



November 21, 2022 – Monday

## Economy

### **New formal job creation fell again in September, shows payroll data**

The number of fresh formal jobs created fell for the second consecutive month in September, declining 9 per cent sequentially to 930,000, the latest payroll data released by the Employees' Provident Fund Organisation on Sunday showed. Enrolment of new female subscribers fell faster (11.39 per cent) than their male counterparts (8.13 per cent) in September, compared with the previous month. Suchita Dutta, executive director, Indian Staffing Federation attributed the comparatively high rate of decline in new female subscribers to the firms insistence upon the employees to attend work in person. "Going forward, organisations have to be flexible and integrate different modes of working, so that the opportunities for women employees do not suffer disproportionately", she added. According to the data released earlier by the Centre for Monitoring Indian Economy (CMIE) — which conducts its own survey — India did well on the employment front in September, as the unemployment rate declined to 6.4 per cent from 8.3 per cent in August, but this improvement was majorly on the back of rural areas that saw job creation in rural manufacturing, construction, mining and utilities, the sort of establishments that may not be covered under EPFO. [https://www.business-standard.com/article/economy-policy/fresh-formal-job-creation-falls-for-second-straight-month-in-sept-122112000792\\_1.html](https://www.business-standard.com/article/economy-policy/fresh-formal-job-creation-falls-for-second-straight-month-in-sept-122112000792_1.html)

### **Deloitte expects India to post 6.5-7.1 pc growth in current fiscal**

India is likely to post a 6.5 per cent to 7.1 per cent economic growth during the current financial year 2022-23 amid rising inflation and impending global slowdown, Deloitte India said in a report. The persistent inflation has challenged policymakers over the past few months. Despite the Reserve Bank of India (RBI) raising interest rates by 1.9 percentage points since April 2022, inflation has remained above its tolerance range for over 9 months now. To add to this, the runaway dollar is causing import bills to soar and further pushing inflation up. An impending global slowdown or even a recession in a few advanced nations as early as the end of 2022 or early next year is likely to make the situation worse. <https://economictimes.indiatimes.com/news/economy/indicators/deloitte-expects-india-to-post-6-5-7-1-pc-growth-in-current-fiscal/articleshow/95637436.cms>

## Banking and Finance

### **Rise in Indian corporate lending signals new investment cycle**

Indian lenders are expanding lending to local corporations at the fastest pace in more than eight years, a sign of a new private investment cycle starting in the world's fifth-largest economy even as growth in large developed economies and China slows. That international slowdown will limit the strength of the new Indian cycle, economists say. Private investment in India was constrained for years by heavy indebtedness of companies and banks and by weak demand. But over the past two years, corporations and lenders have cut costs and raised equity capital, and companies have been able to spend on new capacity as demand has strengthened. <https://economictimes.indiatimes.com/industry/banking/finance/banking/rise-in-indian-corporate-lending-signals-new-investment-cycle/articleshow/95647836.cms>

### **India is differently placed, at low risk of recession: Shaktikanta Das**

Reserve Bank of India Governor Shaktikanta Das said a synchronised tightening of monetary policy globally has progressively increased the risk of a hard landing, which is a recession to tame inflation. India, however, is differently placed. The Governor was speaking about the rising inflation across the world and said that inflation in systemically important advanced economies turned out to be persistent rather than transitory. The third shock emanated in the form of aggressive tightening of monetary policy by the US Federal Reserve, and subsequent unrelenting appreciation of the US dollar.

<https://economictimes.indiatimes.com/news/economy/policy/india-is-differently-placed-at-low-risk-of-recession-shaktikanta-das/articleshow/95641438.cms>

### **NPCI holds talks with RBI on proposed December 31 volume cap deadline**

National Payments Corporation of India (NPCI), which runs the UPI digital pipeline, is in talks with the Reserve Bank on implementation of its proposed December 31 deadline for limiting the volume cap of players to 30 per cent. At present, there is no volume cap. So, two players -- Google Pay and PhonePe -- account for a market share of about 80 per cent. NPCI in November 2022 had proposed a 30 per cent volume cap for third-party app providers (TPAP) in a bid to avoid concentration risk. In this regard, sources said, a meeting was convened to comprehensively look at all aspects. Besides NPCI officials, senior officials of the finance ministry and RBI also participated in this. At the moment, NPCI is evaluating all the possibilities and no final decision has been taken to extend the December 31 deadline, the sources said.

[https://www.business-standard.com/article/economy-policy/npci-holds-talks-with-rbi-on-proposed-december-31-volume-cap-deadline-122112000636\\_1.html](https://www.business-standard.com/article/economy-policy/npci-holds-talks-with-rbi-on-proposed-december-31-volume-cap-deadline-122112000636_1.html)

### **No decision yet on extending PMGKAY beyond Dec: Food subsidy to cross Rs 3 trillion this fiscal**

The government's food subsidy expenses in the current fiscal are likely to cross Rs 3.1 trillion, up 50% from the outlay made at the beginning of the year. Sources told FE that the estimated food subsidy expenses in 2022-23 would be the second highest since FY21, when the finance ministry had made a provision of Rs 5.4 trillion, of which Rs 3.4 trillion was towards settling loans availed by the Food Corporation of India (FCI) from the National Small Savings Fund. The government had settled the loans of FCI in FY21 and brought all food subsidy expenses into the Budget, ending the practice of off-budget financing of a part of the subsidy.

<https://www.financialexpress.com/economy/no-decision-yet-on-extending-pmgkay-beyond-dec-food-subsidy-to-cross-rs-3-trillion-this-fiscal/2865944/>

## **Industry**

### **Duty rollback may boost mood for steel cos, not much else**

The government's decision to roll back export duties on ferrous and steel products is unlikely to provide any significant boost to the country's listed steelmakers because global demand for steel has collapsed, limiting export opportunities, industry experts have said. There is also a concern in the industry that any major uptick in steel price could make the government reconsider export duties, they said. However, the duty rollback could lead to some sentimental boost and have marginally revised price targets upwards by around 10%-15% across steel companies such as JSW Steel, Jindal Steel and Power, analysts said. Further, low inventory in the system may provide near-term support.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/duty-rollback-may-boost-mood-for-steel-cos-not-much-else/articleshow/95646094.cms>

### **FSSAI releases new draft for GM food regulations**

The Food Safety and Standards Authority of India (FSSAI) has released a new draft of Genetically Modified (GM) Food regulations for public consultation, which proposes front-of-the pack labelling for packaged food products that contain 1 per cent or more of GM ingredients. The proposed draft regulation will be applicable on genetically modified organisms (GMOs) for food use, food ingredients produced from GMO that contains modified DNA, and GMO-derived ingredients, additives or processing aids. "No person shall manufacture, pack, store, sell, market or otherwise distribute or import any food or food ingredient produced from GMOs, except with the prior approval of

the Food Authority," reiterated the draft of Food Safety and Standards (Genetically Modified Foods) Regulations, 2022.

<https://www.thehindubusinessline.com/economy/agri-business/fssai-releases-new-draft-for-gm-food-regulations/article66160865.ece>

#### **Govt to publish frameworks to check fake reviews on e-commerce websites next week**

The government will publish next week frameworks to counter fake reviews and unverified star ratings on e-commerce websites, hotel and travel booking platforms, according to Consumer Affairs Secretary Rohit Kumar Singh. Since e-commerce involves a virtual shopping experience without any opportunity to physically view or examine the product, consumers heavily rely on reviews posted on platforms to see the opinion and experiences of users who have already purchased the goods or services. But fake reviews and star ratings mislead consumers into buying online products and services. To check fake reviews, Singh said the Department of Consumer Affairs (DoCA) has finalised frameworks after studying the present mechanism being followed by the e-commerce entities in India and best practices available globally.

<https://economictimes.indiatimes.com/industry/services/retail/govt-to-publish-frameworks-to-check-fake-reviews-on-e-commerce-websites-next-week/articleshow/95640786.cms>

#### **Phone companies may rework royalty pacts to avoid probe, say experts**

The scrutiny around royalty payments could force global smartphone firms, including Chinese companies, to relook at their agreements with patent holders to include conditions for regional subsidiaries to pay their share to avoid any probe by Indian authorities, said legal experts. They say the Enforcement Directorate's investigation into Xiaomi India's royalty payments has larger implications for overseas companies including rival Chinese ones, creating an uncertain environment, and could hurt the larger electronics manufacturing ecosystem.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/phone-companies-may-rework-royalty-pacts-to-avoid-probe-say-experts/articleshow/95646008.cms>

### **Agriculture**

#### **Closing cotton stock to increase by 2.5 million bales this season**

Reduced domestic consumption as well as exports coupled with higher production led by increased sowing area may increase closing cotton stock for 2022-23 season by 2.5 million bales (170 kg per bale) to nearly 5.8 million bales compared to previous season. "Cotton season in India begins from October 1 and ends on September 30. As on September 30, 2022, closing cotton stock stood at 3.3 million bales. However, looking at consumption and export trends for the current season, domestic cotton consumption is expected to drop 2 million bales and export too is likely to reduce by 0.5 million bales. It means closing stock would go up to 5.8 million bales as on September 30, 2023," said Atul Ganatra, president of Cotton Association of India (CAI).

<https://www.financialexpress.com/industry/closing-cotton-stock-to-increase-by-2-5-million-bales-this-season/2866004/>

### **Infrastructure**

#### **Centre steps in to clear barriers as highway projects face delays**

A slowed pace of road construction this year has prompted the Centre to undertake a comprehensive review to identify the shortcomings and hasten implementation of national highway projects. According to senior officials in the know, the ministry of road transport and highways has contacted each regional office of the National Highways Authority of India (NHAI) to ascertain and address the causes for delayed projects. "Projects in Kerala, Telangana, Tamil Nadu, Andhra Pradesh and Haryana are facing most delays. Highway projects in Uttar Pradesh and Bihar seem to be doing well," a senior official told ET. The effort now is to get these going, the official added.

<https://economictimes.indiatimes.com/news/economy/infrastructure/centre-steps-in-to-clear-barriers-as-highway-projects-face-delays/articleshow/95645694.cms>

#### **PM GatiShakti: Over 250 infra projects examined by NPG since Oct 2021**

Over 250 critical infrastructure projects of different ministries including rail, road and ports have been examined and recommended by the Network Planning Group (NPG), constituted under the PM GatiShakti initiative, since last October, a commerce and industry ministry official said. On October 13, Prime Minister Narendra Modi launched the GatiShakti - National Master Plan aimed at developing integrated infrastructure to reduce logistic costs. All logistics and connectivity infrastructure projects, entailing investment of over Rs 500 crore, are routed through the NPG, constituted under the PM GatiShakti initiative.

<https://economictimes.indiatimes.com/news/economy/infrastructure/pm-gatishakti-over-250-infra-projects-examined-by-npg-since-oct-2021/articleshow/95635594.cms>

### **Land acquisitions treble in top eight Indian cities**

India's top 8 cities closed at least 68 land deals accounting for 1,656 acres in the first nine months of 2022, compared with 20 deals during the same period last year, as developers rushed to acquire land on the back of increased demand for housing, as per a study by a property consultant. "In terms of land area transacted, Hyderabad has seen the biggest land transactions so far this year," said Santhosh Kumar, vice-chairman of the Anarock Group. "In terms of total number of land deals, MMR (Mumbai Metropolitan Region) clocked the highest number of deals; while the total area transacted was unspectacular, one must also consider the steep prices in this land-starved city," he added.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/land-acquisitions-treble-in-top-eight-indian-cities/articleshow/95646466.cms>

## **Telecom**

### **Big portion of Telecom Bill to be implemented by Trai: Ashwini Vaishnaw**

Communications minister Ashwini Vaishnaw said that implementation of a substantial portion of the proposed telecom Bill will be undertaken by the Telecom Regulatory Authority of India (Trai) and its consultative role in formulating telecom rules will continue.

[https://www.business-standard.com/article/economy-policy/large-parts-of-telecom-bill-to-be-implemented-by-trai-ashwini-vaishnaw-122112000867\\_1.html](https://www.business-standard.com/article/economy-policy/large-parts-of-telecom-bill-to-be-implemented-by-trai-ashwini-vaishnaw-122112000867_1.html)

## **Healthcare**

### **Coronary stents in national list of essential medicines**

The Union health ministry has notified the inclusion of coronary stents in the National List of Essential Medicines, 2022, a move that will help make these life-saving medical devices more affordable. The move is based on the recommendations by an expert committee constituted to review the inclusion of stents in the list based on requirement.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/coronary-stents-in-national-list-of-essential-medicines/articleshow/95646529.cms>

## **External**

### **Outward remittances under liberalised remittance scheme jump 50% in H1**

Outward remittances under the Liberalised Remittance Scheme (LRS) of the Reserve Bank of India (RBI) surged almost 50 per cent in the April-September period of the current financial year as compared to the same period of the previous year. According to the latest data released by the Reserve Bank of India, resident Indians remitted \$13.4 billion during the period as compared to \$8.9 billion in the previous financial year. During the second quarter of FY23, remittances stood at \$7.3 billion, compared to \$5.2 billion a year ago. Travel-related remittances were the highest in the July-September period followed by maintenance of close relatives, the data showed.

[https://www.business-standard.com/article/finance/outward-remittances-under-liberalised-remittance-scheme-jump-50-in-h1-122112000522\\_1.html](https://www.business-standard.com/article/finance/outward-remittances-under-liberalised-remittance-scheme-jump-50-in-h1-122112000522_1.html)

### **Finmin turns down proposal to expand tax remission scheme for exporters**

The finance ministry has rejected a commerce ministry proposal to expand the scope of the flagship tax remission scheme—RoDTEP— for exporters to include sectors that are currently out of its ambit, official sources told FE. Exporters from sectors such as steel, pharmaceuticals and chemicals are not entitled to get the benefit of the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme. “The revenue department is of the view that, given the limited resources, the request for additional RoDTEP allocation can’t be accepted. There are important areas and schemes that require larger allocations more urgently, which the finance ministry has to look into at this stage,” one of the sources said. Acceding to industry demand that all sectors should be provided the RoDTEP benefit to make exports truly “zero-rated” in sync with global best practices, the commerce ministry had proposed the expansion of the remission scheme.

<https://www.financialexpress.com/economy/finmin-turns-down-proposal-to-expand-tax-remission-scheme-for-exporters/2865987/>

#### **India's call for phasedown of all fossil fuels fails to make final cut**

Despite strong support from many developed and developing countries, India's proposal for a clear call to phase down all fossil fuels in the cover decision text did not make the final cut at COP27. The suggestion by India that was supported by the European Union, Colombia, the UK and small island states met resistance from countries such as Russia, Saudi Arabia and Argentina. "To have any hope of keeping to (an increase of) 1.5°C, we need to massively invest in renewables and end our addiction to fossil fuels," said UN secretary general Antonio Guterres. However, the UN chief's statement as well as the chorus of support from civil society organisations fell on deaf ears. India, supported by the European Union, had argued for the phasing down of all fossil fuels in the closing hours of the climate talks in consultation meetings held by Egypt, which has the COP27 presidency.

<https://economictimes.indiatimes.com/industry/environment/indias-call-for-phasedown-of-all-fossil-fuels-fails-to-make-final-cut/articleshow/95646001.cms>