



March 29, 2023 – Wednesday

## Economy

### **Private consumption continues to be supported by pent-up demand: Finance Ministry**

Private consumption in India is witnessing continued momentum and its estimated to grow at 7.3 per cent in 2022-23, reflecting the rebound demand witnessed in the current year on account of the release of pent-up demand for contact-intensive services, the Finance Ministry said in the report for 2022-23, which was released today. In 2021-22, private consumption grew at 11.2%. The services sector is expected to rebound with YoY growth of 9.4 per cent in 2022-23 compared to 8.8 per cent in 2021-22, driven by a recovery of the contact-intensive service sector (trade, hotels, transport, communication and services related to broadcasting) which is likely to witness the highest growth of 14.2 per cent on account of the release of pent-up demand, the report said.

<https://economictimes.indiatimes.com/news/economy/indicators/private-consumption-continues-to-be-supported-by-pent-up-demand-finance-ministry/articleshow/99069973.cms>

### **Government unlikely to budge on NREGS attendance**

The government is unlikely to roll back a mobile app-based mandatory attendance system for workers under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) despite ongoing protests. "The new system will continue. There is no plan to withdraw it," a senior official from the rural development ministry told ET. Capturing workers' attendance through a mobile application, National Mobile Monitoring System (NMMS), was made mandatory since January 1. It triggered protests by a section of NREGS workers and activists, who said workers were being deprived of wage payments due to technical issues with the new attendance system. The protests have been going on since early February.

<https://economictimes.indiatimes.com/news/economy/policy/government-unlikely-to-budge-on-nregs-attendance/articleshow/99070554.cms>

### **India expected to be one of the major beacons of economic growth: KPMG**

Amid global slowdown, India is likely to be one of major beacons of economic growth this year, consultancy major KPMG has said in its Global Economic Outlook report. The report said that the growth will be driven by driven by strong domestic demand and government expenditure. The report said that the recent Budget is likely to boost consumption in the country. "The efforts of the Union Budget 2023-24 to improve the disposable income of taxpayers in the country is expected to boost consumption via an increase in discretionary spending," it noted.

<https://economictimes.indiatimes.com/news/economy/indicators/india-expected-to-be-one-of-the-major-beacons-of-economic-growth-kpmg/articleshow/99067732.cms>

### **India, China to contribute half of global growth in 2023: Report**

Beijing, India and China will contribute to half of the world's growth this year, China's top think tank said on Tuesday, highlighting that Asia will remain a crucial growth engine with an estimated 4.5 per cent GDP expansion, making it a "standout performer" amidst the global economic slowdown. The Boao Forum for Asia (BFA), Beijing's prominent official think tank, said in a report that Asian economies are accelerating the pace of overall economic recovery in 2023, making them stand-out performers given the global economic slowdown. The report was released as the think tank on Tuesday began its four-day annual session at the Boao village in the Hainan province of China.

<https://economictimes.indiatimes.com/news/economy/indicators/india-china-to-contribute-half-of-global-growth-in-2023-report/articleshow/99063242.cms>

## Banking and Finance

### UPI merchant transactions over Rs 2,000 to carry charge of 1.1% from Apr 1

The National Payments Corporation of India (NPCI) has advised Prepaid Payment Instruments (PPI) fees be applied to merchant transactions on Unified Payments Interface (UPI) beginning on April 1 in a recent circular. NPCI, which is UPI's governing body, said in the circular that for amounts over Rs 2,000, using PPIs on UPI will result in interchange at 1.1 per cent of the transaction value. Introduction of interchange is in the range of 0.5-1.1 percent, with interchange being 0.5 per cent for fuel, 0.7 per cent for telecom, utilities/post office, education, agriculture, 0.9 per cent for supermarket and 1 per cent for mutual fund, government, insurance and railways.

[https://www.business-standard.com/economy/news/upi-merchant-transactions-over-rs-2-000-to-carry-charge-of-1-1-from-apr-1-123032800841\\_1.html](https://www.business-standard.com/economy/news/upi-merchant-transactions-over-rs-2-000-to-carry-charge-of-1-1-from-apr-1-123032800841_1.html)

### Centre's debt burden hits Rs 146 lakh crore in Q3

The central government's total debt rose 2.6% in the December quarter of the current fiscal year from the previous quarter to Rs 146.36 lakh crore, according to the finance ministry data released on Tuesday. While internal debt rose 2.1% to Rs 125.24 crore as of December 2022 from the previous quarter, external debt totalled Rs 9.17 lakh crore, up 6.1%. The centre's other liabilities grew 5% during this period to Rs 11.96 lakh crore, showed the data. Public debt, comprising both internal and external debt, made up 91.8% of the Centre's total debt as of end-December, marginally lower than 92% at the end of September last year. At Rs 88.69 lakh crore, market loans accounted for 71% of the Centre's internal debt, the data showed.

<https://economictimes.indiatimes.com/news/economy/finance/centres-debt-burden-hits-rs-146-lakh-crore-in-q3/articleshow/99069247.cms>

### Insurance companies get more autonomy to decide on commission amount

The central government has cleared the insurance regulator's new regulations on payments of commissions for intermediaries, thus paving the way for providing more autonomy to insurance companies to decide on the amount of commissions they want to shell out. Come April 1, the segmental limits on commissions will be removed and the fees paid to intermediaries, such as individual agents, corporate agents, etc., will be based on the expense of management (EoM) limit. The limit has been specified under the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting Life insurance business) Regulations, 2023 as amended from time to time. According to the central government's gazette notification, the total amount of commission payable under life insurance products, including health insurance products offered by life insurers, should not exceed the EoM limits.

[https://www.business-standard.com/economy/news/centre-clears-irdai-s-new-commission-norms-for-insurance-intermediaries-123032800705\\_1.html](https://www.business-standard.com/economy/news/centre-clears-irdai-s-new-commission-norms-for-insurance-intermediaries-123032800705_1.html)

### EPFO marginally raises interest rate on PF deposits to 8.15% for FY23

The Central Board of Trustees (CBT) of the Employees' Provident Fund Organisation (EPFO) on Tuesday decided to raise the interest rate on the provident fund deposits marginally to 8.15 per cent for FY23 from a four-decade low of 8.1 per cent in the previous financial year. The interest rate would be officially notified in the government gazette after getting the customary approval from the Finance Ministry, following which EPFO would credit the rate of interest into its subscribers' accounts. "The objective of EPF investments has always been to increase the wealth, but since EPFO is the custodian of people's wealth, the investment is done rather conservatively. The reserve fund has increased from last year. Hence, it was decided to raise the interest rate, though marginally," said Bhupendra Yadav, Union Minister for Labour & Employment, who chaired the meeting of the apex decision making body of the EPFO.

[https://www.business-standard.com/economy/news/epfo-marginally-raises-interest-rate-on-pf-deposits-to-8-15-for-fy23-123032801094\\_1.html](https://www.business-standard.com/economy/news/epfo-marginally-raises-interest-rate-on-pf-deposits-to-8-15-for-fy23-123032801094_1.html)

## Industry

### **MeitY Startup Hub, Google to support 100 Indian early to mid-stage startups**

MeitY Startup Hub, an initiative of the IT Ministry, and Google on Tuesday announced training and development support to 100 Indian early to mid-stage startups, as part of Appscale Academy's Class of 2023. The 100 startups were chosen from over 950 applications following an in-depth selection process that took into account their creative ideas and innovation, product quality, product scalability, and talent diversity.

[https://www.business-standard.com/india-news/meity-startup-hub-google-to-support-100-indian-early-to-mid-stage-startups-123032801011\\_1.html](https://www.business-standard.com/india-news/meity-startup-hub-google-to-support-100-indian-early-to-mid-stage-startups-123032801011_1.html)

### **Consumers to remain cautious in FMCG spending in 2023: Kantar**

Data and insights firm, Kantar, expects cautious spending patterns to continue in 2023 as consumers are expected to continue to stick to essential categories, including groceries and fresh produce. The snacks and home hygiene segments are expected to witness a slowdown. According to Kantar's latest report, the FMCG sector's volume grew by just 0.54 per cent in the 12-month period ended January 2023, compared to the year-ago period.

<https://www.thehindubusinessline.com/companies/consumers-to-remain-cautious-in-fmkg-spending-in-2023-kantar/article66672097.ece>

### **Indian corporates likely to see 10%-12% capex growth in FY24: Fitch**

The rising capital expenditure (capex) trend of Indian corporates is likely to continue and grow at 10%-12% a year during the next fiscal year to March 2024, Fitch Ratings said in a release on Tuesday. Fitch said capex was flat over FY19 to FY21 and grew 16% in FY22. The forecasts are for the 8 state owned enterprises and 21 privately held Fitch-rated corporates in the country "We believe growth opportunities arising from India's supply-side policy steps in recent years, domestic corporates focusing more on localisation, and multi-nationals looking to reduce risk in global supply chains may attract higher private investment in the medium term," analysts at the rating agency wrote. The ratings agency said government reforms such as the goods and services (GST) tax act, bankruptcy code and more recent measures such as a lower corporate tax rate, the PLI (production linked incentive) schemes and rising state spending on infrastructure may further boost investments. Indian banks have fixed their non-performing loans and improved their credit costs in recent years and are well positioned to support the funding needs to corporates, it said.

[https://www.business-standard.com/economy/news/indian-corporates-likely-to-see-10-12-capex-growth-in-fy24-fitch-123032800630\\_1.html](https://www.business-standard.com/economy/news/indian-corporates-likely-to-see-10-12-capex-growth-in-fy24-fitch-123032800630_1.html)

### **Tech SMEs' revenue to double by FY30 from estimated \$15-20 billion in FY23: Nasscom report**

Over 10,000 small and medium enterprises (SMEs) part of the Indian technology industry — providing either traditional or digital solutions to technology buyers — will contribute an estimated \$15-20 billion – 7-9 per cent to the industry's revenue of around \$245 billion in the current financial year 2022-23, said the latest report India's Tech SMEs by Nasscom on Tuesday. The revenues are expected to grow over 100 per cent to \$35-40 billion by FY30 as the technology industry doubles to around \$500 billion in revenue in seven years.

<https://www.financialexpress.com/industry/sme/msme-tech-tech-smes-revenue-to-double-by-fy30-from-estimated-15-20-billion-in-fy23-nasscom-report/3024944/>

## Agriculture

### **Export ban on wheat to continue; record output likely: FCI CMD**

The government on Tuesday said the export ban on wheat will continue as long as the country does not feel comfortable with the domestic supplies to meet the food security needs. Addressing a press conference, state-owned Food Corporation of India (FCI) Chairman and Managing Director Ashok K Meena said wheat production has not been impacted due to unseasonal rains. Even after rains, the total wheat output will be at a record 112 million tonne this year. He also mentioned that the government procurement of fresh wheat crop has kick-started, and about 10,727 tonne was purchased at minimum support price (MSP) in Madhya Pradesh on Monday. India, the world's second-largest wheat producer, banned wheat exports in May 2022, with immediate effect as part of measures to control rising domestic prices.

[https://www.business-standard.com/economy/news/wheat-export-ban-to-continue-for-now-says-fci-chief-ashok-k-meena-123032800886\\_1.html](https://www.business-standard.com/economy/news/wheat-export-ban-to-continue-for-now-says-fci-chief-ashok-k-meena-123032800886_1.html)

## Infrastructure

### Japan commits Rs 7,084 crore for three infrastructure projects in India

Japan on Tuesday committed Rs 7,084.5 crore to India for three infrastructure projects, including Patna Metro Rail Construction Project and Rajasthan Water Sector Livelihood Improvement Project. Notes in this regard were exchanged between Rajat Kumar Mishra, Additional Secretary, Department of Economic Affairs and Japan Ambassador to India Suzuki Hiroshi, an official statement said. Japan would fund Patna Metro Rail Construction Project (I) of JPY 98.612 billion (about Rs 5,509 crore), Project for Forest and Biodiversity Conservation for Climate Change Response in West Bengal of JPY 9.308 billion (about Rs 520 crore) and Rajasthan Water Sector Livelihood Improvement Project (II) of JPY 18.894 billion (about Rs 1,055.53 crore).

[https://www.business-standard.com/economy/news/japan-commits-rs-7-084-crore-for-three-infrastructure-projects-in-india-123032800946\\_1.html](https://www.business-standard.com/economy/news/japan-commits-rs-7-084-crore-for-three-infrastructure-projects-in-india-123032800946_1.html)

### Steel slag road technology a boon to BRO: Niti Aayog member

Niti Aayog member V K Saraswat said CSIR-CRRI steel slag road technology will be a boon to Border Roads Organisation (BRO) to build long-lasting heavy-duty roads in strategic border areas. Saraswat said this on Monday after inspecting the one km stretch of Joram-Koloriang steel slag road, built by BRO in Arunachal Pradesh, along with a team of CSIR-Central Road Research Institute, BRO, Tata Steel and Lower Subansiri Deputy Commissioner Bamin Nime. He emphasised that using alternative road materials like processed steel slag aggregates in place of natural aggregates for road construction to conserve ecology and mountainous topography in hilly states like Arunachal Pradesh. The Niti Aayog member said Prime Minister Narendra Modi had appreciated this road project and complimented all stakeholders involved in implementation of the project.

<https://economictimes.indiatimes.com/news/economy/infrastructure/steel-slag-road-technology-a-boon-to-bro-niti-aayog-member/articleshow/99054404.cms>

## Energy

### India's clean energy shift holds \$25 bn potential, reports Avendus Capital study

India's energy transition landscape provides a \$25-billion, or about Rs 2 lakh-crore, annual investment opportunity for investors, led by green hydrogen, energy storage, electric vehicle charging, carbon capture and utilisation, and energy efficiency, a study by Avendus Capital has said. The investment banking firm unveiled the research report in collaboration with Clean Energy Pipeline, an independent research firm based in the UK. "Over the last few decades, any mention of the cleantech sector has become synonymous with renewable power producers," Prateek Jhawar, managing director of Avendus Capital, said. "The fact is that only 20% of final energy consumed is in electrified form. Investments in decarbonisation of the balance 80% share will require participation from a multitude of players in addition to renewable power producers and its current ecosystem."

<https://economictimes.indiatimes.com/industry/renewables/indias-clean-energy-shift-holds-25-bn-potential-reports-avendus-capital-study/articleshow/99071079.cms>

## Telecom

### TRAI directs telcos to report on incidences of major network outages affecting services within 24 hours

Telecom Regulatory Authority of India (TRAI), on Tuesday, has directed all the telecom service providers (TSPs) to report on the incidences of major network outages affecting the telecom services to the entire consumers of a district (revenue district as defined by the Union/ State government) continuously for a period of more than four hours, within 24 hours of their occurrence.

<https://www.thehindubusinessline.com/info-tech/trai-directs-telcos-to-report-on-incidences-of-major-network-outages-affecting-services-within-24-hours/article66672017.ece>

## States

### **Karnataka clears 55 industrial projects worth Rs 3,451.24 cr investment**

Karnataka Industries and Commerce Department on Tuesday said it has cleared a total of 55 investment proposals worth Rs 3,451.24 crore, promising 33,049 employment opportunities. The 139th State Level Single Window Clearance Committee (SLSWCC) meeting was held under the chairmanship of Minister for Large and Medium Scale Industries Muruges R Nirani on Monday to decide on investment clearances. The committee considered and approved eight "important large and medium size industrial projects" with investments of more than Rs 50 crore. These projects are worth Rs 2,012.14 crore and are expected to create employment opportunities for 22,033 people in the State, an official release said. At the SLSWCC meeting, 43 new projects with investments of more than Rs 15 crore and less than Rs 50 crore were also cleared. These projects are worth Rs 1,187.93 crore and would generate jobs for 11,016 people in Karnataka.

[https://www.business-standard.com/economy/news/karnataka-clears-55-industrial-projects-worth-rs-3-451-24-cr-investment-123032801188\\_1.html](https://www.business-standard.com/economy/news/karnataka-clears-55-industrial-projects-worth-rs-3-451-24-cr-investment-123032801188_1.html)

## **Healthcare**

### **Essential medicines including painkillers, antibiotics to get costlier by 12% from Saturday**

Essential medicines including painkillers, antibiotics and anti-infectives are set to become costlier by more than 12% from next month. This is the highest annual increase on record in the prices of these medicines. India's drug pricing authority on Monday allowed a price hike of 12.1218% from April 1 for scheduled drugs that are under price control. This will cover more than 800 drugs on the National List of Essential Medicines. Last year, the NPPA allowed a 10.7% increase in drug prices, citing a similar change in the WPI. Malini Aisola, co-convenor of All India Drugs Action Network (AIDAN) said the latest "massive" hike will distort price controls and hence the government should intervene.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/essential-medicines-including-painkillers-antibiotics-to-get-costlier-by-12-from-saturday/articleshow/99069108.cms>

### **Parliamentary panel asks Health Ministry to speed up on e-pharmacy rules**

A Parliamentary panel has asked the Union Health Ministry to finalise the draft e-pharmacy rules and implement them without further delay, expressing concern over the possible misuse of online pharmacies in the absence of regulation. The panel in its report mentioned that there were concerns over distribution of illegal or unethical medicines or outdated, substituted, or counterfeit medications amid the absence of regulations.

<https://www.thehindubusinessline.com/companies/parliamentary-panel-asks-health-min-to-speed-up-on-e-pharmacy-rules/article66672592.ece>

## **External**

### **G20: Working group meet calls for paperless international trade**

Panelists at the first day of the G20's trade and investment working group meeting recommended that all nations endeavour to adopt enabling legislation to achieve paperless international trade in the next few years. An official statement said digitalisation of international trade could be an effective solution towards achieving cost reduction in trade and trade finance. "The challenges to be addressed in digitalising trade were identified as international cooperation in harmonising definitions, standards and data sharing across the borders digitally," it said.

[https://www.business-standard.com/economy/news/g20-all-nations-should-endeavour-to-adopt-paperless-international-trade-123032801055\\_1.html](https://www.business-standard.com/economy/news/g20-all-nations-should-endeavour-to-adopt-paperless-international-trade-123032801055_1.html)

### **G20 expert group constituted for strengthening MDBs**

Under the aegis of India's G20 Presidency, a 11-member expert group has been set up to suggest measures to strengthen multilateral development banks (MDBs). The finance ministry in a statement said Professor Lawrence Summers (President Emeritus, Harvard University) and N K Singh (Former Chairperson, 15th Finance Commission of India) are co-convenors of the G20 Expert Group on strengthening MDBs. The panel would work on making a road map for an updated MDB ecosystem for the 21st century, touching upon all aspects of MDB evolution, and

mechanisms for coordination among such banks to address and finance global development and other challenges more effectively.

<https://economictimes.indiatimes.com/news/economy/finance/g20-expert-group-constituted-for-strengthening-mdb/articleshow/99060422.cms>