



August 07, 2023 – Monday

## Economy

### Govt likely to begin work on second edition of Jan Vishwas Bill

The government is likely to begin work on a second edition of the Jan Vishwas Bill, which may focus on labour laws and the Factories Act among other areas, sources have said. “Decriminalising minor offences is going to be a continuous process. A working group has already been constituted to examine other acts and see what are the areas where there is a need to carry out amendments,” a source tracking the matter told businessline.

<https://www.thehindubusinessline.com/economy/govt-likely-to-begin-work-on-second-edition-of-the-jan-vishwas-bill/article67162254.ece>

### E-way bill generation surged to 8.79-cr in July, aiding in better GST mop-up

E-way bill generation surged to 8.79 in July as against 8.61 in June, showing better demand. This could also have a positive impact on GST collection, which saw a third all-time high of ₹1.65 lakh crore in July. The date for GST collection for August will be out on September 1. Apart from higher e-way bill generation, performance in the services sector has also been encouraging, as a quick survey-based index (Purchasing Managers’ Index for Services) rose to 13 years high of 62.3 in July. All of these could help in sustaining momentum or even accelerating it.

<https://www.thehindubusinessline.com/economy/e-way-bill-generation-in-july-surged-to-879-cr-in-july-aiding-in-better-gst-mop-up/article67164413.ece>

## Banking and Finance

### RBI likely to hold rates, talk tough on managing price rise

The Reserve Bank of India (RBI) is likely to keep interest rates on hold for the third straight monetary policy meeting this week, but is seen talking tough on managing consumer prices as inflation is expected to shoot past the central bank’s comfort zone after certain food items turned dearer. According to an ET Poll of 15 respondents, at the end of its August 8-10 meeting, the RBI’s Monetary Policy Committee is seen keeping the repo rate unchanged at 6.50% and maintaining its prevailing stance of withdrawal of accommodation.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-likely-to-hold-rates-talk-tough-on-managing-price-rise/articleshow/102480258.cms>

### Bank credit growth to MSMEs decelerates on y-o-y in Q1, finds RBI data

Bank credit growth to Micro, Small and Medium Enterprises (MSMEs) has decelerated on a year-on-year basis in the first three months of the current fiscal, according to Reserve Bank data. Players in the MSME sector, the backbone of domestic industry and largest employer, said risk averseness makes banks reluctant to provide loans to small units, leading to a deceleration in bank credit growth.

[https://www.business-standard.com/economy/news/bank-credit-growth-to-msmes-decelerates-on-y-o-y-in-q1-finds-rbi-data-123080600251\\_1.html](https://www.business-standard.com/economy/news/bank-credit-growth-to-msmes-decelerates-on-y-o-y-in-q1-finds-rbi-data-123080600251_1.html)

## Industry

### **Whistleblower policies driving compliance at companies**

Changing regulatory requirements along with awareness about whistleblower policies driving companies for greater compliance but still, there is a long way to go feels India Inc. According to a recent survey by law firm AZB & Partners, 74% of the respondents agree that the use of the whistle-blowing mechanism is a significant driver in unearthing ethical issues within organisations. The firm conducted a survey by reaching out to its over 500 clients. "A reputation for legal and fair business now has tangible and measurable benefits in terms of better valuations, availability of a deeper pool of external debt and equity capital at more favourable terms and of quality employees to run and grow the business," said Zia Mody, co-founder of law firm AZB & Partners.

<https://economictimes.indiatimes.com/news/company/corporate-trends/whistleblower-policies-driving-compliance-at-companies/articleshow/102480493.cms>

### **Consumer durables players expect 40% growth this festive season**

With the festive season around the corner, consumer durable makers are anticipating up to 40 per cent year-on-year growth this year. "The summer season this year was tough due to unseasonal rains and weather uncertainties, we are optimistic that the festive season will do much better due to the pent-up demand. Festive sales usually comprise around 28-30 per cent of our annual sales. This year we are targeting 40 per cent growth over last year. The premium segment this year has been witnessing over 30 per cent growth," said Kamal Nandi, Business Head and Executive Vice President – Godrej Appliances, part of Godrej & Boyce to businessline. Industry body Consumer Electronics and Appliances Manufacturers (CEAMA) is expecting an uptick in sales for companies with the festive season coinciding with the World Cup. "Last year, we witnessed a favourable shift in consumer purchasing patterns. This year the Cricket World Cup is coinciding with the festive season and we anticipate a further boost in demand and consumer spending in multiple product categories. We are expecting 10-15 per cent growth this festive period," said Eric Braganza of President, CEAMA.

<https://www.thehindubusinessline.com/companies/consumer-durables-players-expect-40-growth-this-festive-season/article67164848.ece>

### **FMCG players hopeful of gradual recovery in rural demand**

Moderation in inflationary pressures has led to some improvement in terms of rural volume growth in the June quarter for the FMCG sector. Players expect to see gradual recovery in rural demand trends in the coming quarters. However, companies said the impact of erratic weather patterns on agri-incomes and El Nino will need to be closely monitored. Mohit Malhotra, CEO, Dabur India said that the FMCG industry witnessed a volume growth of four per cent in the rural regions in the June quarter. "With the inflation softening, we have seen our rural growths bounce back to high single digits after three quarters. Rural growth for us was at eight per cent and urban growth was at 10 per cent in Q1. We believe rural growth will keep inching up and the gap between rural growth and urban growth for the industry will keep narrowing," he stated on an earnings call.

<https://www.thehindubusinessline.com/companies/fmccg-players-hopeful-of-gradual-recovery-in-rural-demand/article67164727.ece>

### **Companies now focus on 'all things premium'**

The entry level segment seems to have lost its allure for makers of cars, televisions, smartphones as the mass market's centre of gravity shifts upward. Long known for value-conscious customers who made the Maruti 800 king of the Indian road, the latest available data show companies are launching a disproportionate number of autos and other products at the higher end, reflective of a K-shaped recovery following the pandemic, said market researchers and senior industry executives. The number of car models available in the sub Rs 10 lakh category more than halved to 27 in the June quarter from 57 in FY19, according to data available with manufacturers. Models priced over Rs 10 lakh almost doubled to 50.

<https://economictimes.indiatimes.com/news/company/corporate-trends/yeh-dil-maange-more-companies-now-focus-on-all-things-premium/articleshow/102480188.cms>

### **US freezes \$26-m fund transfers by Indian diamantaires**

The Office of Foreign Assets Control (OFAC), a US government arm, has, in the last couple of months, frozen about a dozen fund transfers worth nearly \$26 million by multiple offshore firms belonging to Indian jewellers, for alleged import of rough diamonds mined in Russia. The entities that have been directly impacted are UAE subsidiaries of

Indian diamond houses. The dollar payments by these UAE firms were stalled amid suspicions that their suppliers have Russian origin, or have investments and other connections with Russian miners and sanctioned entities.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/us-freezes-26-m-fund-transfers-by-indian-diamantaires/articleshow/102483620.cms>

### **IT hardware companies seek clarity on import licensing process**

The IT hardware industry wants the government to clarify operational modalities around import licensing at the earliest so that it can make contingency plans, said senior executives. For instance, they said, currently there is no clarity on the criteria, details around quota, validity of licence, whether single or multiple licences are required for different ports, whether goods from special economic zones to domestic traffic area (DTA) and export-oriented units to DTA are exempt from import licensing, and on the nodal and grievance officers concerned.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/it-hardware-companies-seek-clarity-on-import-licensing-process/articleshow/102483499.cms>

## **Agriculture**

### **Paddy acreage up 3.4% from last year, 28.30 mn hectares brought under crop**

Paddy sowing picked up pace during the week ended August 4, with nearly 28.30 million hectares brought under the crop, up 3.40 per cent from the same period last year. Nearly 71 per cent of the usual area has been covered this season. Paddy is sown in around 40 million hectares across the country.

[https://www.business-standard.com/india-news/paddy-acreage-increases-by-3-4-per-cent-from-last-year-till-august-4-123080400817\\_1.html](https://www.business-standard.com/india-news/paddy-acreage-increases-by-3-4-per-cent-from-last-year-till-august-4-123080400817_1.html)

### **Onion prices might touch Rs 60/70 per kg by month-end, says Crisil**

The study, released on Friday, indicated that the shelf life of rabi onions has reduced by one to two months due to panic selling in February and March 2023. As a result, the stocks from the last rabi season may significantly deplete by the end of August, rather than September. Such a scenario could extend the current lean season by 15-20 days, potentially tightening supplies and driving prices upwards, the report added. According to the report, prices could significantly surge to around Rs 60-70 per kg during this lean period.

[https://www.business-standard.com/economy/news/crisil-says-onion-prices-might-touch-rs-60-70-per-kg-by-month-end-123080400723\\_1.html](https://www.business-standard.com/economy/news/crisil-says-onion-prices-might-touch-rs-60-70-per-kg-by-month-end-123080400723_1.html)

### **Govt said to have hiked ethanol rates fearing fall in blending as distilleries close operation**

In order to ensure 12 per cent blending target is achieved this year after the Food Corporation of India (FCI) halted rice supply for ethanol production, the government is believed to have raised prices of ethanol made from rice and maize to help distilleries restart production. However, top officials refused to comment saying notification is yet to be released. According to trade sources, purchase price of ethanol by oil marketing companies (OMCs) has been increased by ₹4.75/litre to ₹60.29/litre when the biofuel is made from damaged/broken rice (purchased from open market) for remaining part of current ethanol year (until Oct 31, 2023). Also the new rate of ethanol will be ₹62.36/litre when it is to be produced from maize, an increase of ₹6.01/litre.

<https://www.thehindubusinessline.com/economy/agri-business/govt-said-to-have-hiked-ethanol-rates-fearing-fall-in-blending-as-distilleries-close-operation/article67165009.ece>

## **Telecom**

### **Govt wants all telcos to rollout 5G in 26 GHz band before Aug 16 deadline**

The government shows no interest in extending the current minimum rollout obligations that require telcos who have purchased airwaves in the 26 GHz and 3300 MHz bands to commence 5G services by August 16. Department of Telecommunications (DoT) officials drew attention to the initiation of trials by Reliance Jio and Bharti Airtel this week in the 26 GHz band, taking place in Gujarat and West Bengal, respectively.

[https://www.business-standard.com/industry/news/govt-wants-all-telcos-to-rollout-5g-in-26-ghz-band-before-aug-16-deadline-123080400721\\_1.html](https://www.business-standard.com/industry/news/govt-wants-all-telcos-to-rollout-5g-in-26-ghz-band-before-aug-16-deadline-123080400721_1.html)

## States

### **UP to partner private sector investor to develop 1,000 ecotourism villages**

The Uttar Pradesh government will partner private sector investors to develop 1,000 ecotourism villages across the state. This will also help create local job opportunities. According to UP tourism minister Jaiveer Singh, the state will provide a subsidy of 25 per cent for construction of guest houses.

[https://www.business-standard.com/india-news/up-to-partner-private-sector-investor-to-develop-1-000-ecotourism-villages-123080400956\\_1.html](https://www.business-standard.com/india-news/up-to-partner-private-sector-investor-to-develop-1-000-ecotourism-villages-123080400956_1.html)

## External

### **British demands on data related issues, duty concessions on dairy out of India-UK FTA: Sources**

Protecting the interest of domestic players, India has kept demands of Britain on data related issues and giving any kind of duty concessions on dairy sector out of the ambit of the proposed free trade agreement being negotiated between the two countries, sources said. However, India is looking at providing duty concessions on auto, and certain confectionery items, they said. The negotiation for the agreement has reached a critical stage and in all likelihood it could be concluded by October end or November. The talks received a great impetus due to the recent visit of Commerce and Industry Minister Piyush Goyal and Commerce Secretary Sunil Barthwal to London in July, where both held a series of meetings with different stakeholders including senior British officials.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/british-demands-on-data-related-issues-duty-concessions-on-dairy-out-of-india-uk-fta-sources/articleshow/102470191.cms>

### **High-level India-EU meetings this month to boost FTA talks**

High-level meetings between India and the European Union (EU) will be held this month to take stock of the progress of talks on the proposed free trade agreement, according to an official. "The EU officials are coming for the G20 trade ministers meeting this month in Jaipur. There is a high-level meeting at the minister level on August 26 in the national capital between India and the EU. "Commerce Secretary Sunil Barthwal is also likely to meet EU Director General for Trade Sabine Weyand in Jaipur," the official added. These meetings would give an impetus to the ongoing negotiations between the two sides on the free trade agreement (FTA). The G20 Trade and Investment Ministerial Meeting, under India's G20 Presidency, is scheduled at Jaipur on August 24-25.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/high-level-india-eu-meetings-this-month-to-boost-fta-talks/articleshow/102470430.cms>