



August 29, 2023 – Tuesday

## Economy

### India on track for lowest monsoon rains in eight years: Sources

India is poised for its lowest monsoon rains in eight years, with the El Nino weather pattern seen crimping September precipitation after an August that is on track to be the driest in over a century, two weather department officials told Reuters on Monday. The summer rainfall deficit could make essentials such as sugar, pulses, rice and vegetables more expensive and lift overall food inflation, which jumped in July to the highest since January 2020. "El Nino dampened rainfall in August, and it will also have a negative impact on September rainfall," said a senior official at the India Meteorological Department (IMD). They declined to be identified since they were not authorised to brief the media.

<https://economictimes.indiatimes.com/news/economy/indicators/india-on-track-for-lowest-monsoon-rains-in-eight-years-sources/articleshow/103134737.cms>

### India must focus on education and infra for growth: Moody's report

Population cannot be the only redeeming strength of countries in South and Southeast Asia, including India, and they would need to focus on education and infrastructure to take advantage of the demographic dividend, according to the latest report by Moody's Investor Service. "The ability of sovereigns to address these challenges will determine the extent to which their large populations can take advantage of opportunities to enhance long-term economic growth," the ratings and research firm said in a report released Monday.

<https://economictimes.indiatimes.com/news/economy/indicators/india-must-focus-on-education-and-infra-for-growth-moodys-report/articleshow/103147127.cms>

### India's current account deficit seen falling to around 1pc or USD 10 billion in Q1: India Ratings

With falling trade deficit, India's current account deficit is likely to narrow to around USD 10 billion or 1 per cent of GDP in the April-June quarter of the ongoing fiscal, according to India Ratings. The country's current account deficit (CAD) stood at USD 18 billion or 2.1 per cent in the corresponding period of the previous fiscal. However, the agency expects CAD to rise in the second quarter of the current fiscal as it sees merchandise exports declining below USD 100 billion after a gap of eight quarters. Imports are expected to be around USD 163 billion during the period, up from a seven-quarter low of USD 160.3 billion witnessed in Q1 FY24, due to increase in crude prices since July.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-current-account-deficit-seen-falling-to-around-1pc-or-usd-10-billion-in-q1-india-ratings/articleshow/103139993.cms>

## Banking and Finance

### RBI governor-headed FSDC-SC resolves to remain vigilant against external vulnerabilities

RBI Governor Shaktikanta Das-headed Sub-Committee of the Financial Stability and Development Council (FSDC-SC) on Monday resolved to remain vigilant against any build-up in vulnerabilities in the financial system as well as in the broader economy amid uncertain global environment. With a view to strengthening and institutionalising the mechanism for maintaining financial stability, enhancing inter-regulatory coordination and promoting financial sector development, the FSDC was set up by the government as the apex level forum in December 2010. The FSDC

Sub-Committee has been set up under the chairmanship of governor, RBI. It meets more often than the full Council. The Sub-Committee reviewed major global and domestic macroeconomic and financial developments, issues of inter-regulatory coordination relating to the Indian financial sector activities of various technical groups under its purview, the Reserve Bank said in a statement on 30th Meeting of the FSDC Sub-Committee.

<https://economictimes.indiatimes.com/news/economy/finance/rbi-governor-headed-fsdc-sc-resolves-to-remain-vigilant-against-external-vulnerabilities/articleshow/103145933.cms>

### **Reserve Bank of India's liquidity withdrawal pushes bank CD issuances to 3-month high**

The Reserve Bank of India's move to withdraw liquidity from the banking system has forced lenders to scout the market for funds, pushing up the issuances of certificates of deposits (CDs) to a three-month high for the previous fortnight. Banks raised over 350 billion rupees (\$4.24 billion) via CDs in the fortnight ended Aug. 25, data from CCIL's F-Trac platform showed. That is the highest since the two weeks ended May 19, or before the central bank withdrew the highest level currency notes. "Most banks were caught by surprise with that move and have little option but to rely on market funding and are preferring CDs instead of going for overnight borrowing on a daily basis," a senior treasury official at a state-run bank said.

<https://economictimes.indiatimes.com/news/economy/finance/reserve-bank-of-indias-liquidity-withdrawal-pushes-bank-cd-issuances-to-3-month-high/articleshow/103134915.cms>

### **Ministry of Finance asks ministries to be realistic with budgetary requests**

The finance ministry has started intimating various ministries and departments to present "realistic assessments" of their supplementary demand for grants for this fiscal year and the budgetary targets for 2024-25, said a person aware of the deliberations. The government will present the interim budget for 2024-25 in February next year, and the actual budget will be introduced after 2024 general elections, the schedule of which isn't known yet. The finance ministry will formally start consultations in early October for the supplementary demand as well as the interim budget, he said. "Departments are being informally conveyed to be realistic in their assessments. For instance, they should not ask for more (for this fiscal) and end up surrendering unspent funds," he added.

<https://economictimes.indiatimes.com/news/economy/finance/ministry-of-finance-asks-ministries-to-be-realistic-with-budgetary-requests/articleshow/103146865.cms>

### **Lenders working on common portal to handle digital frauds**

Banks are planning to set up a common negative registry of fraudsters that would make information accessible in real time to all the banks to prevent digital frauds and provide faster resolution of such issues, people familiar with the development said. They have initiated discussions with the Reserve Bank on the proposed portal, they said. A senior bank executive aware of the developments said the portal will help lenders connect seamlessly on such fraud cases and stop and trace funds being transferred from one account to multiple accounts.

<https://economictimes.indiatimes.com/news/economy/policy/lenders-working-on-common-portal-to-handle-digital-frauds/articleshow/103146651.cms>

### **IFSCA looks to clear decks for startups' direct listing at GIFT City**

The International Financial Services Centres Authority (IFSCA) has proposed key exemptions to the current listing framework and measures for setting up holding companies (holdcos) and special purpose acquisition companies (SPACs) to encourage domestic startups list at GIFT City, the country's only international financial services centre (IFSC). Under the current framework, to be eligible to list on IFSC exchanges, an issuing company should have operating revenue of at least \$20 million in the preceding financial year and average pre-tax profits of at least \$1 million during the preceding three financial years.

[https://www.business-standard.com/industry/news/ifsc-panel-looks-to-clear-decks-for-direct-listing-at-the-gift-city-123082800939\\_1.html](https://www.business-standard.com/industry/news/ifsc-panel-looks-to-clear-decks-for-direct-listing-at-the-gift-city-123082800939_1.html)

## **Industry**

### **Govt rolls out mandatory quality norms for solar cables, cast iron products**

The government has issued mandatory quality norms for solar cable and cast iron products to curb the import of sub-standard goods and boost domestic manufacturing of these goods. A notification in this regard was issued by

the Department for Promotion of Industry and Internal Trade (DPIIT) on August 25. Items under Solar DC Cable and Fire Survival Cable (Quality Control) Order, 2023; and Cast Iron Products (Quality Control) Order, 2023 cannot be produced, sold, traded, imported and stocked unless they bear the Bureau of Indian Standards (BIS) mark.

[https://www.business-standard.com/india-news/govt-rolls-out-mandatory-quality-norms-for-solar-cables-cast-iron-products-123082801079\\_1.html](https://www.business-standard.com/india-news/govt-rolls-out-mandatory-quality-norms-for-solar-cables-cast-iron-products-123082801079_1.html)

#### **Revised IT hardware PLI scheme: Govt gets 58 applications**

The government has received 58 applications so far from both local and global companies for the revised production-linked incentive (PLI) scheme for IT hardware, a top official said. Alkesh Kumar Sharma, secretary, ministry of electronics and information technology (MeitY), said the deadline for applications is August 30, which will not be extended. "We have received 58 applications for IT hardware PLI so far, from both global and local companies," Sharma said at an industry event Monday. He added all major companies have applied for the scheme. The deadline for the revised PLI scheme was extended for the second time in July, after stakeholders sought more time to file the paperwork. The revised scheme has a financial outlay of ₹17,000 crore, more than doubling the incentives given in the previous version of the scheme.

<https://economictimes.indiatimes.com/news/economy/policy/revised-it-hardware-pli-scheme-govt-gets-58-applications/articleshow/103147716.cms>

#### **RAI urged permission for partial retail operations during G20**

The Retailers Association of India (RAI) on Monday voiced concerns about the proposed blanket suspension of operations for retail stores, malls, and restaurants during the G20 Summit, which is set to take place in Delhi from September 8 -10. Citing the economic impact on the retail sector, the industry body urged the Delhi government to allow at least partial retail operations. It added that Delhi boasts a rich culinary heritage and closing markets would deprive visitors of the opportunity to savour authentic Indian dishes, an important part of our cultural presentation.

<https://www.thehindubusinessline.com/economy/rai-urged-permission-for-partial-retail-operations-during-g20/article67244545.ece>

#### **Aluminium demand to grow 9 per cent till next fiscal**

Domestic aluminium demand is expected to grow 9 per cent in the next two fiscal years, given the Government's thrust on infrastructure development. Domestic demand growth would sharply outpace the rate of global growth in aluminium demand, said ICRA.

<https://www.thehindubusinessline.com/news/aluminium-demand-to-grow-9-per-cent-till-next-fiscal/article67244216.ece>

#### **MSMEs in steel sector get an India build-out lift: CRISIL SME Tracker**

Micro, small, and medium enterprises (MSMEs) in the steel sector are poised for rapid growth on the back of robust demand from the infrastructure and building and construction segments. An upswing in infrastructure spending, coupled with the government's push to achieve multiple project targets ahead of the general elections in 2024, is driving this demand.

[https://www.business-standard.com/industry/news/msmes-in-steel-sector-get-an-india-build-out-lift-crisil-sme-tracker-123082801242\\_1.html](https://www.business-standard.com/industry/news/msmes-in-steel-sector-get-an-india-build-out-lift-crisil-sme-tracker-123082801242_1.html)

#### **Food delivery platforms should help gig workers on e-Shram portal: NCAER**

Economic think tank NCAER on Monday suggested that food delivery platform operators should ensure their gig workers register themselves on the e-Shram portal, and also help them enrol in PDS, Ayushman Bharat scheme and Atal Pension Yojana. Noting that the government is the best medium to provide social security to gig workers, the NCAER study also said platform companies should provide additional revenue to the government to finance the social security in a centralised fashion.

[https://www.business-standard.com/industry/news/food-delivery-platforms-should-help-gig-workers-on-e-shram-portal-ncaer-123082800924\\_1.html](https://www.business-standard.com/industry/news/food-delivery-platforms-should-help-gig-workers-on-e-shram-portal-ncaer-123082800924_1.html)

#### **Govt's MSME ZED certification scheme: Over 20,000 enterprises certified till August 2023**

Over 20,000 Zed certificates have been issued under the MSME Sustainable (Zed) Certification scheme till August, Union Minister of MSMEs Narayan Rane shared in a post on X (formerly Twitter). The scheme aims to improve the competitiveness and productivity of MSMEs by helping them reduce wastage in their manufacturing process, enhance their environmental consciousness, save energy, and expand their markets. Launched in April last year, the scheme had completed 10,000 certifications till July this year.

<https://www.financialexpress.com/business/sme-govts-msme-zed-certification-scheme-over-20000-enterprises-certified-till-august-2023-3224832/>

### **Circular electronics biz models can create addressable market of up to USD 20 billion by 2035: Study**

Circular electronics business model, comprising product design to recycling, can create a total addressable market of up to USD 20 billion by 2035, a joint report by industry body ICEA and Accenture said on Monday. According to the report, fostering multi-brand repair services, defining refurbishment standards, and creating a product as-a-service framework can create 1.1 lakh high-quality formal sector green jobs and reduce greenhouse gas emissions by 1.6 million tonnes from smartphones and laptops by 2035. "A total of six circular business models, including circular design, repair, and resell, etc., can unlock an untapped revenue potential of USD 7 billion by 2035. The projected market size for these circular models is valued at USD 13 billion by 2035. Yet, the total addressable market, achievable through the public and private partnerships, increases it to USD 20 billion," the report said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/circular-electronics-biz-models-can-create-addressable-market-of-up-to-usd-20-billion-by-2035-study/articleshow/103146461.cms>

## **Agriculture**

### **Need to boost crop productivity with new technologies: India's G20 Sherpa Amitabh Kant**

India's G20 Sherpa Amitabh Kant on Monday stressed on the need to boost crop productivity through adoption of new cutting-edge technologies and said the farm sector should be made smart and adaptive to climate change. Kant was speaking at the G20 India Agri-tech Summit 2023 held here. For higher economic growth of India, he said, "India needs to grow in the agriculture sector. Its productivity must enhance rapidly. That would mean that we will require a lot of new cutting-edge technologies". Digitisation of agriculture, the technological transformation and innovation in the farm sector has been the central priority pushed in the Indian presidency in the GCO this year, he added.

<https://economictimes.indiatimes.com/news/economy/agriculture/need-to-boost-crop-productivity-with-new-technologies-indias-g20-sherpa-amitabh-kant/articleshow/103145566.cms>

### **Tomato prices plummet from Rs 300 to Rs 14 per kilo within weeks; Analysts warn further dip to Rs 5**

In a dramatic turnaround within few weeks, tomato prices that had recently peaked at nearly Rs 300 per kg have taken a downward plunge, offering some respite to household budgets, but simultaneously raising concerns among farmers. As per a TOI report, in an intriguing twist akin to a culinary roller coaster, the rates for tomatoes plummeted to a mere Rs 14 per kilogram at the Mysuru APMC market on Sunday, marking a steep drop from Rs 20 the previous day. Meanwhile, in Bengaluru, tomato prices ranged from Rs 30 to Rs 35 per kilo on the same day.

<https://economictimes.indiatimes.com/news/economy/agriculture/tomato-prices-plummet-from-rs-300-to-rs-14-per-kilo-within-weeks-analysts-warn-further-dip-to-rs-5/articleshow/103121632.cms>

## **Infrastructure**

### **PM Gati Shakti: 100 infra projects worth Rs 5.89 lakh crore recommended for approval so far this fiscal**

As many as 100 big ticket infrastructure projects of different ministries worth Rs 5.89 lakh crore have been recommended for approval under the PM Gati Shakti initiative so far this fiscal, a senior official said on Monday. These projects have been recommended by the Network Planning Group (NPG) constituted under the PM Gati Shakti initiative launched in October 2021. The NPG has achieved the milestone of appraising 100 projects in 54 meetings, Sumita Dawra, Special Secretary (Logistics), Department for Promotion of Industry and Internal Trade, said. The inter-ministerial NPG meets every fortnight and appraises infra projects to ensure multi-modality, synchronisation of efforts, and comprehensive development in and around the project location.

<https://economictimes.indiatimes.com/news/economy/infrastructure/pm-gati-shakti-100-infra-projects-worth-rs-5-89-lakh-crore-recommended-for-approval-so-far-this-fiscal/articleshow/103145221.cms>

## Energy

### India's renewable energy ambitions could exceed 500 GW: ISA DG Ajay Mathur

India is poised not only to achieve its ambitious target of 500-gigawatts renewable energy capacity by 2030 but also surpass it, driven by an anticipated decline in battery prices by 2025, according to Ajay Mathur, Director General of the International Solar Alliance (ISA). In an interview with PTI, Mathur, who has also been a member of the Indian Prime Minister's Council on Climate Change, said global climate finance distribution remains skewed and that reforming multilateral development banks and facilitating renewable energy investments have been priority areas of India's G20 presidency.

[https://www.business-standard.com/india-news/india-s-renewable-energy-ambitions-could-exceed-500-gw-isa-dg-ajay-mathur-123082800344\\_1.html](https://www.business-standard.com/india-news/india-s-renewable-energy-ambitions-could-exceed-500-gw-isa-dg-ajay-mathur-123082800344_1.html)

## Telecom

### ARPU of Indian telcos to rise 8-10% to Rs 190 this year, says CRISIL

The average revenue per user (ARPU) of Indian telecom companies is anticipated to increase by 8 to 10 per cent to Rs 190 this financial year, CRISIL Ratings said in a statement on Monday. The statement further noted that the operating profits for these firms could register a 15 to 17 per cent increase, reaching Rs 1.2 trillion this year, up from Rs 1.04 trillion in FY22. This projected growth is attributed to higher demand for larger data packs, fuelled by a surge in data consumption.

[https://www.business-standard.com/industry/news/arpu-of-indian-telcos-to-rise-8-10-to-rs-190-this-year-says-crisil-123082800388\\_1.html](https://www.business-standard.com/industry/news/arpu-of-indian-telcos-to-rise-8-10-to-rs-190-this-year-says-crisil-123082800388_1.html)

## States

### Uttar Pradesh govt plans to double silk output to expand textile exports

The Uttar Pradesh government is planning to double silk production to more than 700 tonnes in the near future in a bid to boost manufacturing and export of premium textile apparels in the state. The government's plan also includes setting up silk clusters and research institutes to promote silk production to boost rural income, especially among the young sericulturists.

[https://www.business-standard.com/industry/news/uttar-pradesh-govt-plans-to-double-silk-output-to-expand-textile-exports-123082800982\\_1.html](https://www.business-standard.com/industry/news/uttar-pradesh-govt-plans-to-double-silk-output-to-expand-textile-exports-123082800982_1.html)

### Tamil Nadu's per capita income much higher than national average: State FM

Tamil Nadu continues to do better than the national average in per capita income (PCI) as the state's PCI was significantly higher than the all-India number at constant prices, said State Finance Minister Thangam Thennarasu on Monday. Tamil Nadu's PCI ₹1,66,727 in 2022-23 and ₹1,54,557 in 2021-22. This is much higher than all India figures of ₹98,374 in 2022-23 and ₹92,583 in 2021-22 and constant prices. The State's inflation was lower. Tamil Nadu's inflation index value was 5.97 in 2022-23 and 7.92 in 2021-22 when compared with all-India values of 8.82 in 2022-23 and 9.31 in 2021-22.

<https://www.thehindubusinessline.com/todays-paper/tp-others/tp-states/tamil-nadus-per-capita-income-much-higher-than-national-average-state-fm/article67245120.ece>

### Mizoram govt incurs Rs 4.88 crore wasteful expenditure due to negligence: CAG

The Comptroller and Auditor General (CAG) of India has slammed the Mizoram government for incurring an "avoidable" expenditure of Rs 4.88 crore on formation cutting of Darlak-Sihthiang road in Mamit district due to "negligence". The CAG report tabled in the assembly by Chief Minister Zoramthanga in the recently concluded session said that the construction of the Darlak-Sihthiang road was undertaken under the Pradhan Mantri Gram Sadak Yojana (PMGSY) despite the village being already connected. It said that Sihthiang was connected by 11-km long Chuhvel-Sihthiang paved road, which is an all-weather road since December 2020.

<https://economictimes.indiatimes.com/news/economy/finance/mizoram-govt-incurs-rs-4-88-crore-wasteful-expenditure-due-to-negligence-cag/articleshow/103126792.cms>

## Healthcare

### **U-WIN national roll-out soon: Health Ministry officials**

The Union Health Ministry is looking at a national roll-out U-WIN, a one stop digital platform which will maintain an electronic registry of vaccinations and immunisation programs. It will also be sending out alerts for upcoming jabs. U-WIN, designed on the lines of Co-WIN, will be used to register and vaccinate pregnant women, register births and record immunisation and vaccination details till age 13. All vaccines which come under the Universal Immunisation Program will be registered and their schedule of administering maintained through the e-platform.

<https://www.thehindubusinessline.com/companies/u-win-national-roll-out-soon-health-ministry-officials/article67245069.ece>

## External

### **Plastics exports decline 15% in July to \$956 mn on lower demand: Plexconcil**

Plastics exports from the country declined 14.6 per cent to USD 956 million in July mainly due to decreasing demand in key export markets like the US and Europe, apex industry body Plastics Export Promotion Council (Plexconcil) said on Monday. The overall exports during July 2022 stood at USD 1.119 billion, Plexconcil said in a statement.

[https://www.business-standard.com/economy/news/plastics-exports-decline-15-in-july-to-956-mn-on-lower-demand-plexconcil-123082801208\\_1.html](https://www.business-standard.com/economy/news/plastics-exports-decline-15-in-july-to-956-mn-on-lower-demand-plexconcil-123082801208_1.html)

### **Central govt's restrictions on rice exports puts wheat and sugar in focus**

India ramped up its restrictions on rice exports over the past few days as the nation tackles rising food costs before an election next year, prompting the market to speculate what commodity might be next. The curbs on rice now cover all varieties that the South Asian nation ships to overseas markets, further tightening global supply. Poor rainfall in some of the country's key sugar growing areas may lead to restrictions on shipments of the sweetener, although there is still more than a month before the monsoon ends and the outlook could change quickly. A wheat tariff may also be scrapped.

[https://www.business-standard.com/economy/news/india-s-restrictions-on-rice-exports-puts-wheat-and-sugar-in-focus-123082800919\\_1.html](https://www.business-standard.com/economy/news/india-s-restrictions-on-rice-exports-puts-wheat-and-sugar-in-focus-123082800919_1.html)