



April 21, 2023 – Friday

Key Developments

Aadhaar authentication by pvt entities for delivering govt schemes proposed

The Information Technology Ministry on Thursday proposed rules that will allow private entities to carry out Aadhaar authentication for the delivery of benefits, services and subsidies offered by government departments. Only government ministries and departments are currently allowed to undertake Aadhaar authentication "in the interest of good governance, preventing leakage of public funds, enablement of innovation and the spread of knowledge," said a government press release.

https://www.business-standard.com/india-news/aadhaar-authentication-by-pvt-entities-for-delivering-govt-schemes-proposed-123042000455_1.html

Economy

New formal job creation in February at 21-month low, shows EPFO data

Fresh formal job creation declined sequentially for a third straight month in February to fall to a 21-month low, signaling pressure in the employment market. These are the findings from the latest payroll data released by the Employee Provident Fund Organisation (EPFO) on Thursday. The number of new monthly subscribers under the Employees' Provident Fund (EPF) declined 10 per cent sequentially to 738,052 in February from 819,659 in January. This is the lowest number of new subscribers joining the EPF, since May 2021, when only 649,618 new subscribers had subscribed to the fund. In FY23, the number of new monthly subscribers had remained above 1 million for a six consecutive month from April to September, touching a high of 1.16 million in July, 2022.

https://www.business-standard.com/economy/news/new-formal-job-creation-at-21-month-low-in-february-shows-epfo-data-123042001069_1.html

Data crucial for success of Aspirational Block Programme: Niti CEO

Niti Aayog CEO BVR Subrahmanyam on Thursday said data is crucial for the success of the Aspirational Block Programme (ADP) and stressed the need of making it visually available to help decision-making. Addressing an event here, Subrahmanyam further said through the implementation of the Aspirational Block Programme, the goal of the government is to saturate the 500 blocks, with every development initiative that the government of India is implementing. "Data is very very crucial for the success of the Aspirational Block Programme. There is a need to make data visually available to aid decision-making," he said. Earlier this year, Prime Minister Narendra Modi launched the Aspirational Block Programme on the lines of a similar exercise aimed at developing backward districts. Launched in 2018, ADP (Aspirational District Programme) aims to transform 112 districts that have shown relatively lesser progress in key social areas.

<https://economictimes.indiatimes.com/news/economy/policy/data-crucial-for-success-of-aspirational-block-programme-niti-ceo/articleshow/99647859.cms>

Government must do more to uplift poorest 20% of households: EAC-PM

The government must do more to uplift the poorest 20% of households across religions and social groups by focusing on amenities like LPG and water on-premises, the Economic Advisory Council to the PM said while noting that minorities have gained more than the majority in certain government schemes. In her paper titled 'A Secular Democracy in Practice', EAC-PM member Shamika Ravi said that the government is responsive to the needs of the marginalized section of society irrespective of religion, caste, or place of residence, which is an alternative and more robust indicator of strengthening democracy in India. The focus of the study was on the bottom 20% of households. <https://economictimes.indiatimes.com/news/economy/policy/government-must-do-more-to-uplift-poorest-20-of-households-eac-pm/articleshow/99645568.cms>

India's economic activity likely to move to a lower gear in FY24: Report

India's economic activity is expected to decline and witness a lower growth print in FY24 on the back of a buoyancy in the services sector, moderation in inflation and the consistency in public sector capital expenditure, stated a report by Acuité Ratings on Thursday. According to the report, the growth print has been on a decline with the gradual elimination of the base factor along with the weakness in the export sector and lack of strength in rural demand. "While the overall GDP growth for FY23 is estimated to be close to 7.0%, that in Q4FY23 is estimated to be around 4.0%-4.5%. Notwithstanding the heightened global risks and the impact of increased interest rates, we believe that India can post a 6.0% growth print in FY24 on the back of a buoyancy in the services sector, moderation in inflation and the consistency in public sector capital expenditure," said Suman Chowdhury, Chief Analytical Officer, Acuité Ratings.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-economic-activity-likely-to-move-to-a-lower-gear-in-fy24-report/articleshow/99640620.cms>

Banking and Finance

RBI to come up with new rules on classification of accounts as fraudulent

The Reserve Bank of India (RBI) will soon develop a set of rules that will govern the declaration of a bank account as fraudulent, a report by The Economic Times (ET) said. This comes nearly a month after the Supreme Court asked banks to hear the borrower before declaring their account as fraudulent. "Banks led by State Bank of India (SBI) are keen to put out their views to the apex court as to why a personal hearing in all these cases is not practical, but the RBI does not want to drag on the case in the Supreme Court and is preparing a new updated notification clarifying all the points raised in the court," a person aware of the matter was quoted as saying in the ET report. According to the report, the new rules will give the borrower a personal hearing before they are declared a wilful defaulter.

https://www.business-standard.com/finance/news/rbi-to-come-up-with-new-rules-on-classification-of-accounts-as-fraudulent-123042000154_1.html

Not activating counter-cyclical capital buffer, says RBI

The Reserve Bank on Thursday said it has been decided not to activate countercyclical capital buffer (CCyB) at this point as it is not required. The framework on the countercyclical capital buffer (CCyB) was put in place by the Reserve Bank of India (RBI) in terms of guidelines in February 2015 wherein, it was advised that the CCyB would be activated as and when the circumstances warranted and that the decision would normally be pre-announced. The framework envisages the credit-to-GDP gap as the main indicator, which may be used in conjunction with other supplementary indicators. "Based on the review and empirical analysis of the CCyB indicators, it has been decided that it is not necessary to activate CCyB at this point in time," the central bank said in a statement. As per the RBI, the aim of the CCyB regime is two-fold.

<https://economictimes.indiatimes.com/news/economy/policy/not-activating-counter-cyclical-capital-buffer-says-rbi/articleshow/99648424.cms>

RBI Governor to meet board members of PSU banks to address governance, ethics issues on May 22

Reserve Bank Governor Shaktikanta Das is scheduled to meet the board of directors of all public sector banks next month to discuss issues related to governance and ethics. The one-day meeting organised by the Department of Supervision of the Reserve Bank of India is to be held on May 22 in Delhi, sources said. Das will address the directors -- both whole time and independent -- on issues related to governance, ethics, and the role of the boards in assurance functionalities of the banks, besides highlighting the supervisory expectations, sources said. Besides the

governor, the RBI communication sent to all public sector banks said, deputy governors, executive directors from its Department of Regulation as well as Supervision will be attending the meeting.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-governor-to-meet-board-members-of-psu-banks-to-address-governance-ethics-issues-on-may-22/articleshow/99647391.cms>

Tier 2, 3 Indian cities saw 162% growth in loan applications in 2022: Prodigy Finance study

An increasing number of youngsters from India's Tier 2 and Tier 3 cities are aspiring to go overseas for their higher education, according to a report on study abroad insights by UK-based fintech company Prodigy Finance, which assists students in financing their overseas studies. Tier 2 & Tier 3 regions in India saw an uptick of 162% in the number of loan applications, shows the report shared with ET. Vijayawada and Lucknow contributed largely to this uptick with 185% and 91% growth, respectively.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/tier-2-3-indian-cities-saw-162-growth-in-loan-applications-in-2022-prodigy-finance-study/articleshow/99631287.cms>

GST evasion detection nearly doubles to Rs 1.01 lakh cr in FY23

GST evasion detection by tax officers almost doubled year-on-year to over Rs 1.01 lakh crore in the just concluded 2022-23 fiscal, an official said. During the last fiscal, a recovery of Rs 21,000 crore was made by the officers of the Directorate General of GST Intelligence (DGGI). The official said the government is taking steps to increase compliance and using data analytics and human intelligence to identify fraud. "DGGI officers have detected evasion to the tune of Rs 1,01,300 crore in 2022-23. Of this, recovery of Rs 21,000 crore have been made," the official told PTI. In 2021-22, DGGI, the investigative agency under the Goods and Services Tax (GST) regime, detected evasion of over Rs 54,000 crore and made a tax recovery of over Rs 21,000 crore.

<https://economictimes.indiatimes.com/news/economy/finance/gst-evasion-detection-nearly-doubles-to-rs-1-01-lakh-cr-in-fy23/articleshow/99637667.cms>

Industry

Production of green steel by companies may be made mandatory: Jyotiraditya Scindia

The government may consider making it mandatory for local steelmakers to dedicate a portion of their output to green steel, Union steel minister Jyotiraditya Scindia said on Wednesday. The government will also ensure that it uses this green steel in government projects, he said, speaking at the India Steel 2023 conference. "We are taking appropriate steps to make the steel sector more green and sustainable. The government believes in zero-waste, zero-harm policy and gradual decarbonisation is essential for our sector," Scindia said, adding that recycling has to become a part of the process of the steel industry.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steelmakers-may-be-mandated-to-devote-part-of-capacity-for-green-steel-manufacturing-scindia/articleshow/99620074.cms>

Digital gold demand likely to go up on Akshaya Tritiya

Digital gold demand is likely to go up on Akshaya Tritiya, which falls on Saturday, as prices of gold have crossed 60,000 per 10 gm, making it difficult for consumers to buy gold jewellery in the physical form. Jewellery has seen a lukewarm response from consumers over the past few weeks, which is unusual ahead of Akshaya Tritiya. In the cash market, gold was trading at Rs 60,517 per 10 gm on Thursday, Rs 596 per 10 gm higher than on the previous day, excluding the 3% goods and services tax. "Gold accumulation through small-ticket purchases through digital gold buying platforms is likely to see faster growth this Akshaya Tritiya," said Somasundaram PR, regional CEO, India, World Gold Council. "Recent tax changes have put gold funds at a tax disadvantage which could offer an unintended advantage to digital gold buying. However, given the strong cultural connect, any short-term softening of price could mean an Akshaya Tritiya surprise for jewellery demand."

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/digital-gold-demand-likely-to-go-up-on-akshaya-tritiya/articleshow/99646805.cms>

Consumer electronics, technology products sale to grow this year: Research

Sales of consumer electronics and technology products will grow this year in the Asia Pacific market backed by reduction in inflation, value seeking consumers and markets like India, as per a latest report by industry researcher

GfK. "India and Southeast Asian markets, particularly Malaysia, Indonesia and Vietnam, continue to demonstrate opportunities with stronger growth, continuing the momentum from loosening lockdown restrictions. Additionally, overall sales of technical consumer goods are declining across most regions except for Emerging Asia recording year-on-year growth for five consecutive quarters." said Mukund Tripathi, head of market intelligence (APAC) at GfK.

<https://economictimes.indiatimes.com/industry/cons-products/durables/consumer-electronics-technology-products-sale-to-grow-this-year-research/articleshow/99642457.cms>

FSSAI examining thousands of responses on the proposed health star rating norms for food products

The Food Safety and Standards Authority of India (FSSAI) is in the process of examining thousands of responses from various stakeholders that it has received on the proposed health star ratings regulations on the front of the packet of packaged food products. The latest controversy over brand Bournvita has triggered a larger health debate on social media. It has also brought the spotlight on the proposed health star rating (HSR) regulations. A senior FSSAI official said, "We have received more than 12,000 responses and comments from various stakeholders. These responses have been sent to a scientific panel, which is examining it."

<https://www.thehindubusinessline.com/economy/fssai-examining-thousands-of-responses-on-the-proposed-health-star-rating-norms-for-food-products/article66759806.ece>

Agriculture

NITI Aayog suggests states to formulate specific AgriTech policy to promote start-ups

NITI Aayog has suggested states formulate their specific AgriTech policy to promote agriculture-based start-ups while enabling digitalisation of licensing regime, ensuring access of quality data and last mile connectivity to such start-ups to expand operations. In its white paper on 'Gearing Up To Solve Food Security Challenges', the Aayog said that the agritech solutions available in the market are making the lives of smallholders better by improving access to quality input, access to market, reducing risks, access to information, and a host of other products and services, resulting in improved productivity and price realisation. "Still, the agritech start-ups are not scaling up as fast as the start-ups in other sectors as they face challenges regarding access to quality data, regulations and the absence of agriculture-related infrastructure," it said.

<https://economictimes.indiatimes.com/news/economy/agriculture/niti-aayog-suggests-states-to-formulate-specific-agritech-policy-to-promote-start-ups/articleshow/99642164.cms>

Wheat procurement tops 11 million tonnes, up 12% as grains pile up

Wheat procurement in the current season was 11.14 million tonnes (mt) as of April 19, up by 12 per cent from 9.98 mt in the corresponding period last year as higher purchases were recorded in Madhya Pradesh, Haryana and Uttar Pradesh. The procurement in Punjab, the largest contributor to central pool stock, is lower so far, which may pick up after cover and plinth (CAP) storage has been allowed. Nearly 12 lakh farmers have benefitted so far from the ongoing procurement season that started on April 1, with the expected outflow of ₹23,663.63 crore at the minimum support price (MSP) of ₹2,125/quintal.

<https://www.thehindubusinessline.com/economy/agri-business/wheat-procurement-tops-11-million-tonnes-up-12-as-grains-pile-up/article66760488.ece>

Infrastructure

UDAN 5.0 all set for takeoff with major changes

The Ministry of Civil Aviation (MoCA) is preparing to launch UDAN 5.0, with a focus on heliports, sea aerodromes and regional airports, in the next few weeks, said ministry sources. The new round will also recalibrate old, unoperational routes and also introduce new routes. Additionally, the rules of UDAN (Ude Desh ka Aam Nagrik) are set to be revamped to define the role of exclusivity in certain routes, after concerns were raised by industry players.

<https://www.thehindubusinessline.com/economy/logistics/udan-50-set-to-be-launched-in-the-next-few-weeks-with-major-changes/article66760429.ece>

India signs deals with EU for cooperation in aviation safety, air traffic control

The Directorate General of Civil Aviation (DGCA) on Thursday signed a memorandum of understanding with the European Union Aviation Safety Agency (EASA) for cooperation in aviation safety. The agreement was signed on the first day of the EU-India Aviation Summit here where the Airport Authority of India also signed a declaration of intent with Eurocontrol, a pan-European, civil-military organisation dedicated to supporting European aviation. While the MoU between DGCA and EASA will focus on collaboration at regulatory level and safety level, the declaration of intent between AAI and Eurocontrol will be focused on the area of air traffic control. Aviation Minister Jyotiraditya Scindia said India and EU share historical relations and invited industry players from EU to become a part of the fastest growing aviation market in the world.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/india-signs-deals-with-eu-for-cooperation-in-aviation-safety-air-traffic-control/articleshow/99646828.cms>

Delhi airport's new terminal, fourth runway to be operational in September: Aviation secretary

Delhi airport's new terminal and the fourth runway will become operational in September, Aviation Secretary Rajiv Bansal said on Thursday. The Indira Gandhi International Airport will become the only Indian airport to have four runways. "September 2023 will be witness to Delhi airport getting a new terminal and the fourth runway becoming operational. The Indian aviation sector is growing rapidly and we are preparing for better infrastructure and better connectivity with a renewed focus on innovation," he said. The aviation secretary made the comments at the EU-India Aviation Summit, which began here on Thursday.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/delhi-airports-new-terminal-fourth-runway-to-be-operational-in-september-aviation-secretary/articleshow/99642915.cms>

121 airports to be made carbon neutral by 2025, says Jyotiraditya Scindia

Twenty-five airports in the country are using 100 per cent green energy while another 121 airports will be made carbon neutral by 2025, Union Aviation Minister Jyotiraditya Scindia said on Thursday. The emission contribution of the aviation industry has been under immense scrutiny. We have taken several measures to minimise the carbon footprint and mitigate emissions from the aviation industry," he said, asserting that India and the European Union have a common goal of tackling climate change. "We are encouraging airports to use 100 per cent green energy by 2024, and achieve net zero by 2030. 25 AAI airports are already using 100 per cent green energy. Our target is to make another 121 airports carbon neutral by 2025," he added.

https://www.business-standard.com/india-news/121-airports-to-be-made-carbon-neutral-by-2025-says-jyotiraditya-scindia-123042000665_1.html

Energy

Domestic natural gas consumption falls 5.9% in March from a year earlier

Domestic natural gas consumption fell 5.9% in March from a year earlier after rising for two straight months, aided by a sharp drop in imports and signalling that the drop in international prices in recent months was probably not enough to lift local demand. The gas consumption fell to 5.12 billion cubic meters (bcm) in March, according to the oil ministry data. India's import of liquefied natural gas (LNG) slid 15.2% year-on-year to 2.23 bcm in March. For the full year 2022-23, the domestic consumption and imports fell 6% and 14.1% respectively.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/domestic-natural-gas-consumption-falls-5-9-in-march-from-a-year-earlier/articleshow/99643334.cms>

LPG Revolution: 17 crore new connections double customer base in 9 years

A record 17 crore new LPG connections helped double the cooking gas consumer base to 31.26 crore in the last 9 years, ushering in clean fuel in millions of households across the country, official data showed on Thursday. The active domestic LPG consumers have increased from 14.52 crore in April 2014 to 31.36 crore as of March 2023. This significant increase was primarily due to the Pradhan Mantri Ujjwala Yojana (PMUY), which has led to an increase in LPG coverage from just 62 per cent in 2016 to a whopping 104.1 per cent in 2022. From a period when there was a waiting period to get a new LPG connection, and it would take 7-10 days for delivery of an LPG refill cylinder, cooking gas connections are now available on demand, and refills can be availed partially within 24 hours at most places.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/lpg-revolution-17-crore-new-connections-double-customer-base-in-9-years/articleshow/99641712.cms>

India needs to install 30 GW solar capacity annually to meet 280 GW target by 2030: Mercom CEO

India will require to add 30 gigawatt (GW) of solar energy capacity annually to meet the 280 GW solar capacity installation target by 2030, according to US-based Mercom Capital. Sharing his outlook, Mercom Capital CEO Raj Prabhu said, "The outlook is very positive on the back of various steps taken by the government to help and support the domestic renewable energy sector".The government launched production-linked incentive programmes, renewable manufacturing zones and a few other initiatives to make India Atmanirbhar in this area. However, policy certainty and timely implementation of these programmes are critical for achieving the government's goal of self-reliance in renewable energy, he noted.

<https://economictimes.indiatimes.com/industry/renewables/india-needs-to-install-30-gw-solar-capacity-annually-to-meet-280-gw-target-by-2030-mercom-ceo/articleshow/99642988.cms>

External

India's merchandise exports may cross USD 500 bn this fiscal: Exporters

The country's merchandise exports are likely to cross USD 500 billion this fiscal due to healthy demand for domestic goods in key global markets, including the US, and benefits from trade pacts, according to exporters. They said that other destinations like Russia would give a huge boost to the country's outbound shipments, particularly in the agri and food processing sectors. Federation of Indian Export Organisations (FIEO) said they are targeting to take the shipments to USD 500 billion-510 billion during the current financial year. Services exports are likely to reach around USD 390 billion in 2023-24 from USD 322.72 billion in 2022-23. "Together with goods and services, we are targeting expo

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-merchandise-exports-may-cross-usd-500-bn-this-fiscal-exporters/articleshow/99646016.cms>

Finance ministry imposes anti-dumping duty on luxury vinyl tiles from China, Taiwan

The centre on Thursday imposed a definitive anti-dumping duty of \$2.05 per square metre on luxury vinyl tiles imports from China and \$1.44 per square metre on imports from Taiwan based on the recommendations of the Commerce Ministry. The anti-dumping duty would be valid for five years, said a notification by the Central Board of Indirect Taxes and Customs(CBIC). The anti-dumping duty will be on "Vinyl Tiles other than in roll or sheet form" having minimum tile thickness of 2.5 mm and a maximum tile thickness of 8 mm. In the commercial parlance it will include luxury vinyl tiles, luxury vinyl flooring, stone plastic composite, SPC, PVC flooring tiles, PVC tiles, rigid vinyl tiles or rigid vinyl flooring, the CBIC Notification said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/finance-ministry-imposes-anti-dumping-duty-on-luxury-vinyl-tiles-from-china-taiwan/articleshow/99644247.cms>

EU carbon tax: Govt to carry out sectoral analysis to see how CBAM will affect Indian industry

The government will carry out a sectoral analysis to see how the European Union's (EU's) proposed carbon border adjustment mechanism (CBAM), that will start unrolling from October this year, is set to affect the Indian industry and will take action if it proves to be a non-tariff barrier for some products, an official source has said. "There is a possibility that different sectors may be affected differently by CBAM. The Commerce Ministry will carry out a sector-by-sector analysis to find out the impact on individual sectors. This is important to take targetted action," a source tracking the matter told businessline.

<https://www.thehindubusinessline.com/economy/eu-carbon-tax-govt-to-carry-out-sectoral-analysis-to-see-how-cbam-will-affect-indian-industry/article66760124.ece>

At \$1.94 billion, India's pulses imports decline by 12.75% in FY23

After registering growth for four consecutive years, India's pulses imports in terms of the rupee declined by around 5 per cent during the 2022-23 fiscal. As per the Commerce Ministry's quick estimates of major commodities, the value of pulses imported stood at ₹15,780.73 crore during FY23 compared with ₹16,627.58 crore in FY22. In terms of dollar, pulses imports were down by 12.79 per cent at \$1.94 billion against \$2.22 billion.

<https://www.thehindubusinessline.com/economy/agri-business/at-194-billion-indias-pulses-imports-decline-by-1275-in-fy23/article66760312.ece>