



June 21, 2022 – Tuesday

### Key Developments

#### **Non-banks can't load credit lines on prepaid payment instruments, says RBI**

The Reserve Bank of India on Monday disallowed non-bank wallets and pre-paid cards from loading their credit lines into these platforms, a notification reviewed by ET showed. The regulator in a one-page circular addressed to non-bank pre-paid payment instruments (PPIs) directed them to stop such practice immediately. "The PPI-MD does not permit loading of PPIs from credit lines," the regulator said in its communication. "Such practice, if followed, should be stopped immediately. Any non-compliance in this regard may attract penal action under provisions contained in the Payment and Settlement Systems Act, 2007." This diktat by the banking regulator is being seen as an effort to clampdown on card fintech and firms operating as neo-banks who have tied up with banks to offer credit lines.

[https://economictimes.indiatimes.com/tech/technology/non-banks-cant-load-credit-lines-on-prepaid-payment-instruments-says-rbi/articleshow/92344067.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/tech/technology/non-banks-cant-load-credit-lines-on-prepaid-payment-instruments-says-rbi/articleshow/92344067.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

### Economy

#### **India faces near-term challenges; better placed to deal with them: Finance ministry report**

India is facing near-term challenges in managing its fiscal deficit, sustaining economic growth, reining in inflation and containing the current account deficit but the country is relatively better placed to weather these headwinds compared to other nations, the finance ministry said in its monthly economic report. Near-term challenges need to be managed carefully without sacrificing the hard-earned macroeconomic stability, the Monthly Economic Review said. "Many countries around the world, especially developed countries, face similar challenges. India is relatively better placed to weather these challenges because of its financial sector stability and its vaccination success in enabling the economy to open up," it added. India's medium-term growth prospects remain bright as pent-up capacity expansion in the private sector is expected to drive capital formation and employment generation in the rest of this decade, as per the report. Observing that the capex budget for 2022-23 is expected to underpin growth, the report said an upside risk to the budgeted level of gross fiscal deficit has emerged following cuts in excise duties on diesel and petrol.

<https://www.financialexpress.com/economy/india-faces-near-term-challenges-better-placed-to-deal-with-them-finance-ministry-report/2567006/>

#### **Retail inflation for farm, rural workers rises to 6.67 pc, 7 pc in May**

Retail inflation for farm and rural labourers increased to 6.67 per cent and 7 per cent, respectively in May, mainly due to higher prices of certain food items. "Point-to-point rate of inflation based on the CPI-AL (Consumer Price Index-Agricultural Labourers and CPI-RL (Rural Labourers) stood at 6.67 per cent and 7 per cent in May, 2022 compared to 6.44 per cent and 6.67 per cent, respectively in April, 2022 and 2.94 per cent and 3.12 per cent, respectively during the corresponding month of the previous year (June, 2021)," a labour bureau statement said. Similarly, it stated that food inflation stood at 5.44 per cent and 5.51 per cent in May, 2022 compared to 5.29 per

cent and 5.35 per cent, respectively in April, 2022, and 1.54 per cent and 1.73 per cent, respectively during the corresponding month of the previous year.

[https://economictimes.indiatimes.com/news/economy/indicators/retail-inflation-for-farm-rural-workers-rises-to-6-67-pc-7-pc-in-may/articleshow/92343489.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/news/economy/indicators/retail-inflation-for-farm-rural-workers-rises-to-6-67-pc-7-pc-in-may/articleshow/92343489.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

#### **India's food inflation likely to top 9 per cent, according to Nomura**

India's food inflation is likely to top 9 per cent on the back of high feedstock prices, according to a Nomura report. The report sees food inflation surging in the second half of the year in Asia with major food importers like Singapore bearing the brunt of higher prices of staples. "Consumers' perception of inflation is strongly influenced by the prices of frequently purchased necessities, such as food, and can lead to higher inflation expectations," Bloomberg quoted from the Nomura report.

[https://economictimes.indiatimes.com/news/economy/indicators/indias-food-inflation-likely-to-top-9-per-cent-according-to-nomura/articleshow/92338644.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/news/economy/indicators/indias-food-inflation-likely-to-top-9-per-cent-according-to-nomura/articleshow/92338644.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

### **Banking and Finance**

#### **Finance ministry asks banks to expedite NPA resolution; focus on credit growth**

The Finance Ministry on Monday held a meeting with heads of public sector banks (PSBs) to review their annual performance and progress made by them on various government schemes. The meeting was scheduled to be chaired by Finance Minister Nirmala Sitharaman, but she could not attend due to some other pressing engagement. However, the annual performance review of PSBs was chaired by Minister of State for Finance Bhagwat K Karad. Besides the minister, Financial Services Secretary Sanjay Malhotra and other senior officials of the Department of Financial Services (DFS) were present at the meeting. According to sources, banks were asked to sanction loans for productive sectors to accelerate the revival of the economy facing headwinds, including from the Russia-Ukraine war.

[https://economictimes.indiatimes.com/industry/banking/finance/banking/finance-ministry-asks-banks-to-expedite-npa-resolution-focus-on-credit-growth/articleshow/92343897.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/industry/banking/finance/banking/finance-ministry-asks-banks-to-expedite-npa-resolution-focus-on-credit-growth/articleshow/92343897.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

#### **Adverse global events may lead to USD 100 bn portfolio outflows, says RBI article**

Portfolio flows in India are the most sensitive to shifts in risk sentiment globally and in an adverse scenario, potential portfolio outflows can average up to 3.2 per cent of GDP or USD 100 billion (Rs 7.8 lakh crore) in a year, an RBI article said. The article, titled 'Capital Flows at Risk: India's Experience' published in the RBI's latest bulletin, further said in a 'black swan' event comprising a combination of shocks, potential portfolio outflows can rise to 7.7 per cent of GDP, highlighting the need for maintaining liquid reserves to quell such potential bouts of instability. With the spate of emerging market crises since the 1990s and the experience with the global financial crisis and its aftermath, attention has turned from the benefits associated with capital flows to their consequences such as accentuating financial vulnerabilities, aggravating macroeconomic instability and spreading contagion, it said. "Applying a capital flows at risk approach, it is observed that in an adverse scenario, potential portfolio outflows can average up to 3.2 per cent of GDP," said the article authored by RBI Deputy Governor Michael Debabrata Patra, along with Harendra Behera and Silu Muduli.

<https://www.financialexpress.com/economy/adverse-global-events-may-lead-to-usd-100-bn-portfolio-outflows-says-rbi-article/2567012/>

#### **SEBI forms advisory committee on hybrid securities to facilitate greater retail participation**

Markets regulator SEBI has set up an advisory committee on hybrid securities, which will make recommendations for giving a fillip to the growth of such instruments, including measures focusing on ease of issuance and attracting

domestic and global capital. The 20-member committee will be chaired by KV Kamath, Chairperson of National Bank for Financing Infrastructure and Development, an update with the Securities and Exchange Board of India (SEBI) showed. In addition, the committee comprises top level officials of infrastructure investment trusts (InvITs), real estate investment trusts (REITs), finance as well as legal experts and representatives of SEBI.

<https://www.thehindubusinessline.com/markets/sebi-forms-advisory-committee-on-hybrid-securities-to-facilitate-greater-retail-participation/article65545211.ece>

#### **Release of payments vision document for 2025 brings focus back to MDR**

The Reserve Bank of India's (RBI) payments vision document for 2025 has brought the focus back to the question of reviving the merchant discount rate (MDR) on Unified Payments Interface (UPI) transactions, as the central bank introduces an enablement to link credit cards to UPI. While the vision document makes no specific mention of MDR, it does state that the RBI is undertaking a review of charges within the payments ecosystem. It acknowledges that providing digital payment services entail costs, which are borne by one or more of the payment system participants as switching fees, interchange fees and so on, or are passed on to the merchant as MDR or to the customer. "While collecting charges from the merchants and / or customers may be required for viability of digital payments, care needs to be taken to ensure that they are reasonable and do not deter digital payments adoption. A comprehensive review of all aspects related to charges involved in various channels of digital payments shall be undertaken," the document said.

<https://www.financialexpress.com/industry/banking-finance/release-of-payments-vision-document-for-2025-brings-focus-back-to-mdr/2566731/>

#### **Centre may cut revenue expenditure to check fiscal slippage**

Reduction of excise duty on petrol and diesel has increased the risk to budgeted fiscal deficit, a Finance Ministry report said on Monday. It also advised rationalisation of non-capital expenditure.

The FY23 Budget estimated fiscal deficit at 6.4 per cent. However, last month, the government decided to cut part of excise duty levied on petrol and diesel. This reduction is estimated to bring down revenue collection by ₹1-lakh crore. At the same time, subsidy on fertiliser has been raised by ₹1.10-lakh crore to ₹2.15-lakh crore. All these are expected to have an effect on the fiscal deficit, indicated a monthly economic review (MER) prepared by the Economic Affairs Department of Finance Ministry.

<https://www.thehindubusinessline.com/economy/centre-may-cut-revenue-expenditure-to-check-fiscal-slippage/article65545776.ece>

#### **EPFO adds 1.7 mn net subscribers in April, an increase of 35% YoY**

Retirement fund body EPFO has added 17.08 lakh net new subscribers in April 2022, nearly 34 per cent more than 12.76 lakh enrolled in the same month a year ago. The provisional payroll data of EPFO released on Monday highlighted that Employees' Provident Fund Organisation has added 17.08 lakh net subscribers in the month of April 2022, a labour ministry statement said. According to the statement, a year-on-year comparison of payroll data shows an increase of 4.32 lakh net subscribers in April 2022 compared to the net subscription in the same month last year. Thus, the net new subscribers were 12.76 lakh in April 2021. The data showed that the net new subscribers addition increased to 1.22 crore in 2021-22 from 77.08 lakh in 2020-21, 78.58 lakh in 2019-20 and 61.12 lakh in 2018-19. Out of the total 17.08 lakh subscribers added during the month of April, around 9.23 lakh new members have come under the social security cover of EPF and MP Act, 1952, for the first time.

[https://www.business-standard.com/article/pf/epfo-net-subscribers-up-34-1-70-million-new-members-enrolled-in-april-22-122062000927\\_1.html](https://www.business-standard.com/article/pf/epfo-net-subscribers-up-34-1-70-million-new-members-enrolled-in-april-22-122062000927_1.html)

#### **PFRDA pension scheme subscribers up 24% to 53.2 million by May end**

Subscribers under the two flagship pension schemes administered by PFRDA rose by over 24 per cent from a year ago to 5.32 crore as of May 31, 2022, official data showed on Monday. "The number of subscribers in various schemes under the National Pension System (NPS) rose to 531.73 lakh by the end-May 2022 from 428.56 lakh in May 2021 showing a year-on-year increase of 24.07 per cent," the Pension Fund Regulatory and Development Authority (PFRDA) said in a release. Atal Pension Yojana (APY) -- the highest contributor to the subscriber base -- registered a growth of 31.6 per cent to 3.72 crore by end of May this fiscal year. The number of subscribers under NPS for central government employees rose by 5.28 per cent to 22.97 lakh, while that for state governments grew

by 7.70 per cent to 56.40 lakh. For the corporate sector, the number of NPS subscribers increased by 26.83 per cent to 14.69 lakh, while that for the all citizens category jumped by 39.11 per cent to 23.61 lakh by the end of May, the data showed.

[https://www.business-standard.com/article/pf/pfrda-pension-scheme-subscribers-up-24-to-53-2-million-by-may-end-122062000870\\_1.html](https://www.business-standard.com/article/pf/pfrda-pension-scheme-subscribers-up-24-to-53-2-million-by-may-end-122062000870_1.html)

## Industry

### Crude, palm oil rates fall from record highs, but FMCG firms rule out price cuts

Packaged consumer goods makers said they will not slash prices despite the correction in two crucial commodities - crude and palm oil - but will instead slow the pace of price increases. Palm oil is used in making products such as soaps, biscuits and noodles while crude is a key input for detergent and packaging, among others. Palm oil has dropped below \$1,300 per metric tonne from highs of \$1,800-1,900 while crude oil has retreated to less than \$107 per barrel, down from a peak of about \$130. These together account for more than half of companies' input costs. While edible oil sellers have cut prices due to a reduction in import duties in the segment, food, home and personal care product makers said margins are still under pressure.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/crude-palm-oil-rates-fall-from-record-highs-but-fmcg-firms-rule-out-price-cuts/articleshow/92347404.cms>

### Hotel Industry sees 35-40% revenue jump from spiritual tourism after Covid

With Covid-restrictions easing and people getting their travel bags out, the travel and hotel industry is witnessing a 35-40 per cent increase in business at spiritual tourist locations such as temple towns. "Spiritual tourism is on the upswing at our destinations including Haridwar, Rishikesh, Varanasi, and Chardham. We anticipate a 40 per cent increase in revenue because of the robust demand with firm pricing," Vibhas Prasad, Director, Leisure Hotels Group, told FinancialExpress.com. According to online travel portal ixigo, there has been increase in searches for religious places like Katra (83 per cent), Tirupati (73 per cent), Haridwar (36 per cent), Rishikesh (38 per cent), Rameswaram (34 per cent), Agra(29 per cent), Prayagraj (22 per cent) and Varanasi (14 per cent). India is known to be a land of spiritual enlightenment; tourists love to explore the temple towns of the country and post the pandemic, there has been a sudden spike in the number of people visiting religious places. "Since the opening of tourist destinations, we have witnessed a spike in bookings across pilgrimage destinations in India. Srinagar, with 3.5 times growth, saw the highest spike for the period January-April 2022 as compared to the same last year, followed by other destinations like Pahalgam, Jammu, Varanasi, Tirupati, Bodhgaya, Shirdi, among others," said a spokesperson from OYO.

<https://www.financialexpress.com/industry/gods-helping-hand-for-hotels-industry-sees-35-40-revenue-jump-from-spiritual-tourism-after-covid/2566999/>

### Companies scramble for imported paper straws, ask govt to extend plastic ban deadline

Manufacturers of small packaged fruit juices and dairy products such as Parle Agro, Dabur and Mother Dairy are resorting to imported paper straws despite higher costs to continue selling their products as the deadline for implementing the ban on plastic straws from July 1 draws closer. The manufacturers, however, want the government to extend the implementation date of the ban till proper infrastructure for producing paper straws locally is developed, saying importing such straws is not economically viable. "There is no infrastructure at present in India to be able to produce the quantum of straws required for the industry. We have started importing paper straws to ensure the new rules are met by its deadline. However, importing is not a sustainable option," Parle Agro CEO Schauna Chauhan said. She further said, "The percentage increase in the cost for importing polylactic acid (PLA) and paper straws goes up by 259 per cent and 278 per cent respectively. The economics just does not match up for a Rs 10 product."

[https://economictimes.indiatimes.com/industry/indl-goods/svs/paper/-/wood/-/glass/-/plastic/-marbles/companies-scramble-for-imported-paper-straws-ask-govt-to-extend-plastic-ban-deadline/articleshow/92343162.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/industry/indl-goods/svs/paper/-/wood/-/glass/-/plastic/-marbles/companies-scramble-for-imported-paper-straws-ask-govt-to-extend-plastic-ban-deadline/articleshow/92343162.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

### Auto ancillaries' revenue may grow 8%-10% in FY23 on stable demand: Icara

Auto ancillaries' revenues are expected to grow 8-10 per cent in 2022-23 on the back of a stable demand and likely easing of supply-chain concerns in the second half of the year, Icra said on Monday. At the same time, the sector's coverage metrics is also likely to remain comfortable in 2022-23, benefitting from healthy accruals and relatively low incremental debt funding requirements, the rating agency said in a release. In last fiscal year, 31 auto component companies with cumulative revenues of over Rs 1,75,000 crore had registered a 23 per cent year-on-year growth in revenues, driven by domestic original equipment manufacturers (OEMs), replacement, export volumes and pass-through of commodity prices. Though the growth came on a relatively low base of FY21, the actual revenue expansion was better than Icra's estimates, partly on account of better-than-expected exports and increase in realisations to pass on the impact of higher commodity inflation and freight costs, it said.

[https://www.business-standard.com/article/companies/auto-ancillaries-revenue-may-grow-8-10-in-fy23-on-stable-demand-icra-122062000546\\_1.html](https://www.business-standard.com/article/companies/auto-ancillaries-revenue-may-grow-8-10-in-fy23-on-stable-demand-icra-122062000546_1.html)

## Agriculture

### Kharif cotton sowing in Gujarat likely to increase by 20 per cent

Kharif cotton sowing for the season 2022-23 in Gujarat is likely to increase by at least 20 percent, compared to the previous season as a mad rush for sowing the cash crop is being witnessed among farmers in the state well ahead of its schedule in anticipation of good return amid high prices of cotton in domestic as well as international markets. Since last one decade, prices of cotton and groundnut remained almost same at nearly Rs 1000 to Rs 1300 per 20 kg, says Atul Ganatra, president of Cotton Association of India, adding, "However, in the current season the rates of cotton have escalated as high as Rs 2500 per 20kg. But groundnut prices remained almost at the same level. Due to existing high prices of cotton, a large number of farmers are preferring cotton over groundnut. In fact, already pre-monsoon cotton sowing in Gujarat has almost touched 1,40,000 hectares !!!"

<https://www.financialexpress.com/economy/kharif-cotton-sowing-in-gujarat-likely-to-increase-by-20-per-cent/2566960/>

## Infrastructure

### PM Modi inaugurates various infra projects worth Rs 27,000 crore in Karnataka

Prime Minister Narendra Modi on June 20 inaugurated and laid the foundation stone on a number of projects worth more than Rs 27000 crore in Karnataka. Earlier in the day, the PM inaugurated the Centre for Brain Research and laid the foundation stone for Bagchi Parthasarathy Multispeciality Hospital at IISc Bengaluru. Apart from these, the prime minister also inaugurated the new campus of Dr. B R Ambedkar School of Economics (BASE) University, He also unveiled a statue of BR. Ambedkar also dedicated the upgradation of 150 ITI as technology hubs. The prime minister, while speaking to the gathering, observed that the foundation stone of five National Highway Projects and seven Railway Projects have been laid in the state. He also praised the 100% electrification of the Konkan Railway. Speaking further about various infrastructure projects in the state, PM Modi observed that the Bengaluru Suburban rail project will play a major role in linking Bengaluru city with its suburbs and satellite towns, leading to a lot of benefits for the people, and that the Bengaluru Ring Road project will help in reducing the congestion in the city.

<https://www.financialexpress.com/infrastructure/pm-modi-inaugurates-various-infra-projects-worth-rs-27000-crore-in-karnataka/2567027/>

### Six-lane project of Bengaluru-Nidaghatta Section of NH-275 to show lots of promises: Nitin Gadkari

Union Road Transport and Highways Minister Nitin Gadkari has said that the new India is looking to build the best infrastructure in the world. In a series of tweets, the minister said that the six lane project of Bengaluru Nidaghatta Section of NH-275 is moving very fast and will also provide lots of benefits to the people. "New India of the 21st Century is focused on building the best infrastructure facilities in the world. Keeping it in mind, the project for the Six lanning of Bengaluru Nidaghatta Section of NH-275 is progressing ahead with lots of promises," the minister said in a series of tweets. Pointing out that this section, which is a part of NH-275, starts from the junction near Panchamukhi Temple in Bengaluru and ends at Nidaghatta. The minister further pointed out that the project is crucial for tourism and the economy since it passes through Bidadi, Channapatana, Ramanagara towns. Notably, these three towns have the largest silk cocoon market in Asia. While these cities also provide access to the only vulture sanctuary in Asia, NH-275 will also connect Srirangapatna, Mysore, Ooty, Kerala & Coorg.

<https://www.financialexpress.com/infrastructure/roadways/six-lane-project-of-bengaluru-nidaghatta-section-of-nh-275-to-show-lots-of-promises-nitin-gadkari/2566453/>

#### **Cabinet may consider lowering rail land rentals this week**

The Union Cabinet may give its nod this week to a proposal to cut land licensing fee (LLF) for industrial users of railway land to "2-3%" of the value of land as against 6% now. The approval of the much-awaited LLF policy will facilitate implementation of PM Gati Shakti – National Master Plan for Multi-modal Connectivity, essentially a digital platform to bring 16 ministries including railways and roadways together for integrated planning and coordinated implementation of infrastructure connectivity projects. Among the civilian government agencies, the railways is the largest landholder with 1.134 million acres. Of these, about 100,000 acres were vacant land. Railways is keen to accelerate the pace of commercial exploitation of land utilization for various public and private sector projects. The new LLF policy will also pave way for privatisation of Container Corporation of India (ConCor), which may have to fork out much lesser amounts as land rentals to Indian Railways. The new policy may extend the land lease period from 5 years to 35 years or more.

<https://www.financialexpress.com/infrastructure/cabinet-may-consider-lowering-rail-land-rentals-this-week/2565919/>

#### **Home loan rate hikes have little impact on real estate demand, say developers**

The increase in home loan interest rates by banks has had a minimal effect on real estate demand. New residential projects across geographies are witnessing a surge in bookings, with some getting sold out within a few days, say developers. Real estate players and market watchers say consumers are not holding back purchases, using a few mitigating factors such as bringing down the loan-to-value ratio, extending the tenure of the loan, and banking on an expected increase in salaries this year. Arvind Subramanian, Managing Director and CEO, Mahindra Lifespace Developers (MDL) said, "Consumers now take a few more quarters to save on their corpus. They increase their own contribution to manage EMIs. Within a certain range, there is a sentimental value to interest rates, but it is not so much of a worry. These rate hikes were expected, as we could not have had 6.6 per cent mortgage rates forever."

<https://www.thehindubusinessline.com/news/real-estate/home-loan-rate-hikes-have-little-impact-on-real-estate-demand/article65545343.ece>

#### **Decision on waiving price band on domestic airfares expected soon**

The aviation ministry is expected to make a decision on whether to keep price bands for domestic flights in place by the end of the month, according to a report in moneycontrol. "Some airlines have requested for the removal of the lower and upper limits on domestic airfares and if there is no opposition from other airlines, a decision on the removal of the fare caps will be taken by the end of the month," the report quoted a senior government official as saying. On June 16, India's Aviation Turbine Fuel (ATF) prices were raised by a steep 16 per cent taking it to record highs.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/decision-on-waiving-price-band-on-domestic-airfares-expected-soon/articleshow/92340724.cms>

### **Telecom**

#### **DoT introduces design-linked incentive scheme, extends telecom PLI by 1 yr**

The Department of Telecom has launched an incentive scheme for design-led manufacturers and extended the duration of the Rs 12,195 crore production-linked incentive (PLI) scheme by a year, an official statement said on Monday. The incentive for design-led manufacturing is part of the PLI scheme which was notified on February 24, 2021. "With the objective to build a strong ecosystem for 5G, the Union Budget 2022-23 has proposed to launch a scheme for design-led manufacturing as part of the existing PLI scheme. "After consultations with stakeholders, the guidelines for the PLI Scheme for telecom and networking products have been amended to introduce the Design-led Manufacturing with additional incentive rates," the statement said. The application window will open from June 21 till July 20. The incentives will be given from the Rs 4,000 crore which is left from the total outlay. "Further, DoT based on feedbacks from stakeholders including the selected PLI applicants, has decided to extend the existing PLI Scheme by one year. The existing PLI beneficiaries will be given an option to choose financial year 2021-22 or financial year 2022-23 as the first year of incentive.

[https://www.business-standard.com/article/economy-policy/dot-introduces-design-linked-incentive-scheme-extends-telecom-pli-by-1-yr-122062000975\\_1.html](https://www.business-standard.com/article/economy-policy/dot-introduces-design-linked-incentive-scheme-extends-telecom-pli-by-1-yr-122062000975_1.html)

#### **Telcos flag concerns over captive network issue at pre-bid conference ahead of 5G spectrum auction**

Telecom players raised technical queries related to 5G spectrum auction, and flagged their concerns over issue of private captive networks, during the pre-bid conference held by DoT on Monday. The auction related pre-bid conference was attended by telecom operators Reliance Jio, Bharti Airtel and Vodafone Idea, sources said. The industry representatives attended the pre bid conference in hybrid mode, with some company executives physically present at the meeting held in the Department of Telecommunications (DoT) and others attending the meeting, virtually. Sources said that one of the major issues flagged by the telcos in the Monday meeting related to the issue of private captive networks. Telcos also sought more clarity on matters related to network roll-out obligations, and also manner in which spectrum will be reserved.

<https://www.financialexpress.com/industry/telcos-flag-concerns-over-captive-network-issue-at-pre-bid-conference-ahead-of-5g-spectrum-auction/2566997/>

#### **Healthcare**

#### **Not enough data to determine efficacy of mixing of Covid vaccines: Health Ministry official**

The Union Health Ministry could take another six weeks or so to decide whether mixing of Covid vaccines is effective. The Ministry is awaiting data from “a few more studies”, a senior official told BusinessLine.

<https://www.thehindubusinessline.com/news/not-enough-data-to-determine-efficacy-of-mixing-of-covid-vaccines-health-ministry-official/article65545188.ece>

#### **External**

#### **Duty-related measures to slash steel exports from India by 40 pc in FY23**

India’s steel exports is expected to come down by 40 per cent to 12 million tonnes (MT) in the ongoing fiscal, as a result of the duty-related measures taken by the government last month, according to CRISIL. The export of finished steel had reached a record high of 18.3 million tonnes in the 2021-22 financial year and the prices were at their all-time high, the agency said on Monday. On May 21, the government announced waiving of customs duty on the import of some raw materials, including coking coal and ferronickel, used by the steel industry. Also, the duty on exports of iron ore was hiked by up to 50 per cent and for a few steel intermediaries to 15 per cent. “India’s steel exports will drop 35-40 per cent to 10-12 million tonnes this fiscal following the 15 per cent export duty imposed on several finished steel products last month. Exports of iron ore and pellets will also fall this fiscal, and lower domestic prices,” the CRISIL research analysis said.

<https://www.financialexpress.com/industry/duty-related-measures-to-slash-steel-exports-from-india-by-40-pc-in-fy23/2566789/>

#### **Garment exporters face potential loss of Rs 1,200 crore**

Garment exporters are staring at a potential loss of Rs 1,200 crore due to the new conditions imposed in the Rebate of State and Central Taxes and Levies (RoSCTL) scheme. The scheme offers rebate against the taxes and levies already paid by exporters on the inputs. Now, this rebate has been converted into scrips that are tradeable. Exporters can sell the scrips to importers, who in turn can use the instrument as an alternative to cash to pay import duty. The scrips trade at a discount, which has now gone up to 20% from 3% in December, industry insiders said, putting pressure on the margins of garment exporters at a time when they are facing challenges on account of rising cotton prices. “This discounting of scrips benefits importers, who are taking undue advantage at the cost of exporters,” said Vijay Jindal, a member of the Apparel Export Promotion Council (AEP) and president of the Garment Exporters & Manufacturers Association (GEMA).

[https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/garment-exporters-face-potential-loss-of-rs-1200-crore/articleshow/92343936.cms?utm\\_source=ETTopNews&utm\\_medium=HPTN&utm\\_campaign=AL1&utm\\_content=23](https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/garment-exporters-face-potential-loss-of-rs-1200-crore/articleshow/92343936.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23)

### **India, EU trade pact to help open doors for several domestic sectors**

The proposed free trade agreement with the European Union, when implemented, will provide greater market access for several domestic sectors such as textiles, leather and sports goods in the EU market, commerce and industry minister Piyush Goyal said on Monday. After a gap of over eight years, India and the EU on June 17 formally resumed negotiations for agreements on trade, investments and Geographical Indications (GI). The next round of negotiations will take place from June 27 till July 1 here. India had started negotiations for a trade pact, dubbed the Bilateral Trade and Investment Agreement (BTIA), with the 27-country economic bloc in 2007, but the talks stalled in 2013 as both sides failed to reach an agreement on key issues, including customs duties on automobiles and spirits, and the movement of professionals. Goyal said that the EU is a large market with 27 countries which are prosperous. It is one of the largest trading blocs, having a big share of the world's market.

[https://www.business-standard.com/article/economy-policy/india-eu-trade-pact-to-help-open-doors-for-several-domestic-sectors-122062000990\\_1.html](https://www.business-standard.com/article/economy-policy/india-eu-trade-pact-to-help-open-doors-for-several-domestic-sectors-122062000990_1.html)