



August 24, 2023 – Thursday

## Key Developments

### India over the moon as ISRO goes the distance

India on Wednesday created history by becoming the first nation to land a spacecraft, Chandrayaan-3, near the south pole of the moon. The success of India's third lunar mission makes it only the fourth country to achieve the milestone after the US, Russia and China. Terming the moment as "unforgettable," Prime Minister Narendra Modi, who viewed the landing live from Johannesburg, said, "When we see such a history being made before our eyes, life becomes blessed. Such historical events become the eternal consciousness of a nation's life." Noting that India will soon launch the Aditya L1 mission, the prime minister said, "Even the Sun is not far away."

<https://economictimes.indiatimes.com/tech/technology/india-over-the-moon-as-isro-goes-the-distance/articleshow/102996076.cms>

## Economy

### Vegetable prices might ease from September led by tomato: RBI Governor Das

Vegetable rates may ease from September, led by tomato prices, which have started showing signs of correction on the back of increased supply, Reserve Bank of India (RBI) Governor Shaktikanta Das said on Wednesday. "Looking ahead, the spike in vegetable prices in July is starting to see a correction, led by tomato prices. New arrivals of tomatoes in mandis are already softening the prices, coupled with proactive supply management in the case of onions. We expect to see an appreciable slowdown in vegetable inflation from September," said Das, while delivering the 29th Lalit Doshi Memorial Lecture.

[https://www.business-standard.com/economy/news/vegetable-prices-might-ease-from-september-led-by-tomato-rbi-governor-das-123082300995\\_1.html](https://www.business-standard.com/economy/news/vegetable-prices-might-ease-from-september-led-by-tomato-rbi-governor-das-123082300995_1.html)

### Top 11 states' social welfare spends to hit 10-year-high of Rs 4 lakh crore in FY24: Crisil

Top Indian states' spending on social welfare is set to touch a 10-year high of Rs 4 lakh crore, or 1.7 per cent of their combined GSDP, in the ongoing fiscal, a domestic rating agency said in a report on Wednesday. After analysing budgets of top 11 states, which account for over three-fourths of the aggregate Gross State Domestic Product (GSDP), Crisil Ratings said the growth in social welfare schemes is expected to clock a 16 per cent jump in compounded annual growth rate between 2017-18 and 2023-24. The revenue receipts grew by 11 per cent during the same period, Crisil said. Maharashtra, Gujarat, Karnataka, Tamil Nadu, Uttar Pradesh, Telangana, Rajasthan, West Bengal, Madhya Pradesh, Andhra Pradesh and Kerala were the 11 states accounted for in the Crisil report.

<https://economictimes.indiatimes.com/news/economy/finance/top-11-states-social-welfare-spends-to-hit-10-year-high-of-rs-4-lakh-crore-in-fy24-crisil/articleshow/102985245.cms>

## Banking and Finance

### Banks report robust credit, deposit growth in fortnight ended Aug 11

Banks saw robust credit and deposit growth in the fortnight ended August 11, according to RBI data. Deposit growth, however, lagged credit growth during the reporting fortnight, probably indicating that most of the ₹2,000 banknotes have been returned to the banking system and there is good demand for credit. Deposits and credit of all scheduled bank increased by ₹67,813 crore and ₹72,575 crore, respectively, in the reporting fortnight.

<https://www.thehindubusinessline.com/money-and-banking/banks-report-robust-credit-deposit-growth-in-fortnight-ended-aug-11/article67227622.ece>

#### **Outward remittances under RBI's LRS rise 50% to \$9.1 billion in Q1**

Outward remittances under the Reserve Bank of India's (RBI's) liberalised remittance scheme (LRS) surged by 50.64 per cent to \$9.1 billion in the April-June quarter (first quarter, or Q1) of 2023–24 (FY24), driven by healthy growth across segments due to a revision in the timeline of tax collected at source under the LRS scheme and normalisation in international travel. Major drivers include equity and debt investments, deposits, and the international travel segment, among others.

[https://www.business-standard.com/finance/news/outward-remittances-under-rbi-s-lrs-rise-50-to-9-1-billion-in-q1-fy24-123082200836\\_1.html](https://www.business-standard.com/finance/news/outward-remittances-under-rbi-s-lrs-rise-50-to-9-1-billion-in-q1-fy24-123082200836_1.html)

#### **Industry**

#### **Draft norms issued for companies to settle anti-competition charges**

The Competition Commission of India (CCI) Wednesday unveiled draft regulations for settlement and commitment mechanisms under the Competition Act, which will enable companies charged with anti-competitive conduct, including Big Tech, to approach the regulator to resolve the matter expeditiously. The draft regulations stipulate that a company will have the option to file a commitment application with the regulator within 45 days of its receipt of a prima facie inquiry order by the CCI. This mechanism requires the applicant to propose commitments to address the anti-competitive concerns of the regulator. No fine has to be paid by the applicant in such cases, barring the application fee.

<https://economictimes.indiatimes.com/news/economy/policy/draft-norms-issued-for-companies-to-settle-anti-competition-charges/articleshow/102996096.cms>

#### **India Inc feels optimistic for Q3 2023; expects hike in net profits and order books: Dun & Bradstreet survey**

Businesses in India are hoping for improved results for the upcoming Q3 of FY2023 as compared to the same quarter last year, revealed the Dun & Bradstreet Composite Business Optimism Index by Dun & Bradstreet which showed that the index stands at 70, 0.2 per cent higher than Q3 2022. Based on the survey of the analytical firm for Q3, 55 per cent of respondents hope to observe a rise in their orders in Q3 2023, 15 percentage points higher than Q3 2022. When it comes to profit, 42 per cent of the businesses who were part of the survey are expecting a hike in net profits in Q3 2023 compared to 34 per cent in Q3 2022, which is almost an increase of seven percentage points. However, 11 per cent of the respondents do feel that they can expect a fall in their net profits.

<https://economictimes.indiatimes.com/news/economy/indicators/india-inc-feels-optimistic-for-q3-2023-expects-hike-in-net-profits-and-order-books-dun-bradstreet-survey/articleshow/102968103.cms>

#### **Five manufacturers apply for 23 DVA certificates under PLI Auto scheme**

Amid rising concerns within the government regarding the slow start of the ambitious production-linked incentive (PLI) schemes, the Ministry of Heavy Industries has announced the receipt of 23 applications for domestic value addition (DVA) certification under its Rs 25,938 crore PLI scheme for the Automobile and Auto Component Industry (PLI-Auto). The auto sector is one of five areas where sluggish progress in the implementation of the PLI scheme has been reported.

[https://www.business-standard.com/industry/auto/five-manufacturers-apply-for-23-dva-certificates-under-pli-auto-scheme-123082300639\\_1.html](https://www.business-standard.com/industry/auto/five-manufacturers-apply-for-23-dva-certificates-under-pli-auto-scheme-123082300639_1.html)

#### **India likely to present incentives for ailing textile industry by December: Trade body**

India's government is likely to announce fiscal incentives for the ailing textile and apparel industry by the end of this year, partly to stave off the impact of a fall in overseas orders, a trade body said on Wednesday. The incentives could come under the production linked incentive (PLI) scheme that promises billions of dollars to boost manufacturing

ranging from electronic products to pharmaceuticals. "The government could make an announcement by December," said T. Rajkumar, chairman of the Confederation of Indian Textile Industry (CITI), referring to industry representatives' meetings with textile and finance ministry officials earlier this month.

<https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/india-likely-to-present-incentives-for-ailing-textile-by-december-trade-body/articleshow/102987121.cms>

### **Steel companies raise concern over imports from South Korea, China**

The domestic steel industry has drawn the government's attention to imports from South Korea and China saying the consequent lowering of prices is hurting local producers. Imports of steel products from China surged during the first quarter of this financial year, even as South Korea remained the highest steel exporter to India despite a year-on-year decline in shipments. "A sharp rise in the imports of finished steel was recorded in the first quarter of the current financial year. The surge in imports, driven by countries with Free Trade Agreements (FTAs), as well as China, is eating into domestic demand," Ranjan Dhar, chief marketing officer, ArcelorMittal Nippon Steel, told ET.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steel-companies-raise-concern-over-imports-from-south-korea-china/articleshow/102996077.cms>

### **New data law may make the trip tough for travel sector**

Hotels as well as offline and online travel companies that have access to a lot of personal customer data through check-ins, loyalty programmes and visa application requirements are grappling with the compliance requirements that could get triggered under the new Digital Personal Data Protection (DPDP) Act. Significant data fiduciaries will also have to assess implications not just from a compliance standpoint, but the cash flow impact in tax laws as well under the law that came to effect earlier this month, experts said. The travel and hospitality sector has traditionally had access to a lot of customer data which could all come under scrutiny now.

<https://economictimes.indiatimes.com/tech/technology/hotels-travel-agents-gearing-up-to-meet-new-personal-data-protection-law/articleshow/102994502.cms>

## **Agriculture**

### **Govt sets higher rice procurement target for next kharif season**

Amidst the fear of deficient monsoon rains, the government on Tuesday set a 5% higher kharif rice procurement target of 52.1 million tonne (MT) for 2023-24 season (October-September) compared to 49.5 MT purchased in the current season. Kharif procurement contributes around 86% of the total rice purchased from the farmers by Food Corporation of India and state agencies under the Minimum Support Price (MSP) operation.

<https://www.financialexpress.com/economy/govt-sets-higher-rice-procurement-target-for-next-kharif-season/3219221/>

### **Onion auctions to resume at APMCs in Nashik from August 24: Traders' representative**

Onion auctions at all APMCs in Maharashtra's Nashik district, closed for three days now, will resume from Thursday as traders protesting the imposition of 40 per cent export duty on the key kitchen staple have decided to withdraw the agitation, a traders' representative here said on Wednesday. The decision was taken in a meeting of the representatives of traders-exporters and farmers with Union minister Dr Bharati Pawar here on Wednesday. After the meeting, Pawar also said a representative of the traders in Nashik informed in the meeting that they are withdrawing the decision of closure of onion auctions at the Agriculture Produce Market Committees (APMCs) and the operations there will start tomorrow.

<https://economictimes.indiatimes.com/news/economy/agriculture/onion-auctions-to-resume-at-apmcs-in-nashik-from-august-24-traders-representative/articleshow/102982514.cms>

## **Energy**

### **India to reduce coal-based power; targets over 64% renewables by 2030**

It is not true that India is not reducing coal-based power generation capacity in the energy mix, a senior government official said, adding that the country is targeting over 64 per cent of non-fossil fuel-based capacity by 2030. India has

set the target of having 500GW of renewable energy by 2030. Coal-based power generation, however, ensures stable operation of the electricity transmission grid.

[https://www.business-standard.com/india-news/india-to-reduce-coal-based-power-targets-over-64-renewables-by-2030-123082300354\\_1.html](https://www.business-standard.com/india-news/india-to-reduce-coal-based-power-targets-over-64-renewables-by-2030-123082300354_1.html)

#### **PNGRB re-evaluating performance bank guarantee rule**

The Petroleum and Natural Gas Regulatory Board (PNGRB) is re-evaluating a rule on performance bank guarantees for city gas companies that has benefited the likes of Adani Gas, Indian Oil and GAIL. The current rule allows the downstream regulator to reduce the performance bank guarantees (PBG) required of city gas licensees to 40% of the initial amount after they have completed their minimum work programme (MWP). Recently, PNGRB allowed a reduction in the PBG by GAIL Gas Ltd and Indian Oil Adani Gas Pvt Ltd after the two entities completed their MWP in their respective licensed areas of Bengaluru and Daman.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/pngrb-re-evaluating-performance-bank-guarantee-rule/articleshow/102996155.cms>

#### **Nitin Gadkari to launch 100pc ethanol-fueled car on Aug 29**

Union Road Transport and Highways Minister Nitin Gadkari on Wednesday said he will unveil a 100 per cent ethanol-fueled variant of Toyota's Innova car on August 29. The Union minister, who has been exhorting automakers to come out with alternative fuel-powered and green vehicles, had last year launched a hydrogen-powered car, Toyota Mirai EV. "On August 29, I am going to launch the popular (Toyota) Innova car on 100 per cent ethanol," Gadkari said while addressing the Mint Sustainability Summit here. This car will be World's first BS-VI (Stage-II), electrified flex-fuel vehicle.

<https://economictimes.indiatimes.com/industry/renewables/nitin-gadkari-to-launch-100pc-ethanol-fueled-car-on-aug-29/articleshow/102994680.cms>

#### **External**

#### **Centre may consider introducing minimum export price for rice exports**

The Centre may be considering a minimum export price (MEP) for a host of specialty rice, including the basmati variety, to ensure that unscrupulous traders don't ship excess quantities abroad. India had banned export of all non-basmati white rice a few weeks ago to check domestic price rise but it allowed exports of basmati and parboiled rice.

[https://www.business-standard.com/industry/news/centre-may-consider-introducing-minimum-export-price-for-rice-exports-123082300958\\_1.html](https://www.business-standard.com/industry/news/centre-may-consider-introducing-minimum-export-price-for-rice-exports-123082300958_1.html)

#### **Govt set to ban sugar exports from October for first time in 7 years**

India is expected to ban mills from exporting sugar in the next season beginning October, halting shipments for the first time in seven years, as a lack of rain has cut cane yields, three government sources said. India's absence from the world market would be likely to increase benchmark prices in New York and London that are already trading around multi-year highs, triggering fears of further inflation on global food markets.

[https://www.business-standard.com/economy/news/govt-set-to-ban-sugar-exports-from-october-for-first-time-in-7-years-123082300645\\_1.html](https://www.business-standard.com/economy/news/govt-set-to-ban-sugar-exports-from-october-for-first-time-in-7-years-123082300645_1.html)

#### **Nepal faces shortage after India slaps 40% tax on onion exports: Report**

Nepal has started to face an acute shortage of onions, days after neighbouring India slapped a 40 per cent export tax on the vegetable, a media report said on Wednesday. India last week imposed a 40 per cent tariff on the export of onions till December 31 to restrict overseas sales. The move comes amid anticipation of a price rise ahead of the festival season when demand for most commodities goes up, The Kathmandu Post newspaper reported.

[https://www.business-standard.com/world-news/nepal-faces-shortage-after-india-slaps-40-tax-on-onion-exports-report-123082300641\\_1.html](https://www.business-standard.com/world-news/nepal-faces-shortage-after-india-slaps-40-tax-on-onion-exports-report-123082300641_1.html)

#### **Shipments from India to Russia more than doubled in July**

Amid slackening demand for engineering goods from major markets such as the US and China, shipments to Russia continued their uptrend and more than doubled to US\$ 123.65 million in July 2023 from US\$ 55.65 million in July

2022, a rise of 122.03 per cent, according to a media release issued by EEPC India on Wednesday. At a total shipment value of US\$ 123.65 million, exports to Russia in July were higher than Australia which imported engineering goods worth US\$ 115.14 million from India, a 5.7% on-year decline. During the same period, engineering exports to the US declined 10.4% year-on-year to US\$ 1.44 billion. Engineering exports to China also declined 10% year-on-year in July 2023 to US\$ 197.98 million.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/shipments-from-india-to-russia-more-than-doubled-in-july/articleshow/102977624.cms>

#### **Smooth functioning of dispute settlement mechanism in WTO reforms: Goyal**

Commerce and Industry Minister Piyush Goyal on Wednesday said that the smooth functioning of the dispute settlement mechanism and consensus-based decision-making process of the World Trade Organisation (WTO) are key in the process of the reforms of the Geneva-based body. Several developed countries including the US are pitching for WTO reforms.

[https://www.business-standard.com/industry/news/smooth-functioning-of-dispute-settlement-mechanism-in-wto-reforms-goyal-123082301045\\_1.html](https://www.business-standard.com/industry/news/smooth-functioning-of-dispute-settlement-mechanism-in-wto-reforms-goyal-123082301045_1.html)

#### **Asean, India likely to reevaluate duty cuts, non-tariff measures**

India and the Association of Southeast Asian Nations (Asean) are likely to reevaluate duty cuts, non-tariff measures, safeguard and anti-dumping duties as part of the review of their existing free trade agreement. While the scope of the review of the Asean-India Trade in Goods Agreement (AITIGA) would be decided at the leaders' meeting next month, sources said that the two sides have agreed on exclusion lists, origin rules and technical barriers to trade to be part of the review.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/asean-india-likely-to-reevaluate-duty-cuts-non-tariff-measures/articleshow/102996054.cms>