



September 01, 2022 – Thursday

Economy

India Q1FY23 GDP: Apr-Jun economic growth at 13.5% as India rebounds from COVID-19 fallout

India's fiscal first quarter GDP rose 13.5 per cent on-year, according to provisional estimates released by the National Statistical Office on Wednesday. India's April-June economic growth in double digits was on expected lines, but fell short of some high estimates. Many analysts had expected the double digit growth in the first quarter of the current fiscal due to the base effect. An ET Now poll of economists predicted 14.3% growth, while a CNBC TV18 poll forecast it at 15%. Asia's third-largest economy's GDP had expanded by 20.1 per cent in the same quarter a year ago.

<https://www.financialexpress.com/economy/india-q1fy23-gdp-apr-jun-economic-growth-at-13-5-as-india-rebounds-from-covid-19-fallout/2651020/>

Core sector output slows down to 4.5 pc in July

The output of eight core infrastructure sectors slowed down to 4.5 per cent in July — the lowest in six months — against 9.9 per cent in the year-ago period, according to official data released on Wednesday. The output of these infrastructure sectors expanded by 13.2 per cent in June, 19.3 per cent in May, 9.5 per cent in April, 4.8 per cent in March, 5.9 per cent in February and 4 per cent in January. The production growth of eight infrastructure sectors — coal, crude oil, natural gas, refinery products, fertiliser, steel, cement and electricity — was 11.5 per cent in April-July this fiscal against 21.4 per cent a year ago. Crude oil and natural gas production contracted by 3.8 per cent and 0.3 per cent, respectively, during the month under review.

<https://www.financialexpress.com/economy/core-sector-output-slows-down-to-4-5-pc-in-july/2650905/>

India's April-June fiscal deficit at Rs 3.4 lakh crore, touches 20.5% of annual target

The central government's fiscal deficit touched 20.5 per cent of the annual target at the end of July 2022-23 against 21.3 per cent a year ago, reflecting improvement in public finance, as per official data released on Wednesday. In actual terms, the fiscal deficit — the difference between expenditure and revenue — was Rs 3,40,831 crore during the April-July period this financial year. A fiscal deficit is a reflection of government borrowings from the market. As per the data released by the Controller General of Accounts (CGA), the government's receipts, including taxes, stood at Rs 7.85 lakh crore or 34.4 per cent of the Budget Estimates (BE) for 2022-23. During the year-ago period, it was nearly the same at 34.6 per cent. The tax revenue stood at Rs 6.66 lakh crore or 34.4 per cent of this year's BE. Last year too, the government had managed to mop 34.2 per cent of its annual estimate during April-July. The data further revealed that the central government's total expenditure was Rs 11.26 lakh crore or 28.6 per cent of the BE 2022-23, almost the same as in the year-ago period.

<https://www.financialexpress.com/economy/indias-april-june-fiscal-deficit-at-rs-3-4-lakh-crore-touches-205-of-annual-target/2650856/>

Indian economy to grow over 7% in FY23, says finance secretary

Indian economy is on course for a 7-plus per cent growth rate in the current fiscal year, finance secretary T V Somanathan said on Wednesday. Commenting on the first quarter GDP growth rate of 13.5 per cent, he said the economy is 4 per cent above pre-Covid levels. Allaying concerns of high imports denting the fiscal architecture, he said the government was on course to meet fiscal deficit target of 6.4 per cent of GDP in current fiscal ending March

31, 2023. Economic Affairs Secretary Ajay Seth said GST collection for August is likely to remain in the range of Rs 1.42-1.43 lakh crore, in signs of buoyancy in economy.

https://www.business-standard.com/article/economy-policy/indian-economy-to-grow-over-7-in-fy23-says-finance-secretary-122083100879_1.html

Urban unemployment rate in April-June 2022 eased to 7.6%, shows PLFS data

Unemployment rate in urban areas eased to 7.6% in April-June 2022 from 8.2% in the trailing quarter, as per the Periodic Labour Force Survey (PLFS) released on Wednesday. Urban unemployment was 12.6% in the June quarter of 2021. As per the latest PLFS, urban unemployment in the age group 15-29 years was %. The fieldwork of PLFS was suspended from March 18, 2020 due to Covid-19 pandemic. "For about 95.40% of the revisit schedules for the period April-June, 2022, information was collected over the telephone," the ministry of statistics and programme implementation said.

<https://economictimes.indiatimes.com/news/economy/indicators/urban-unemployment-rate-in-april-june-2022-eases-to-7-6-govt/articleshow/93911118.cms>

Banking and Finance

FinMin releases Rs 4,189 crore as rural local bodies grant to 5 states

The Finance Ministry on Wednesday said it has released Rs 4,189 crore to five states for providing grants to the rural local bodies. "The Department of Expenditure (has) released an amount of Rs 4,189.58 crore to Karnataka (Rs 628.07 crore), Tripura (Rs 44.10 crore), Uttar Pradesh (Rs 2,239.80 crore), Andhra Pradesh (Rs 569.01 crore) and Gujarat (Rs 708.60 crore) for providing grants to the Rural Local Bodies," an official statement said. This grant is based on the recommendations of the 15th Finance Commission and are released to the states as per the advice of the Department of Drinking Water & Sanitation for making improvements in two services -- sanitation and maintenance of Open-Defecation Free (ODF) status and supply of drinking water, rain water harvesting and water recycling.

<https://economictimes.indiatimes.com/news/economy/finance/finmin-releases-rs-4189-crore-as-rural-local-bodies-grant-to-5-states/articleshow/93909200.cms>

August GST collection likely to be in range of Rs 1.42-1.43 lakh crore: Ajay Seth

GST collection for August could likely be in range of Rs 1.42-1.43 lakh crore, in signs of buoyancy in economy, Economic Affairs Secretary Ajay Seth said on Wednesday. The final numbers for GST mop-up will be out tomorrow. On the govt expenditure in Q1, the DEA secretary said that Rs 1.7 lakh crore was spend in the quarter ending June. Seth also said that the Gross fixed capital formation grew 34.7 per cent in April-June, which was highest in 10 years. Talking about jobs, the DEA secretary said that demand for job is still higher than the pre-pandemic level.

<https://economictimes.indiatimes.com/news/economy/policy/august-gst-collection-likely-to-be-in-range-of-rs-1-42-1-43-lakh-crore-ajay-seth/articleshow/93908734.cms>

Industry

Car dispatches up nearly 30% in August

Indian car makers recorded yet another month of bumper sales, increasing dispatches by nearly a third in August as production constraints eased and dealers stocked vehicles to meet robust customer demand in the festive period. Industry estimates sales of passenger vehicles to have increased 29-31% to 335,000-340,000 units in August. This is the fastest growth registered in wholesale volume this year, barring May, when dispatches had tripled on the low base of last year. Operations across manufacturers were disrupted in the same period last year after the second wave of the pandemic due to the global shortage of semiconductors.

<https://economictimes.indiatimes.com/industry/auto/auto-news/car-dispatches-up-nearly-30-in-august/articleshow/93914794.cms>

Around 3.7 crore jewellery hallmarked during April-July: Bureau of Indian Standards

As many as 3.7 crore jewellery articles were hallmarked during April-July period of this fiscal year, the government said on Wednesday. Mandatory hallmarking of gold jewellery came into force from June 16, last year. "8.68 crore jewellery articles were hallmarked in the year 2021-2022 while 3.7 crore articles have been hallmarked from April 1,

2022 till July 31, 2022," the Bureau of Indian Standards (BIS) said in a statement. The bureau listed some important achievements since the release of mandatory hallmarking on June 16, 2021. The registration of jewellers was made free and valid for lifetime. Hallmark Unique Identification (HUID) based hallmarking portal was launched on July 1, 2021 wherein the entire workflow in the assaying and hallmarking centre is automated and made online.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/around-3-7-crore-jewellery-hallmarked-during-april-july-bureau-of-indian-standards/articleshow/93909737.cms>

Brands set up shop at transit hubs to cash in on commuter commerce

Transit hubs such as metro stations, high-speed rail corridors, railway stations, airports and areas around them are emerging as the preferred locations for stores for retail and F&B brands that want to target daily commuters, according to experts. The metro rail operators in Delhi, UP and Chennai have leased space to retail brands, while many airports have planned shopping destinations styled on Delhi's Aerocity. Delhi, which has one of the largest metro rail networks in the world, earns a major chunk of its revenue through retail leasing. In the national capital region, Gurgaon's HUDA City Centre metro station houses the stores of Decathlon and H&M, among others, while Nike and Adidas have opened their outlets at Chattarpur metro station.

<https://economictimes.indiatimes.com/industry/services/retail/brands-set-up-shop-at-transit-hubs-to-cash-in-on-commuter-commerce/articleshow/93913760.cms>

India is trying to get duty-free access for ODOP products, said Commerce Minister Piyush Goyal

Commerce and industry minister, Piyush Goyal said that India is seeking duty-free access for various products, categorised under One District One Product (ODOP) initiative, to promote their exports, as per the Zee Business report. The products under ODOP that include gold jewellery, toys, handicrafts and handlooms, hold great opportunities, stated Goyal. Speaking at the launch of ODOP gift catalogue and storefront on public procurement portal Government e-Marketplace (GeM), he said, "We are doing Free Trade Agreements (FTAs) where we are looking at duty-free access for all these products. So we can create international acceptance of these products," according to the report. With the aim to transform each region of the country into an export hub, the department looks forward to identifying potential products that can be exported, address the bottlenecks in the process and also helping local exporters/manufacturers to increase production and find potential buyers outside India.

<https://www.financialexpress.com/industry/sme/msme-eodb-india-is-trying-to-get-duty-free-access-for-odop-products-said-commerce-minister-piyush-goyal/2650873/>

India's eB2B market to grow to USD 90-100 billion in GMV by 2030: Report

India's eB2B market may grow to USD 90-100 billion in gross merchandise value by 2030 from USD 50 billion in 2021 on the back of massive penetration and multiple favourable factors, according to a report. The report by strategy consulting firm Redseer also forecasts that the B2B (business-to-business) retail general trade opportunity in India will reach around USD 1.2 trillion by that time with eB2B taking up a 8 per cent share. eB2B has already captured a fair share of the offline market, and retailers are confident about increasing their spending soon, it said, suggesting that some 50 per cent of the non-users are willing to shift to such platforms in the coming year. In order to access underserved markets, brands are turning increasingly to eB2B, either as an addition to their current distribution network or as a replacement for "ineffective" traditional distributors, Redseer said.

https://www.business-standard.com/article/current-affairs/electric-vehicles-on-indian-roads-to-touch-50-mn-mark-by-2030-kpmg-122083000784_1.html

Agriculture

Agriculture Minister reviews progress on database for identification of eligible farmers for PM-KISAN, other schemes

Agriculture Minister Narendra Singh Tomar on Wednesday reviewed the work on the database being created for quick identification of eligible farmers for the PM-KISAN and other schemes. Tomar, in a virtual meeting with state agriculture ministers, asked states to complete the work of data verification and update at the earliest so that no eligible farmer is deprived of the benefits of the schemes. "A database is being created for quick identification of eligible farmers for PM-KISAN and other schemes and farmers' welfare schemes to be launched in the future," an official statement said.

<https://economictimes.indiatimes.com/news/economy/agriculture/agriculture-minister-reviews-progress-on-database-for-identification-of-eligible-farmers-for-pm-kisan-other-schemes/articleshow/93911624.cms>

Cabinet nod to raise procurement ceiling for tur, urad, masur under price support scheme

The Centre on Wednesday raised the procurement ceiling for tur, urad and masur under the PSS scheme and also decided to dispose of 15 lakh tonne of chana procured under its two programmes to states at a discounted rate. The decision in this regard was taken in the Cabinet Committee on Economic Affairs (CCEA) meeting, chaired by Prime Minister Narendra Modi.

<https://www.thehindubusinessline.com/economy/agri-business/cabinet-approves-plans-to-raise-procurement-ceiling-for-tur-urad-masur-under-price-support-scheme/article65833433.ece>

Potato, tomato prices fall up to 30%

Prices of potato and tomato, two staple vegetables in Indian kitchens, have fallen by up to 30% and 20%, respectively, in the last fortnight, trade insiders said. The potato trade was holding back the crop in anticipation of better prices, but it did not happen, and traders were forced to release stocks, impacting the prices. In the case of tomato, good production this year has pushed down prices. Farmers in Andhra Pradesh have requested the tomato pulp industry in the state to buy more from them so that they can get some value for their produce, trade insiders said.

<https://economictimes.indiatimes.com/news/economy/agriculture/potato-tomato-prices-fall-up-to-30/articleshow/93913081.cms>

Energy

Govt hikes windfall profit tax on export of diesel, ATF; raises tax on domestic crude oil

The government has hiked the windfall profit tax on the export of diesel to ₹13.5 per litre and jet fuel exports to ₹9 a litre, besides raising the levy on domestically-produced crude oil in line with the hardening of global prices. At the fourth fortnightly review, the government raised the windfall profit tax on the export of diesel to ₹13.5 per litre from ₹7 per litre. The tax on Aviation Turbine Fuel (ATF) exports has also been hiked to ₹9 from ₹2 per litre from September 1, according to a finance ministry notification issued late Wednesday night. Alongside, the tax on domestically-produced crude oil too has been hiked to ₹13,300 per tonne from ₹13,000.

<https://www.thehindubusinessline.com/economy/policy/govt-hikes-windfall-profit-tax-on-export-of-diesel-atf-raises-tax-on-domestic-crude-oil/article65834773.ece>

Telecom

Telcos, phone makers tying up for affordable 5G rollout

As 5G roll out draws near, telcos and smartphone companies are looking to collaborate and provide options for affordable ownership of 5G phones, and connections, industry executives and handset makers said. They added that simply subsidising the device cost and offering a 5G connection may not be enough or easy. Carriers are thus exploring bundling in unlimited data, OTT services, and gaming, among others, to lure users, especially the higher paying ones.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-phone-makers-tying-up-for-affordable-5g-rollout/articleshow/93913342.cms>

DoT pings Trai on regulating calls made via apps

The Department of Telecom has sought views of sector regulator Trai to prepare a framework for regulating internet calling and messaging apps like WhatsApp, Signal, Google Meet etc, a government official said on Wednesday. The Department of Telecom (DoT) has last week sent back a recommendation of the Telecom Regulatory Authority of India (Trai) on internet telephony issued in 2008, for review, and has asked the sector regulator to come up with comprehensive reference due to the change in technical environment amid the emergence of new technologies.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/dot-pings-trai-on-regulating-calls-made-via-apps/articleshow/93913271.cms>

States

Mysuru's MSMEs seek govt's intervention over tax anomalies in industrial areas

Mysuru's small business association, the MSME Council, has sought intervention from the government over the difference in the tax levied on them by Gram Panchayats and the other local bodies which is different from the limit set by the State government, the report in The Hindu stated. The long-standing dispute came to light as the Gram Panchayats started imposing tax that was four times higher than the tax imposed in the city corporation limits in Mysuru. The MSME Council has written to the Chief Minister, Minister for Industries and Deputy Commissioner of Mysuru to resolve the issue of tax anomalies since the tax structure was not conducive for the industry and also not in line with the services and amenities provided by Gram Panchayats, according to the report.

<https://www.financialexpress.com/industry/sme/msme-eodb-mysurus-msmes-seek-govts-intervention-over-tax-anomalies-in-rural-industrial-areas/2651048/>

Healthcare

60% people delay treatment due to lack of health cover, reveals survey

Around 60 per cent respondents have been delaying treatment due to lack of health cover and 67 per cent who have medical insurance find it difficult to understand, a study by Pristyn Care Data Labs said on Wednesday. According to the study conducted during August 1-25, 2022 by the startup firm, a vast majority of people want alternative treatments such as ayurveda, unani, siddha, homeopathy and naturopathy to be covered under health insurance. "India has the lowest rates of health insurance penetration and COVID-19 induced medical inflation has caused people to delay surgeries. Elective surgeries are not life-threatening but any delay can impact the overall quality of life," Pristyn Care co-founder Harsimarbir Singh said in a statement. With the rising costs of medical treatments in the country, as per the study, nearly 60 per cent of the respondents are delaying treatment due to the lack of any health cover. The survey based on inputs received from over 1,100 people and internal data of more than 4 lakh patients found that 24 per cent patients find deduction of money at the time of making a claim very challenging and 17 per cent find the paperwork involved in the process complex.

https://www.business-standard.com/article/current-affairs/60-people-delay-treatment-due-to-lack-of-health-cover-reveals-survey-122083100626_1.html

Govt likely to rationalise trade margins on drugs worth Rs 100 and above: Report

As the government looks at rationalising trade margins on medicines in order to reduce prices, people familiar with the matter said the same is likely to be applicable on drugs worth Rs 100 and above, said a report by Business Standard on Tuesday. Also, drugs beyond the pale of price control may get included in the first phase of rationalisation of trade margins, people aware of the matter noted, according to the report. "This is because drugs under the National List of Essential Medicines (NLEM) have their ceiling prices capped. The chances of companies offering arbitrary trade margins is remote," Business Standard quoted a person part of the stakeholder meeting with the government departments this week as saying. Talks are underway with the Department of Pharmaceuticals and the National Pharmaceutical Pricing Authority (NPPA) to include drugs priced above Rs 100 in the first phase.

<https://www.financialexpress.com/industry/sme/msme-eodb-govt-likely-to-rationalise-trade-margins-on-drugs-worth-rs-100-and-above-report/2651038/>

External

Centre proposes amendment in export policy for certain types of drones

The Centre has proposed an amendment in its export policy for certain types of drones and unmanned aerial vehicles (UAVs), dropping the requirement to receive authorisation under the Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) scheme. With the aim to simplify the policy under the SCOMET list, a draft policy amendment of the Category 5B of SCOMET List and the General Authorization for Export of Drones/UAVs (Excluding Software and Technology) for specific types is proposed, said the Director General of Foreign Trade on Tuesday. As per the proposal, SCOMET authorization will not be required, for export and/or re-export of Unmanned Aerial Vehicles including drones, remotely piloted air vehicles and autonomous programmable vehicles, not specified under SCOMET Categories/sub-categories 3D013, 5B (a) & (b), 6A010, 8A912, and capable of

range equal to or less than 5 km and delivering a payload of not more than 5 kg (excluding the software and technology of these items), subject to the following conditions I.

https://www.business-standard.com/article/economy-policy/centre-proposes-amendment-in-export-policy-for-certain-types-of-drones-122083100293_1.html

Digital logistics initiative to boost services: Commerce and industry ministry

The commerce and industry ministry on Wednesday said it is developing a dashboard to help the industry flag issues or give suggestions to the government on matters related to logistics services. The dashboard is expected to be launched for all authorised industry associations soon, it said. To streamline inter-ministerial coordination of service-related issues in logistics, an institutional mechanism, such as the Network Planning Group under PM GatiShakti, is also under consideration, the ministry added. "Such endeavours are expected to give a significant boost to India's logistics efficiency," it said. It also said that the creation of a user-interactive dashboard will allow authorised user associations to log in and lodge issues or suggestions for the government to track and resolve them in a transparent manner.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/digital-logistics-initiative-to-boost-services-commerce-and-industry-ministry/articleshow/93913768.cms>

FDI equity inflows shrink 6% in Apr-Jun

Foreign Direct Investment (FDI) equity inflows into India contracted 6% to \$16.58 billion in the first quarter of FY23 from \$17.56 billion in the year-ago period, data from the Department for Promotion of Industry and Internal Trade (DPIIT) showed. Total FDI, which includes equity inflows, reinvested earnings and other capital, shrank 0.79% to \$22.34 billion in April-June, 2022-23 from \$22.52 billion in the corresponding quarter of last fiscal. Singapore was the top investment source during the quarter with \$5.68 billion FDI, followed by Mauritius at \$2.36 billion and the UAE at \$2.14 billion.

<https://economictimes.indiatimes.com/news/economy/indicators/fdi-equity-inflows-shrink-6-in-apr-jun/articleshow/93910726.cms>