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Economy

Turning jobseekers into job-givers key goal of government: Chief Economic Adviser V Anantha Nageswaran

Turning jobseekers into job-givers is an important goal of the government and many steps have been taken in recent years to achieve this objective, said Chief Economic Adviser V Anantha Nageswaran. "It relieves pressure on the job market. In terms of financing, the credit guarantee scheme that was launched during Covid, and continued until this year, has done a wonderful job in ensuring that the MSME space remains vibrant," he said at an event organised by Bharatiya Yuva Shakti Trust (BYST) here on Wednesday. Citing a study, he said the unified payments interface is helping create a credit eco-system, as it provides information to banks about the granular behaviour of nano-entrepreneurs. This information flow will encourage banks to increase their lending because the credit footprints created will help them take key financial decisions, he said.

<https://economictimes.indiatimes.com/news/economy/policy/turning-jobseekers-into-job-givers-key-goal-of-government-chief-economic-adviser-v-anantha-nageswaran/articleshow/101735293.cms>

India must invest more in flood warning systems: Report

While close to two-thirds of India's population is exposed to extreme flood events, only a third of these individuals are covered by flood early warning systems (EWSs), according to a new report. The report also found that while 12 states were highly exposed to extreme flood events, only three of these have a high availability of such systems while eight have low availability, "indicating a gap in the planning for installing flood monitoring and forecasting stations". It is "imperative for Indian states to step up climate action and build resilience by investing in early warning systems and multi-hazard early warning systems", said the report by the Council on Energy, Environment and Water (CEEW). Rain-battered Himachal Pradesh, Karnataka and Telangana are among the states with high exposure to floods and the lowest availability of flood EWSs.

<https://economictimes.indiatimes.com/news/india/india-must-invest-more-in-flood-warning-systems-report/articleshow/101741329.cms>

Continued vigil on inflation needed given erratic monsoon progress: SBI Research

Even though India's retail inflation in June jumped considerably, it continues to remain within the RBI's tolerance range (2-6 per cent) for the fourth consecutive month, with forecasts that it would remain so for the rest of the financial year 2023-24. SBI Research, in its latest 'Ecowrap' report, noted that a continued vigil on the evolving inflation outlook is warranted given the erratic progress of monsoon and its impact on Kharif crop sowing, and subsequently on overall food inflation. Meanwhile, farmers in India have started sowing their Kharif crops. Paddy, moong, bajra, maize, groundnut, soybean, and cotton are some of the major Kharif crops.

<https://economictimes.indiatimes.com/news/economy/policy/continued-vigil-on-inflation-needed-given-erratic-monsoon-progress-sbi-research/articleshow/101723197.cms>

Economists' take: Inflation in India to remain higher on monsoon disturbances

Retail inflation in June hit a three-month high at 4.81 per cent, due to soaring vegetable prices, higher than economists' expectation of 4.3-4.6 per cent. While most economists believe the inflation rate certainly will remain

sticky, it will not prompt the Reserve Bank of India (RBI) for another rate hike. Here is what economists have to say about the latest inflation reading:

<https://economictimes.indiatimes.com/news/economy/indicators/economists-take-inflation-in-india-to-remain-higher-on-monsoon-disturbances/articleshow/101719478.cms>

21% unorganised workers exit PM pension scheme

The government's pension scheme for unorganised workers, Pradhan Mantri Shram Yogi Maan-dhan (PM-SYM), saw the exit of about 21% subscribers in less than six months, raising questions on the viability of the scheme. The total number of subscribers under the scheme fell to 4.43 million on July 11, down 1.19 million from an all-time high of 5.62 million on January 31, as per government data. Experts attributed this to high inflation and rise in cost of living which has made it difficult for unorganised workers to continue contributing to this voluntary pension scheme or may even compel them to withdraw their share of contribution.

<https://economictimes.indiatimes.com/news/economy/indicators/21-unorganised-workers-exit-pm-pension-scheme/articleshow/101737850.cms>

Banking and Finance

Stricter disclosure norms to take effect from Saturday: SEBI circular

The compliance burden for listed companies could grow multi-fold as the new framework around disclosure of material events and information will come into force from July 15. The new disclosures cover a gamut of activities including disclosure of family arrangements, frauds, treaties with media companies, agreements within promoter groups, ratings revision, disposal of units and issuance of securities.

https://www.business-standard.com/markets/news/stricter-disclosure-norms-to-take-effect-from-saturday-sebi-circular-123071300904_1.html

Credit bureau flags risk of retail loan boom

Credit bureaus are slowly warming up to signal risks of boom retail lending. Top officials are cautioning lenders on the sharp rise in retail loans especially unsecured retail loans that has been one of the fastest growing segments post COVID. Notably unsecured consumption-led products have risen a compounded annual growth rate (CAGR) of 47% from the quarter ending March 2021 to March 2023 and credit card delinquencies rose 66 bps (one bps is 0.01 percent) year-on-year in the March 2023 quarter to 2.94 percent.

<https://economictimes.indiatimes.com/news/economy/finance/credit-bureau-flags-of-risk-of-retail-loan-boom/articleshow/101732166.cms>

France gets India's UPI, tourists can make payments in Rupees: PM Modi

India's Unified Payments Interface (UPI) payment system will soon be available in France. Prime Minister Narendra Modi announced this on Thursday. PM Modi said that India and France have agreed to use UPI in this European nation, opening a huge new market for Indian innovation. While addressing the Indian community at the La Seine Musicale, a performing arts centre on an island in river Seine, Modi said very soon Indian tourists will be able to make rupee payments using UPI from atop the Eiffel Tower. "In France, an agreement has been made for the use of India's UPI...It will be started from the Eiffel Tower, and now Indian tourists would be able to make payments in Rupees, through UPI, in the Eiffel Tower," the prime minister said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/upi-comes-to-france-indians-will-be-able-to-spend-in-rupees-at-eiffel-tower/articleshow/101737310.cms>

Unsecured loan portfolios growth highest, credit card NPAs shoot up: Report

Credit card non-performing assets rose 0.66 per cent to 2.94 per cent as of March 2023, a credit information company said in a report on Thursday. The report, which comes amid heightened concerns on the riskier unsecured loans portfolios from the regulator, also said that such products like credit cards and personal loans grew the fastest, the report by Transunion Cibil said.

https://www.business-standard.com/finance/news/unsecured-loan-portfolios-growth-highest-credit-card-npas-shoot-up-report-123071300749_1.html

Health, motor continue to drive general insurance, Q1 sales jump 17.9%

Robust demand for health and motor covers buoyed non-life players' premium income in the first quarter of the current fiscal to Rs 64,262.8 crore, a growth of 17.9 per cent on-year when the industry had clipped at 23 per cent. The spike in sales of motor policy, which used to be the largest segment of the industry but is now pushed down to the second slot behind the health segment, is easily understood given the vrooming automobile sector that has sold more than 2 million units in the June quarter. The robust double-digit growth for the general insurance industry comes in sharp contrast to a 0.8 per cent decline that life insurers logged in the reporting quarter, driven down by the massive poor show by the industry leader LIC across its business verticals.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/health-motor-continue-to-drive-general-insurance-q1-sales-jump-17-9/articleshow/101735709.cms>

Industry

Inability to raise prices to limit cement companies' gains in June quarter

Cement makers in India are expected to report limited benefits from the strong demand and lower input costs in the June quarter as they were unable to raise prices amid heightened competition. Demand for cement, boosted by spending for infrastructure in a pre-election year and a delay in the onset of monsoon, is estimated to have grown more than 15% year-on-year in the April-June period. Market leader UltraTech Cement has already reported a 20% growth in sales volume for the quarter. While the March quarter is the strongest for cement makers, onset of monsoon rains in the June quarter generally leads to a quarter-on-quarter fall in volume and pricing. This year, though, the sequential fall in volume is estimated to be 2-4% as against a 7-10% fall that is generally the trend, analysts said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/inability-to-raise-prices-to-limit-cement-companies-gains-in-june-quarter/articleshow/101722869.cms>

Indian smartphone market shows signs of recovery; Q2 shipments may rise by 11%

The Indian smartphone market is showing signs of recovery as the inventory situation improves ahead of the festive season amid falling inflation and rising demand for 5G smartphones on account of more affordable launches. Market trackers Counterpoint Research, IDC India and CMR India pegged smartphone shipments in the second quarter ended June at 34-36 million units. It is a decline of around 6% year on year, but an improvement over the 19% fall seen in the first quarter, according to preliminary data from Counterpoint. It said second quarter shipments are likely to have risen by around 11% sequentially.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/indian-smartphone-market-shows-signs-of-recovery-q2-shipments-may-rise-by-11/articleshow/101736942.cms>

Agriculture

Heavy rains likely to halve apple production in HP, J&K

Heavy rains in northern and northwestern India since last weekend have severely damaged apple plantation in Himachal Pradesh and Jammu & Kashmir, likely slashing production in the country's top two apple-growing states at least by half this season, farmers said. "The growers are not being able to visit the fields due to the rains," said Ravinder Chauhan, president of Apple Growers Association of India. "Our estimate is that the production of apples will be halved this year due to the rains. The actual loss can be gauged once the rain stops and the growers can visit the apple orchards to take stock of the situation."

<https://economictimes.indiatimes.com/news/economy/agriculture/heavy-rains-likely-to-halve-apple-production-in-hp-jk/articleshow/101737185.cms>

Infrastructure

Urban planning needs shift from regulation to facilitation: Hardeep Puri

Union Minister of Housing and Urban Affairs Hardeep Puri has put forward nine key ideas around which the future of urban planning and governance needs to be conceptualised. Addressing the 'National Conclave on Urban Planning' held here in the national capital, Minister Puri said it is important to shift from just regulation to facilitation as the

system needs to get rid of the mindset of imposing norms and rules. "Norms are good for control, but the problem is that our urban planning norms restrict rather than facilitate development today," Puri said. "Let us review provisions related to town planning, revenue processes, land administration, rent control etc., to create a flexible and enabling environment for the market to innovate and flourish."

<https://economictimes.indiatimes.com/news/economy/policy/urban-planning-needs-shift-from-regulation-to-facilitation-hardeep-puri/articleshow/101730283.cms>

India air passenger traffic rises nearly 19 pc in June

Indian airlines carried 1.24 crore domestic passengers in June, according to data released by aviation regulator DGCA. Akasa Air, which started business in August last year, surpassed SpiceJet with 4.9% market share against SpiceJet's 4.4%. Financial stress has stopped its expansion with the airline's share decreasing from 5.4% in May.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/india-air-passenger-traffic-rises-nearly-19-pc-in-june/articleshow/101737368.cms>

Delhi NCR has 3rd largest flexi office stock among APAC cities

Delhi NCR has emerged as 3rd largest city among the 20 Asia-Pacific region (APAC) cities with a flexible office stock of 8.4 million sq ft overtaking Beijing and Seoul in (Grade A) flexible office stock in the APAC region. Bengaluru continues to top the list of APAC cities having the highest flexible stock ahead of 19 major cities. Hyderabad and Mumbai are the other two cities that make it to the list, according to real estate consultancy firm CBRE. "The flexibility and cost-efficiency provided by flexible office spaces have become even more vital for businesses navigating through the dynamic and uncertain business landscape," said Henry Chin, Global Head of Investor Thought Leadership and Head of Research, CBRE APAC.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/delhi-ncr-has-3rd-largest-flexi-office-stock-among-apac-cities/articleshow/101737027.cms>

Energy

India's renewable energy installations to reach 45 GW in next 2 yrs: Report

Annual renewable energy (RE) installations in FY24 are to be around 20 GW, led by the solar sub-segment, CareEdge Ratings said on Thursday. This is based on the healthy pipeline of over 55 GW assets under development. The subsequent year is expected to see installations of 25 plus GW, leading to a cumulative increase of 45 GW over the next two fiscal, the rating agency said in a sectoral note.

https://www.business-standard.com/india-news/india-s-renewable-energy-installations-to-reach-45-gw-in-next-2-yrs-report-123071300788_1.html

Telecom

DoT to decide soon on Trai's proposals to set up satellite earth station gateways

The Department of Telecommunications (DoT) is expected to take a decision next week on the recommendations given by Telecom Regulatory Authority of India (Trai) for setting up satellite earth station gateways. As per officials, the inter-ministerial panel, Digital Communications Commission (DCC), is scheduled to meet next week and take a call on the matter. The regulator in November last year had proposed a separate pan-India license for setting up satellite earth station gateways (SESG), which should be outside the ambit of unified license.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/dot-to-decide-soon-on-trais-proposals-to-set-up-satellite-earth-station-gateways/articleshow/101728681.cms>

States

Northeast India is witnessing surge in infrastructure development: FICCI President

Subhrakant Panda, President of Federation of Indian Chambers of Commerce and Industry (FICCI) said that Northeast India is witnessing surge in infrastructure development. Panda who was in Guwahati on Wednesday while talking to ET said that it is for the first ever time FICCI is holding its National Executive Committee Meeting in Guwahati which shows how much priority FICCI gives to Northeast India. He added, "The region is witnessing surge in the

infrastructure development. Lot of focus is given in capital expenditure and increasing the per capita income. Lack of connectivity was one of the reason that had hindered the development of the region.”

<https://economictimes.indiatimes.com/news/economy/infrastructure/northeast-india-is-witnessing-surge-in-infrastructure-development-president-of-ficci/articleshow/101732228.cms>

Gujarat govt, Centre sign MoU for PM MITRA textile park in Navsari

The Gujarat government and the Centre on Thursday signed a memorandum of understanding to set up a PM MITRA textile park on a 462-hectare plot in Navsari district. The PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park will come in Vansi-Borsi village and will help the circular economy of the region, Union Commerce and Industry Minister Piyush Goyal said after the MOU was signed here in the presence of Chief Minister Bhupendra Patel.

https://www.business-standard.com/india-news/gujarat-govt-centre-sign-mou-for-pm-mitra-textile-park-in-navsari-123071300966_1.html

External

Commerce Ministry to seek cabinet nod for Indo-Pacific supply chain agreement

The commerce and industry ministry is likely to seek Cabinet approval to sign and ratify the Supply Chains Agreement under the Indo-Pacific Economic Framework (IPEF), the negotiations for which were concluded in May. The ministry has floated a draft Cabinet note for inter-ministerial consultations for the agreement, which seeks to establish an IPEF Labour Rights Advisory Board, address facility-specific labour rights inconsistencies, identify critical sectors and key goods, and strengthen supply chains. The pact has a provision for review after five years and for withdrawal with a lock-in period of three years from the entry into force.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/commerce-ministry-to-seek-cabinet-nod-for-indo-pacific-supply-chain-agreement/articleshow/101737182.cms>

India-China trade shows first signs of slowdown in years

The India-China trade, which in recent years rose sharply despite bilateral tensions over the border dispute, showed the first signs of a slowdown in years falling by 0.9 per cent in the first half of this year. This came as China's overall foreign trade declined by about five per cent as its economy struggled to recover from COVID blues. China's exports to India in the first half of this year totalled USD 56.53 billion compared to USD 57.51 billion last year registering a decline of 0.9 per cent, according to the data released by Chinese customs on Thursday. India's exports to China during the same period totalled USD 9.49 billion compared to USD 9.57 billion last year.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-china-trade-shows-first-signs-of-slowdown-in-years/articleshow/101735216.cms>

Australia, Brazil to grow Arhar dal for Indian consumers

Farmers in Australia and Brazil are set to experiment with growing arhar (pigeon peas) for consumers in India, where demand for the popular yellow lentil--the main ingredient of 'dal tadka' and 'sambhar'--has been outpacing domestic production for some years now. At a recent meeting between Australian Agriculture Minister Murray Watt, top officials of India's food ministry and representatives of the Indian Pulses and Grains Association (IPGA), it was decided that IPGA will facilitate pigeon pea farming in Queensland with the help of the Australian trade body Pulse Australia, according to officials.

<https://economictimes.indiatimes.com/news/economy/agriculture/australia-brazil-to-grow-arhar-for-indian-consumers/articleshow/101737123.cms>

India mulls banning exports of most rice varieties as local prices surge

India, the world's biggest rice shipper, is considering banning exports of most rice varieties, a move that may send already lofty global prices of the food staple higher as the disruptive El Niño weather pattern returns. The government is discussing a plan to ban exports of all non-Basmati rice, according to people familiar with the matter. Authorities want to avoid the risk of more inflation before elections, said the people, who asked not to be identified as the information is not public.

https://www.business-standard.com/economy/news/india-mulls-banning-exports-of-most-rice-varieties-as-local-prices-surge-123071300356_1.html

G20 to discuss int'l debt architecture, more loans to developing nations

Global finance chiefs will meet in India next week to discuss increasing loans to developing nations from multilateral institutions, reforming the international debt architecture and regulations on cryptocurrency, Indian officials said. The finance ministers and central bank governors from the Group of 20 (G20) nations will also discuss a multilateral agreement on taxing conglomerates with cross-border operations, while the Russian war in Ukraine was also bound to come up, they said.

https://www.business-standard.com/economy/news/g20-to-discuss-int-l-debt-architecture-more-loans-to-developing-nations-123071300398_1.html