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Economy

Integrating NE with neighbouring nations could raise GDP by 8%: World Bank

India's gross domestic product (GDP) could rise up by as much as eight per cent if its northeastern region is fully integrated and the logistical bottlenecks are removed with the neighbouring countries like Bangladesh, Nepal and Bhutan, remarked a senior World Bank official in a virtual event on Wednesday. Responding to a query regarding India's potential for export and import in the region, the official remarked that currently India only trades one- third of its potential with the South Asia region. "If India were to trade fully with the South Asia region, India's GDP could be almost eight per cent higher than what it is now. These are huge gains to be made. [eg.] India's exports alone would see an increase of 170 per cent if it were to finalise agreements with Bangladesh. Imports will also grow, but at a slow rate. Overall, it will be a positive net balance for India," said Auguste Tano Kouame, country director for India, World Bank.

https://www.business-standard.com/economy/news/integrating-ne-with-neighbouring-nations-could-raise-gdp-by-8-wb-official-123052400995_1.html

Banking and Finance

Sebi seeks identification of parent institutions of FPIs as legal entities

The markets regulator has asked foreign portfolio investors (FPIs) to provide information on certain client identification, know your customer (KYC) and beneficial ownership (BO) requirements. In an email communication to the designated depository participants (DDPs) who manage these FPIs, the Securities and Exchange Board of India (Sebi) has asked them to identify the parent institution as the legal entity and not the sub-funds. According to the legal players, DDPs have been asked to complete the KYC at the legal entity level and update BO data by September 30. On failure to comply, the FPIs will not be permitted to make fresh investments and surrender the registration by March 31, 2024.

https://www.business-standard.com/markets/news/sebi-seeks-identification-of-parent-institutions-of-fpis-as-legal-entities-123052401063_1.html

CEA asks finance industry to observe self-restraint, not to indulge in predatory practices

Chief Economic Advisor V Anantha Nageswaran on Wednesday asked the finance industry to observe self-restraint and stop predatory practices, misselling of products and data misuse. The academic-turned-advisor said regulations can only work to an extent to stop robberies, but crime can be curtailed only when the robber chooses to reform. "Misuse of data, misselling, predatory practices etc have to be guarded against. Self-policing is the best policing," Nageswaran said while speaking at the Samvaad event here. "We've also seen even among established financial institutions concerns about the collection practices to those who borrow, and also those who are near to them," he added.

<https://economictimes.indiatimes.com/industry/banking/finance/cea-asks-finance-industry-to-observe-self-restraint-not-to-indulge-in-predatory-practices/articleshow/100476954.cms>

Road construction on Sino-India border, crop insurance scheme among 207 subjects selected by PAC for examination

One of the key parliamentary panels, Public Accounts Committee, has chosen for examination over 200 subjects including the construction of roads on the India-China border by the Border Roads Organisation, performance of the agriculture crop insurance scheme and accidents involving ships and submarines in Indian Navy. The functions of the PAC include the examination of accounts showing the appropriation of sums granted by Parliament to the Centre for expenditure, the annual finance accounts of the government and such other accounts laid before the House as the Committee may think fit. An important function of the Committee is to ascertain that money granted by Parliament has been spent by the government "within the scope of the demand". According to an official statement, the PAC, headed by Congress' Adhir Ranjan Chowdhury, has selected 207 subjects based on several audit reports pertaining to various ministries and departments of the central government for examination during the current year.

<https://economictimes.indiatimes.com/news/india/road-construction-on-sino-india-border-crop-insurance-scheme-among-207-subjects-selected-by-pac-for-examination/articleshow/100481478.cms>

Industry

Govt mulls changes to MSME prepackaged scheme, more teeth for IBBI

Taking cue from the poor response to the prepackaged scheme for MSMEs, the corporate affairs ministry is considering measures to make it more attractive. This would include more power to the Insolvency and Bankruptcy Board of India (IBBI) for making changes as required for easing the process and holding more awareness and advocacy sessions for banks, according to government sources. "We are thinking of putting the prepackaged scheme in a sort of regulatory sandbox. Right now, it is a very prescriptive approach. Every step of the way is defined," a senior government official said. Only three companies have been admitted under the scheme since 2021. The government is planning to take a more flexible approach and allow the IBBI to tweak requirements related to majority votes, avoidance transactions among other things for the MSMEs applying for the prepackaged insolvency scheme.

https://www.business-standard.com/industry/news/govt-looking-for-ways-to-make-prepackaged-scheme-for-msmes-attractive-123052400879_1.html

Retailers see top line growth on low base in January-March quarter

Retailers see strong top line growth in the January-March quarter due to impacted sales in the base quarter due to the Omicron wave coupled with strong store openings. Aditya Birla Fashion and Retail (ABFRL), Trent, Shoppers Stop, Titan and Avenue Supermarts saw strong revenue growth in the quarter. In its earnings release, Noel N Tata, chairman at Trent said, "Our lifestyle offerings across concepts, categories and channels are witnessing a strong momentum. We see growing relevance for our offerings, resilience of our business model choices and attractiveness of our differentiated platform." He added, "In the foregoing backdrop, we are continuing to expand the reach of all our concepts with the aim of being ever-more proximate and convenient to our customers. We are in the initial laps of our growth. I see much potential, led by our passionate teams, to address significant opportunities that lie ahead."

https://www.business-standard.com/industry/news/retailers-see-top-line-growth-on-low-base-in-january-march-quarter-123052400958_1.html

India ranked 26th in economic impact created by e-commerce entrepreneurs: Shopify Entrepreneurship Index

The economic impact on India by its entrepreneurs — part of the e-commerce platform Shopify — has put the country in the 26th spot on the Shopify Entrepreneurship Index involving 40 countries. The index, topped by the US, Lithuania and Romania, released last week was undertaken by Shopify along with Deloitte to calculate the GDP impact, business activity impact, jobs supported, and exports generated by millions of entrepreneurs on Shopify in 2022. To rank countries, the impact calculated was compared to "national values for each country and state" using public data from the International Monetary Fund (IMF), the Organization for Economic Cooperation and Development (OECD), the International Labour Organization (ILO), and government statistical agencies.

<https://www.financialexpress.com/industry/sme/msme-tech-india-ranked-26th-in-economic-impact-created-by-e-commerce-entrepreneurs-shopify-entrepreneurship-index/310093/>

ONDC aims to hit 100,000 daily orders in the next few months: Report

In the upcoming few months, Open Network for Digital Commerce (ONDC) plans to reach 100,000 daily orders in the retail sector as it gets ready to introduce a second iteration of its network design and agreements, which is anticipated to add new features and significantly enhance customer experience, said a report by Moneycontrol. At the ONDC Elevate event earlier this week, which was attended by all of the network participants (NPs) and high-ranking government officials, the goal of 100,000 orders was announced, the report added. This is expected to occur over the upcoming few months as NPs adopt a new set of network specifications. The current version, 1.1, is in use, and the upcoming 1.2 version will, among other things, improve order tracking, offer more options for order fulfilment, such as in-store pick-up by customers, and automate the grievance redressal process to a greater extent, sources said.

https://www.business-standard.com/companies/news/ondc-aims-to-hit-100-000-daily-orders-in-the-next-few-months-report-123052400664_1.html

E-commerce sector to grow 1000%, emissions 8mn tonnes by 2030: Report

Portending an alarming situation, Indian e-commerce is expected to grow 1000 percent and emissions will shoot up by 8 million tons (80 Lakh) by 2030, as per a new research by the Clean Mobility Collective (CMC) and Stand.earth Research Group (SRG), released globally on Wednesday. The domestic e-commerce market is likely to witness a 10-fold hike - from the current levels of 4-billion parcels delivered per annum to 40 billion per year by 2030. The total annual emissions from this sector would zoom up to 8 million tons of CO2 - equivalent to 16.50 lakh petrol cars driven for a year - by 2030, said the CMC-SRG study. The report said that the global e-commerce market is anticipated to witness substantial growth with parcel growth projected to more than double from 315 billion parcels in 2022 to over 800 billion parcels by 2030.

https://www.business-standard.com/industry/news/indian-e-commerce-to-grow-1000-emissions-8-mn-tons-by-2030-123052400587_1.html

Infrastructure

Government unveils UDAN 5.1 to enhance connectivity to remote areas through helicopters

The Ministry of Civil Aviation on Wednesday launched UDAN 5.1 to further enhance the connectivity to remote areas of the country and achieve last mile connectivity through helicopters. For the first time under RCS-UDAN, this round is designed specifically for helicopter routes. "UDAN 5.1 allows operators operations in routes where one of the origin or destination locations is in a priority area. Earlier both points had to be in priority areas," the ministry said in a release. Under the new scheme, airfare caps have been reduced by as much as 25% to make flying in helicopters more affordable for passengers, it said.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/government-unveils-udan-5-1-to-enhance-connectivity-to-remote-areas/articleshow/100480332.cms>

Centre to come up with policy to extend port lease beyond 30 years

The Centre is preparing a policy that will allow port terminal contracts to be extended beyond their 30-year lease period, a report in The Economic Times (ET) said. However, the extension will be allowed under certain conditions. Citing a senior shipping ministry official, the report said "The policy will govern major ports and allow them to offer a lease extension for existing terminal operators, subject to certain conditions." In India, major ports are managed by the Ministry of Ports, Shipping, and Waterways. As things stand, there is no provision to extend port operating agreements that were signed in the late 90s and the early 2000s.

https://www.business-standard.com/industry/news/centre-to-come-up-with-policy-to-extend-port-lease-beyond-30-years-123052400381_1.html

Energy

Govt extends last date to submit bids under 7th tranche of coal auctions

The government has extended the last date to submit bids under the seventh round of commercial coal auctions till June 27, 2023, an official statement said Wednesday. The government had earlier fixed May 30 as the last date to submit bids for the 106 coal mines that were put on the block in the latest round of auctions. On March 29, the government launched the seventh round of commercial coal auctions in a bid to increase the availability of the dry fuel in the country. In a statement, the Ministry of Coal said: "In view of requests received from a large number of potential bidders, it has extended the last date for bid submission by 28 days and now the last date for bid submission for the seventh round of auctions is 27.06.2023 which was 30.5.2023 earlier."

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/govt-extends-last-date-to-submit-bids-under-7th-tranche-of-coal-auctions/articleshow/100481190.cms>

Telecom

5G network in India crosses 2 lakh sites mark with roll out in Gangotri

5G network in India crossed 2 lakh mobile sites with the commissioning of the latest unit in Gangotri on Wednesday. The 5G site at Gangotri was inaugurated by Union Minister for Communications and IT Ashwini Vaishnaw and Uttarakhand Chief Minister Pushkar Singh Dhami. "Today practically every minute one 5G site is getting activated. The world is surprised. It is a matter of pride for us that 2 lakh site has been installed in Chardham," Vaishnaw said. The Prime Minister has said that India will stand along with the world in 5G and take the lead in 6G, he noted. Vaishnaw said that gone are the days when technology transfers used to be signed.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/5g-network-in-india-crosses-2-lakh-sites-mark-with-roll-out-in-gangotri/articleshow/100482321.cms>

States

TN signs 6 MoUs at Investors Summit in Singapore

Singapore-based Hi-P International Pvt Ltd will set up an electronics parts manufacturing plant in Tamil Nadu with an investment of ₹312 crore and provide employment to around 700 persons. A Memorandum of Understanding (MoU) was signed between Tamil Nadu Career Guidance Corporation limited and the company in Singapore on Wednesday in the presence of Tamil Nadu Chief Minister Mk Stalin. The Chief Minister is touring Singapore to attract investments to the State, and also invite government and company officials to the Global Investors Meeting scheduled to take place in Chennai coming January.

<https://www.thehindubusinessline.com/news/tn-signs-6-mous-at-investors-summit-in-singapore/article66889340.ece>

Punjab to come up with green hydrogen policy, says minister Aman Arora

The state government will soon come up with a green hydrogen policy to make Punjab a front-runner state in non-conventional energy production across the country, said new and renewable energy sources minister Aman Arora on Wednesday. "Concerted efforts are also being made to increase the share of renewable energy up to 30 per cent by 2030," said Arora while addressing a national energy summit. Arora emphasised that it is high time to shift from conventional power generation to renewable energy sources to save the earth. An official statement quoting Arora said around 3,200 MW capacity renewable energy projects, including 2,000 MW capacity of solar plants, have been installed, which is about 21 per cent of the total installed capacity in Punjab.

https://www.business-standard.com/india-news/punjab-to-come-up-with-green-hydrogen-policy-says-minister-aman-arora-123052400948_1.html

Healthcare

Govt seeks to address issue of chemists forcing consumers to buy entire strip of tablets

Amid complaints about chemists insisting customers on buying entire strip of tablets or capsules, the Centre is making efforts to find some solution to protect the consumer interest and is holding consultations with the pharma industry. The forced buying of a full strip of medicine not only leads to medical wastage but also put unnecessary financial burden on customers. The Department of Consumer Affairs has held the first round of consultation with the senior representatives of pharma and medical devices industry, sources said. In the meeting, the top officials of the Drug Controller General of India were also present. According to sources, the issue was discussed at length in the meeting and the Department suggested them to explore new packing technology for medicines.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/govt-seeks-to-address-issue-of-chemists-forcing-consumers-to-buy-entire-strip-of-tablets/articleshow/100480955.cms>

Indian labs to give 'top priority' to tests on cough syrup exports- Regulator

India's government laboratories should give "top priority" to testing cough syrup for export, the drug regulator said on Wednesday, after the deaths of dozens of children in Gambia and Uzbekistan were linked to the

medicines. The Central Drugs Standard Control Organisation's directive also said laboratories should issue test reports immediately, or as early as possible, after analysing samples from manufacturers.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/indian-labs-to-give-top-priority-to-tests-on-cough-syrup-exports-regulator/articleshow/100478405.cms>

External

India allows broken rice exports to meet other nations' food security needs

The government on Wednesday allowed the exports of broken rice on the basis of permission given by the government for shipments to other countries for meeting their food security needs, though the export of broken rice is banned in general. "The export policy of broken rice is prohibited, however, export will be allowed on the basis of permission granted by the Government of India to other countries to meet their food security needs and based on the request of their government," the Directorate General of Foreign Trade (DGFT) said in a notification.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/broken-rice-exports-to-be-allowed-only-for-meeting-food-security-needs-of-other-countries/articleshow/100481626.cms>

India, Australia aim to conclude comprehensive trade deal by end of 2023

India and Australia on Wednesday inked a migration and mobility partnership pact to open up opportunities for students, academic researchers and business people and resolved to conclude a comprehensive trade deal by the end of year to significantly expand economic ties. The pact was signed after wide-ranging talks between Prime Minister Narendra Modi and his Australian counterpart Anthony Albanese. In his media statement, Albanese said the aim is to conclude the comprehensive economic cooperation agreement (CECA) by the end of the year. "We reiterated our shared ambition for an early conclusion of the Australia-India comprehensive economic cooperation agreement later this year," he said in the presence of Modi.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-australia-aim-to-conclude-comprehensive-trade-deal-by-end-of-2023/articleshow/100480512.cms>

Commerce Ministry addressing issues of exports through ecommerce

The commerce ministry is trying to address issues pertaining to the promotion of exports through ecommerce medium, a senior government official has said. Director General of Foreign Trade (DGFT) Santosh Kumar Sarangi also said that while the USD 2 trillion export target by 2030 is ambitious as it entails an annual growth of 14.5 per cent (CAGR), it is not impossible. "We trying to address issues on seamless e-commerce for export promotion. We are in touch of the Department of Revenue, RBI, Icegate, and the Department of Post on the issues which entails remission of duties and incentives, ensuring postal bills flows into Icegate, building a regulatory system which addresses return back, etc, he was quoted by TPCI in a release.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/commerce-ministry-addressing-issues-of-exports-through-ecommerce/articleshow/100479141.cms>

India needs country strategy to guide India-New Development Bank partnership: Ashwani K Muthoo

India needs a comprehensive country strategy to guide the India-NDB (New Development Bank) partnership as state authorities are now more willing to take funds from the multilateral lender which was set up by the BRICS nations, said Ashwani K Muthoo, the first director general of NDB's independent evaluation office. The absence of a country strategy poses challenges to project performance, Muthoo said in an interview with ET, even after expressing satisfaction over the execution of the first project his office evaluated in India.

<https://economictimes.indiatimes.com/news/economy/finance/india-needs-country-strategy-to-guide-india-new-development-bank-partnership-ashwani-k-muthoo/articleshow/100479780.cms>