



August 31, 2023 – Thursday

## Economy

### Centre extends deadline till Dec 31 for enabling Aadhaar-based payment for MGNREGA workers

The government has again deferred the plan to make the Aadhaar-Based Payment System (ABPS) compulsory for settling wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). Wage payments through both the ABPS and the usual electronic payment through the National Automated Clearing House (NACH) will now continue until December 31 or until further orders, the rural development ministry said in a statement on Wednesday. Earlier this year, the ministry had issued a directive for switching fully to the ABPS from February 1.

<https://economictimes.indiatimes.com/news/economy/policy/centre-extends-deadline-till-dec-31-for-enabling-aadhaar-based-payment-for-mgnrega-workers/articleshow/103204501.cms>

### India's Q1 GDP growth may hit one-year high banking on capex spike, services activity: Economists

India's economy in April to June likely grew at the fastest pace in a year, bolstered by central and state governments opening up their wallets for capex, stronger consumption demand and higher activities in the services sector, according to some economists. A median forecast of an ET poll of 20 economists pegged the growth rate at 7.8 per cent for the first quarter of this financial year that started Apr. 1. The estimated range in the poll was 7.5-8.5 per cent. The Reserve Bank of India has forecast a growth rate of 8 per cent.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-q1-gdp-growth-may-hit-one-year-high-banking-on-capex-spike-services-activity-economists/articleshow/103212196.cms>

### LPG cut to cool inflation by 10-30 bps this fiscal: Experts

The cut in LPG prices is likely to bring down this financial year's inflation by 10-30 basis points (bps), with a 20-30 basis points decline in September alone, according to economists. Inflation is likely to fall below 6% in September, they said. A basis point is a hundredth of a percentage point. "Our September estimate assumes a further decline in tomato prices and incorporates the impact of LPG price cut," said Gaura Sengupta, economist, IDFC First Bank, forecasting 5.6% inflation in September. Paras Jasrai, senior analyst, Ind-Ra, pegged the annual impact of inflation at 10-20 bps. "The new measure would be especially helpful for the lower income strata which is battling high food inflation," he said. On the other hand, Madan Sabnavis, chief economist, Bank of Baroda, said the impact of LPG price cut on inflation could be 0.26 bps.

<https://economictimes.indiatimes.com/news/economy/indicators/lpg-cut-to-cool-inflation-by-10-30-bps-this-fiscal-experts/articleshow/103221415.cms>

### Panel on Digital Competition Law likely to submit final report next month

A 16-member inter-ministerial Committee on Digital Competition Law, set up by the Ministry of Corporate Affairs in February, is likely to get another extension to submit its report. The panel, which was initially given three months to submit its findings, has already been granted four extensions, with the latest one allowing it to submit its report by August 31. However, as the deadline approaches, the committee members are still engaged in deliberations on the draft of the proposed digital competition law and the Panel is now likely to submit its final report next month. This development comes even as a parliamentary panel headed by Jayant Sinha, which first mooted the idea of a digital

competition law, recently asked the government to urgently apprise it of the findings of the panel on digital competition law.

<https://www.thehindubusinessline.com/info-tech/panel-on-digital-competition-law-likely-to-get-final-extension/article67251053.ece>

## Banking and Finance

### Finance Minister Nirmala Sitharaman asks RRBs to remove duplication of PMJDY accounts

Finance Minister Nirmala Sitharaman on Wednesday asked Regional Rural Banks to make efforts to remove duplication of Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts. During the review meeting with heads of RRBs, the finance minister emphasised the need to increase penetration under Pradhan Mantri MUDRA Yojana (PMMY) and financial inclusion and stated that a roadmap has to be prepared for completing the designated activities in a timebound manner. The minister urged the RRBs to remove duplication of PMJDY accounts and facilitate storage facility for apple growers particularly in J&K and Himachal Pradesh, an official statement said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/finance-minister-nirmala-sitharaman-asks-rrbs-to-remove-duplication-of-pmjdy-accounts/articleshow/103219866.cms>

### Centre spent Rs 2,400 crore more than what it raised via green bonds

The government spent about ₹18,400 crore on various green projects in 2022-23, higher than its mop-up of ₹16,000 crore through sovereign green bonds when it had floated such papers for the first time, a senior official said citing the latest estimate. According to the expenditure plan prepared by the finance ministry for the current financial year, the funds raised through such bonds will be used to finance green projects worth ₹23,764 crore, he said. Given that the funds raised will have to be used strictly for green projects, the spending will be kept higher than the actual borrowing to assuage any apprehensions about potential misuse of such funds, officials had told ET earlier.

<https://economictimes.indiatimes.com/news/economy/finance/centre-spent-rs-2400-crore-more-than-what-it-raised-via-green-bonds/articleshow/103221457.cms>

### Credit card spend hits new high in July at Rs 1.44 trillion: RBI data

Indians spent a record Rs 1.44 trillion in July via credit cards, breaking the previous record of Rs 1.4 trillion in May. Credit card spend had slipped to Rs 1.37 trillion in June. The banking industry added about 1.19 million credit cards in July, taking the outstanding credit card base to 89.87 million compared to 88.68 million in the previous month. According to latest data released by the Reserve Bank of India, HDFC Bank maintained its leadership position with 18.54 million cards, followed by SBI Card at 17.55 million, ICICI Bank at 14.98 million, and Axis Bank at 12.74 million.

[https://www.business-standard.com/economy/news/credit-card-spend-hits-new-high-in-july-at-rs-1-44-trillion-rbi-data-123083001095\\_1.html](https://www.business-standard.com/economy/news/credit-card-spend-hits-new-high-in-july-at-rs-1-44-trillion-rbi-data-123083001095_1.html)

### T-bills yield fall on liquidity rise, banks park over Rs 40k cr with RBI

The cut-off yields on the Treasury bills at auction on Wednesday were set lower than the previous week due to a rise in the overall liquidity of the system, dealers said. Banks parked Rs 41,283 crore with the Reserve Bank of India on Tuesday as compared to Rs 26,016 crore on Monday. The Reserve Bank of India (RBI) set the cut-off yield on the 91-day, 182-day, and 364-day Treasury bills at 6.82 per cent, 7.02 per cent, and 7.03 per cent, respectively. The cut-off yield on the 91-day and 364-day Treasury bills was set 4 basis points lower, whereas the 182-day cut-off yield was set 2 basis points lower than the last week.

[https://www.business-standard.com/economy/news/t-bills-yield-fall-on-liquidity-rise-banks-park-over-rs-40k-cr-with-rbi-123083000968\\_1.html](https://www.business-standard.com/economy/news/t-bills-yield-fall-on-liquidity-rise-banks-park-over-rs-40k-cr-with-rbi-123083000968_1.html)

### RBI cautions UCB directors against camouflage of financial position

Flagging the need to enhance integrity and financial profile, the Reserve Bank of India (RBI) on Wednesday cautioned directors of Urban Cooperative Banks (UCBs) against the use of innovative accounting practices to camouflage the actual financial position. UCBs have to strengthen their financial and operational resilience so as to contribute to the overall financial and banking sector stability.

[https://www.business-standard.com/economy/news/rbi-cautions-ucb-directors-against-camouflage-of-financial-position-123083001025\\_1.html](https://www.business-standard.com/economy/news/rbi-cautions-ucb-directors-against-camouflage-of-financial-position-123083001025_1.html)

### **Average resolution time under IBC touches three-year high in June quarter: Report**

The average time taken for resolution of stressed assets under the insolvency law reached a three-year high in the June quarter, according to a report. The longest delay was 643 days for the Financial Creditors (FCs) in the first quarter of this fiscal, as per the report by India Ratings based on an analysis of official data. The timeline for completion of resolution under the Insolvency and Bankruptcy Code (IBC), which was established in 2016, is 270 days, and can be extended subject to certain conditions. A total of 45 per cent of the cases under the IBC have ended in liquidation, India Ratings said on the basis of an analysis of data released by the Insolvency and Bankruptcy Board of India (IBBI) for the June quarter.

<https://economictimes.indiatimes.com/news/economy/policy/average-resolution-time-under-ibc-touches-three-year-high-in-june-quarter-report/articleshow/103220886.cms>

### **Industry**

#### **Global PC makers move to India, 38 firms apply under IT hardware PLI 2.0**

In a big win for the government's revised information technology (IT) hardware production-linked incentive (PLI) scheme, a total of 38 companies have expressed interest in commencing manufacturing of personal computers (PCs), laptops, tablets, servers, and edge computing devices within the country. Major global PC manufacturers, including Dell, Hewlett Packard, Foxconn (via a subsidiary), Asus, Acer, and Flex, have submitted their applications ahead of the Wednesday deadline.

[https://www.business-standard.com/industry/news/global-pc-makers-move-to-india-32-firms-apply-under-it-hardware-pli-2-0-123083001163\\_1.html](https://www.business-standard.com/industry/news/global-pc-makers-move-to-india-32-firms-apply-under-it-hardware-pli-2-0-123083001163_1.html)

#### **PV production up as chip shortages ease out, wait period for models reduce**

The production of passenger vehicles (PVs) has been improving month-on-month, indicating an easing of the semiconductor chip supply situation. Industry insiders point out that with increased production, the wait periods for several high-demand cars have now come down. Data from the Society of Indian Automobile Manufacturers shows that between April and July of this year, overall PV production has increased by 7.6 per cent year-on-year (Y-o-Y). Compared to the previous month, there has been an 18.5 per cent increase in production to 393,094 units in July. In comparison to April levels (316,122 units), there has been a 24.3 per cent jump in PV production in July.

[https://www.business-standard.com/industry/news/pv-production-up-as-chip-shortages-ease-out-wait-period-for-models-reduce-123083000912\\_1.html](https://www.business-standard.com/industry/news/pv-production-up-as-chip-shortages-ease-out-wait-period-for-models-reduce-123083000912_1.html)

#### **India to start lithium, other critical mineral blocks auction in next four months, Mines Secretary Vivek Bharadwaj says**

India is preparing to start the auction process for some 100 critical mineral blocks in the next four months, as part of plans to secure domestic supplies of the raw materials needed to fuel the green energy transition. The blocks are for minerals including nickel, lithium, cobalt and platinum, along with rare earths, Mines Secretary Vivek Bharadwaj said in an interview in New Delhi. "The legal framework has been laid out and the blocks have been identified," Bharadwaj said. The tender seeking bids is expected to be out by December and auctions may start three months later, he added.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-to-start-lithium-other-critical-mineral-blocks-auction-in-next-four-months-mines-secretary-vivek-bharadwaj-says/articleshow/103198646.cms>

#### **India's record dry August may push domestic FMCG sector in slow lane**

India is expected to exit August on a dry note as the country is poised to see its driest month since 1901, according to news reports. This is putting consumer companies on edge as demand recovery comes under threat. Rural demand had just started to move back into positive territory after being under pressure for over a year. Companies say that if rains don't hit in the next two to three days, inflation will start to become a problem and demand will also take a hit, putting them in a worrisome situation.

[https://www.business-standard.com/companies/news/india-s-record-dry-august-may-push-domestic-fmcg-sector-in-slow-lane-123083000914\\_1.html](https://www.business-standard.com/companies/news/india-s-record-dry-august-may-push-domestic-fmcg-sector-in-slow-lane-123083000914_1.html)

### **Sales growth of listed private non-financial cos moderates to 2.1% in Q1**

Sales growth of listed private non-financial companies moderated to 2.1 per cent in Q1 of the current financial year on a year-on-year basis from 8 per cent in the previous quarter, and 41 per cent a year ago, according to a report by the Reserve Bank of India released on Wednesday. The combined sales figures of 1,712 listed private manufacturing companies exhibited a relatively stable trend compared to the same period in the previous financial year.

[https://www.business-standard.com/companies/news/sales-growth-of-listed-private-non-financial-cos-moderates-to-2-1-in-q1-123083001047\\_1.html](https://www.business-standard.com/companies/news/sales-growth-of-listed-private-non-financial-cos-moderates-to-2-1-in-q1-123083001047_1.html)

### **Home textile industry to see 7-9% rise in revenues this fiscal: Report**

Home textile industry's revenues are expected to rise 7-9 per cent this fiscal as the sector regains global share following a correction in domestic cotton prices and restocking by big-box retailers in major overseas markets, says a report. In the last financial year, their revenues had declined 15 per cent. According to the Crisil Ratings report released on Wednesday, operating profitability of the industry will improve 150-200 basis points to 14-14.5 per cent this fiscal, due to lower raw material cost and better operating leverage, but will still hover below the pre-pandemic levels.

<https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/home-textile-industry-to-see-7-9-rise-in-revenues-this-fiscal-report/articleshow/103218491.cms>

### **India tech industry decentralising to 26 cities from 7 major hubs, 11-15% talent in tier-2, -3 cities: Report**

India's technology industry is decentralising from seven major hubs to 26 cities like Chandigarh, Nagpur and Kanpur as about 11-15 per cent of tech talent is based in tier-2 and tier-3 cities, says a report. The majority of the 5.4 million people employed in the technology industry in India have clustered around seven major cities of Delhi, Mumbai, Kolkata, Chennai, Bengaluru, Hyderabad and Pune, the report by Deloitte and Nasscom stated. India's tech industry is decentralising from the seven major hubs, including metropolitan hubs, to 26 cities, with representation from tier-2 and tier-3 towns as well, the 220-page report titled "Emerging technology hubs of India" stated.

<https://www.financialexpress.com/business/industry/india-tech-industry-decentralising-to-26-cities-from-7-major-hubs-11-15-talent-in-tier-2-3-cities-report/3227815/>

## **Agriculture**

### **95% surge in Maharashtra enrolment pushes up PM crop insurance area by 12%**

The Centre's flagship scheme Pradhan Mantri Fasal Bima Yojana (PMFBY) or the PM Crop Insurance Scheme has seen coverage of 30.14 million hectares (mh) in kharif 2023, which is 12 per cent higher than year-ago. The maximum increase has been noticed in Maharashtra, which received 39 per cent below-normal rain in August. Maharashtra's insured area has nearly doubled to 11.4 million hectares (mh), after the State government decided to take the burden of the premium, whereas it is almost at last year's level in other major States such as Rajasthan, Madhya Pradesh and Uttar Pradesh. But, insurers are now waiting for September rain as the pan-India deficit in August has reached 35 per cent, threatening crops in many parts.

<https://www.thehindubusinessline.com/economy/agri-business/95-surge-in-maharashtra-enrolment-pushes-up-pm-crop-insurance-area-by-12/article67252666.ece>

### **'Over 80 start-ups dedicated to millets have come up in the last 18 months'**

Over 80 start-ups dedicated to millets have sprung over the past 18 months, a millet conclave "Shree Anna" organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) was informed on Wednesday. Addressing the conclave, Shubha Thakur, Joint Secretary (Crops, Oil Seeds), Union Ministry of Agriculture and Farmers' Welfare, said over the past one and a half years, the significant growth of start-ups in the millet sector has captured the attention of the highest levels of Government.

<https://www.thehindubusinessline.com/economy/agri-business/over-80-start-ups-dedicated-to-millets-have-come-up-in-the-last-18-months/article67252507.ece>

## **Infrastructure**

### **AI-driven planning is Gati Shakti's new frontier, says DPIIT official**

Over the past year and a half, the GatiShakti National Master Plan has developed into a comprehensive database of ongoing as well as future projects for various central and state-level economic and social infrastructure initiatives. Moving forward, GatiShakti will also incorporate predictive infrastructure planning through the use of artificial intelligence (AI).

[https://www.business-standard.com/economy/interviews/ai-driven-planning-is-gati-shakti-s-new-frontier-says-dpiit-official-123083100023\\_1.html](https://www.business-standard.com/economy/interviews/ai-driven-planning-is-gati-shakti-s-new-frontier-says-dpiit-official-123083100023_1.html)

### **Housing prices rose in 43 cities in Q1 of FY24: NHB**

Housing prices rose in 43 cities in the first quarter of 2023-24, while the rates of residential units fell in seven cities, according to National Housing Bank (NHB). In a Housing Price Index published by NHB, the regulator for housing finance companies said the home loan rates are still lower than the pre pandemic rates leading to a healthy affordability overall. Eight key primary residential markets -- Ahmedabad witnessed a 9.1 per cent appreciation in property prices while Bengaluru 8.9 per cent and Kolkata 7.8 per cent during the April-June 2023 period.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/housing-prices-rose-in-43-cities-in-q1-of-fy24-nhb/articleshow/103208962.cms>

### **Proposed shifting of international operations to Terminal 2 at Bengaluru airport postponed**

The proposed shifting of international operations to Terminal 2 at Kempegowda International Airport, Bengaluru on August 31 stands postponed. After consulting all regulatory authorities, Bangalore International Airport Limited (BIAL) said it will release a firm date on Thursday for the transition of international operations. "The last-minute decision was taken during the final preparedness review, in order to provide an optimal and seamless transition for our passengers," a BIAL spokesperson said. "International operations will continue to remain in Terminal 1 until further notice," it said. "We request all international passengers to reach out to their respective airlines for any further information".

<https://pandectes.io/blog/preparing-for-data-protection-audits-a-compliance-checklist/#h-compliance-checklist-for-preparing-for-data-protection-audits>

## **Energy**

### **India will buy oil from anyone who offers lowest prices: Hardeep Singh Puri**

India will buy oil from all sources that offer it at the "lowest possible prices", the country's oil minister told broadcaster ET Now on Wednesday. India has been buying crude oil from Russia, which is now its top oil supplier, at discounted prices since the west imposed import curbs following its invasion of Ukraine last year.

[https://www.business-standard.com/economy/news/india-will-buy-oil-from-anyone-who-offers-lowest-prices-hardeep-singh-puri-123083000279\\_1.html](https://www.business-standard.com/economy/news/india-will-buy-oil-from-anyone-who-offers-lowest-prices-hardeep-singh-puri-123083000279_1.html)

## **External**

### **Govt likely to extend export benefits under RoDTEP scheme for pharma, steel**

The government is expected to extend export benefits under the RoDTEP scheme to iron and steel, chemicals and pharmaceutical sectors beyond September 30, according to a senior official. In December 2022, the government extended the benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme to chemicals, pharmaceuticals and products of iron and steel till September 30 this year.

[https://www.business-standard.com/economy/news/govt-likely-to-extend-export-benefits-under-rodtep-scheme-for-pharma-steel-123083001046\\_1.html](https://www.business-standard.com/economy/news/govt-likely-to-extend-export-benefits-under-rodtep-scheme-for-pharma-steel-123083001046_1.html)

### **India allots rice export quotas to Bhutan, Singapore, and Mauritius**

India on Wednesday decided to allocate export quotas of non-basmati white rice to Bhutan, Mauritius and Singapore, the government said in a statement. Exports of 79,000 metric tons of non-basmati white rice would be allowed to Bhutan, while export quotas of 50,000 tons and 14,000 tons, respectively, would be allocated for Singapore and Mauritius, it said.

[https://www.business-standard.com/economy/news/india-allots-rice-export-quotas-to-bhutan-singapore-and-mauritius-123083000935\\_1.html](https://www.business-standard.com/economy/news/india-allots-rice-export-quotas-to-bhutan-singapore-and-mauritius-123083000935_1.html)

**DGTR suggests anti-dumping duty on Chinese toughened glass for home appliances**

The commerce and industry ministry has recommended anti-dumping duty worth \$41.8-243 per metric ton of toughened glass for home appliances imported from China. The proposed duty is for toughness glass having thickness between 1.8-8 mm and area of 0.4 SqM or less. The Directorate General of Trade Remedies (DGTR) made this recommendation based on an application filed by the Federation of Safety Glass on behalf of GSC Glass (P) Ltd. and TPRS Enterprises. The DGTR notified appliance makers including LG, Samsung, Whirlpool and Glen Appliances, among others who import toughened glass.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgtr-suggests-anti-dumping-duty-on-chinese-toughened-glass-for-home-appliances/articleshow/103220634.cms>