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Economy

Ration card portability implemented across India with Assam being last to operationalise

Assam has finally operationalised the ration card portability service and with this, the Centre's 'One Nation, One Ration Card' programme is implemented across the country, the food ministry said on Tuesday. Under the ONORC (One Nation, One Ration Card), beneficiaries covered under the National Food Security Act, 2013 (NFSA) can get their quota of subsidised foodgrains from any electronic point of sale device (ePoS)-enabled fair price shops of their choice by using their existing ration cards with biometric authentication. With this, the ONORC programme has been successfully implemented in all states and Union Territories, making food security portable throughout the country, it said. The implementation of ONORC was initiated in August 2019. According to the ministry, ration card portability has significantly contributed in ensuring subsidised foodgrains to NFSA beneficiaries, especially migrant beneficiaries, during the last two years of COVID-19 pandemic.

<https://www.financialexpress.com/economy/ration-card-portability-implemented-across-india-with-assam-being-last-to-operationalise/2568430/>

Atmanirbhar Bharat Rozgar Yojana jobs target surpassed by 28%

The government has surpassed the formal employment creation target set under the Atmanirbhar Bharat Rozgar Yojana (ABRY), which incentivises employers for creating jobs. Latest data show 7.51 million jobs were created under the scheme since its notification in December 2020, over a quarter more than the initial target of 5.85 million. New jobs created from October 1, 2020 were eligible under the scheme that ran till March 31, 2022. Under the scheme, the government reimburses the provident fund contribution - 24% of the wages split equally between employees and employers - for two years for all new formal jobs created in enterprises having up to 1,000 employees between October 1, 2020 and March 31, 2022. It was applicable on employees earning less than Rs 15,000 a month.

<https://economictimes.indiatimes.com/jobs/abry-jobs-target-surpassed-by-28/articleshow/92370208.cms>

Finance ministry collaborates with CBC for Capacity Enhancement Plan on infra projects execution

The Department of Economic Affairs (DEA), under the finance ministry, in collaboration with the Capacity Building Commission (CBC) has framed a Capacity Enhancement Plan (CEP) for driving relevant capacities across ministries, state governments and the extended ecosystem of infrastructure execution in the country. Under this, both offline and online training programmes have been initiated, the finance ministry said in a statement. Under this capacity building initiative of DEA, the 9th programme on the topic 'Public Private Partnerships (PPPs)' was started on June 20, 2022 with 37 participants, it said. This five-day (June 20 - June 24) training programme is being conducted in partnership with the Arun Jaitley National Institute of Financial Management (AJNIFM), the Centre of Excellence in capacity building for Public Policy, Financial Management, and Governance at its campus in Faridabad, it said.

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-collaborates-with-cbc-for-capacity-enhancement-plan-on-infra-projects-execution/articleshow/92363774.cms>

Banking and Finance

RBI postpones implementation of certain norms related to cards by 3 months

The Reserve Bank on Tuesday gave three more months to banks and NBFCs issuing credit and debit cards to comply with certain norms including activation of cards without consent of customers. Banks and non-banking financial companies (NBFCs) were to implement the Master Direction on 'Credit Card and Debit Card – Issuance and Conduct Directions, 2022' from July 1. In view of various representations received from the industry stakeholders, the Reserve Bank of India (RBI) has decided to extend the timeline for implementation of certain provisions of the Master Direction to October 01, 2022, according to a circular issued by the central bank. One of the provisions on which more time has been given relates to activation of credit card. As per the Master Direction, card issuers must seek One Time Password (OTP) based consent from the cardholder for activating a credit card, if the same has not been activated by the customer for more than 30 days from the date of issuance.

https://www.business-standard.com/article/finance/bi-postpones-implementation-of-certain-norms-related-to-cards-by-3-months-122062100920_1.html

Govt dept to collaborate with SBI to create integrated pension portal

The Centre's Department of Pension & Pensioners' Welfare (DoPPW) will collaborate with the State Bank of India (SBI) to create an integrated pension portal to enhance ease of living of pensioners, according to an official statement on Tuesday. Sessions on pension policy reforms and digitisation regarding the disbursement of pensions to central government pensioners were organised with the objective of updating SBI field functionaries during the two-day bankers' awareness programme in Udaipur, Rajasthan. It was decided that immediate efforts are needed for the creation of an integrated pension portal by linking the existing portals of the DoPPW and the SBI to provide seamless services to pensioners, it said.

https://www.business-standard.com/article/economy-policy/govt-dept-to-collaborate-with-sbi-to-create-integrated-pension-portal-122062100516_1.html

Covid cover: Insurers sound caution as claims rise

After a lull, there is once again an increase in claims related to Covid in the wake of increasing cases, according to insurers. Major general insurers and standalone health cover providers have been witnessing an increase in the number of claims. "We are watching the scenario carefully. Instead of roughly 10 claims per day a couple of months ago, there are about 50 to 60 these days," S Prakash, Managing Director, Start Health and Allied Insurance Company, told BusinessLine. We are advising policyholders not to take unnecessary and expensive treatments such as cocktail therapies and CT scans in panic without proper advice. Hospitalisations are very few in the the fourth wave, compared to the previous ones," said Prakash, who is also a medical doctor.

<https://www.thehindubusinessline.com/money-and-banking/covid-cover-insurers-sound-caution-as-claims-rise/article65548918.ece>

Industry

Registration norms may be relaxed for small e-commerce businesses

The GST Council in its meeting next week is also likely to consider a proposal to relax compulsory registration norms for small businesses, which use any e-commerce platforms to sell products. Such a move, once implemented, will help small businesses in big way. A senior government official told BusinessLine that the proposal is expected to come with certain riders. First, exemption will be available up to aggregate turnover on all-India basis not exceeding the turnover, as prescribed under the law. In other words, small businesses having annual turnover up to ₹40 lakh and ₹20 lakh for goods and services, respectively, (₹20 lakh and ₹10 lakh, respectively, in select States) will get exemption. Second, such businesses will not be required to make any inter-State taxable supply. Additionally, they will be required to declare PAN and principal place of business.

<https://www.thehindubusinessline.com/economy/small-e-commerce-businesses-may-be-granted-relaxation-from-mandatory-gst-registration/article65550044.ece>

Improving monsoon lifts FMCG companies' hopes of rural consumption

Advancing monsoon and decline in rain deficiency over the past one week will help accelerate revival of rural demand, fast-moving consumer goods (FMCG) industry executives and analysts have said. "It's clear that the good monsoon trend we're seeing will lead to demand revival in rural markets by September," said Saugata Gupta, chief executive of Marico, maker of Parachute hair oil and Saffola edible oils and oats. "A base effect will also play out as

demand started to taper in the September quarter last year." "The deficit in rainfall has been nearly washed out," said GP Sharma, president at private weather forecaster Skymet. "From 43% on June 11, it has shrunk to about 5% as on Monday and will further reduce as rainfalls increase in the next few days."

<https://economictimes.indiatimes.com/industry/cons-products/fmkg/improving-monsoon-lifts-fmkg-companies-hopes-of-rural-consumption/articleshow/92370564.cms>

Operating profit growth of listed firms decelerated in Q4 of FY22: RBI data

Operating profit growth of listed private companies decelerated across broad sectors in the January-March quarter of 2021-22, on the back of rise in expenditure, according to an RBI data. The Reserve Bank has released its data on the performance of the private corporate sector during the fourth quarter (Q4) of 2021-22 drawn from abridged quarterly financial results of 2,758 listed Non-Government Non-Financial (NGNF) companies. Operating profit of manufacturing companies decelerated sharply to 7 per cent in the fourth quarter of last fiscal as against 70 per cent in the corresponding quarter of the preceding fiscal. In case of companies in services sector (non-IT), the growth in operating profit slowed to 6.1 per cent in the fourth quarter of 2021-22 compared to 62.5 per cent in the year-ago period.

<https://economictimes.indiatimes.com/news/economy/indicators/operating-profit-growth-of-listed-firms-decelerated-in-q4-of-fy22-rbi-data/articleshow/92366222.cms>

India ranks 4th in global gold recycling; recycled 75 tonnes in 2021: WGC

India has emerged as the fourth largest recycler in the world and the country has recycled 75 tonnes in 2021, according to a World Gold Council (WGC) report. According to the WGC report titled 'Gold refining and recycling', China topped the global gold recycling chart as it recycled 168 tonnes of the yellow metal, followed by Italy in the second position with 80 tonnes and the US at the third rank with 78 tonnes in 2021. India was ranked fourth in the list as the country recycled 75 tonnes in 2021. According to the WGC report titled 'Gold refining and recycling' from 300 tonnes in 2013, India's gold refining capacity increased by 1,500 tonnes (500 per cent) in 2021. The report further noted that the gold refining landscape in the country has changed over the last decade, with the number of formal operations increasing from less than five in 2013 to 33 in 2021. While the informal sector accounts for as much as an additional 300-500 tonnes, it is worth noting that the scale of unorganised refining has fallen, largely due to the government's tightening of pollution regulations.

<https://www.financialexpress.com/market/commodities/india-ranks-4th-in-global-gold-recycling-recycled-75-tonnes-in-2021-wgc/2567960/>

India Inc's management confidence improves post-Covid-19

Indian enterprises are feeling more confident about their management competence as they recover from the Covid-19 crisis, a study by the All India Management Association (AIMA) and KPMG, released on Tuesday, has found. The 'AIMA Management Capability Development Index 2022' produced a higher overall score compared to the previous edition of the study in 2018. "This year's overall Management Capability Development Index (MCDI) score stands at 74.5 compared to 71.6 in 2018," the study noted. In the MCDI, India's management leaders provide self-rating on multiple parameters related to management competence. "The self-rating by India's management leaders has fluctuated since 2011, when the overall self-assessment score was the highest at 77.8. The lowest point for Indian management was 2014, when the MDCI score dipped to 70.7. It recovered in 2016 to 75.5, only to dive again in 2018 to 71.6. Now, the self-appraisal score of India Inc is 74.5. The scores are out of a maximum possible of 100 points," the AIMA said.

<https://www.financialexpress.com/industry/india-incs-management-confidence-improves-post-covid-19/2568144/>

Agriculture

Cotton acreage seen rising 12 per cent to 135 lakh ha despite drop in North

Notwithstanding the marginal decline in cotton acreage in northern states such as Punjab and Haryana, the area under the fibre crop is set to rise by 8 to 12 per cent this year to about 135 lakh hectares (lh) as farmers in Western, Central and Southern zone are seen planting more of the fibre crop on higher prices. The Cotton Association of India (CAI), the apex trade body, is bullish about the sowing prospects this kharif season. "Sowing will increase by 12 per cent and go up to 133-135 lakh hectares from last year's 120 lakh," said Atul Ganatra, President, CAI. Ganatra further

said the increase in acreage expansion will be the highest in Gujarat, the largest producer of the fibre, at around 20-25 per cent.

<https://www.thehindubusinessline.com/economy/agri-business/cotton-acreage-seen-rising-12-per-cent-to-135-lakh-ha-despite-drop-in-north/article65549496.ece>

Rice price rise a concern as food inflation accelerates in India

Concerns around elevated wheat prices made analysts apprehensive of the chances of consumers shifting to rice in a bid to opt for cheaper food options which could lead to an uptick in its prices. The price of rice has remained stable for now, owing to ample inventory and robust production. But this could change if the customers switch to rice which could lead to a depletion in stockpiles and trigger restrictions on exports. Rice remains the primary staple for more than half the world's population and about 90% of it is grown in Asia. Farmers and the Indian government are banking on the monsoon to keep rice production, inventories and food inflation at a manageable level.

<https://economictimes.indiatimes.com/news/economy/agriculture/rice-price-rise-a-concern-as-food-inflation-accelerates-in-india/articleshow/92352694.cms>

Infrastructure

Metro projects to generate Rs 80,000-cr business opportunities for construction companies: ICRA

The domestic metro rail projects will provide business opportunities worth Rs 80,000 crore for construction companies over the next five years, according to ICRA. In India, 15 cities have operational metro networks of about 746 km (many of which are undertaking expansion), the agency said adding another seven cities have under-implementation metro projects of about 640 km. This is apart from 1,400 km of metro rail projects worth Rs 2 trillion in the approval/proposal stages, of which a 352-km of new metro network has been approved, with the balance being in the proposal stage. Metro rail projects offer Rs 80,000 crore business opportunities to construction firms over the next five years, it said. Given the government's thrust for infrastructure development, the metro rail network is likely to witness 2.7 times expansion in the next five years. Given the large size of the metro projects, this is likely to offer sizeable opportunities for construction companies over the next five years.

<https://www.financialexpress.com/infrastructure/metro-projects-to-generate-rs-80000-cr-business-opportunities-for-construction-companies-icra/2568000/>

Highest office space vacancy in Delhi-NCR at 28.5%: Anarock report

Delhi-NCR has highest vacancy of office space at 28.5 per cent, while Pune has the lowest at 8.5 per cent because of higher demand of premium workspace from IT/ITeS sector, according to property consultant Anarock. As per the data of Grade-A office buildings across seven major cities of the country, Chennai has an office vacancy of 10.35 per cent, Bengaluru 11.25 per cent and Hyderabad 15 per cent. Office vacancies in NCR are the highest among the top 7 cities at 28.5 per cent, followed by Kolkata at 23.5 per cent and MMR (Mumbai Metropolitan Region) about 16 per cent, Anarock said in a statement. IT hubs Pune, Bengaluru, Chennai and Hyderabad have lower Grade A office vacancies. "IT/ITeS remained one of the most buoyant sectors during the pandemic. This sector helped India's top four IT/ITeS-driven cities to keep Grade A office vacancies firmly in check," Anarock said.

https://www.business-standard.com/article/companies/highest-office-space-vacancy-in-delhi-ncr-at-28-5-anarock-report-122062100644_1.html

Telecom

5G subscriptions in India seen at 500 million by 2027-end: Report

The 5G subscriptions in India will touch 500 million by 2027-end, accounting for 39 per cent of mobile subscribers, according to a report by Swedish telecom gear maker Ericsson. The commercial launches of 5G networks are planned for the second half of 2022 in India, with enhanced mobile broadband expected to be the initial main use case, the Ericsson Mobility Report said. 5G will represent around 39 per cent of mobile subscriptions in the region at the end of 2027, with about 500 million subscriptions, it predicted. "Total mobile data traffic in the India region is estimated to grow by a factor of four between 2021 and 2027. This is driven by high growth in the number of smartphone users and an increase in average usage per smartphone," Thiaw Seng Ng, Head of Network Evolution, SEA, Oceania and India at Ericsson said. The average data traffic per smartphone in the India region is the second highest globally.

Further, it is projected to rise from 20 GB per month in 2021 to around 50 GB per month in 2027, growing at 16 per cent CAGR.

<https://www.financialexpress.com/industry/5g-subscriptions-in-india-seen-at-500-million-by-2027-end-report/2568151/>

Expansion of PLI scheme for telecom gear may attract \$3 billion investment: Analysts

The government's decision to include design-led manufacturing in the production-linked incentive (PLI) scheme for telecom and networks equipment and also commit more benefits is likely to help India attract around \$3 billion (roughly Rs 23,400 crore) of potential investments from global and local companies, say analysts and industry executives. The expanded telecom PLI scheme is expected to enthruse existing PLI beneficiaries to participate more aggressively and also attract new applicants to tap into emerging opportunities around design-led network equipment manufacturing, especially as India readies to go 5G.

https://economictimes.indiatimes.com/industry/telecom/telecom-news/expansion-of-pli-scheme-for-telecom-gear-may-attract-3-billion-investment-analysts/articleshow/92363176.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

External

FTAs with UAE, Australia to boost apparel exports: AEPC

Free trade agreements (FTAs) signed by India with the UAE and Australia will boost product and market diversification of the apparel sector's existing basket, AEPC said on Tuesday. Apparel Export Promotion Council (AEPC) Chairman Naren Goenka said the global apparel market, which was just under USD 1.5 trillion in 2013, is expected to generate revenues to the tune of USD 1.8 trillion in 2022 and USD 1.9 trillion in 2025. Talking about the ongoing 67th India International Garment Fair (IIGF) at Greater Noida, he said it provides a direct marketing platform to MSME exporters from across the country, as it has brought together almost 500 exhibitors and more than 2,000 overseas buyers and buying agents.

<https://www.financialexpress.com/economy/ftas-with-uae-australia-to-boost-apparel-exports-aepc/2568027/>

An export overhaul could see SEZs shifting from Videsh to DESH

India is proposing to transform its narrow export-focused special economic zones (SEZs) into comprehensive economic hubs through several concessions and the easing of restrictions to attract more investment in these areas. Industrial units located in these hubs, which will be called Development of Enterprise and Service Hubs (DESH), may be allowed to sell in the domestic market, and contract manufacture for those outside these zones as well, according to a draft circulated for consultation. Some fiscal incentives and measures to improve the ease of doing business are also likely to be part of the package to transform SEZs into comprehensive economic zones. These hubs may be established by the Centre or a state or jointly by them, or any person for the manufacture of goods or rendering services or for both.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/an-export-overhaul-could-see-sezs-shifting-from-videsh-to-desh/articleshow/92373971.cms>