI's forecast of inflation, despite getting raised by 120 basis points, may still be optimistic with commodity prices pressure likely spreading to other segments. Inflation forecast has been revised upwards and growth projections are revised downwards across all quarters for FY '23, amidst the escalated concerns over geopolitical conflict and surge in global commodity prices.
- **RBI policy positive for housing sector:-** Reserve Bank of India's policy announcements on Friday are likely to boost the housing sector on two counts. First, the regulator has extended the liberal norms for the housing sector introduced during the pandemic for another year. This step may facilitate higher credit flow to buy individual housing units
- **Banks' credit growth nearly doubles in FY22:-** Bank credit growth in the preceding fiscal hit 9.6% against a 5.6% growth seen in FY21, data shows. Deposit growth slowed to 8.9% in FY22 from 11.4% in the same period in the corresponding year. According to data released by the Reserve Bank of India (RBI), total bank credit stood at Rs 118.9 lakh crore as on March 25 - the last reporting Friday for FY22. This was a growth of Rs 1.8 lakh crore during the fortnight and Rs 10.4 lakh crore during the financial year, registering a year-on-year.
- **Hon'ble Finance Minister Mrs Sitharaman to meet PSBs' heads on Apr 23 to nudge them for credit expansion:-** Hon'ble Finance Minister Smt Nirmala Sitharaman is scheduled to meet heads of public sector banks (PSBs) on April 23 to review performance of the lenders and progress made by them on various schemes launched by the government for revival of the economy battered by the pandemic.
- **Companies likely to face stiff queries from GST authorities:-** Businesses need to gear up for some stiff queries from goods and services tax authorities, as they begin scrutiny of returns for the first time since the new indirect tax regime was launched in 2017. The Central Board of Indirect Taxes & Customs (CBIC) on Sunday rolled out computer-assisted automated selection of returns under GST, which will be based on certain risk-based parameters including claims of input tax credit.

- **Tax collections soar to record Rs 27.07 lakh crore in FY22:-** Tax collections soar to record Rs 27.07 lakh cr in FY22 India's tax collections soared to a record high of Rs 27.07 lakh crore in the fiscal year ended March 31 as mop-up from income and other direct taxes as well as indirect taxes jumped, Revenue Secretary Tarun Bajaj said on Friday. Gross tax collection of Rs 27.07 lakh crore during April 2021 to March 2022 compares with budget estimate of Rs 22.17 lakh crore, he told reporters here.
- **Finance Ministry releases Rs 7,183 crore revenue deficit grant to 14 states:-** The Finance Ministry on Friday said it has released the first instalment of revenue deficit grant of Rs 7,183 crore to 14 states. The grant has been released as per the recommendations of the 15th Finance Commission to Andhra Pradesh, Assam, Himachal Pradesh, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura, Uttarakhand and West Bengal.
- **Over 34.42 crore beneficiaries get Rs 18.60 lakh cr loan under Mudra Yojana:-** More than 34.42 crore beneficiaries have received Rs 18.60 lakh crore loan under the Pradhan Mantri Mudra Yojana (PMMY) since its launch seven years ago, the Finance Ministry said on Friday. The PMMY was launched by Prime Minister Narendra Modi on April 8, 2015, for providing loans up to Rs 10 lakh to the non-corporate and non-farm small/micro-enterprises.
- **Organic food export can transform Indian economy; Dairy can play major role in it: Shri Amit Shah:-** Hon'ble Union Home and Cooperation Minister Shri Amit Shah on Sunday said the Indian economy will transform if it fulfils the demand for organic food all over the world and the dairy sector can play a big role in achieving that. Now the time has come for India to move towards natural farming. If India fulfils the demand for organic food all over the world, then India's economy will be transformed," said Shah while addressing the Golden Jubilee celebrations of the National Cooperative Dairy Federation.
- **Trade body CAI cuts India's 2021-22 cotton production estimate by 2.33%:-** Trade body Cotton Association of India (CAI) has reduced cotton crop production estimate for 2021-22 season beginning October 1, by 2.33% in its March estimate released today. The CAI has reduced its cotton crop estimate for the 2021-22 season by 8.00 lakh bales to 335.13 lakh bales (of 170 kg each) from its previous estimate of 343.13 lakh bales.

Newsletter

PHD Research Bureau has released an Analysis of State's Budgets FY 2022-23.

[Analysis of State's Budgets FY 2022-23](#)



Markets So Far

Indicators	Yearly			Monthly		Daily		
	2019	2020	2021	February 2022	March 2022	19 th April 2022	20 th April 2022	21 st April 2022
BSE SENSEX	41253	47751	53796	57698	56404	56463	57038	57912
GOLD (10 GRMS)	34813	46985	47362	49279	51717	53264	52494	52310
CRUDE OIL (1 BBL)	4007.8	2966	5063	6839	8225	8264	7823	7809
EXCHANGE RATE (INR/USD)	70.4	74.11	73.9	74.92	76.21	76.43	76.24	76.24

Source: PHD Research Bureau, PHDCCI, compiled from BSE, MCX and Bloomberg.

Warm Regards,

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