



August 04, 2023 – Friday

Economy

Services PMI at over 13-year high in July, helped by strong demand

India's leading services sector experienced substantial improvement in demand conditions in July, leading to notable increases in new business and output in over 13 years, said a private survey on Thursday. The Purchasing Managers' Index (PMI) survey's headline figure, conducted by credit rating agency S&P Global, saw a marked increase to 62.3 in July, up from 58.5 in June.

https://www.business-standard.com/economy/news/record-upturn-in-exports-spurs-services-pmi-to-over-13-yr-high-in-july-123080300337_1.html

Ease of doing business: DPIIT to help states in simplifying, decriminalising provisions

The Centre will help states in simplification, rationalisation or decriminalisation of provisions with a view to promoting ease of doing business and living in the country, a top government official said on Thursday. Secretary in the Department for Promotion of Industry and Internal Trade (DPIIT) Rajesh Kumar Singh said that Parliament passed a bill which seeks to promote ease of business by decriminalising minor offences through amendments in 183 provisions of 42 Acts. "We will do this in the future as well...We intend to follow with an inter-ministerial working group which will look at other provisions where further simplification, rationalisation or decriminalisation is possible and we are intending to do the same exercise at the state level by providing guidance to the states as well," he told reporters here.

<https://economictimes.indiatimes.com/news/economy/policy/ease-of-doing-business-dpiit-to-help-states-in-simplifying-decriminalising-provisions/articleshow/102396511.cms>

Govt panel suggests sharp hike in NREGS wage rates, budgetary outlay

A high-level government panel, tasked with recommending changes to make the rural job guarantee scheme more effective, has called for a significant increase in the extant wage rates--over and above the recent annual hike--and the budgetary allocation for the programme, persons aware of the details said.

<https://economictimes.indiatimes.com/news/economy/policy/govt-panel-suggests-sharp-hike-in-nregs-wage-rates-budgetary-outlay/articleshow/102385119.cms>

Data protection Bill tabled, penalties of up to Rs 250 crore for leaks

The government on Thursday introduced the Digital Personal Data Protection Bill, 2023, in the Lok Sabha, outlining the lawful collection, processing and protection of private data. It also prescribed penalties up to Rs. 250 crore for data breaches. According to the proposed law, digital platforms must obtain explicit and informed consent from users to process their data. Users will have the right to withdraw this consent at any time, after which platforms must cease data processing and erase the relevant data. The Bill also permits the transfer of personal data to any country, except those the government may blacklist in the future.

https://www.business-standard.com/economy/news/data-bill-tabled-in-parliament-penalties-up-to-rs-250-cr-for-data-leaks-123080300453_1.html

India's improved monsoon performance, capex augur well: FinMin report

India's improved monsoon performance, continued expansion in manufacturing, and vigorous capital expenditure spending by the public and private sectors augur well for macroeconomic stability and growth during FY24, the finance ministry said in a report. However, it cautioned that cross-border spillovers and adverse global developments can act anytime as a deterrent to achieving the potential high growth path in the current financial year.

https://www.business-standard.com/economy/news/india-s-improved-monsoon-performance-capex-augur-well-finmin-report-123080300964_1.html

Indian economy may grow by average 6.7% till FY31, says S&P Global

Expressing confidence in the medium-term growth potential of the Indian economy, S&P Global on Thursday projected an average annual growth of 6.7 per cent from the fiscal year 2023-24 (FY24) to FY31, with capital accumulation as the main driver of this growth. In a report titled 'Look Forward: India's Moment', S&P predicted that India's gross domestic product (GDP) would nearly double to \$6.7 trillion by FY31 from \$3.4 trillion in FY23. This increase would correspond to a per capita GDP of around \$4,500, it said.

https://www.business-standard.com/economy/news/india-set-to-grow-at-6-7-from-fy24-to-fy31-gdp-to-double-to-6-7-tn-s-p-123080300736_1.html

India's construction sector likely to see 100 mn jobs by 2030: Knight Frank

The total number of jobs in India's construction sector is expected to reach 100 million by 2030 from 70.6 million currently, according to a report released on Thursday. According to the "Skilled Employment in Construction Sector" report released by property consultancy Knight Frank and the Royal Institution of Chartered Surveyors (RICS) India, the share of skilled workforce in the sector will rise to 10.5 per cent by the end of this decade from 9.7 per cent currently.

https://www.business-standard.com/industry/news/india-s-construction-sector-likely-to-see-100-mn-jobs-by-2030-knight-frank-123080300548_1.html

Banking and Finance

RBI approves 34 applications of Russian banks to open rupee accounts

The Reserve Bank of India has approved 34 applications of different Russian banks for opening rupee accounts with Indian banks to facilitate two-way trade in view of sanctions, minister of state for commerce and industry Apurviya Patel said on Wednesday. The accounts have been opened by Russian banks in 14 Indian commercial banks, the minister said in a reply to a question in Lok Sabha.

<https://www.financialexpress.com/economy/rbi-approves-34-applications-of-russian-banks-to-open-rupee-accounts/3197284/>

SEBI looking at standardisation in corporate bond market

SEBI is looking at standardisation in the corporate bond market in a big way on the lines of Government Securities (G-Secs) market. Ashwani Bhatia, Whole Time Member (WTM), SEBI, said: "One reason why the G-Sec market is very liquid is the fact that coupon payments, the day count, among others, are standardised. "...In case there is consensus there, we will not hesitate to standardise regulations [for corporate bond market]."

<https://www.thehindubusinessline.com/markets/sebi-looking-at-standardisation-in-corporate-bond-market/article67154590.ece>

EPFO received highest ever total contribution of over Rs 64,800 cr during 2022-23: Labour Ministry

The Employees' Provident Fund Organisation received a total contribution of Rs 64885.60 crore during 2022-23, the highest ever under its Employees' Pension Scheme, shows the labour ministry's response to a question in Rajya Sabha on Thursday.

<https://economictimes.indiatimes.com/news/economy/finance/epfo-received-highest-ever-total-contribution-of-over-rs-64800-cr-during-2022-23-labour-ministry/articleshow/102397939.cms>

Industry

Centre mulls minor tweaking in PLI scheme, aims to boost manufacturing

The Centre is in consultations to determine whether 'minor tweaking' is required in some of the production-linked incentive (PLI) schemes for its smooth implementation to boost domestic manufacturing, a senior government official said on Thursday. The official, however, did not point out any potential change that is being considered since the consultations with respective ministries are yet to conclude.

https://www.business-standard.com/economy/news/centre-mulls-minor-tweaking-in-pli-scheme-aims-to-boost-manufacturing-123080300770_1.html

PLI 2.0 for steel in the works, proposes an outlay of ₹4,000 crore

The Steel Ministry is finalising guidelines for the second phase of the production linked incentive (PLI 2.0) targeting speciality steel making across premium and high value categories. The total outlay is expected to be around ₹4,000 crore, nearly double of PLI 1.0, those aware of the discussions told businessline.

<https://www.thehindubusinessline.com/economy/pli-20-for-steel-in-the-works-proposes-an-outlay-of-4000-crore-cover-strategic-sectors-like-defence-nuclear-research/article67154644.ece>

Smartphone sales volumes expected to bounce back during 2023 festive season

After more than a year of dwindling smartphone sales, experts predict that phone sales will pick up momentum during the festive season. According to Counterpoint data sourced by businessline, smartphone sales are expected to go up by 5 per cent in the second half of 2023, largely led by the sale of premium devices. A previous Counterpoint report had indicated that in anticipation of the festive season, OEMs have begun building inventory again — even though phone sales were largely limited in the first half of 2023, as people's purchasing power dwindled. The second half of 2023 is expected to deliver better performance from OEMs although, sales will not be as high as 2021, when pent up demand for smartphones was driving volumes.

<https://www.thehindubusinessline.com/info-tech/smartphone-sales-volumes-expected-to-bounce-back-during-2023-festive-season/article67154124.ece>

Agriculture

India's rice stocks at three times target, easing supply concerns

India's rice stocks were at nearly three times its target at the start of August, two government sources in the world's second biggest producer country said on Thursday. Coupled with the new season crop that is due to start trickling into the market by October, the surplus will raise market hopes of New Delhi relaxing a recent export ban.

The world's biggest rice exporter last month ordered a surprise halt to non-basmati white rice exports, its largest category, driving prices to multi-year highs.

https://www.business-standard.com/economy/news/india-s-rice-stocks-at-three-times-target-easing-supply-concerns-123080300620_1.html

Infrastructure

NHAI launches app for complaint redressal and FASTAG recharge

The National Highways Authority of India (NHAI) has launched 'Rajmargyatra,' a citizen-centric unified mobile application. An official statement said this app offers travelers with information on Indian National Highways while also ushering a complaint redressal system. Users can get real-time weather conditions, timely broadcast notifications, and access to details about nearby toll plazas, petrol pumps, hospitals, hotels, and other essential services that ensure a seamless and safe journey on National Highways.

<https://economictimes.indiatimes.com/news/economy/infrastructure/nhai-launches-app-for-complaint-redressal-and-fastag-recharge/articleshow/102394363.cms>

Telecom

Trai issues supplementary paper on data communication services involving airlines

The telecom regulator has issued a supplementary consultation paper on data communication services provided by entities other than the Airports Authority of India (AAI) as issues around service license and methodology of spectrum allocation such as auction etc remained untouched in the previous process.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-issues-supplementary-paper-on-data-communication-services-involving-airlines/articleshow/102399876.cms>

States

Maharashtra to provide free health treatments in government hospitals

All the Maharashtra citizens will be provided with free of cost treatments in the government hospitals. The decision has been taken in the cabinet meeting today by the state Health Minister Tanaji Sawant. In 2020, Maharashtra became the first state to provide free and cashless insurance protection to its people as then State Health Minister Rajesh Tope announced that all citizens will be covered under the state government's health scheme, Mahatma Jyotiba Phule Jan Arogya Yojana (MJPJAY).

<https://economictimes.indiatimes.com/news/india/maharashtra-to-provide-free-health-treatments-in-government-hospitals/articleshow/102401571.cms>

PM Modi to lay foundation for redevelopment of 21 railway stations in Telangana on August 6

Prime Minister Narendra Modi will lay the foundation stone for redevelopment of 21 railway stations across Telangana on August 6 virtually under Amrit Bharat Station Scheme, Union Minister for Tourism G Kishan Reddy said on Thursday. In a tweet, he said, "Railway stations in Telangana to get a major facelift with state-of-the-art amenities. Hon'ble PM Shri @narendramodi to lay foundation stone for redevelopment of 21 stations across the state. The new stations are being developed with an outlay of Rs 894 crores." A press release from Kishan Reddy's office had earlier said as many as 39 Amrit Bharat Stations were identified in Telangana and 21 are being taken up in the first phase.

<https://economictimes.indiatimes.com/news/india/pm-modi-to-lay-foundation-for-redevelopment-of-21-railway-stations-in-telangana-on-august-6/articleshow/102399552.cms>

NABARD sanctions Rs 1,974 crore to Rajasthan govt

NABARD has sanctioned Rs 1,974.07 crore to the Rajasthan government under the Rural Infrastructure Development Fund (RIDF) for 2023-24. NABARD Rajasthan Chief General Manager Dr Rajiv Siwach said Rs 930.44 crore has been sanctioned for three rural drinking water supply projects in Ajmer, Jalore, and Kota districts. Further, Rs 926.48 crore was sanctioned for the construction of 676 rural roads in the desert and tribal areas of the state. Earlier, Rs 117.15 crore had been sanctioned for the construction of 104 veterinary hospitals and 431 sub-centres in all districts of the state.

<https://economictimes.indiatimes.com/news/economy/infrastructure/nabard-sanctions-rs-1974-crore-to-rajasthan-govt/articleshow/102397672.cms>

External

Govt curbs import of personal computers, laptops over 'security risk'

Citing "security risks", the government has imposed import restrictions on laptops, tablets, personal computers, and other similar data-processing units. Although China was not mentioned, the restrictions would mean such items could be sourced only from "trusted partners" via a licensing regime. In FY23, India imported \$8.8 billion worth of the seven items now under the licensing regime. In that amount, products worth \$5.1 billion (58 per cent) were sourced from China. The Directorate General of Foreign Trade (DGFT) issued the notification, clarifying that airline passengers returning to India could still carry such items purchased abroad.

https://www.business-standard.com/economy/news/govt-restricts-imports-of-laptops-tablets-to-boost-domestic-manufacturing-123080300342_1.html

Review exporter caution-listing: RBI Panel

The age-old mechanism of placing exporters who fail to bring in foreign exchange in time on the 'caution list' may be examined. An internal working group of the Reserve Bank of India (RBI) has recommended rationalisation of the caution-listing process, two persons told ET. The going gets tougher for exporters who find themselves on such a list as local banks, processing the trade documents, typically insisting on either arranging advance payment from overseas buyers or an irrevocable letter of credit from the latter's bank.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/review-exporter-caution-listing-rbi-panel/articleshow/102403697.cms>

Gems, jewellery exports likely to improve in second half of FY24, says GJPEC

India's gems and jewellery exports are likely to improve in the second half of this financial year as the demand recovers in key export destinations, the Gem and Jewellery Export Promotion Council (GJEPC) said on Thursday. GJEPC is exploring new markets, including Vietnam, Cambodia, Thailand, Myanmar, Bangladesh and Sri Lanka, to boost exports. "Global geopolitical situation affected exports last fiscal. We are expecting the exports to improve in the second half of this year following festive demand in the US and Europe.

https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/gems-jewellery-exports-likely-to-improve-in-second-half-of-fy24-says-gjpec/articleshow/102397516.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23

Agriculture exports decline 14% to \$ 6.23 billion in Q1

The global demand slump has started impacting India's farm exports too. Shipments of agricultural items and processed foods, which had remained resilient last fiscal even amid a slowdown in the country's overall merchandise exports, by 14.7% on year to \$ 6.23 billion in the first quarter of the current fiscal. Cereals exports in the April-June (2023-24) dropped sharply by 25% to \$ 3.07 billion on year because of the ban on wheat exports imposed in May last year.

<https://www.financialexpress.com/economy/agri-amp-processed-food-products-exports-decline-by-14-to-6-23-billion-in-q1-of-fy24/3197278/>

Piyush Goyal cautions against 'game of dividing' by developed countries at WTO for favourable agreement on fisheries, ecommerce

Ahead of a key ministerial conference of the World Trade Organization (WTO) early next year, commerce and industry minister Piyush Goyal cautioned emerging markets, developing countries and the least developed countries of the developed countries' "game of dividing" them to get agreements on fisheries and e-commerce moratorium that address the needs of a few countries only.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/piyush-goyal-cautions-against-game-of-dividing-by-developed-countries-at-wto-for-favourable-agreement-on-fisheries-ecommerce/articleshow/102402101.cms>