



July 01, 2021 – Thursday

## Key Developments

### **Broadband service to jobs scheme: Key decisions taken by union cabinet**

The Union Cabinet on Wednesday approved the relief measures that Finance Minister Nirmala Sitharaman had announced earlier this week. The measures announced by the FM included loan guarantee schemes for businesses and small borrowers, as well as for infrastructure projects in Covid affected sectors, including health infrastructure. Below are some of the key announcements from the Cabinet briefing today.

#### **Loan guarantee scheme for Covid-affected sectors**

The scheme will enable funding to the tune of Rs 50,000 crore for to provide financial guarantee cover for brownfield expansion and greenfield projects related to health/ medical infrastructure.

#### **Funding for BharatNet in 16 states**

The Cabinet has approved the public-private partnership (PPP) model for the rollout of BharatNet project for broadband services in villages in 16 states with viability gap funding of Rs 19,041 crore, Telecom Minister Ravi Shankar Prasad said.

#### **Revamped distribution sector scheme**

The Cabinet Committee on Economic Affairs approved a five-year-long reform-based result-linked power distribution scheme worth Rs 3.03 trillion. The scheme seeks to improve the operational efficiencies & financial sustainability of all DISCOMs/ Power Departments excluding Private Sector DISCOMs by providing conditional financial assistance for strengthening of supply infrastructure, reported ANI.

#### **Export insurance**

The Union Cabinet approved the Rs 1.22 lakh crore export insurance coverage scheme. This week, the FM announced a Rs 33,000 crore boost for project exports through the National Export Insurance Account (NEIA) on June 28. She also announced Rs 88,000 crore of additional export insurance coverage for the trade sector. Both the fund infusions have been allocated from FY21 to FY26.

#### **Deadline extension for jobs scheme**

The Cabinet approved the extension of the last date of registration under ABRY from June 30, 2021, to March 31, 2022.

[https://www.business-standard.com/article/economy-policy/cabinet-approves-fm-s-relief-measures-key-points-121063001281\\_1.html](https://www.business-standard.com/article/economy-policy/cabinet-approves-fm-s-relief-measures-key-points-121063001281_1.html)

### **EAM Jaishankar calls for more green lending to strengthen development infra**

External Affairs Minister S Jaishankar on Wednesday said that India has been pushing a lot of green energy projects and said that with more green lending, the country can lead the world in a certain direction.

In conversation with former UK Prime Minister Tony Blair at the India Global Forum 2021 - 'Global Leadership Radical Actions for a Post-Pandemic Era', Jaishankar said: "India, on its part, has been pushing a lot of green energy projects, one in India itself. Today, we have one of the largest solar programmes in the world and we have also been using both bilateral partnership programmes and International Solar Alliance to push green electricity generation, especially in Africa."

"We finance development using soft loans by eschewing lending. We could actually take the world in a certain direction so if we did more green lending...the world will be moving in that direction," he added.

[https://www.business-standard.com/article/economy-policy/eam-jaishankar-calls-for-more-green-lending-to-strengthen-development-infra-121063001131\\_1.html](https://www.business-standard.com/article/economy-policy/eam-jaishankar-calls-for-more-green-lending-to-strengthen-development-infra-121063001131_1.html)

#### **India to set rules for encouraging companies' shift to green energy**

India is making rules that will encourage companies to switch entirely to renewable power, a key step toward decarbonizing the nation's fossil fuel-dominated economy. The new regulations will allow companies to purchase renewable electricity from state distributors at "green tariffs," Power Minister Raj Kumar Singh said at the virtual BloombergNEF summit on Tuesday. Hurdles for businesses seeking to buy clean power directly from generators will also be eased, he said. Accelerating use of clean energy in offices and factories, the largest power consuming segment in the country, will be key to achieving targets to cut emissions per unit of the GDP. It will also help the companies improve their environment, social and governance -- or ESG -- scores by reducing their carbon footprint.

[https://www.business-standard.com/article/economy-policy/india-to-set-rules-for-encouraging-companies-shift-to-green-energy-121063000582\\_1.html](https://www.business-standard.com/article/economy-policy/india-to-set-rules-for-encouraging-companies-shift-to-green-energy-121063000582_1.html)

#### **MCA extends second wave compliance relaxations by up to two months**

The ministry of corporate affairs (MCA) has extended the relaxation on the timelines of various compliances and the waiver of late fees on various filings under the Companies Act and the LLP Act by up to two months. The ministry had in May provided the relaxations up to July 31, on account of the disruptions caused by the second wave of Covid-19. "On account of requests for further extension of timelines... it has been decided to grant additional time up to 31st August 2021 to companies/LLPs to file forms under the Companies Act, 2013/LLP Act 2008, which were/are due for filing during 1st April 2021 to 31st July 2021 without any additional fees," the MCA said in circular on Wednesday.

<https://economictimes.indiatimes.com/news/economy/policy/mca-extends-second-wave-compliance-relaxations-by-up-to-two-months/articleshow/83993117.cms>

#### **Finance Ministry orders fresh round of expenditure curbs**

In a fresh round of austerity measures, the finance ministry has capped expenditure by various central ministries and departments at 20% of their budget allocations for the July-September quarter, according to a memorandum issued on Wednesday. The move was similar to last year when ministries and departments were divided into three categories and their expenditure capped at 15-20% of their annual budget to cut down on non-essential spending during the first wave of the Covid-19 pandemic.

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-orders-fresh-round-of-expenditure-curbs/articleshow/83992946.cms>

#### **Private hospitals can't directly procure COVID vaccines, need to place orders on CoWIN from July 1**

Starting July 1, private hospitals in the country will no longer be allowed to directly procure COVID-19 vaccines from manufacturers and have to place orders on the Centre's CoWIN portal. All private hospitals have to register on CoWIN as a Private COVID Vaccination Centre (PCVC) to participate in the aggregation mechanism. Most hospitals have already registered on the portal, sources stated. "States and UTs will be informed by MoHFW, about the total quantum of doses available for private CVCs in a month for them. They will aggregate the demand from private CVCs, keeping these quantities in mind," a statement from the Union health ministry said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/private-hospitals-cant-directly-procure-covid-vaccines-need-to-place-orders-on-cowin-from-july-1/articleshow/83978951.cms>

### **Economy**

#### **CBDT: TDS applicable on buyer-seller transactions above Rs 50 lakh after July 1, 2021**

The Central Board of Direct Taxes (CBDT) Wednesday clarified that buyers would need to deduct tax at source at 0.1% of amount exceeding Rs 50 lakh when paid or credited to a resident seller on transactions after July 1, 2021, under section 194Q of the income tax Act which comes into effect from July 1.

<https://economictimes.indiatimes.com/news/economy/policy/cbd-tds-applicable-on-buyer-seller-transactions-above-rs-50-lakh-after-july-1-2021/articleshow/83997011.cms>

#### **CBIC waives penalty on B2C QR code implementation till September 30**

The Central Board of Indirect Taxes and Customs (CBIC) Wednesday extended the waiver of penalty on non-implementation of dynamic quick response code which is mandatory for companies over Rs 500 crore turnover, by three months till September 30, 2021. According to a notification the Board said that the waiver will be applicable from December 1, 2020 till end of September, indicating that compliance would be required from October 1, 2021. Government had waived the penalty for non-compliance back in November 2020, for the period between December 1, 2020 and March 31, 2021, while settling compliance date to April 1, 2021. It then further extended the period till June 30, setting compliance date at July 1, 2021.

<https://economictimes.indiatimes.com/news/economy/policy/cbic-waives-penalty-on-b2c-qr-code-implementation-till-september-30/articleshow/83995586.cms>

#### **GSTN enables functionality to lodge complaint of PAN misuse for GST registration**

GSTN, which handles the technology backbone of the Goods and Services Tax, has enabled an utility to lodge complaints relating to misuse of PAN for obtaining GST registration, a move aimed at curbing creation of bogus entities for the purpose of tax evasion. Any person whose PAN has been misused can lodge such a complaint. Following that, it would be sent to the concerned tax officer under whose jurisdiction the registration has taken place fraudulently for further action. The GST Common Portal now provides a search functionality to find out whether any GSTIN (GST identification number) is issued on a particular PAN. After inserting the PAN details in the search section, the details of the GST registration available on that PAN is shown. In case no registration is available on that PAN, then a 'No records found' message is displayed.

<https://economictimes.indiatimes.com/news/economy/policy/gstn-enables-functionality-to-lodge-complaint-of-pan-misuse-for-gst-registration/articleshow/83994347.cms>

#### **PM Modi asks ministers to spread awareness among people about vaccination, Covid protocols**

Prime Minister Narendra Modi on Wednesday asked his Council of Ministers to spread awareness among people about following COVID-19 protocols and vaccination to keep the third wave of the pandemic at bay. Chairing a meeting of the Union Council of Ministers, he also asked the ministers to ensure that the projects for which they have laid the foundations are completed and inaugurated by them. He also asked them keep track of the projects and ensure these are not delayed, sources said.

<https://economictimes.indiatimes.com/news/india/pm-modi-asks-ministers-to-spread-awareness-among-people-about-vaccination-covid-protocols/articleshow/83994678.cms>

#### **Centre stresses on graded lifting of curbs, continued focus on containment**

The Centre has told states it is critical that the lifting of restrictions and providing relaxations are carefully calibrated with continued focus on containment efforts to curb the spread of the coronavirus infection. In a letter to states and union territories on June 28, Union Health Secretary Rajesh Bhushan said that in order to bring uniformity, the need for following the existing framework for either imposition of restrictions or allowing relaxations based on the burden of disease and strain on healthcare infrastructure still remain important. Bhushan shared a list of targeted actions that need to be implemented by the states which include monitoring of cases with districts as administrative units on a regular basis and taking necessary action for containment and health infrastructure upgradation.

<https://economictimes.indiatimes.com/news/india/covid-19-centre-stresses-on-graded-lifting-of-curbs-continued-focus-on-containment/articleshow/83984861.cms>

#### **India reports current account surplus of 0.9% in pandemic-affected FY21**

India reported a current account surplus of 0.9 per cent of GDP in the pandemic-hit FY21, as against a deficit of 0.9 per cent in FY20, data released by the RBI showed on Wednesday. The country's current account deficit widened to USD 8.1 billion or 1 per cent of GDP for the March quarter, as against a surplus of USD 0.6 billion or 0.1 per cent of the GDP in the year-ago period and a deficit of 0.3 per cent in the preceding December quarter, as per the central bank data. The CAD, the gap between the country's overall foreign receipts and payments, is an important factor representing a nation's external sector's strength. The Reserve Bank of India said the current account balance swung into the surplus territory on the back of a sharp contraction in the trade deficit to USD 102.2 billion from USD 157.5 billion in 2019-20.

<https://www.financialexpress.com/economy/india-reports-current-account-surplus-of-0-9-in-pandemic-affected-fy21/2281395/>

### **Fiscal deficit at 8.2% in April-May as tax collection rises, lockdowns ease**

India's fiscal deficit in April-May stood at 8.2 per cent of the budget estimates (BE), as compared to 59 per cent in the same period last year. The deficit was less 30 per cent less of last-year's level of Rs. 4.7 trillion amid the nationwide lockdown to contain the coronavirus. The better numbers are on due to a jump in tax and non-tax revenues and the government keeping expenditure under control during the period. Economists have said the deficit it may rise over higher outlay on free food and fertilisers subsidy and other outlays announced by Finance Minister Nirmala Sitharaman on Monday as part of an economic relief package. According to the government's statistics office, fiscal deficit in April and May was at Rs 1 trillion, making the amount 8.2 per cent of the budget estimate. Revenue deficit at Rs 65,023 crore or 5.7 per cent of the BE, Net tax revenue at 15.1 per cent, stood at Rs 2.33 lakh crore.

[https://www.business-standard.com/article/economy-policy/fiscal-deficit-at-8-2-in-april-may-as-tax-collection-rises-lockdowns-ease-121063001422\\_1.html](https://www.business-standard.com/article/economy-policy/fiscal-deficit-at-8-2-in-april-may-as-tax-collection-rises-lockdowns-ease-121063001422_1.html)

### **Eight core sectors' output rises 16.8 pc in May**

The output of eight core sectors grew by 16.8 per cent in May, mainly due to a low base effect and uptick in production of natural gas, refinery products, steel, cement and electricity, official data released on Wednesday showed.

The eight infrastructure sectors of coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity had contracted by 21.4 per cent in May 2020 due to the lockdown restrictions imposed to control the spread of the COVID-19 infections. In March this year, these key sectors had recorded a growth of 11.4 per cent, and 60.9 per cent in April.

According to the commerce and industry ministry data, production of natural gas, refinery products, steel, cement and electricity jumped by 20.1 per cent, 15.3 per cent, 59.3 per cent, 7.9 per cent and 7.3 per cent in May, as against (-) 16.8 per cent, (-) 21.3 per cent, (-) 40.4 per cent, (-) 21.4 per cent and (-) 14.8 per cent in May 2020, respectively.

<https://www.financialexpress.com/economy/eight-core-sectors-output-rises-16-8-pc-in-may/2281366/>

### **Prices of veggies, fruits rise further in Delhi markets due to higher fuel rates impact: Traders**

Prices of vegetables and fruits in the city's wholesale and retail markets have risen further this week as surging fuel prices continued to push transportation costs, traders said on Wednesday. Vegetable and fruit traders, however, said that rates were not that steep at this point but indicated that these consumables might get dearer in coming weeks if diesel prices continue to swell in the same fashion. In the national capital, petrol is selling at Rs 98.81 per litre on Wednesday, while diesel is priced at Rs 89.18 per litre. Rajendra Sharma, a wholesale vegetable and fruit trader at Delhi's largest Azadpur Mandi, said that prices of wholesale and retail vegetables and fruits have increased slightly.

<https://www.financialexpress.com/economy/prices-of-veggies-fruits-rise-further-in-delhi-markets-due-to-higher-fuel-rates-impact-traders/2281357/>

### **Retail inflation for industrial workers rises marginally to 5.24 pc in May**

Retail inflation for industrial workers rose marginally to 5.24 per cent in May 2021 from 5.14 per cent in April mainly due to increase in prices of certain food items and petroleum products, as well as higher mobile phone charges.

"Year-on-year inflation for the month (of May) stood at 5.24 per cent compared to 5.14 per cent for the previous month (April 2021) and 5.10 per cent during the corresponding month (May 2020) a year before," a labour ministry statement said.

<https://www.financialexpress.com/economy/retail-inflation-for-industrial-workers-rises-marginally-to-5-24-pc-in-may/2281371/>

### **GST has reduced rate at which people have to pay tax: Nirmala Sitharaman**

Union Finance Minister Nirmala Sitharaman on Wednesday said that the Goods and Services Tax (GST) has reduced the rate at which people have to pay tax and the GST rate at present is only 11.6 per cent. In a tweet, the Finance Minister said "GST has reduced the rate at which people have to pay tax. The revenue neutral rate as recommended by the RNR Committee was 15.3 per cent. Compared to this, the weighted GST rate at present, according to the Reserve Bank of India (RBI), is only 11.6 per cent. #4yearsofGST." Ministry of Finance said that GST has replaced the

complex indirect tax structure with a simple, transparent and technology-driven tax regime and has thus integrated India into a single common market. "GST completes four years since implementation today. GST has replaced the complex indirect tax structure with a simple, transparent and technology-driven tax regime and has thus integrated India into a single common market," tweeted Ministry of Finance.

[https://www.business-standard.com/article/economy-policy/gst-has-reduced-rate-at-which-people-have-to-pay-tax-nirmala-sitharaman-121063000698\\_1.html](https://www.business-standard.com/article/economy-policy/gst-has-reduced-rate-at-which-people-have-to-pay-tax-nirmala-sitharaman-121063000698_1.html)

#### **Second Covid wave, global prices could derail Centre's FY22 subsidy maths**

During the Covid-19 lockdown and consequent disruption of the economy in FY21, the Central government cleared two big items in India's subsidy basket--food and fertilisers--in a bold move designed to start the current financial year on a relatively clean slate. While fiscal deficit zoomed despite best efforts, it did wipe off the entire food subsidy backlog and the Centre's dues to NSSF, enabling the government to start FY22 on a clean slate. However, just within six months, the subsidy maths has gone for a toss both in food and fertilisers.

[https://www.business-standard.com/article/economy-policy/second-covid-wave-global-prices-could-derail-centre-s-fy22-subsidy-maths-121063000902\\_1.html](https://www.business-standard.com/article/economy-policy/second-covid-wave-global-prices-could-derail-centre-s-fy22-subsidy-maths-121063000902_1.html)

#### **S&P maintains stable outlook for India, cautions of downgrade if growth slips**

S&P Global Ratings has maintained a stable outlook on India's sovereign credit rating but cautioned that the country could face a downgrade if the economic recovery is slower than expected or deficits and debt exceed projections. The American credit rating agency has a BBB- rating for India, its lowest investment grade rating.

<https://economictimes.indiatimes.com/news/economy/indicators/sp-maintains-stable-outlook-for-india-cautions-of-downgrade-if-growth-slips/articleshow/83990099.cms>

#### **40 per cent employees in India witness reduction in total pay due to pandemic: Survey**

As the COVID-19 pandemic continues to impact the job market, a survey has shown that 40 per cent of the employees in the country witnessed a reduction in their pay. The 'Human Capital Survey' was conducted by Grant Thornton among 16,700 respondents across sectors, including consumer, retail, e-commerce, financial services, manufacturing, automotive, pharmaceuticals and healthcare, among others. While the total pay decreased for 40 per cent respondents, a temporary reduction in fixed pay was experienced only by 16 per cent of employees, according to the survey.

<https://economictimes.indiatimes.com/jobs/40-per-cent-employees-in-india-witness-reduction-in-total-pay-due-to-pandemic-survey/articleshow/83991720.cms>

### **Banking and Finance**

#### **World Bank approves \$500 million loan to support India's informal working class amid pandemic**

World Bank on Wednesday said it has approved a USD 500 million (about Rs 3,717.28 crore) loan programme to support India's informal working class to overcome the current pandemic distress. The loan will create greater flexibility for states to cope with the ongoing pandemic, future climate and disaster shocks, World Bank said in a statement. Of the USD 500 million commitment, USD 112.50 million will be financed by its concessionary lending arm International Development Association and USD 387.50 million will be a loan from International Bank for Reconstruction and Development (IBRD). The loan has a maturity period of 18.5 years including a grace period of five years.

<https://www.financialexpress.com/economy/world-bank-approves-500-million-loan-to-support-indias-informal-working-class-amid-pandemic/2281328/>

#### **Microfinance loan portfolio grows 11.9% as on March-end, says MFIN**

The overall microfinance industry's gross loan portfolio (GLP) surged by 11.9 per cent to Rs 2,59,377 crore as on March 31, 2021 from Rs 2,31,787 crore as on March 31, 2020, says a report. The growth was driven by an addition of 4 lakh borrowers during the pandemic-struck 12-month period ending March 2021, according to a report Micrometer, released by Microfinance Institutions Network (MFIN). MFIN is an industry association comprising 58 NBFC-MFIs and 39 associates including banks, small finance banks (SFBs) and NBFCs. As on March 31, 2021, the microfinance industry served 5.93 crore unique borrowers, through 10.83 crore loan accounts, the report said.

[https://www.business-standard.com/article/economy-policy/microfinance-loan-portfolio-grows-11-9-as-on-march-end-says-mfin-121063000942\\_1.html](https://www.business-standard.com/article/economy-policy/microfinance-loan-portfolio-grows-11-9-as-on-march-end-says-mfin-121063000942_1.html)

#### **No change in interest rate on small savings schemes**

The Finance Ministry on Wednesday announced that the interest rates on small saving schemes for the three-month period starting July 1 will remain unchanged. This means interest rates on various small saving schemes such as National Saving Certificates (NSC) and Public Provident Fund (PPF) will continue for at least three more months starting Friday.

<https://www.thehindubusinessline.com/economy/no-change-in-interest-rate-on-small-savings-schemes-for-july-sept-quarter/article35066724.ece>

#### **Wilful defaults fall marginally in pandemic-hit FY21: TransUnion CIBIL data**

The pandemic year saw a marginal fall in the number of cases marked as wilful defaulters by banks, with a 1.90 per cent reduction in the amount outstanding from such borrowers at Rs 2.11 lakh crore at the end of 2020-21, according to data released by TransUnion CIBIL. The number of accounts with an exposure of over Rs 25 lakh marked by lenders as wilful defaulters also dipped to 10,898 as of March 31 this year, from 12,242 in the year-ago period, the credit information company said. The Reserve Bank of India (RBI) defines a wilful defaulter as one who does not pay up despite having the capacity to do so. Once declared as a wilful defaulter, a borrower cannot avail funding from any bank later and banks are known to use this tag as a tool to ensure that borrowers pay up in time.

<https://economictimes.indiatimes.com/news/company/corporate-trends/wilful-defaults-fall-marginally-in-pandemic-hit-fy21-transunion-cibil-data/articleshow/83986951.cms>

#### **Centre's big push to LIC's mega IPO**

The Centre has now taken another major step towards making insurance behemoth LIC IPO ready by bringing into effect from Wednesday all the 27 legislative changes made to the Life Insurance Corporation Act 1956 through this year's Finance Act.

<https://www.thehindubusinessline.com/markets/stock-markets/centres-big-push-to-lics-mega-ipo/article35061306.ece?homepage=true>

#### **Co-location services: CCI sees no abuse of dominance by NSE**

The Competition Commission of India (CCI) has rejected allegations that the National Stock Exchange (NSE) has abused its dominant position while rendering its co-location services, which had allegedly benefited a few members and thereby placed others at a disadvantage, leading to likely violation of the Competition law.

<https://www.thehindubusinessline.com/markets/stock-markets/co-location-services-cci-sees-no-abuse-of-dominance-by-nse/article35055033.ece?homepage=true>

#### **Industry**

#### **Suresh Prabhu calls for greater role of startups in core sectors**

India's Sherpa at G20 and former union minister for commerce Suresh Prabhu has said that more significant participation of new-age companies is required in core sectors for faster economic growth of the country. Prabhu emphasised on providing startups a level playing field to contribute to the growth of the country, while speaking at Zetwerk Dialogues, a public advocacy program aimed at raising awareness about opportunities in India's manufacturing, infrastructure, and supply chain ecosystem. He also recommended creating a process-driven transparent mechanism that can facilitate an enabling environment for the new-age companies.

"Startups are breaking away from the past. Regulations, if not always, are based on what has happened in the past. So, you are regulating the past while the start-up ecosystem is breaking away from the past. Therefore, that's a problem," Prabhu said. Noting that regulations are necessary he said: "Don't bring them based on old ideas, but by interacting with the start-ups and understanding what they are trying to achieve."

[https://www.business-standard.com/article/companies/suresh-prabhu-calls-for-greater-role-of-startups-in-core-sectors-121063001207\\_1.html](https://www.business-standard.com/article/companies/suresh-prabhu-calls-for-greater-role-of-startups-in-core-sectors-121063001207_1.html)

#### **Easing curbs, sustained operations propel June car dispatches into the fast lane**

Indian carmakers are expected to have dispatched up to 245,000 units to retail outlets in June, the second-highest for this month, with sustained plant operations through the lockdown and phased easing of mobility curbs prompting firms to build dealership inventory and help meet pent-up demand. Factory dispatches in June this year are more than double that for the same month last year. In June 2019, automakers sent 220,000 units to retail outlets across the country. Lost volumes in April and May are being recovered in June, as dispatches in the month this year are still higher than the average of 227,000 units for the month of June between 2015 and 2019, industry data showed. <https://economictimes.indiatimes.com/industry/auto/auto-news/easing-curbs-sustained-operations-propel-june-car-dispatches-into-the-fast-lane/articleshow/83974135.cms>

#### **Rising input costs are forcing companies to hike prices again**

Struggling to absorb rising commodity prices and logistics costs, companies across a range of sectors such as automobiles, consumer electronics, and smartphones are increasing prices, some of them for the third time this year. In the past week, auto makers such as Maruti Suzuki and Hero MotoCorp, white goods manufacturers such as Sony, LG and Godrej Appliances, and handset companies such as Xiaomi, Realme and Vivo have either announced or effected price hikes.

<https://economictimes.indiatimes.com/industry/auto/auto-news/rising-input-costs-are-forcing-companies-to-hike-prices-again/articleshow/83974116.cms>

#### **74% of hospitality sector companies face negative credit profile, 2nd wave delays recovery: Report**

Three out of four companies in the hospitality sector have faced negative rating actions with respect to their credit profiles due to the impact of the COVID-19 pandemic, and the second wave has derailed the industry's recovery by almost three quarters, according to a report. Being one of the high contact sectors, hospitality has been one of the first and worst-hit sectors due to the pandemic, and the second wave has only added to their woes as it has come at a time when the industry was on its path to recovery.

<https://economictimes.indiatimes.com/industry/services/hotels-/restaurants/74-of-hospitality-sector-companies-face-negative-credit-profile-2nd-wave-delays-recovery-report/articleshow/83988263.cms>

#### **India's consumer digital economy to be \$800 billion by 2030: RedSeer**

India's consumer digital economy is forecasted to touch \$800 billion by 2030, a new report by consulting firm RedSeer said. This is against \$85-90 billion in calendar year 2020. The report said the digital economy includes 60% of the overall travel business going through digital channels by calendar year 2030, and 25% of food and beverages services going digital by the same year. RedSeer chief executive Anil Kumar said in a statement: "With the impact of Covid-19, digital services have served very well, which is evident in high customer satisfaction and willingness to keep using digital as a key channel to meet their needs. The next wave of entrepreneurs will create innovations which will make the Indian model successful globally."

<https://economictimes.indiatimes.com/news/economy/indicators/indias-consumer-digital-economy-to-be-800-billion-by-2030-redseer/articleshow/83988416.cms>

### **Agriculture**

#### **Climate change likely to impact agricultural productivity in Maha: Report**

Climate change is likely to affect agricultural productivity in Maharashtra, especially in four major crops soybean, cotton, wheat and gram, according to a report. Maharashtra faces an increasing risk from climate change that is likely to impact the production of the four crops grown in the state, according to a report by a global not-for-profit organisation Institute for Sustainable Communities (ISC).

The report, titled 'Climate Change Impacts on Maharashtra Agriculture', has examined week-wise 30-year averages of years 1989-2018 and predicted rainfall and temperature data for years 2021-50 for eight districts across Khandesh, Marathwada and Vidarbha regions of the state.

[https://www.business-standard.com/article/economy-policy/climate-change-likely-to-impact-agricultural-productivity-in-maha-report-121063001370\\_1.html](https://www.business-standard.com/article/economy-policy/climate-change-likely-to-impact-agricultural-productivity-in-maha-report-121063001370_1.html)

#### **SEA feels consumers may not get much benefit of duty reduction on CPO**

The Solvent Extractors' Association (SEA) of India has said that the consumer may not be benefited with the reduction in import duty on crude palm oil (CPO) as there was an increase in palm oil prices in Malaysia and Indonesia.

<https://www.thehindubusinessline.com/markets/commodities/sea-feels-consumers-may-not-get-much-benefit-of-duty-reduction-on-cpo/article35054393.ece>

#### **Indian agri on the cusp of disruption, says Bain research report**

Indian agriculture is on the cusp of a disruption based on technology, regulation, investment and stakeholder behavioural changes across consumers to farmers, making the idea of doubling farmer incomes a reality in the next few years, a research report said on Wednesday.

<https://www.thehindubusinessline.com/economy/agri-business/indian-agri-on-the-cusp-of-disruption-says-bain-research-report/article35051223.ece>

#### **Karnataka area under maize up 41 per cent in early kharif sowing**

Maize (corn) acreage has jumped 41 per cent Karnataka, the largest producer of the coarse cereal, during the current kharif season as farmers are seen bringing in more area under the coarse cereal crop. This comes even as kharif sowing has taken place on 28.17 lakh hectares (lh) of the targeted 77 lh in the State, as of June 25.

<https://www.thehindubusinessline.com/economy/agri-business/karnataka-area-under-maize-up-41-per-cent-in-early-kharif-sowing/article35065090.ece>

### **Infrastructure**

#### **International travel stagnant, cargo demand solid: Airlines' group**

Preliminary air traffic figures for May released on Wednesday by the Association of Asia Pacific Airlines (AAPA) showed international passenger traffic volumes remained at depressed levels, held back by strict border restrictions amid concerns about the spread of Covid-19 variants. Only 1.3 million international passengers flew on the region's carriers in May, representing just 4.3 per cent of the volumes carried in the corresponding month of 2019.

The international passenger load factor averaged 28.4 per cent for the month with available seat capacity at 12.3 per cent of levels recorded in 2019. Meanwhile, strong business and consumer demand globally drove demand for air cargo.

[https://www.business-standard.com/article/economy-policy/international-travel-stagnant-cargo-demand-solid-airlines-group-121063001383\\_1.html](https://www.business-standard.com/article/economy-policy/international-travel-stagnant-cargo-demand-solid-airlines-group-121063001383_1.html)

#### **Suspension of scheduled international passenger flights extended till July 31**

The coronavirus-induced suspension of scheduled international passenger flights has been extended till July 31, aviation regulator DGCA said on Wednesday. "However, international scheduled flights may be allowed on selected routes by the competent authority on a case-to-case basis," the Directorate General of Civil Aviation (DGCA) added. Scheduled international passenger services have been suspended in India since March 23, 2020, due to the coronavirus pandemic. But special international flights have been operating under the Vande Bharat Mission since May 2020 and under bilateral "air bubble" arrangements with selected countries since July 2020.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/suspension-of-scheduled-international-passenger-flights-extended-till-july-31/articleshow/83980408.cms>

#### **Mumbai property registration continues to rise in June on stamp duty cut spillover effect**

Property registrations in Mumbai have continued to rise for the third successive month in June owing to the spillover effect of the benefit of lower stamp duty that was available until March end. In June, total 7,857 deals were registered in the country's commercial capital as against 5,360 a month ago and 5,640 in June 2019, according to data from Inspector General of Registration (IGR), Maharashtra.

<https://economictimes.indiatimes.com/industry/services/property/-construction/mumbai-property-registration-continues-to-rise-in-june-on-stamp-duty-cut-spillover-effect/articleshow/83992794.cms>

### **Telecom**

### **Partial relief for broadcasters in tariff order case from Bombay high court**

The Bombay High Court on Wednesday set aside one of the twin conditions of the Telecom Regulatory Authority of India (TRAI) in the case related to the amendments to the 2017 tariff order that mandated fixing and limiting prices of the channels offered by various broadcasters in a bouquet, offering partial relief to the TV broadcasters.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/partial-relief-for-broadcasters-in-tariff-order-case-from-bombay-high-court/articleshow/83987646.cms>

## **Energy**

### **IOC plans to invest Rs 4,500 crore in petrochemical facility in Haryana**

Indian Oil plans to invest Rs 4,500 crore to set up a petrochemical facility in Haryana, the company said in a statement. Indian Oil's board has given "stage - 1" approval for implementation of India's maiden styrene monomer project with a capacity of 387,000 metric tonnes per annum at the company's refinery & petrochemical complex at Panipat, according to the statement. The project would be commissioned by 2026-27. "Availability of styrene domestically is expected to accelerate the growth of downstream industry and create employment opportunities," the company said.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/ioc-plans-to-invest-rs-4500-crore-in-petrochemical-facility-in-haryana/articleshow/83992804.cms>

### **Electricity consumption hits record high of 1.91 lakh MW**

Domestic electricity demand peaked on Wednesday to an all-time high of 1.91 lakh MW, the Ministry of Power has said.

<https://www.thehindubusinessline.com/economy/record-high-peak-electricity-consumption/article35057112.ece>

## **States**

### **Andhra Pradesh unveils new IT policy for 2021-24**

The Andhra Pradesh government on Wednesday came out with the new 'AP Information Technology Policy 2021-24' that is expected to generate more than 55,000 jobs over the next three years. For this purpose, a robust and holistic business environment would be created and the IT, Electronics and Communications Department would be transformed into a revenue centre to achieve self-sustenance. The State Cabinet, chaired by Chief Minister Y S Jagan Mohan Reddy, approved the new policy, which is also expected to create 1.65 lakh indirect employment thereby ensuring a holistic eco system development.

<https://economictimes.indiatimes.com/news/india/andhra-pradesh-unveils-new-it-policy-for-2021-24/articleshow/83990988.cms>

### **Odisha extends partial lockdown till July 16**

The Odisha government on Wednesday extended the partial lockdown in the state for 15 more days till 5 AM on July 16, a senior official said. The existing restrictions will end at 5 AM on Thursday. The state government has divided the 30 districts into A and B categories. Twenty districts where the test positivity rate (TPR) remains less than five per cent are in the A category, while the remaining 10 coastal districts, where the number of cases is high, are in the B category, Chief Secretary S C Mohapatra said. There will be no weekly shutdown in category A districts and shops will remain open from 6 AM to 6 PM. Buses will be allowed to ply with passengers up to the seating capacity and taxis and autorickshaws can carry a maximum of two passengers.

<https://economictimes.indiatimes.com/news/india/odisha-extends-partial-lockdown-till-july-16/articleshow/83986903.cms>

### **Maharashtra to start home vaccination for bedridden people on trial basis; won't wait for Centre's nod: Govt to HC**

The Maharashtra government on Wednesday told the Bombay High Court that it would soon start home vaccination against COVID-19 for people who are immobile or bedridden on an experimental basis, and would not wait for an approval from the Centre. State Advocate General Ashutosh Kumbhakoni told a division bench of Chief Justice Dipankar Datta and Justice G S Kulkarni that home vaccination on a trial and experimental basis would be introduced

in Pune district first. "We will not refer the proposal to start home vaccination to the Centre for approval. We (state government) will take our own decision. We will explore this possibility (home vaccination) on a trial basis in Pune district," Kumbhakoni said.

<https://economictimes.indiatimes.com/news/india/maharashtra-to-start-home-vaccination-for-bedridden-people-on-trial-basis-wont-wait-for-centres-nod-govt-to-hc/articleshow/83979481.cms>

## Healthcare

### 15 mn 'Covid Safety Essentials' sold across India on udaan during 2nd wave

Nearly 15 million 'Covid Safety Essentials' catering to over 23,000 orders from over 400 sellers across 5,000 pin codes were sold on udaan, during the second wave of the pandemic. Bengaluru-based udaan which is India's largest business-to-business (b2b) e-commerce platform witnessed a 5X surge in the demand for items like protective masks, face shields and PPE suits. "As a result of restrictions imposed during the second wave of Covid-19, the supply-chain and distribution ecosystem of retailers were disrupted," said Uday Bhaskar, Head – Lifestyle, Electronics, General Merchandise (Non-food business), udaan. As India grappled with the second wave of Covid-19, udaan supported retailers with a regular and uninterrupted supply of covid safety essentials across the country. The second wave saw a huge demand of over 11 million protective masks, making it the largest item sold on the platform. During the period, the platform also shipped over 1,00,000 face shields, oximeters, PPE suits and kits, infrared thermometers, and oxygen concentrators among other essential items across more than 750 cities and towns.

[https://www.business-standard.com/article/companies/15-mn-covid-safety-essentials-sold-across-india-on-udaan-during-2nd-wave-121063000844\\_1.html](https://www.business-standard.com/article/companies/15-mn-covid-safety-essentials-sold-across-india-on-udaan-during-2nd-wave-121063000844_1.html)

### Inching towards EUL by WHO for Covaxin: Bharat Biotech

Emergency Use Listing (EUL) of Bharat Biotech's COVID-19 vaccine Covaxin by the World Health Organisation (WHO) is not a long drawn process as majority of the vaccine makers' facilities have been audited by the global health body, Suchitra Ella, joint managing director of Bharat Biotech, said on Wednesday. "We are working closely with the World Health Organisation for inclusion of Covaxin in its Emergency Use Listing. Approval from WHO is not expected to be a long drawn process as cell line and majority of our facilities have already been audited and approved by WHO for our other vaccines in the past," Ella said in a tweet.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/inching-towards-eul-by-who-for-covaxin-bharat-biotech/articleshow/83993882.cms>

## External

### India's external debt rises to \$570 billion in March

India's external debt surged by USD 11.5 billion year-on-year to USD 570 billion as of March-end 2021, according to the Reserve Bank of India data released on Wednesday. The external debt to GDP ratio rose to 21.1 per cent as of March-end 2021 from 20.6 per cent a year ago, the data on India's External Debt showed. "Valuation loss due to the depreciation of the US dollar vis-a-vis Indian rupee and major currencies such as euro, SDR and pound sterling was placed at USD 6.8 billion.

<https://economictimes.indiatimes.com/news/economy/finance/indias-external-debt-rises-to-570-billion-in-march/articleshow/83991635.cms>

### Foreign exchange reserves up USD 99.2 billion in FY 2020-21: RBI data

The country's foreign exchange reserves in nominal terms, including the valuation effects, increased by USD 99.2 billion during the financial year 2020-21, compared to USD 64.9 billion in the preceding year, RBI data showed. The valuation gain, reflecting the depreciation of the US dollar against major currencies and increase in gold prices, amounted to USD 11.9 billion during 2020-21, compared to USD 5.4 billion during 2019-20, RBI said. The Reserve Bank of India on Wednesday released the Sources of Variation in Foreign Exchange Reserves in India during 2020-21.

<https://economictimes.indiatimes.com/news/economy/finance/foreign-exchange-reserves-up-usd-99-2-billion-in-fy-2020-21-rbi-data/articleshow/83991151.cms>

### **Net claims of non-residents in India rise to USD 352.7 billion in March**

Net claims of non-residents in India rose to USD 352.7 billion in March 2021, mainly due to an increase in foreign-owned assets in the country compared to the overseas financial assets of Indian residents. The net claims of non-residents on India increased by USD 11.2 billion during the January-March quarter of 2020-21. "The increase in net claims was due to larger increase in foreign-owned assets in India (USD 17.9 billion) vis-a-vis the overseas financial assets of Indian residents (USD 6.7 billion) during the quarter," as per the RBI's data related to India's International Investment Position as of March-end 2021.

<https://economictimes.indiatimes.com/nri/invest/net-claims-of-non-residents-in-india-rise-to-usd-352-7-billion-in-march/articleshow/83990961.cms>

### **Govt removes import restrictions on refined palm oil till December**

The government on Wednesday removed import restrictions on refined palm oil till December 31 this year, a move that could help increase the availability of the commodity in the domestic market and bring down prices. According to a notification of the Directorate General of Foreign Trade (DGFT), "import policy" of refined bleached deodorised palm oil, and refined bleached deodorised palmolein "is amended from restricted to free with immediate effect and for a period up to December 31, 2021.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-removes-import-restrictions-on-refined-palm-oil-till-december/articleshow/83991622.cms>

### **DGTR for imposing countervailing duty on aluminium wires from Malaysia**

The commerce ministry has recommended the imposition of countervailing duty on certain types of aluminium wires from Malaysia for five years, a move aimed at guarding domestic players from imports that are subsidised by that country. The ministry's investigation arm Directorate General of Trade Remedies (DGTR) in its findings after a probe stated that imposition of definitive countervailing duty is required to offset subsidisation. "The authority recommends imposition of definitive countervailing duty...for a period of five years," DGTR said in a notification.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgtr-for-imposing-countervailing-duty-on-aluminium-wires-from-malaysia/articleshow/83982509.cms>

### **Won't accept EU vaccine certificates unless it considers Covishield, Covaxin for Green Passport, says India**

As the European Union relaxes travel restrictions under its 'Green Pass' scheme, India has asked the members of the 27-nation grouping to individually consider allowing Indians who have taken Covishield and Covaxin vaccines and want to travel to Europe, sources said. India has also conveyed to the EU member states that it will adopt a policy of reciprocity and exempt European nationals holding the 'Green Pass' from mandatory quarantine in the country provided its request to recognise Covishield and Covaxin vaccines is heeded to, they said. The sources said India has requested the EU member nations to accept the vaccination certificate issued through the CoWIN portal.

<https://economictimes.indiatimes.com/news/india/india-requests-eu-member-states-to-consider-covishield-covaxin-vaccines-under-green-passport-scheme/articleshow/83991728.cms>

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