



July 12, 2021 – Monday

## Key Developments

### Govt identifies items for customs exemptions review, seeks industry views

The government has identified a host of customs exemptions for review and has invited suggestions from trade and industry bodies on the same. Importers, exporters, domestic industry and trade associations are invited to give views on the subject for consideration by the government by August 10 on the 'MyGov.in' portal. Some key products covered under the list include fabrics, games/sports requisites, magnetron for microwave manufacturing, specified parts for PCB, set-up box, routers, broadband modem, contraceptives and artificial kidney.

The list also includes magnetic tapes, photographic, filming, sound recording/ radio equipment, parts/ raw material for manufacture of goods supplied for off-shore oil exploration, specified machinery/ parts covered in textile industry.

<https://www.financialexpress.com/economy/govt-identifies-items-for-customs-exemptions-review-seeks-industry-views/2287960/>

### Revised wage rate index likely next month; base year to be 2019

The government will soon revive the wage rate index and change its base year to 2019 from 1965. The revised index will capture the impact of inflation on wages and form the basis for determining the statutory national floor level minimum wage, said officials. "Work is in the final stages. The index with revised base year could be launched next month," said a senior labour ministry official, who did not wish to be identified. "The appreciation in the index till 2019 will be used to determine the minimum wages in the country."

<https://economictimes.indiatimes.com/news/economy/policy/revised-wage-rate-index-likely-next-month-base-year-to-be-2019/articleshow/84326485.cms>

## Economy

### India poised for double-digit growth this fiscal, says Niti Aayog VC

With India's story remaining "very strong", the economy will register a double-digit growth in the current fiscal and the disinvestment climate also looks better, said Niti Aayog Vice Chairman Rajiv Kumar. He also asserted that the country is prepared in a far better manner in case there is a Covid wave as states have also their own lessons from the previous two waves.

"We are now hopefully getting past our (Covid-19) pandemic... and the economic activities will be strengthened as we get into the second half of this (fiscal) year given what I have seen for example various indicators, including the mobility indicators," Kumar told PTI in an interview. The Indian economy has been adversely impacted by the coronavirus pandemic and the recovery has been relatively sluggish in the wake of the second Covid wave.

[https://www.business-standard.com/article/current-affairs/india-poised-for-double-digit-growth-this-fiscal-says-niti-aayog-vc-121071100305\\_1.html](https://www.business-standard.com/article/current-affairs/india-poised-for-double-digit-growth-this-fiscal-says-niti-aayog-vc-121071100305_1.html)

### IT rules 2021 empowering, protecting users, asserts Ashwini Vaishnaw

IT and communications minister Ashwini Vaishnaw on Sunday said the new information technology rules are empowering and protecting users. He added that the new IT rules will ensure a safer and more responsible social media ecosystem in India.

"Reviewed the implementation and compliance of Information Technology Rules, 2021 along with my colleague Shri Rajeev Chandrasekhar ji. These guidelines are empowering and protecting users and will ensure a safer and responsible social media ecosystem in India," Vaishnaw said in a post on Twitter's Indian competitor Koo platform. The new rules which came into effect from May 25 mandate social media companies to establish a grievance redressal mechanism for resolving complaints from the users or victims.

[https://www.business-standard.com/article/pti-stories/it-rules-2021-empowering-protecting-users-ashwini-vaishnaw-121071100493\\_1.html](https://www.business-standard.com/article/pti-stories/it-rules-2021-empowering-protecting-users-ashwini-vaishnaw-121071100493_1.html)

#### **GST probe busts firms for 'fake' input tax credit invoices worth Rs 91 cr**

GST officers have busted a network of 23 entities involved in creation of fake invoices worth Rs 551 crore and passing inadmissible input tax credit worth Rs 91 crore. Based upon specific intelligence, the officers of the anti-evasion branch of Central Goods and Service Tax (CGST) Commissionerate, Delhi (West) have unearthed a case of availment/utilization and passing on of inadmissible input tax credit (ITC) through goods less invoices of about Rs 91 crore, the Finance Ministry said in a statement.

The firms involved in this network are M/s Girdhar Enterprises, M/s Arun Sales, M/s Akshay Traders, M/s Shree Padmavati Enterprises and 19 others. These 23 firms were floated in order to generate goods-less invoices with an intent to pass on fraudulent ITC without paying actual GST to the government.

[https://www.business-standard.com/article/economy-policy/gst-probe-busts-network-of-firms-for-making-fake-invoices-for-rs-91-cr-121071100262\\_1.html](https://www.business-standard.com/article/economy-policy/gst-probe-busts-network-of-firms-for-making-fake-invoices-for-rs-91-cr-121071100262_1.html)

#### **Service recipient cannot be fastened with any liability to pay tax**

The Customs Excise and Service Tax Appellate Tribunal (CESTAT) has held that a service recipient cannot be fastened with any liability to pay tax. Also, tax will be paid only when the service has been rendered. Experts say that this ruling will have great relevance in the GST regime.

<https://www.thehindubusinessline.com/economy/policy/cestat-service-recipient-cannot-be-fastened-with-any-liability-to-pay-tax/article35267352.ece>

#### **Nominate your choice of inspiring people for Padma awards: PM Modi**

Prime Minister Narendra Modi on Sunday urged people to nominate their choice of persons, who are doing exceptional work at the grassroots, for Padma awards. In a tweet, Modi said India has many talented people doing exceptional work at the grassroots but they are often not much known.

"India has many talented people, who are doing exceptional work at the grassroots. Often, we don't see or hear much of them. Do you know such inspiring people? You can nominate them for the #PeoplesPadma. Nominations are open till 15th September. <http://padmaawards.gov.in>," he tweeted, sharing the link of the website. The Padma awards, namely, Padma Vibhushan, Padma Bhushan and Padma Shri are amongst the highest civilian awards of the country. In the last few years, the Modi government has been honouring scores of unsung heroes with the Padma awards for their life-long contributions to the society and achievements in different fields.

[https://www.business-standard.com/article/current-affairs/nominate-your-choice-of-inspiring-people-for-padma-awards-pm-modi-121071100179\\_1.html](https://www.business-standard.com/article/current-affairs/nominate-your-choice-of-inspiring-people-for-padma-awards-pm-modi-121071100179_1.html)

#### **India reports 41,506 cases on Sunday**

India reported 41,506 daily Covid-19 cases on Sunday, with 895 deaths in the last 24 hours till 8:00 AM, as per the Health Ministry data. While many countries like UK, Russia, Australia and Bangladesh are dealing with the resurgence in daily infections, in India the cases seem to be under control with daily infections being less than 50,000 for 14 days continuously. A decline in total active caseload was noticed on Sunday at 4,54,118 and the cumulative death toll stood at 4,08,040, with India being third in the world behind the US and Brazil.

<https://www.thehindubusinessline.com/news/covid-19-india-reports-41506-cases-on-sunday/article35262437.ece>

#### **Covid-19 vaccination: India vaccinates over 37 lakh people**

India vaccinated over 37 lakh people against Covid-19 on July 10, according to the official data from the Ministry of Health and Family Welfare (MoHFW).

<https://www.thehindubusinessline.com/news/covid-19-vaccination-india-vaccinated-over-37-lakh-people/article35261403.ece>

## Banking and Finance

### Govt extends deadline for transaction, legal advisors to bid for managing IDBI Bank sale till Jul 22

The government has extended the deadline for transaction and legal advisors to bid for managing the IDBI Bank strategic sale by 9 days till July 22. The Department of Investment and Public Asset Management (DIPAM) had on June 22 invited bids from merchant bankers and law firms for managing and giving legal advice for the sale process. The last date to put in bids was July 13. "The competent authority has decided to extend the bid submission date of the tender by nine days. The last date of bid submission will now be July 22, 2021," the DIPAM said in a notice.

DIPAM, which manages government's equity, had also clarified to the merchant bankers that LIC's holding in IDBI Bank would be sold along with government's stake, but the exact quantum of stake dilution would be decided later.

<https://www.financialexpress.com/industry/banking-finance/govt-extends-deadline-for-transaction-legal-advisors-to-bid-for-managing-idbi-bank-sale-till-jul-22/2287946/>

### FPIs pull out Rs 2,249 crore from Indian equities in July so far

After a month of net inflows, foreign portfolio investors (FPIs) pulled out Rs 2,249 crore from the Indian equities segment in the first seven trading sessions of July. This could be largely attributed to profit booking by FPIs with markets trading near all-time highs and investors choosing to stay on the sidelines, said Morningstar India Associate Director (Manager Research) Himanshu Srivastava. V K Vijayakumar, chief investment strategist at Geojit Financial Services, said it was important to appreciate the fact they are not selling big. "This is because even though valuations are stretched, there are no signs of a major crash in markets. The sharp dip in the US 10-year bond yield to around 1.3 per cent has again tilted the market in favour of equity," he said.

<https://economictimes.indiatimes.com/markets/stocks/news/fpis-pull-out-rs-2249-crore-from-indian-equities-in-july-so-far/articleshow/84313039.cms>

## Industry

### Companies commit over Rs 200 crore to expand IT hardware units under PLI plan

Home-grown electronics makers such as Dixon Technologies, Infopower Technologies, VVDN and Bhagwati Products (Micromax) have committed more than ₹200 crore to expand IT hardware manufacturing capacity under the government's production-linked incentive (PLI) scheme.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/cos-commit-over-200cr-to-expand-it-hardware-units-under-pli-plan/articleshow/84328779.cms>

### Khadi brand gains strength globally as KVIC secures trademark registrations in these countries

In order to further strengthen and protect the word mark and brand 'khadi' globally, Khadi and Village Industries Commission (KVIC), the statutory body for the promotion of enterprises in khadi and village industries under the Ministry of MSME, has secured 'khadi' trademark registrations in three more countries – Bhutan, UAE, and Mexico. The trademarks were secured in Mexico in December last year followed by UAE on June 28, and Bhutan on July 9. According to the MSME Ministry, applications for similar trademarks have been pending in 40 other countries including the USA, Qatar, Sri Lanka, Japan, Italy, Australia, New Zealand, Singapore, Brazil, etc. The total number of countries where the Khadi trademark has been secured has gone up from six viz., Germany, the UK, Australia, Russia, China, and EU to nine now. According to the government, KVIC has got registrations in these countries in various classes that pertain to Khadi fabric, Khadi readymade garments and village industry products such as Khadi soaps, Khadi cosmetics, Khadi incense sticks, and more.

<https://www.financialexpress.com/industry/sme/msme-eodb-khadi-brand-gains-strength-globally-as-kvic-secures-trademark-registrations-in-these-countries/2287943/>

## Accounting Standard for share-based payments for certain corporates

Small corporates with annual turnover less than ₹250 crore will soon get an accounting standard on 'share-based payments' to comply with if the CA Institute has its way.

<https://www.thehindubusinessline.com/economy/policy/coming-soon-accounting-standard-for-share-based-payments-for-certain-corporates/article35265318.ece?homepage=true>

### **E-commerce exploitation through e-retailers' unethical practices forced lakhs of shops to close: CAIT**

The exploitation of e-commerce channel through unethical business practices of online retailers in India has led to lakh of shops being forced to close, traders' body Confederation of All India Traders (CAIT) said on Sunday urging Commerce Minister Piyush Goyal to roll out the e-commerce policy immediately. "They (e-commerce companies) are trying to create a false narrative that (draft e-commerce) rules are stringent, will increase compliance burden, will discourage FDI in India, and malign the image of India in the global market," BC Bhartia, National President and Praveen Khandelwal, Secretary General, CAIT jointly said in a statement. The government had last month proposed amendments to Consumer Protection (E-commerce) Rules that indicated stricter compliance for e-commerce companies such as Amazon, Walmart-owned Flipkart, and others. The marketplaces have been continuously questioned by CAIT against their alleged business malpractices. The Ministry of Consumer Affairs, Food & Public Distribution, announcing the proposed changes, had categorically noted that there was an "evident lack of regulatory oversight in e-commerce which required some urgent action".

<https://www.financialexpress.com/industry/sme/msme-eodb-e-commerce-exploitation-through-e-retailers-unethical-practices-forced-lakhs-of-shops-to-close-cait/2288035/>

### **Second Covid-19 wave, higher input cost set to weigh on Q1 earnings**

Lower sales volume due to the second wave of the Covid-19 pandemic and higher commodity and input costs are likely to weigh on corporate revenue and profits in the April-June quarter of 2021-22 (Q1FY22). The companies in the cyclical sectors, such as banks, non-banking financial companies (NBFCs), oil and gas and metal, and mining, are again expected to do much better than the other segments.

[https://www.business-standard.com/article/companies/earnings-preview-second-covid-wave-higher-input-cost-set-to-weigh-on-q1-121071200019\\_1.html](https://www.business-standard.com/article/companies/earnings-preview-second-covid-wave-higher-input-cost-set-to-weigh-on-q1-121071200019_1.html)

### **Newly-appointed Steel Minister R C P Singh to review PSU performance this week**

Newly-appointed Steel Minister Ram Chandra Prasad Singh will this week hold meetings with public sector undertakings under his ministry to review their performance. Singh, a bureaucrat-turned-politician, on Thursday took charge as the country's steel minister replacing Dharmendra Pradhan, who has been allotted the ministry of education along with the Ministry of Skill Development and Entrepreneurship in the latest Cabinet reshuffle of the Modi 2.0 government. "The new minister will be taking performance review meetings with (steel) PSUs this week," a ministry official said. When asked about his priorities after taking the charge as the steel minister, 63-year-old Singh, who represents Bihar in Rajya Sabha, replied, "I am new. I will try to analyse and learn things after which only I will be able to tell better".

<https://www.financialexpress.com/economy/newly-appointed-steel-minister-r-c-p-singh-to-review-psu-performance-this-week/2287993/>

## **Agriculture**

### **Truant monsoon spells trouble for soyabean in Central India**

For farmers like Sunil Mukhati and hundreds of others near Indore in Madhya Pradesh, gazing at the skies as soon as they get up every day, has become a sort of ritual over the past couple of weeks.

<https://www.thehindubusinessline.com/economy/agri-business/truant-monsoon-spells-trouble-for-soyabean-in-central-india/article35230055.ece>

## **Infrastructure**

### **Ports hit as cargo growth declines**

Slowing cargo growth and lower capacity utilisation have intensified inter-port competition, putting pressure on pricing, say port operators and industry experts.

<https://www.thehindubusinessline.com/economy/logistics/port-industry-hit-by-overcapacity/article35265505.ece>

## Energy

### India's coal import rises 20 pc in May; volumes may be subdued in monsoon

India's coal import rose 20.4 per cent to 19.92 million tonnes (MT) in the month of May. The country had imported 16.54 MT of coal in May last fiscal, according to data compiled by mjunction Services.

"On a year-on-year basis, however, India's coal and coke imports in May 2021 were up 20.4 per cent as against 16.54 MT clocked in May 2020," it said. Import volumes of dry-fuel, it said, are expected to remain subdued in the ongoing monsoon season on account of lower demand, firm prices and high freight rates. India's coal import also rose 25.4 per cent to 42.19 MT in the first two months of the ongoing fiscal, against 33.63 MT of coal imported in the corresponding period of previous financial year, it said.

[https://www.business-standard.com/article/pti-stories/india-s-coal-import-rises-20-pc-in-may-import-volumes-may-be-subdued-in-ongoing-monsoon-121071100139\\_1.html](https://www.business-standard.com/article/pti-stories/india-s-coal-import-rises-20-pc-in-may-import-volumes-may-be-subdued-in-ongoing-monsoon-121071100139_1.html)

### India's power consumption rises 18 pc to 30.33 BU during July 1-7

India's power consumption grew nearly 18 per cent in first week of July to 30.33 billion units (BU) compared to a year ago and returned to pre-pandemic level mainly due to easing of lockdown curbs and delayed monsoon, according to power ministry data.

Power consumption during July 1-7 last year was 25.72 BU. Power consumption was recorded at 26.63 BU in first week of July in 2019. Thus, consumption of power has not only grown year-on-year but also returned to pre-pandemic level. In July 2020, power consumption recovered to 112.14 BU, but remained lower than 116.48 BU in the same month of 2019 (pre-pandemic level).

<https://www.financialexpress.com/industry/indias-power-consumption-rises-18-pc-to-30-33-bu-during-july-1-7/2287978/>

### Can BPCL get domestically produced LPG after privatisation, govt seeks legal opinion

A two-decade-old LPG supply order restricting supply of domestically produced LPG to only state-owned oil companies has stymied plans to allow Bharat Petroleum Corporation Ltd (BPCL) to continue selling subsidised cooking gas (LPG) after its privatisation.

A legal opinion has now been sought to ascertain if privatised BPCL will be eligible to receive liquefied petroleum gas (LPG) produced by companies such as ONGC and GAIL, two government officials with knowledge of the development said. Currently, BPCL has more than 8.4 crore domestic LPG customers, including 2.1 crore Ujjwala customers. The company does not produce enough LPG at its refineries to be able to cater to the requirement of all these.

<https://www.financialexpress.com/industry/can-bpcl-get-domestically-produced-lpg-after-privatisation-govt-seeks-legal-opinion/2288011/>

## States

### Chhattisgarh rural households to have tap water connection by 2023: Baghel

All 39 lakh rural households in Chhattisgarh will have access to pure drinking water through tap connection by 2023, state Chief Minister Bhupesh Baghel said on Sunday. In the 19th edition of his monthly radio address programme 'Lokvaani', Baghel spoke on New Era of Development and gave a detailed account of development and welfare initiatives being taken in the state, a government statement said. We have started a major campaign through 'Jal Jeevan Mission', under which pure drinking water will be supplied through tap connection to all 39 lakh rural households by the year 2023," the release quoted the chief minister as saying in the recorded address. Earlier, the target was to supply 40 litres of pure drinking water per person a day, which has now been increased to 55 litres per person a day. In the current financial year, budget of Rs 850 crore has been allocated for this scheme, he said.

[https://www.business-standard.com/article/current-affairs/chattisgarh-rural-households-to-have-tap-water-connection-by-2023-baghel-121071100564\\_1.html](https://www.business-standard.com/article/current-affairs/chattisgarh-rural-households-to-have-tap-water-connection-by-2023-baghel-121071100564_1.html)

### Ladakh first Union Territory to achieve 100% first dose coverage

Ladakh has become the first Union Territory to vaccinate all residents and the 'guest population', consisting of migrant labourers, hotel workers and Nepalese citizens who are earning their livelihood here, with the first dose of Covid-19 jab, administration officials said. In spite of Ladakh's low population, this is no mean feat in view of the region's challenging terrain, extreme weather and isolated centres of population — many of which are difficult to access. According to official data, a total of 89,404 people from all eligible age groups, including 18-44 years, have been administered the first dose of Covid vaccine. The second dose has been administered to 60,936 people. This was done in less than three months of starting the third phase of vaccination, covering the 18-44 age group. A total of 6,821 Nepalese citizens living in the UT were among those vaccinated.

<https://economictimes.indiatimes.com/news/india/ladakh-first-union-territory-to-achieve-100-first-dose-coverage/articleshow/84311863.cms>

#### **UP RERA settles 79 cases in National Lok Adalat**

The Uttar Pradesh Real Estate Regulatory Authority (UP RERA) has disposed of over 79 cases related to dispute between homebuyers and builders in the first National Lok Adalat on Saturday. Total 91 cases were fixed in Lok Adalat for hearing, out of which 79 were disposed of, according to the authority. "The National Lok Adalat was held at Uttar Pradesh RERA for the first time and got immensely positive feedback from the public. We are looking forward to the next National Lok Adalat slated to be held on 10th September 2021," said Anand Shukla, Nodal officer and Legal Advisor, UP RERA.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/up-rera-settles-79-cases-in-national-lok-adalat/articleshow/84296255.cms>

#### **All 39 lakh rural households in Chhattisgarh to have tap water connection by 2023: Bhupesh Baghel**

All 39 lakh rural households in Chhattisgarh will have access to pure drinking water through tap connection by 2023, state Chief Minister Bhupesh Baghel said on Sunday. In the 19th edition of his monthly radio address programme 'Lokvaani', Baghel spoke on "New Era of Development" and gave a detailed account of development and welfare initiatives being taken in the state, a government statement said. "We have started a major campaign through 'Jal Jeevan Mission', under which pure drinking water will be supplied through tap connection to all 39 lakh rural households by the year 2023," the release quoted the chief minister as saying in the recorded address.

<https://economictimes.indiatimes.com/news/india/all-39-lakh-rural-households-in-chhattisgarh-to-have-tap-water-connection-by-2023-bhupesh-baghel/articleshow/84317130.cms>

### **Healthcare**

#### **India's most purchased drugs in the last decade are for cardiac ailments, diabetes**

Cardiac medication has emerged as the highest-selling drug therapy in India over the past one decade, while anti-diabetics drugs have catapulted to among the top five therapies sold in India during this period. What makes this surge stark is that anti-diabetes drugs were not even among the top-five selling therapies till 2011, and cardiac drugs till the beginning of the millennium. At around Rs 21,000 crore annually, cardiac medication forms the biggest therapy of drugs being bought by Indians today. A decade ago, it was a third of its size and the second largest-therapy by sales. At around Rs 16,000 crore, anti-diabetes medication today is the fourth-largest therapy of drugs sold in the country, posting the maximum and an unfortunate surge among the leading therapies.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/indias-most-purchased-drugs-in-the-last-decade-are-for-cardiac-ailments-and-diabetes/articleshow/84302934.cms>

### **External**

#### **Indian tea exports likely to fall nearly 15 per cent in 2021**

The tea industry is bracing for a decline in exports to the tune of 30-40 million kg this year as compared to 2020, due to the availability of low-cost varieties in the global market and amid trade restrictions in countries that have traditionally been strong importers, industry sources said.

The coronavirus-induced economic downturn in much of the world is also a factor for falling shipments, they said. For the period between January to March this year, exports fell by 13.23 per cent as against the corresponding period a year ago, and by 29.03 per cent compared to 2019, as per Tea Board India data. Altogether, 45.86 million kg tea was

exported from India between January to March in 2021. The figure was 52.85 million kg in 2020 and 64.62 million kg in 2019.

[https://www.business-standard.com/article/economy-policy/indian-tea-exports-likely-to-fall-nearly-15-per-cent-in-2021-121071100580\\_1.html](https://www.business-standard.com/article/economy-policy/indian-tea-exports-likely-to-fall-nearly-15-per-cent-in-2021-121071100580_1.html)

### **India to push for mutual recognition agreements at BRICS meet on goods and services**

India will push for mutual recognition agreements (MRAs) in areas such as regulatory standards, conformity assessment, accreditation procedures, qualifications, visas and social security at a meeting of senior officials from the BRICS grouping — which includes Brazil, Russia, India, China and South Africa — to promote cooperation in the goods and services sectors this week.

<https://www.thehindubusinessline.com/economy/policy/india-to-push-for-mutual-recognition-agreements-at-brics-meet-on-goods-and-services/article35264123.ece>

### **US, Japan move WTO against India onion export ban**

The US and Japan have dragged India to the World Trade Organization over the frequent ban it imposes on onion exports. Both countries have alleged that the export ban without prior notice create problems for importing countries.

<https://www.thehindubusinessline.com/economy/agri-business/onion-growers-demand-concrete-policy-on-trade/article35233351.ece>



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