



June 05, 2023 – Monday

Economy

E-way bill generation rises in May to 8.82-cr, could result in better GST collection in June

E-way bill generation has improved in May to 8.82 crore from 8.44 crore in April indicating more movement of goods. The first indication about higher movement of goods was reflected in PMI (Purchasing Managers' Index) manufacturing which surged to a 31-month high of 58.7 in May.

<https://www.thehindubusinessline.com/economy/e-way-bill-generation-rises-in-may-to-882-cr-could-result-in-better-gst-collection-in-june/article66927893.ece>

IMD strikes optimistic note even as monsoon 2023 misses its date with Kerala

Monsoon 2023 seems to have missed its date with Kerala. On Sunday, the India Meteorological Department (IMD) said it anticipated a further delay of three to four days for rains to begin. "Conditions (are) becoming favourable with the increase in westerly winds over the south Arabian Sea. Also, the depth of westerly winds is gradually increasing and today, June 4, the depth of westerlies has reached up to 2.1 kilometres above the mean sea level," the IMD statement read.

<https://economictimes.indiatimes.com/news/economy/agriculture/imd-strikes-optimistic-note-even-as-monsoon-2023-misses-its-date-with-kerala/articleshow/100746905.cms>

Invest India to set up desks in all states to promote investment: Goyal

Officials of the Directorate General of Foreign Trade would be shifted to 'Invest India', which will set up trade and investment desks in each state of the country, Union Minister Piyush Goyal said here on Friday. These desks will promote investments and exports, he said, adding that work of the DGFT will be moved online so that no one will need to visit offices. Interacting with industry captains in Panaji in presence of Goa Chief Minister Pramod Sawant, the Union Minister for Commerce and Industry said Invest India, which was helping foreign investors, will now also help domestic investors. "They (Invest India) will encourage more investment and also partnerships between the industries. They will also do match making," Goyal said.

https://www.business-standard.com/india-news/invest-india-to-set-up-desks-in-all-states-to-promote-investment-goyal-123060201156_1.html

Banking and Finance

RBI announces draft cyber security norms for payment system operators

In a move to ensure safety and security of digital payments amid emerging cyber risks, the Reserve Bank of India (RBI) announced draft regulations for payment system operators (PSOs). It proposed that such norms would be implemented from April 1, 2024, for large non-bank-PSOs. For medium-sized non-bank PSOs, the deadline for implementing the regulation will be April 1, 2026, and for smaller ones, it's April 1, 2028. The draft directions issued by the regulator covers robust governance mechanisms for identification, assessment, monitoring, and management of cyber security risks.

https://www.business-standard.com/finance/news/rbi-announces-draft-cyber-security-norms-for-payment-system-operators-123060201046_1.html

Increase in ransomware cases in banks, RBI tells Parliamentary panel

There has been an increase in ransomware cases in banks, and data exfiltrated from such attacks and made available in dark webs pose serious concerns, the Reserve Bank of India (RBI) has informed a parliamentary panel. However, restoration of services after ransomware attacks does not get affected in banks because they have offline backups, the central bank told the Parliamentary Standing Committee on Finance. "There has been an increase in the number of instances of ransomware cases across critical sectors," the RBI informed the committee chaired by former minister of state for finance Jayant Sinha. "In the instances seen in entities regulated by RBI (especially banks), while the restoration of services was not seen as a major concern, with the availability of offline backups and their regular restoration testing, the data exfiltrated and made available in dark webs pose serious concerns," it said.

<https://economictimes.indiatimes.com/news/india/increase-in-ransomware-cases-in-banks-rbi-tells-parliamentary-panel/articleshow/100749527.cms>

MPC meeting: RBI may hit rate pause button again this week

The government is reviewing the continuation of a key export scheme, Export Promotion Capital Goods (EPCG), launched in the 1990s, that allows exporters to import certain capital goods used in manufacturing without paying duty. The commerce department is examining whether the scheme found to be inconsistent with the rules of the World Trade Organization is still needed or can be discontinued. "There is a thought in certain sections of the government that the EPCG scheme is not supporting the growth of the domestic capital goods industry and should be discontinued," said a government official, who did not wish to be identified.

<https://economictimes.indiatimes.com/news/economy/policy/continuation-of-epcg-scheme-under-review/articleshow/89395179.cms>

Private banks register higher growth in deposits vs PSBs; rise 9.6% YoY

Public sector banks (PSBs) continue to get more money as deposits from their customers, however, it is the private sector banks that have registered a greater growth rate in deposits in the financial year 2022-23 (FY23), a Financial Express (FE) report said. The largest PSBs of the country -- State Bank of India, Punjab National Bank, Bank of Baroda, Canara Bank, and Union Bank of India -- registered a cumulative deposit of Rs 8.43 trillion in FY23. Among these banks, SBI had the highest growth in terms of deposits which stood at Rs 3.72 trillion.

https://www.business-standard.com/industry/banking/private-banks-register-higher-growth-in-deposits-vs-psbs-rise-9-6-yoy-123060200235_1.html

Average time taken for issuing I-T refunds reduced to 16 days in FY23: CBDT

Average time taken for issuing refunds by the income tax department has been brought down "significantly" and 80 per cent of refunds were issued in the first 30 days of filing of returns during the 2022-23 fiscal, CBDT Chairman Nitin Gupta has said. The chief of the Central Board of Direct Taxes (CBDT) said the work of processing Income Tax Returns (ITRs) has been "expedited" as the tax department is leveraging technology in a big way and was working to ensure 'ease of doing business' for the taxpayers by promoting voluntary compliance.

https://www.business-standard.com/economy/news/average-time-taken-for-issuing-i-t-refunds-reduced-to-16-days-in-fy23-cbd-123060200783_1.html

Industry

Consumer goods orders swell as brands bet big on festive season

Consumer goods companies across sectors are placing over 10% higher orders to manufacturers for the upcoming festive season compared to last year, signalling they are gung-ho about a revival in consumer spending by then, industry executives said. Most companies undertake their festive season stock planning in May-June and place orders so that production can commence in June. "I feel in the forthcoming quarters...in a month or two, things are going to look up significantly," said Atul Lall, managing director of Dixon Technologies India, one of the largest electronic products contract manufacturers. Order book for mobile phones "is very, very healthy" with a large order from Motorola, there are healthy orders from Airtel for telecom devices, and "very, very good" orders for hearables and wearables with one client going to double capacities, Lall said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/consumer-goods-orders-swell-as-brands-bet-big-on-festive-season/articleshow/100752494.cms>

Passenger vehicle segment growth may moderate to 5-7% this fiscal: Tata Motors

Tata Motors expects the passenger vehicle industry growth to moderate to 5-7% in the current financial year as compared with 27% sales growth in the last financial year with dip in pent-up demand, according to a top company executive. In order to sustain growth, the auto major is looking to introduce new products including CNG and electric models, while bolstering its existing range with new interventions. In an analyst call, Tata Motors managing director, passenger vehicle and electric vehicles, Shailesh Chandra noted that pent-up demand in the passenger vehicle segment has now clearly gone down, barring certain new launches in a few popular sports utility vehicle segments. He noted that due to pent-up demand and low inventory levels last fiscal, the industry reported a steep growth of 27% year on year as compared with FY22.

<https://economictimes.indiatimes.com/industry/auto/cars-uvs/pv-segment-growth-may-moderate-to-5-7-this-fiscal-tata-motors/articleshow/100749650.cms>

Luxury car makers mull price as input costs rise

With rising input costs and fluctuations in forex, luxury cars could see another vehicle price hike in the Indian automobile industry. Luxury carmakers in the country recently undertook a price hike after the increase in import duties of 70 per cent in taxation up from 60 per cent on vehicles brought to the country as completely built units which were announced in the Union Budget. "We might have to take another price increase as we go ahead in a couple of months. We took a price increase in January and on some models from May 1 after the changes in the Budget," said Balbir Singh Dhillon, Head of Audi India. The German manufacturer a part of the Volkswagen Group, registered a revenue climb of 18.2 per cent to €16,883 (Q1 2022: 14,282) million with the all-electric Audi Q4 e-tron and Audi e-tron GT quattro1 as well as the Audi Q5 and Audi Q7 being the main contributors to the increase.

<https://www.thehindubusinessline.com/companies/luxury-car-makers-mull-price-as-input-costs-rise/article66930790.ece>

Agriculture

Govt imposes stock limits on tur, urad dal till October to check hoarding

The government on Friday imposed stock limits on tur and urad dals held by wholesalers, retailers, importers and millers till October to prevent hoarding and check price rise. An order in this regard was issued with immediate effect by the Union Food and Consumer Affairs Ministry. All India average retail price of tur has increased by 19 per cent to 122.68 per kg on June 2, from 103.25 per kg a year ago. Similarly, the average retail price of urad has increased by 5.26 per cent to Rs 110.58 per kg from Rs 105.05 in the said period, as per the data maintained by the ministry. "Under this order, stock limits have been prescribed for tur and urad until 31st October 2023 for all States and Union Territories," Consumer Affairs Secretary Rohit Kumar Singh told PTI.

https://www.business-standard.com/india-news/govt-imposes-stock-limits-on-tur-urad-dal-till-october-to-check-hoarding-123060201113_1.html

India mulls issuing green ammonia tender to curb fertilizer emissions

India is studying plans to issue a tender for about half a million tons of green ammonia to spur emissions reduction in hard-to-decarbonize sectors like fertilizer production. Talks are taking place between fertilizer manufacturers and the country's renewable energy ministry to assess potential demand for the feedstock, Bhupinder Singh Bhalla, the department's top bureaucrat, said in an interview. Successful bidders would be offered incentives to help drive down costs of clean ammonia, which is produced using emissions-free green hydrogen and can be an alternative to natural gas for fertilizer firms.

https://www.business-standard.com/india-news/india-mulls-issuing-green-ammonia-tender-to-curb-fertilizer-emissions-123060200521_1.html

Tea producers call for all stakeholders to ensure industry's resilience and growth

The Tea Association of India (TAI), representing tea producers in Assam & West Bengal felt that adverse climate conditions, subdued international and domestic markets, and their profound impact on the industry call for

collective action and collaboration from all stakeholders to ensure its resilience and growth. The tea industry in Assam and North Bengal is grappling with the detrimental effects of climate change. Erratic weather patterns, extreme temperatures, and insufficient rainfall have severely affected both the quantity and quality of tea production. The changing climate poses significant challenges to the sustainability and productivity of tea gardens, necessitating immediate measures to adapt and mitigate its impact.

<https://economictimes.indiatimes.com/news/economy/agriculture/tea-producers-call-for-all-stakeholders-to-ensure-industrys-resilience-and-growth/articleshow/100747758.cms>

Infrastructure

Will increase passenger capacity on railways by 3 billion: Vaishnav

After a ministry-wide Chintan Shivir held over two days, Union Railways Minister Ashwini Vaishnav on Thursday said an action plan was in the works to augment passenger traffic on Indian Railways to 11 billion travellers a year. Current capacity of the railway network was 8 billion, but the demand was for an additional 3 billion, Vaishnav said, adding that the Centre's aim was to eliminate waiting tickets in rail travel. "Productive discussions were held on how to bring half of the rail network (30,000 route kilometres) on a sectional speed of 160-180 km per hour (kph)," Vaishnav said.

https://www.business-standard.com/economy/news/will-increase-passenger-capacity-on-railways-by-3-billion-vaishnav-123060201075_1.html

379 infra projects show cost overruns of Rs 4.64 lakh crore in April

379 out of 800 Rs 150 crore and above project was delayed, said Ministry of Statistics and Programme Implementation. According to the ministry, the 379 infrastructure project each entailing an investment of Rs 150 crore or more, have been hit by cost overruns of more than Rs 4.64 lakh crore in April 2023. "Total original cost of implementation of the 1,605 projects was Rs 22,85,674.25 crore and their anticipated completion cost is likely to be Rs 27,50,591.38 crore, which reflects overall cost overruns of Rs 4,64,917.13 crore (20.34 per cent of original cost)," the ministry's latest report for April 2023 said.

<https://economictimes.indiatimes.com/news/economy/infrastructure/379-infra-projects-show-cost-overruns-of-rs-4-64-lakh-crore-in-april/articleshow/100739926.cms>

Energy

Law may be updated for adequate oil assets compensation

The government is considering reforming the law governing the petroleum sector to protect investors against the expropriation of their assets, a measure that would directly address a key concern raised by energy giant ExxonMobil. The oil ministry has drawn up a proposal, which would entitle investors to reasonable compensation if the government expropriated their assets, according to people familiar with the matter. The oil ministry has completed consultations with the law, finance and other ministries on the matter, they said, adding that the proposal may soon be presented to the Cabinet. After the Cabinet's approval, the proposal may be introduced in Parliament.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/law-may-be-updated-for-adequate-oil-assets-compensation/articleshow/100749263.cms>

Telecom

Develop consent-driven anti spam tech within 2 months: TRAI to telcos

In the latest effort to curb pesky calls and messages, the Telecom Regulatory Authority of India (Trai) has directed telecom companies to develop new Digital content authorisation (DCA) facilities within 2 months. The DCA will be a unified platform to seek, maintain and revoke the consent given by customers towards receiving commercial communication from businesses. The sector regulator has directed telecom companies such as Reliance Jio, Bharti Airtel, Vodafone Idea, and BSNL, to develop and deploy DCA as a priority, officials said. Given the sheer volume of complaints against incessant promo calls and texts sent by businesses, the deadline will not be extended, they added.

https://www.business-standard.com/companies/news/develop-consent-driven-anti-spam-tech-within-2-months-trai-to-telcos-123060400329_1.html

States

Sanchi will soon be declared as the first solar city of Madhya Pradesh

Sanchi, the Unesco world heritage site in Raisen district known for Buddhist stupas, will soon be declared as the first solar city of Madhya Pradesh. "The work of developing Sanchi as a solar city is complete. We are not just talking about renewable energy projects, we are also executing them on ground," Principal Secretary (energy and renewable energy) Sanjay Dubey said. Sanchi sits on the Tropic of Cancer, which makes it ideal for soaking in the sun's energy. The plan includes rooftop solar panels, solar parks, and wind energy, among other projects. Two solar stations of 5 megawatt (Mw) and 3 Mw capacity are established in the town. According to the MP Urja Vikas Nigam, the nodal agency for the implementation of the project, the town needs around 3 million units of energy per year and arrangements are being made to generate 5.6 million units annually.

The maximum cost of building the solar city has come from the corporate social responsibility fund of the state-owned energy sector.

https://www.business-standard.com/india-news/sanchi-will-soon-be-declared-as-the-first-solar-city-of-madhya-pradesh-123060201203_1.html

Remote sensing & aerial survey in southern Bihar to identify magnetite-bearing rocks & ultramafic rocks

The Bihar government has decided to sign an MoU with Geological Survey of India for conducting remote sensing and aerial survey of the southern part of the state to identify magnetic anomaly on the surface representing the presence of rocks having a higher content of ferrous and ferromagnesian minerals, an official said. "Approval has already been given for the signing of the MoU between Department of Mines and Geology (DMG) and RSAS-GSI. Now the MoU is being finalised. Once the MoU is signed, the final outcome of the studies/survey will be available within a year for further action," Additional Chief Secretary-cum Mines Commissioner, Harjot Kaur Bamrah told PTI on Sunday.

<https://economictimes.indiatimes.com/news/india/remote-sensing-aerial-survey-in-southern-bihar-to-identify-magnetite-bearing-rocks-ultramafic-rocks/articleshow/100749532.cms>

Healthcare

Centre bans 14 more fixed dose combination drugs on expert recommendation

The Centre has banned 14 fixed-dose combination (FDC) drugs in India upon the recommendation of an expert committee which said that there is no 'therapeutic justification' for these medicines. "Hence in the larger public interest, it is necessary to prohibit the manufacture, sale or distribution of these FDC under section 26A of the Drugs and Cosmetics Act, 1940," a notification by the Health Ministry said. One of the key FDCs banned by the Centre includes a commonly used medication – Nimesulide and paracetamol combination – which is used to relieve pain and fever. Certain antibiotic FDCs have also been prohibited – for example amoxicillin and bromhexine combination which is used to treat respiratory tract infections.

https://www.business-standard.com/health/centre-bans-14-more-fixed-dose-combination-drugs-on-experts-recommendation-123060400226_1.html

External

Govt permits import of pet coke as raw material for lithium-ion batteries

The government on Friday permitted the import of pet coke for making graphite anode material for lithium-ion batteries as a feedstock and not for any other purposes. Import of pet coke for fuel purposes is completely banned. "Import of needle pet coke (NPC) is 'free' for making graphite anode material for Li-ion battery as feedstock/raw material and not for any other purposes, including use as fuel or for trade," the directorate general of foreign trade said in a notification. Lithium-ion batteries are used in electric vehicles.

https://www.business-standard.com/economy/news/govt-permits-import-of-pet-coke-as-raw-material-for-lithium-ion-batteries-123060200960_1.html

WTO flags poor utilisation of India scheme for least developed countries

About 85 per cent of about 11,000 products offered at zero tariff by India to least developed countries (LDCs) under the duty-free quota free (DFQF) scheme of the World Trade Organisation (WTO) remains unutilised, according to a report by the LDC Group at the multilateral trade body. The decision to provide duty free quota free (DFQF) access for LDCs was first taken at the WTO Hong Kong Ministerial Meeting in 2005. The decision requires all developed and developing country members declaring themselves in a position to do so, to provide preferential market access for all products originating from all LDCs.

https://www.business-standard.com/economy/news/wto-highlights-poor-utilisation-of-india-s-preferential-scheme-for-ldcs-123060200896_1.html

India-EU brainstorm to explore connectivity projects in NE states & with Bangladesh, Nepal & Bhutan

India's Ministry of External Affairs, the EU Delegation to India, and leading think tank Asian Confluence jointly organized the India – EU Connectivity Conference in Meghalaya on 01 – 02 June to explore connectivity investments and identify concrete projects in India's North Eastern States and with India's neighbours (Nepal, Bhutan and Bangladesh), for implementation under the India – EU Connectivity Partnership, which was launched during the India – EU leaders Meet in May 2021. The Conference was inaugurated by Conrad Kongkal Sangma, Chief Minister of Meghalaya, and Dr. Rajkumar Ranjan Singh, Minister of State for External Affairs (MoS) on 01 June. In his address, MoS stressed the importance placed by the Govt. of India on Connectivity initiatives, both within the country, and as part of India's Development Partnership abroad. MoS further highlighted the tremendous opportunities for India – EU Triangular Development Cooperation in South Asia and the Indo – Pacific.

<https://economictimes.indiatimes.com/news/india/india-eu-brainstorm-to-explore-connectivity-projects-in-ne-states-with-bangladesh-nepal-bhutan/articleshow/100752840.cms>

G20 meeting on Int'l Financial Architecture to start on June 5 in Goa

The third meeting of the International Financial Architecture Working Group (IFAWG) of G20 will be held in Goa between June 5 to 7, an official said on Sunday. He said the meeting will explore ways to improve the international financial architecture and address the pressing issues faced by the global economy. The IFAWG is one of the important work streams under the G20 Finance Track with a focus on strengthening international financial architecture.

https://www.business-standard.com/india-news/g20-meeting-on-int-l-financial-architecture-to-start-on-june-5-in-go-123060400635_1.html

FPIs investment hit 9-month high in May on strong domestic macro-outlook

Foreign Portfolio Investors (FPIs) pumped in Rs 43,838 crore in Indian equities in May, the highest level in nine months, supported by strong macroeconomic fundamentals, and reasonable valuations. FPIs continued the buying stance in June too, and invested Rs 6,490 crore in just two trading sessions of the month, data with the repositories showed. VK Vijayakumar, Chief Investment Strategist at Geojit Financial Services, said that inflow by FPIs will continue in the current month since the latest GDP data and high-frequency indicators reflect a robust economy gaining further strength. According to the data, FPIs invested a net sum of Rs 43,838 crore in the Indian equities in the entire month of May.

https://www.business-standard.com/economy/news/fpis-investment-hit-9-month-high-in-may-on-strong-domestic-macro-outlook-123060400229_1.html