



July 25, 2023 – Tuesday

### Key Developments

#### All industrial licences issued under IDR Act will be valid for 15 yrs

The government on Monday said that all industrial licences issued under the IDR Act will now be valid for 15 years as against three years with a view to promoting ease of doing business. The Industries (Development and Regulation) Act deals with issuance of licences to industries.

[https://www.business-standard.com/industry/news/all-industrial-licences-issued-under-idr-act-will-be-valid-for-15-yrs-123072400790\\_1.html](https://www.business-standard.com/industry/news/all-industrial-licences-issued-under-idr-act-will-be-valid-for-15-yrs-123072400790_1.html)

### Economy

#### NREGS outlay for FY24 may see steep hike with 58% used in Q1

The Centre may have to sharply increase the outlay for its flagship rural job guarantee scheme, with 58% of the budgeted Rs 60,000 crore for 2023-24 used up in the first quarter itself, an official indicated. Almost steady work demand and up to 10.4% hike in wage rates under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) have kept expenditure under the programme elevated, the official told ET on condition of anonymity. Person-day work generation in the crucial June quarter eased marginally to 1.11 billion from 1.14 billion a year before, but its impact was more than offset by the wage increase, he said.

<https://economictimes.indiatimes.com/news/economy/policy/nregs-outlay-for-fy24-may-see-steep-hike-with-58-used-in-q1/articleshow/102088361.cms>

#### Centre approves 8.15% interest for 60 million EPFO subscribers in FY23

The labour ministry has, in a circular issued on Monday, approved an interest rate of 8.15 per cent to be credited into the accounts of nearly 60 million Employees' Provident Fund Organisation (EPFO) subscribers for the fiscal year 2023."The Ministry of Labour and Employment, Government of India, has conveyed the approval of the Central Government under para 60(1) of Employees' Provident Fund Scheme, 1952 to credit interest at 8.15 per cent for the year 2022-23 to the account of each member of the EPF Scheme as per the provisions under Para 60 of EPF Scheme, 1952. You are accordingly requested to issue necessary instructions to all concerned for crediting the said interest to the members' accounts," the circular said.

[https://www.business-standard.com/finance/personal-finance/centre-approves-8-15-interest-for-70-million-epfo-subscribers-in-fy23-123072400355\\_1.html](https://www.business-standard.com/finance/personal-finance/centre-approves-8-15-interest-for-70-million-epfo-subscribers-in-fy23-123072400355_1.html)

### Banking and Finance

#### No proposal to extend deadline for exchange of Rs 2,000 notes: Finance Ministry

The finance ministry on Monday said there is no proposal to extend the deadline for the exchange of Rs 2,000 notes beyond September 30, 2023. In a written reply in the Lok Sabha, Minister of State for Finance Pankaj Chaudhary replied in negative to a question about whether there is a proposal to extend the deadline for the exchange of Rs 2000 in banks beyond September 30. "At present, this matter is not under consideration," the minister said.

Chaudhary also replied in negative to another question about whether the government is planning to demonetise other high-denomination currency notes to eliminate black money.

<https://economictimes.indiatimes.com/news/economy/finance/no-proposal-to-extend-deadline-for-exchange-of-rs-2000-notes-finance-ministry/articleshow/102086838.cms>

### **Banks told to alert customers on frauds related to Mudra loans**

The government has asked banks to keep vigil and inform their customers of fraud in Mudra loans. The directive follows multiple instances of frauds related to Mudra loans which have come to light. There have been reports of several unsuspecting small loan seekers getting duped by fraudsters impersonating as facilitators of Mudra loans. Banks have been told to freeze the accounts of such firms or individuals who are reported to have committed such fraud and initiate action with the local authorities concerned, said a government official, who did not wish to be identified. "Also, all necessary action needs to be taken to protect the interests of borrowers, including helping them get their money recovered," he said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-told-to-alert-customers-on-frauds-related-to-mudra-loans/articleshow/102088319.cms>

### **FM to launch ₹33,000-crore backstop fund for bonds on Friday**

Finance Minister Nirmala Sitharaman will be launching the ₹33,000 crore backstop fund for the corporate bond market and limited purpose clearing corporation for repo transactions in corporate bonds in Mumbai on Friday, Securities Exchange Board of India (SEBI) Chairperson Madhabi Puri Buch revealed at the media briefing on Monday. Earlier this year the capital markets regulator had approved setting up a backstop facility for the Corporate Debt Market Development Fund in the form of an alternative investment fund. During times of stress in the bond market the corpus would be utilised to buy illiquid investment grade corporate debt.

<https://www.thehindubusinessline.com/news/fm-to-launch-33000-crore-backstop-fund-for-bonds-on-friday/article67116377.ece>

### **SEBI to review delisting regulations**

Securities and Exchange Board of India (SEBI) is reviewing the regulations for delisting of shares by considering a fixed price option, reviewing trading plans for insiders while considering bringing in a mechanism of instantaneous settlement in exchanges. SEBI chairperson Madhabi Puri Buch also said that the regulator was undertaking an 'architectural shift' in the implementation of disclosure regulations on rumours by inviting the industry to formulate standards for their easy implementation.

<https://www.thehindubusinessline.com/markets/sebi-to-review-delisting-regulations/article67116296.ece>

### **RBI unlikely to cut rates until mid-2024 amid inflation jump, traders say**

The recent rise in inflation has prompted Indian investors to push back rate cut expectations by at least a quarter to the middle of 2024, with a sustained rise in prices likely to prompt a further repricing, traders and analysts said on Monday. Surging food prices accelerated India's annual retail inflation rate in June to 4.81%, above the polled estimate of 4.58%, snapping four months of easing. "Rate cut bets are getting re-priced as markets are now expecting inflation to overshoot above 6% in July and upward pressure in the coming quarter," said Madhavi Arora, lead economist at financial services firm Emkay Global.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-unlikely-to-cut-rates-until-mid-2024-amid-inflation-jump-traders-say/articleshow/102077582.cms>

### **Indian fintech start-up funding plunges 67% to \$1.4 bn in 1st half of 2023**

Indian fintech start-ups raised a total of \$1.4 billion in the first half (H1) of 2023, a massive year-on-year (YoY) drop of 67 per cent from \$4.3 billion raised in the same period last year, according to a report by Tracxn – a market intelligence platform. However, on a sequential basis, funding slid just 6 per cent compared to \$1.5 billion raised in H2 2022. This decline in funding was largely due to the downward trend in early-stage investments, which plunged 81 per cent and 68 per cent from H1 2022 and H2 2022 respectively. Seed-stage funding, too, saw a similar decline.

[https://www.business-standard.com/markets/news/indian-fintech-start-up-funding-plunges-67-to-1-4-bn-in-1st-half-of-2023-123072400907\\_1.html](https://www.business-standard.com/markets/news/indian-fintech-start-up-funding-plunges-67-to-1-4-bn-in-1st-half-of-2023-123072400907_1.html)

## Industry

### Battery PLI aspirants split on capacity to be offered for bids

Companies seeking support for manufacturing Advanced Chemistry Cell (ACC) batteries with support from the performance linked incentive (PLI) scheme are split down the middle in their demands from the centre. These views were collected during consultations called by the Ministry of Heavy Industries for bidding out 20 GW or Rs 7,240 crore worth PLI sops. "Some larger companies wanted to corner the entire 20 GW of PLI sops for one player. Smaller ones were of the view that even 1 GW of PLI sops should be allowed to be bid for," a representative from one of the over 40 companies that participated told ET. Those present included officials from electric vehicle (EV) makers, conventional four-wheeler companies, and battery manufacturers among others.

<https://economictimes.indiatimes.com/industry/renewables/battery-pli-aspirants-split-on-capacity-to-be-offered-for-bids/articleshow/102086832.cms>

### GSI conducts 122 exploration projects for critical minerals this year

In the first four months of the financial year 2023-24 (FY24), a total of 122 critical minerals exploration projects were taken up by the Geological Survey of India (GSI), Union Minister of Coal, Mines and Parliamentary Affairs Pralhad Joshi said in Rajya Sabha on Monday. In the last three years, a total of 422 critical minerals exploration projects were taken by the scientific agency. "Ministry of Mines has increased focus on exploration of these minerals in the country through the Geological Survey of India (GSI) and other agencies," Joshi said. Though the highest number of exploration exercises — 123 projects — were undertaken in FY23, it will be surpassed by a significant margin as this year 122 projects are already under exploration. In a move to enhance its strategic resource security, the government has increased its focus on critical mineral exploration in the country. The Union government also released its first-ever critical minerals list, identifying 30 key critical minerals crucial to the nation's economic growth and technological development last month.

[https://www.business-standard.com/india-news/gsi-conducts-122-exploration-projects-for-critical-minerals-this-year-123072400539\\_1.html](https://www.business-standard.com/india-news/gsi-conducts-122-exploration-projects-for-critical-minerals-this-year-123072400539_1.html)

### No rise seen in consumer staples prices

Consumer staple companies like Adani Wilmar, GRM Overseas, and Tirupati Agritrade said prices of kitchen essentials like non-basmati rice, wheat, and pulses are likely to stay steady in the next two months. Prices of non-basmati have fallen 8% after the government announced a ban on its exports last Thursday to curb inflation. Angshu Mallick, MD of Adani Wilmar, said "Prices of non-basmati rice may fall by another 3% in coming weeks. Tur dal (pigeon pea) prices, which have gone up by 2-3%, will not see a further upswing as the government has decided to import it to keep prices under check. For the next two months, we do not see much rise in prices of these kitchen essentials."

<https://economictimes.indiatimes.com/industry/cons-products/food/no-rise-seen-in-consumer-staples-prices/articleshow/102088693.cms>

### Despite slowdown, Indian IT firms find takers for AI-first offerings

Amid market downturn, Indian IT firms find takers for its Artificial intelligence-first offerings. Even as discretionary spending slows down, interest in the much-hyped Generative AI solutions remains intact among the clients of IT majors. However, analysts opine that AI's contribution will only truly materialise and contribute majorly to topline after macro-headwinds wear out.

<https://www.thehindubusinessline.com/info-tech/despite-slowdown-indian-it-firms-find-takers-for-ai-first-offerings/article67115910.ece>

## Agriculture

### Paddy sowing up 3% to 18 mn hectares in kharif season; pulses area down 10%

Area under coverage for paddy is up 3 per cent to 180.2 lakh hectares till July 21 in the ongoing kharif (summer-sown) season, while the acreage of pulses is down 10 per cent to 85.85 lakh hectares, according to agriculture ministry data. The paddy acreage stood at 175.47 lakh hectares in the corresponding period last year. Pulses area was 95.22 lakh hectares in the same period last year.

[https://www.business-standard.com/economy/news/paddy-sowing-up-3-to-18-mn-hectares-in-kharif-season-pulses-area-down-10-123072400348\\_1.html](https://www.business-standard.com/economy/news/paddy-sowing-up-3-to-18-mn-hectares-in-kharif-season-pulses-area-down-10-123072400348_1.html)

#### **Uncertainty over crop prospects leads to extra caution: Govt to curb supply of FCI rice for ethanol production**

Close on the heels of the ban on exports of non-basmati white rice imposed last week to contain cereal inflation, the government is likely to put restrictions on supply of surplus rice from the Food Corporation of India's (FCI) stocks for manufacture of ethanol. The proposal is 'under active consideration' of the government, an official source said. Though monsoon rains in the last two weeks have given a boost to sowing of kharif crops including paddy and surpassed last year's level, the government was still cautious about the crop prospects.

<https://www.financialexpress.com/economy/uncertainty-over-crop-prospects-leads-to-extra-caution-govt-to-curb-supply-of-fci-rice-for-ethanol-production/3185127/>

#### **Oilseeds sowing picks up despite delayed monsoon onset: SEA**

The Solvent Extractors' Association (SEA) of India has said the sowing of oilseeds has picked up despite a delayed onset of monsoon. In his monthly letter to the members of the association on Monday, Ajay Jhunjhunwala, President of SEA of India, said the acreage under oilseeds was reported at 139.3 lakh hectares (lh) as of July 14, against 137 lh during the corresponding period a year ago. However, he said, there has been a decrease of 1.86 lh in soyabean acreage. Groundnut acreage has increased by 2.13 lh due to beneficial cyclone rains, he said.

<https://www.thehindubusinessline.com/economy/agri-business/oilseeds-sowing-picks-up-despite-delayed-monsoon-onset-sea/article67115124.ece>

### **Infrastructure**

#### **Centre grants in-principle approval for 21 Greenfield Airports across India**

The government of India granted 'in-principle' approval for the establishment of 21 new Greenfield Airports on Monday. These airports will be set up in different regions of the country to enhance connectivity and boost air travel accessibility. The approved locations for the new airports are as follows: Mopa in Goa, Navi Mumbai, Shirdi, and Sindhudurg in Maharashtra, Kalaburagi, Vijayapura, Hassan, and Shivamogga in Karnataka, Dabra (Gwalior) in Madhya Pradesh, Kushinagar and Noida (Jewar) in Uttar Pradesh, Dholera and Hirasar in Gujarat, Karaikal in Puducherry, Dagadathi, Bhogapuram, and Orvakal (Kurnool) in Andhra Pradesh, Durgapur in West Bengal, Pakyong in Sikkim, Kannur in Kerala, Hollongi (Itanagar) in Arunachal Pradesh. Among these, 11 Greenfield airports have already been made operational. These include Durgapur, Shirdi, Kannur, Pakyong, Kalaburagi, Orvakal (Kurnool), Sindhudurg, Kushinagar, Itanagar, Mopa, and Shivamogga.

[https://www.business-standard.com/india-news/centre-grants-in-principle-approval-for-21-greenfield-airports-across-india-123072400470\\_1.html](https://www.business-standard.com/india-news/centre-grants-in-principle-approval-for-21-greenfield-airports-across-india-123072400470_1.html)

#### **Resale property market booms amid price hikes, scarcity of ready homes**

Resale or nearing completion residential property sales are booming as demand outpaces market supply, with prospective buyers increasingly viewing the resale market as a viable alternative. Factors contributing to this trend include a scarcity of newly constructed properties ready for immediate occupancy, a dearth of new developments, and escalating price hikes in major markets.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/resale-property-market-booms-amid-price-hikes-scarcity-of-ready-homes/articleshow/102087886.cms>

### **Energy**

#### **City gas companies snap up cheap local supply**

The fertiliser sector's consumption of imported natural gas rose 25% YoY while that of city gas distributors fell 40% during the June quarter as more of the cheap domestic gas was made available for driving and cooking following a tweak in the domestic gas policy. The city gas sector accounted for just 9% of the country's consumption of imported gas during the April-June period, down from 17% a year earlier. Their consumption of domestic gas rose 31% in a year to 2,490 million metric standard cubic meter (mmscm) while their use of imported gas fell to 703 mmscm.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/city-gas-companies-snap-up-cheap-local-supply/articleshow/102088322.cms>

## Telecom

### CDoT to be the nodal agency for telecom IPRs

The government has decided to make the Centre for Development of Telematics (CDoT) as the nodal facilitation agency to front-end on telecommunication IPRs and patents. CDOT, which is the RD wing of the Department of Telecommunications (DoT), will only act as a facilitator for standard essential patent (SEP) negotiations and shall not have any financial liability or obligations towards any parties. CDOT has been directed by the government to provide handholding and all the necessary support to start-ups, MSMEs and R&D entities for converting innovations into IPRs and translating research into commercially deployable products. CDOT will undertake IPRs/SEPs management on behalf of the Indian R&D ecosystem as an R&D collective to negotiate and engage with domestic and global IPR licensors.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/cdot-to-be-the-nodal-agency-for-telecom-iprs/articleshow/102087210.cms>

### Trai supports selective WhatsApp, Telegram ban to end internet blackouts

The Telecom Regulatory Authority of India (Trai) is in favour of a mechanism to selectively ban popular over-the-top (OTT) platforms, especially communication apps such as WhatsApp, Facebook and Telegram, in case a need arises, to ensure continuity of essential internet-driven services such as financial transactions, e-healthcare and online education. "Currently, the authorities are not able to selectively ban WhatsApp, Telegram and others. They are banning the entire internet. The intent now is to continue essential services such as banking, healthcare and online educational services," a senior Trai official told ET on condition of anonymity. "It is not as if OTTs are targeted by bringing in such a regulatory framework."

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-supports-selective-whatsapp-telegram-ban-to-end-net-blackouts/articleshow/102088337.cms>

## States

### Arunachal Pradesh govt approves allotment of two power projects to NHPC

The Arunachal Pradesh government has approved the allotment of 2,000 MW Subansiri Upper Hydro project and 1,800 MW Kamala project to state-run hydropower giant National Hydroelectric Power Corporation (NHPC) Ltd, an official said on Saturday. Both projects were earlier allotted to private power developers. The government conveyed the information of approval of the projects to NHPC on Friday, a senior official of the state hydropower department told PTI.

<https://economictimes.indiatimes.com/industry/energy/power/arunachal-pradesh-govt-approves-allotment-of-two-power-projects-to-nhpc/articleshow/102040289.cms>

## External

### India, UK concludes 11th round of FTA talks; next meeting in coming months

India and the UK have concluded the 11th round of negotiations for a proposed free trade agreement (FTA) and the next round of talks will take place in the coming months, the commerce ministry said on Monday. India and the UK are working to iron out differences on issues like intellectual property rights (IPRs) and rules of origin under the agreement, negotiations for which were started in January 2021. "On July 18, the UK and India concluded the eleventh round of talks for the UK-India FTA. Technical discussions were held across nine policy areas over 42 separate sessions.

<https://www.financialexpress.com/economy/india-uk-concludes-11th-round-of-fta-talks-next-meeting-in-coming-months/3185039/>