



June 21, 2023 – Wednesday

## Economy

### Retail inflation for farm, rural workers eases in May

Retail inflation for farm workers and rural labourers eased to 5.99 per cent and 5.84 per cent, respectively, in May. Point-to-point rate of inflation based on the CPI-AL (consumer price index-agricultural labourers and CPI-RL (rural labourers) stood at 6.50 per cent and 6.52 per cent respectively in April 2023 and 6.67 per cent and 7.00 per cent respectively during the corresponding month (May 2022) of the previous year, a labour bureau statement said. <https://www.financialexpress.com/economy/retail-inflation-for-farm-rural-workers-eases-in-may/3134619/>

### Intense El Nino may push inflation up by 15-20 bps: Experts

Though few fear a moderate rain deficit to impact inflation, an intense El Nino that severely disrupts the monsoon could push inflation up by 15-20 basis points by boosting food prices. Food items have 39.06% weight in India's Consumer Price Index (CPI), the price gauge for the Reserve Bank of India. <https://economictimes.indiatimes.com/news/economy/indicators/intense-el-nino-may-push-inflation-up-by-15-20-bps-experts/articleshow/101144150.cms>

### 88% MSME say GST reduced cost of goods and services, optimised supply chain

About 88% of Micro, Medium and Small Enterprises say that implementation of Goods and Services tax (GST) has reduced cost of both goods and services and has optimized supply chains, says a latest survey by Deloitte. About 80% of the businesses say that the GST law requires additional reforms including removing Input tax credit restrictions and introducing an amnesty scheme, for resolving existing tax disputes that had tied up business capital and government revenue. <https://economictimes.indiatimes.com/news/economy/indicators/88-msme-say-gst-reduced-cost-of-goods-and-services-optimised-supply-chain/articleshow/101142584.cms>

## Banking and Finance

### NaBFID expects loan disbursements to reach ₹60,000 cr in FY24

The National Bank for Financing Infrastructure Development (NaBFID) expects to end FY24 with final loan sanctions of ₹1 lakh crore and disbursements of close to ₹60,000 crore, according to MD and CEO Rajkiran Rai. The development finance institution, which made its first loan disbursement in December 2022, has so far disbursed about ₹15,000 crore to projects mostly in the road and energy (primarily renewable energy and transmission projects) sectors, he said. "Our in-principle sanctions are at about ₹55,000 crore. Final sanctions, as of today, are at around ₹25,000 crore. Out of this, close to ₹15,000 crore has been disbursed," Rai said. The NaBFID chief observed that the DFI is also examining a few proposals in the solar and wind energy segments, city gas distribution, data centres, and telecom towers, as well as multi-modal transport projects that are coming up and will absorb a lot of investment. "With the economic activity picking up, ports should also see further developments," he said. <https://www.thehindubusinessline.com/money-and-banking/nabfid-expects-loan-disbursements-to-reach-60000-cr-in-fy24/article66990224.ece>

### **Asset monetisation plans for FY24 ready: Centre banks on roads, mines to meet Rs 1.8 trn goal**

The Centre has drawn up a plan to meet the asset monetisation target of Rs 1.8 trillion for the current fiscal, with a robust pipeline of brownfield assets in roads, mining, power, petroleum and ports. The public sector asset monetisation unlocked capital worth Rs 97,000 crore, 110% of the annual target. The achievement through accruals and private investment was Rs 1.32 trillion in FY23, which was 81% of the annual target of Rs 1.62 trillion. "Monetisation is in its third year and there is a lot of clarity among the agencies in terms of what to do. There is no question of any shortfall this year," a senior official told FE.

<https://www.financialexpress.com/economy/asset-monetisation-plans-for-fy24-ready-centre-banks-on-roads-mines-to-meet-rs-1-8-trn-goal/3134621/>

### **Govt issues draft Motor Third Party Premium and Liability Rules for FY24**

The government on Tuesday proposed new base premium rates for third-party motor insurance for different categories of vehicles, including two-wheelers, passenger cars and commercial vehicles, for 2023-24 fiscal. As per a draft notification issued by the Ministry of Road Transport and Highways (MoRTH), the base premium rates for Motor Third Party Insurance Cover have been proposed at Rs 2,094 for private cars below 1,000 cc, Rs 3,416 for cars (between 1000-1500 cc) and Rs 7,897 for cars exceeding 1500 cc. The draft Motor Third Party Premium and Liability Rules for the Financial Year (FY) 2023-24 has been prepared in consultation with Insurance Regulatory and Development Authority of India (IRDAI), the ministry said.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/govt-issues-draft-motor-third-party-premium-and-liability-rules-for-fy24/articleshow/101140275.cms>

### **Cyber insurance cover cost soars up to 60% with rise in attacks**

Cyber insurance premiums have surged 50-60% in the past year as reinsurance rates have gone up amid a global increase in cyberattacks and ransomware incidents. To cope with these soaring costs, companies are adopting measures such as reducing coverage capacity or increasing deductibles to maintain affordable premiums.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/cyber-cover-cost-soars-up-to-60-with-rise-in-attacks/articleshow/101144162.cms>

## **Industry**

### **Cement prices likely to drop by 1-3% despite healthy demand: Crisil**

The cement prices are likely to drop down by 1-3 percent in the current fiscal, despite healthy demand, according to a Crisil report, the Livemint reported. This decline in cement prices comes after a compound annual growth rate (CAGR) of 4 per cent in the past four years, which pushed prices to a record high of Rs 391 per 50 kg bag in the previous fiscal year, the report said. The Crisil report highlights the increasingly competitive environment within the industry. The prices of cement have shown moderation since the beginning of 2023 which can be attributed to the gradual softening of energy costs and manufacturers' efforts to gain market share in a seasonally strong fourth quarter.

[https://www.business-standard.com/economy/news/cement-prices-likely-to-drop-by-1-3-despite-healthy-demand-crisil-123062000666\\_1.html](https://www.business-standard.com/economy/news/cement-prices-likely-to-drop-by-1-3-despite-healthy-demand-crisil-123062000666_1.html)

### **India set to achieve \$300 bn electronics manufacturing target: MoS IT**

The government is right on the path to achieve the \$300 billion electronics manufacturing target which will be a massive 20-25 times growth in almost a decade, Union Minister of State for Electronics and IT, Rajeev Chandrasekhar, said on Tuesday. India can reach \$300 billion worth of electronics manufacturing and exports by 2025-26 if specific product segments with high potential for scale are shortlisted and catered to by way of incentives and policy measures, according to the Vision Document 2.0 prepared by the IT Ministry and the India Cellular and Electronics Association (ICEA).

[https://www.business-standard.com/economy/news/india-set-to-achieve-300-bn-electronics-manufacturing-target-mos-it-123062000277\\_1.html](https://www.business-standard.com/economy/news/india-set-to-achieve-300-bn-electronics-manufacturing-target-mos-it-123062000277_1.html)

### **Consumer companies slash June output to clear inventory**

Companies in segments such as apparel and fashion, electronics and smartphones have chosen to steeply reduce production and supplies by up to 50% this month because of low demand and high unsold inventory, which they want to clear before the festive season. Most chief executives have predicted a demand revival by Diwali and, based on inventory clearance by then, indicated to manufacturers festive season orders higher than last year. Companies said inventory levels are currently at record highs due to slower than-expected demand in the past six to seven months. Godrej Appliances business head Kamal Nandi said that since summer season sales of air-conditioners and refrigerators failed to pick up this year, production was slashed up to 50% in the industry, compared to the earlier planned cut of 30%.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/consumer-companies-slash-june-output-to-clear-inventory/articleshow/101144023.cms>

### **Jewellers lure lab-grown diamond buyers with attractive buyback offers**

The demand for jewellery made of lab-grown diamonds (LGD) is steadily moving up with jewellers offering attractive buybacks to woo customers from high-cost natural diamonds. The buyback offer provides customers with an assurance that they can sell back their diamond jewellery at a good price in the future if they want to buy new jewellery or liquidate their investments.

<https://www.thehindubusinessline.com/economy/jewellers-lure-lab-grown-diamond-buyers-with-attractive-buyback-offers/article66989886.ece>

## **Agriculture**

### **Centre refusing rice under OMSS to keep stocks, check price: Piyush Goyal**

The Centre has refused to provide rice to several states from its stocks to ensure that the price of the grain does not increase in the open market and people continue to get it at affordable rates, Union Minister Piyush Goyal said on Tuesday, amid a political row over the refusal of rice supply to Karnataka. A committee of secretaries decided that the stock of rice at central reserves be kept to "serve 140 crore people of the country" and states can purchase the rice from the market if they need, the Union Minister for Consumer Affairs, Food and Public Distribution told reporters at the BJP headquarters when asked for his comment on protests in Karnataka over the supply of rice.

[https://www.business-standard.com/economy/news/centre-refusing-rice-under-omss-to-keep-stocks-check-price-piyush-goyal-123062000719\\_1.html](https://www.business-standard.com/economy/news/centre-refusing-rice-under-omss-to-keep-stocks-check-price-piyush-goyal-123062000719_1.html)

### **Paddy sowing picking up in some areas: Agriculture Commissioner**

Sowing of paddy, the main kharif crop, is underway in areas which received monsoon rains and the planting is picking up as the monsoon progresses in different parts of the country, Agriculture Commissioner P K Singh said on Tuesday. "Paddy sowing has just started and it has been good so far in areas which have received rainfall. It is picking up as the monsoon progresses in different parts of the country," Singh told PTI. In some parts, farmers have started preparing nurseries, he said. In nurseries, the paddy seeds are first sown and raised into young plants. The plants are then uprooted and replanted in the main field. Till last week, area under paddy was lower by 14.66 per cent at 5.32 lakh hectare as against 6.23 lakh hectare in the year-ago period, as per the Agriculture Ministry data.

<https://economictimes.indiatimes.com/news/economy/agriculture/paddy-sowing-picking-up-in-some-areas-agriculture-commissioner/articleshow/101139908.cms>

## **Energy**

### **India aims to expand its annual oil purchases from Iraq: Hardeep Puri**

India aims to expand its annual oil purchases from Iraq from 1 billion barrels currently, Oil Minister Hardeep Singh Puri said on Twitter after meeting his Iraqi counterpart Hayan Abdel-Ghani in New Delhi on Tuesday. Iraq used to be India's top oil supplier but has slipped to second position as Indian refiners have ramped up purchases of Russian oil, sold at a discount since the war in Ukraine led to Western sanctions on Russia.

[https://www.business-standard.com/economy/news/india-aims-to-expand-its-annual-oil-purchases-from-iraq-hardeep-puri-123062000538\\_1.html](https://www.business-standard.com/economy/news/india-aims-to-expand-its-annual-oil-purchases-from-iraq-hardeep-puri-123062000538_1.html)

### **Mines Ministry seeks to do away with royalty-on-royalty charges, proposes changes in rules**

India's Mines Ministry is planning to do away with double calculation of royalty — a complaint that miners in the country have been raising for quite some time now. The ministry is proposing that the average sale price be calculated after deducting the additional payments made to the District Mineral Foundation (DMF) and others as royalty.

<https://www.thehindubusinessline.com/economy/mines-ministry-seeks-to-do-away-with-royalty-on-royalty-charges-proposes-changes-in-rules/article66989765.ece>

## Telecom

### Telecom regulator seeks tweaks in international call, internet service permits

The telecom regulator has recommended amending the ILD/ISP-A (international long distance/Internet service provider-Category A) permits to include two categories of cable landing station (CLS) locations - the main facility and the fibre distribution point, known in industry parlance as a "point of presence". It has also called on the government to give all CLS-related operations (including associated activities such as layout, maintenance and repairs of subsea cable systems) the status of essential services, given their critical role in the nation's high-speed connectivity and security needs.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-regulator-seeks-tweaks-in-international-call-internet-service-permits/articleshow/101143889.cms>

### Trai unveils easier regulations for submarine cable landing stations

In a move to ease the rules for setting up submarine (undersea) cable landing stations (CLS) in India, the Telecom Regulatory Authority of India (Trai) has released its recommendations on the licensing framework and regulatory mechanism for the sector. On Tuesday, Trai recommended amending the existing system of permits to include two categories of CLS locations. These include the main facility and the fibre distribution point, known as the 'point of presence' (PoP) in the industry.

[https://www.business-standard.com/economy/news/trai-unveils-easier-regulations-for-submarine-cable-landing-stations-123062000578\\_1.html](https://www.business-standard.com/economy/news/trai-unveils-easier-regulations-for-submarine-cable-landing-stations-123062000578_1.html)

## External

### Driven by PLI India to cross Rs 1.2 trn in mobile exports in FY24

Buoyed by friendly government policies and production-linked incentive (PLI) scheme, India is set to cross Rs 1,20,000 crore in mobile exports in the current fiscal year (FY24), driven by tech giant Apple, the top electronics industry body told IANS on Tuesday. The country surpassed a remarkable Rs 90,000 crore worth smartphone exports in the fiscal year 2022-2023. According to the India Cellular and Electronics Association (ICEA), the mobile phone exports have already registered a massive 128 per cent growth in the months of April-May this year.

[https://www.business-standard.com/economy/news/driven-by-pli-india-to-cross-rs-1-2-trn-in-mobile-exports-in-fy24-123062000509\\_1.html](https://www.business-standard.com/economy/news/driven-by-pli-india-to-cross-rs-1-2-trn-in-mobile-exports-in-fy24-123062000509_1.html)

### India approves wheat, broken rice exports requests from 4 countries

India has decided to approve wheat and broken rice exports to few selected countries following their requests to allow the shipments of the grains, the government said in two separate notifications issued late on Tuesday. The South Asian country banned exports of wheat and broken rice in 2022 to lower local prices. But following requests, India would allow broken rice exports to Indonesia, Senegal and Gambia in 2023/24 financial year started on April 1. New Delhi also approved request from Nepal and allowed wheat exports in the current financial year.

<https://economictimes.indiatimes.com/news/economy/agriculture/india-approves-wheat-broken-rice-exports-requests-from-4-countries/articleshow/101142390.cms>

### India to cross Rs 1,20,000 cr in mobile exports in FY24, Apple to surpass 50% share: ICEA

India is set to cross Rs 1,20,000 crore in mobile phone exports in the current fiscal year driven by tech giant Apple on the back of friendly government policies and production-linked incentive (PLI) scheme, the country's top electronics industry body told news agency IANS. India Cellular and Electronics Association (ICEA) said that mobile phone exports have already registered a massive 128 per cent growth in the months of April-May this year. Pankaj

Mohindroo, Chairman, ICEA, told IANS, "Mobile phone exports growth in 2023-24 have bucked the trend of falling exports with a growth of 128 per cent in the first two months of 2023-24."

<https://economictimes.indiatimes.com/industry/cons-products/electronics/india-to-cross-rs-120000-cr-in-mobile-exports-in-fy24-apple-to-surpass-50-share-icea/articleshow/101136826.cms>