



1. Petrol, diesel prices at record highs; Petrol crosses Rs 100-mark in Maharashtra

Petrol and diesel prices on Monday hit record highs across the country after rates were increased for the fifth time in a week, following which Maharashtra joined Rajasthan and Madhya Pradesh in the league of states where petrol rates breached the Rs 100-a-litre mark.

Petrol price was hiked by 26 paise a litre and diesel by 33 paise per litre, according to a price notification by state-owned fuel retailers.

Full story: <https://economictimes.indiatimes.com/industry/energy/oil-gas/petrol-diesel-prices-at-record-highs-petrol-crosses-rs-100-mark-in-maharashtra/articleshow/82515027.cms>

2. Bad loan companies seek level playing field

Asset reconstruction companies (ARCs) have asked the RBI to let them sell assets of defaulting promoters back to them. They have also asked the central bank to allow corporates and high net worth individuals to invest in troubled loans through the securities issued by ARCs.

The Association of ARCs in India recently responded to the RBI's call for suggestions to overhaul their structure in the country. ARCs were created under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI), 2002, which allowed lenders to seize assets.

Full story: <https://economictimes.indiatimes.com/industry/banking/finance/banking/bad-loan-companies-seek-level-playing-field/articleshow/82515171.cms>

3. RBI announces slew of measures for MSMEs battered by Covid second wave

In an effort to reduce the stress on small businesses and the MSME sector amid the unprecedented Covid surge gripping the nation, RBI Governor Shaktikanta Das on May 5 announced a set of measures targeted at offering relief for such cash starved enterprises.

For enhancing credit to MSME entrepreneurs, Das mentioned that in Feb 2021, the scheduled commercial banks were allowed to deduct credit disbursed for new MSME borrowers from their Net Demand and Time Liabilities (NDTL) for calculation of CRR. "In order to further incentivise inclusion of unbanked MSMEs into the banking system, this exemption which is

currently available for exposures of up to Rs 25 lakh and for credit disbursed up to fortnight ending Oct 1 2021 is being extended till Dec 31, 2021,” he stated in his address.

Full story: <https://economictimes.indiatimes.com/small-biz/sme-sector/rbi-announces-slew-of-measures-for-msmes-battered-by-covid-second-wave/articleshow/82399963.cms>

4. RBI's relief measures to only delay stress for financial institutions: Fitch

Relief measures announced by Reserve Bank of India last week to help lenders and borrowers during the new devastating wave of COVID-19 infections will only delay the stress for financial institutions, Fitch Ratings said on Monday.

The Reserve Bank of India (RBI) rolled out last Wednesday a slew of measures including a loan restructuring scheme to help lenders tide over mounting bad loans and give some borrowers more time for debt repayment.

Full story: <https://economictimes.indiatimes.com/industry/banking/finance/banking/rbis-relief-measures-to-only-delay-stress-for-financial-institutions-fitch/articleshow/82515100.cms>

5. India's exports surge 80% to \$7 billion during May 1-7

Continuing a positive growth, India's exports grew by 80 per cent to \$7.04 billion during the first week of this month, according to preliminary data of the commerce ministry. Exports during May 1-7 last year stood at \$3.91 billion and \$6.48 billion in the same week of May 2019, data showed.

Imports too rose by 80.7 per cent to \$8.86 billion during May 1-7, 2021 as against \$4.91 billion in the same period last year and \$10.39 billion in 2019.

India's exports in April jumped nearly three-folds to \$30.21 billion from \$10.17 billion in the same month last year.

Full story: <https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-exports-surge-80-to-7-billion-during-may-1-7/articleshow/82495448.cms>

6. Investors brace for fallout as states lock themselves down

The news of strict lockdowns in several states may hurt sentiment ahead, Ajit Mishra, vice president for research at Religare Broking Ltd., wrote in a report. Investors will be watching key macroeconomic data including inflation and factory output this week as well as the vaccine drive, he said.

Vaccine shortages have complicated efforts to tame the outbreak, leaving investors assessing Modi's next moves and guessing how long states will have to remain shut. Amid the

uncertainty, foreign investors pulled \$1.9 billion from India's stocks and debt in April, the biggest outflow in a year, according to data compiled by Bloomberg.

Full story: <https://www.livemint.com/market/stock-market-news/investors-brace-for-fallout-as-states-lock-themselves-down-11620613094853.html>

7. EU may gain from negotiating separate trade and investment pacts with India

The decision by India and the EU to recast the stalled bilateral trade and investment agreement (BTIA) into three separate deals could favour the latter with its focus to have an investment pact with India after inking a similar deal with China.

In the first India-EU leaders' meeting on Saturday, the two sides agreed to resume talks separately on trade, investment and geographical indications (GIs), which were earlier part of the BTIA before talks collapsed in 2013 after six years of negotiations.

Full story: <https://www.livemint.com/news/india/eu-may-gain-from-negotiating-separate-trade-and-investment-pacts-with-india-11620590461896.html>

8. Second wave brings key surveys to a halt

The Union government has suspended work on four key surveys on migrants, domestic workers, and jobs created by the transport sector and professionals because of the deadly second wave of the pandemic, possibly delaying a national employment policy based on these surveys.

With lockdowns and curfews being imposed across the country, surveyors will find it difficult to visit families, offices and worksites, two government officials said, adding that the management of the pandemic has become a top priority now, and the surveys will restart once the situation improves.

Full story: <https://www.livemint.com/news/india/second-wave-brings-key-surveys-to-a-halt-11620583753894.html>

9. National Asset Reconstruction Company to be operational next month: IBA CEO

National Asset Reconstruction Company Ltd (NARCL), the name coined for the bad bank announced in the Budget 2021-22, is expected to be operational in June.

Bad bank refers to a financial institution that takes over bad assets of lenders and undertakes resolution.

The new entity is being created in collaboration with both public and private sector banks, Indian Banks' Association Chief Executive Officer (CEO) Sunil Mehta told PTI.

Full story: <https://www.livemint.com/industry/banking/national-asset-reconstruction-company-to-be-operational-next-month-iba-ceo-11620550904283.html>

10. Govt extends antidumping duty on seamless tubes, pipes till October

The government has extended anti-dumping duty on certain types of seamless tubes, and pipes till October 31 this year with a view to guarding domestic manufacturers from cheap Chinese imports.

The duty on 'seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm' was first imposed in May 2016 for five years.

Full story: https://www.business-standard.com/article/economy-policy/govt-extends-antidumping-duty-on-seamless-tubes-pipes-till-october-121050900457_1.html

11. India's sovereign rating to remain at current level for next 2 years: S&P

S&P Global Ratings on May 7 said India's credit rating would be retained at the current level for the next two years, and the country will see a slightly faster pace of growth in the next couple of years that will support its sovereign rating.

S&P, which had in March seen the Indian economy growing by 11 per cent in the fiscal year to March 2022, saw GDP growth rate dropping to 9.8 per cent under the 'moderate' scenario, where infections peak in May, and falling to as low as 8.2 per cent in 'severe' scenario under which caseload would peak only in late June.

Full story: https://www.business-standard.com/article/economy-policy/india-s-sovereign-rating-to-remain-at-current-level-for-next-2-years-s-p-121050700794_1.html

12. FPIs withdraw Rs 5,936 crore from equities in May amid worries over 2nd COVID wave

Foreign investors have pulled out Rs 5,936 crore from the Indian equities in the first week of May amid worries over the intense second wave of coronavirus infection and its fallout on the economy.

Foreign investors had pulled out Rs 9,659 crore in April after infusing money in the preceding six months, according to the depositories' data.

If fears of COVID-19 persist among overseas investors, then further redemptions cannot be ruled out, Himanshu Srivastava, Associate Director - Manager Research, Morningstar India, stated.

Full story: <https://www.moneycontrol.com/news/business/economy/fpis-withdraw-rs-5936-crore-from-equities-in-may-amid-worries-over-2nd-covid-wave-6871851.html>

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