



Public Finance

Freebies come at a price: economist

Freebies are never “free” and when political parties offer such schemes, they must be required to make the financing and trade-offs clear to voters, Ashima Goyal, Member of the RBI Monetary Policy Committee (MPC), said on Sunday, adding this would reduce the temptation towards “competitive populism”. Ms. Goyal further said a cost was imposed somewhere when governments provided freebies, but this was worth incurring for public goods and services that build capacity. *(The Hindu)*

Worries over growth and inflation easing, says FinMin

The sustained decline in crude oil price since June and the decline in the inflation rate below 7%, combined with the impressive growth in tax revenue collection, translated into a significant easing of concerns over India’s growth and inflation in 2022-23, the Finance Ministry has said. *(The Hindu)*

States to be roped in to widen e-Shram cover

The government plans to rope in states to widen the social security coverage for the unorganised workers on the e-Shram portal while discussing the modalities for implementation of the four labour codes. India has nearly 28 crore unorganised workers, out of the estimated 38 crore, registered on the e-Shram portal. *(The Economic Times)*

Revenue of states may grow 7-9% this fiscal: Report

Fuel collections for states from sales tax on motor fuel are expected to remain almost range bound, the Crisil said. That’s because the effects of an expected 25% on-year increase in crude price in the current fiscal and better sales volumes would be offset by the reduction in central excise on petrol and diesel in November 2021 and in May 2022, followed by a reduction in sales tax rates by some states. *(Mint)*

How States’ share in Centre’s taxes declined due to cesses, explained in 5 charts

The share of the States in divisible pool is shrinking despite their carrying a higher burden of expenditure. Nearly two weeks ago, Chief Ministers expressed their concern about dwindling State revenues in a NITI Aayog meeting chaired by the Prime Minister. They sought a higher share in the divisible pool of taxes and an extension of GST compensation, both of which have long remained a bone of contention between the Union government and the States. *(The Hindu)*

Capex loan disbursement to states may rise to Rs 70,000 cr by Q2 end

The central government has so far cleared Rs 30,000 crore of the planned Rs 1-trillion long-term, interest-free capital expenditure (capex) loan to states, and the disbursement could rise to Rs 70,000 crore by the end of the September quarter, thus enabling states to

front-load their infrastructure investments, Business Standard has learnt. (*Business Standard*)



Taxation

States' revenue growth to slide to 7-9% despite robust GST collections

States' revenue growth will slide to 7-9 per cent in FY23 even as handsome GST collections will help in the accretion, a report said on Wednesday. The revenue growth had galloped 25 per cent in FY22 courtesy a lower base in the pandemic-affected FY21, the report by rating agency Crisil NSE 0.65 %, which analysed 17 states accounting for 90 per cent of the aggregate GSDP, said. (*The Economic Times*)

Alcohol gave 'high' to States' own tax revenue

Alcohol has not just given 'high kick' to the political debate, but also helped States and Union Territories (with legislatures) to improve earnings from 'own tax revenue' (SOTR). Deep inside into States'/UT's Finances data showed revenue from State Excise Duty (which is mainly levy on alcohol) estimated to increase by over 34 per cent between FY 2019-20 and 2021-22. (*BusinessLine*)

The GST regime is at a crossroads

On August 10, the Centre, in a rare gesture of magnanimity, released ₹1,16,665.75 crore, which was the estimated equivalent of two instalments (as opposed to one) of sharable taxes it must release to the States. It claimed that it had (in its 'generosity') doubled the "normal" monthly devolution of ₹58,332.86 crore. (*BusinessLine*)

SC to Govt: Open the GST for 60 days from Sept 1 to Oct 31 to settle all claims

The Supreme Court on Friday directed the Government to open GST portal (GSTN) for settling claims of transitional credit. Experts say this ruling will be applicable to those who have yet to file the claim or those who want to revise their claim. (*BusinessLine*)

Centre mulls cutting tax rates in new income tax regime

The finance ministry is working to sweeten the two-year-old exemptions-free personal income tax regime by offering lower tax rates, a government official said, after the new system failed to click with taxpayers. (*Mint*)

Property tax rates may surge marginally in national capital soon

"Property tax in Delhi will increase marginally after the report of the fifth MVC is implemented. The report is yet to be implemented as public comments and observations have been invited. A public notice in this connection has also been published," he said. (*Mint*)

Faceless tax assessment scheme to show human face

The Central Board of Direct Taxes (CBDT) is reviewing the operation of its faceless tax assessment procedures to ensure field officers do not make aggressive tax demands and allow natural justice to take its course, a person informed about the discussions in the government said. The review follows an 11 August order by the Allahabad High Court giving instructions about instituting safeguards amid complaints over the system's alleged over-reliance on data rather than human interaction. (*Mint*)

Follow rules in issuing tax notices, says CBDT

The Central Board of Direct Taxes (CBDT) has asked senior tax officials to keep effective supervision of assessment officers, make sure that all norms are followed while issuing notices regarding income that escaped assessments and that information available with the department is verified before drawing adverse inference against tax payers. [\(Mint\)](#)

GST kitty for top States could rise 20% in FY23, says Crisil

India's top 17 States' overall revenues were expected to grow at a moderate 7%-9% rate this year from about 25% in 2021-22, but their Goods and Services Tax (GST) collections would likely increase by about 20%, Crisil Ratings said on Wednesday. [\(The Hindu\)](#)

Income tax dept collects Rs 28 cr in taxes from new ITR-U filing

The Income-tax department has collected around Rs 28 crore in taxes after about 1 lakh returns were filed by taxpayers under the newly introduced return filing form called ITR-U, that was notified this year as part of the Budget 2022-23. CBDT Chairman Nitin Gupta said the scheme was brought by the Union government for the benefit of taxpayers so that they can comply with their tax responsibilities without getting into hassles of the law. [\(Business Standard\)](#)



National Accounts and State of the Economy

MPC resolution on the withdrawal of accommodation is confusing: Jayanth Varma

Monetary Policy Committee (MPC) member Jayanth R Varma had suggested dropping the resolution on "remaining focussed on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth" at the Committee's last meeting as he felt it is better not to give any guidance than to give confusing guidance. [\(BusinessLine\)](#)

12 Discoms of six States clear dues, 15 yet to

A day after the Power System Operation Corporation (POSOCO) barred 27 Discoms across 13 States from procuring electricity via power exchanges, 12 Discoms in six States cleared dues of ₹3,608.83 crore under the Late Payment Surcharge (LPS) rule. [\(BusinessLine\)](#)

Return correlations of Bitcoin, Indian market have risen 10X over pandemic

Return and volatility correlations of Bitcoin and the Indian stock markets have increased many folds, a blog by the International Monetary Fund (IMF) stated. These strongly advocate the need for regulation. [\(BusinessLine\)](#)

Trade Unions Want Changes to Labour Codes

Industry bodies sought immediate roll out of the labour codes but trade unions pushed for certain changes to the Industrial Relations Code and the Occupational Safety, Health and Working Condition Code before implementation. Both sides expressed these views at the multi-stakeholder discussions held by labour minister Bhupender Yadav. The ministry will now hold a National Labour Conference with labour secretaries of all states on August 25-26. [\(The Economic Times\)](#)

Dolo 650 is under govt price control: Micro Labs official

Dolo 650 mg is a legitimate dosage approved by the Drug Controller of India and is under the government's price control, said Jayaraj Govindaraju, Micro Labs Executive Vice-President, Marketing and Corporate Communications. *(BusinessLine)*

At \$3.68 b, India Inc's ECBs in Q1 plunge to 7-quarter low

Overseas fundraising of Indian corporates dropped to a seven-quarter low of \$3.68 billion in Q1 FY23 as monetary policy tightening by global central banks and rising interest rates made the offshore funding less attractive for domestic borrowers. *(BusinessLine)*

Commerce Dept being recast to make it future ready

The Commerce Ministry on Tuesday spelt out the contours of the ambitious restructuring programme that would help transform the existing Department of Commerce into a future-ready one geared towards achieving the export target of \$ 2 trillion by 2030. *(BusinessLine)*

Payment Aggregators to Approach RBI Seeking Relief

Payment aggregators are set to lobby the Reserve Bank of India (RBI) on the new digital lending guidelines that have eliminated the need for intermediaries, said two people familiar with the development. The regulator has mandated that all loans go directly from regulated entities to customer accounts, eliminating the role of payment aggregators in these transactions. *(The Economic Times)*

ICRA projects 13% GDP growth in Q1 on low base

India's GDP growth in the first quarter of the current fiscal will reach double digits to 13% due to a low base and a strong recovery in the contact-intensive sectors as a result of the expanding vaccination coverage, according to an ICRA report. ICRA anticipates that the services sector will lead sectoral growth in the first quarter of FY23 (+17-19%), followed by the industry (+9-11%). *(Business Standard)*

Lesser rate hikes will be needed if CPI falls below forecasts: Ashima Goyal

Several factors, including a decline in global crude oil prices, point to the likelihood of future inflation readings falling below the Reserve Bank of India's forecasts, Ashima Goyal, a member of the Monetary Policy Committee told Business Standard's Bhaskar Dutta. If inflation does indeed come in below the RBI's projections, less of a rise in rates will be required, Goyal said. *(Business Standard)*

Indian job market unfazed by inflation, hiring up 29% in Q1: Report

The job market in the country remained unfazed by inflation in the first quarter as most companies believed that it is not going to change hiring and salary of their employees, according to a report. *(Business Standard)*

Chandigarh, Delhi, Punjab have the most wealthy households

While the wealthiest households are in cities, poverty continues to dog rural India. The latest National Family Health Survey (NFHS-5) data shows that 74 per cent of the urban population is in the two highest wealth quintiles (one-fifth of the data set) while more than half of the rural population (54 per cent) falls in the two lowest wealth quintiles. Women, too, occupy the lowest wealth quintiles. *(BusinessLine)*

Labour Codes to empower workers via minimum wages, job and social security

Prime Minister Narendra Modi on Thursday said the government has, in the last eight years, taken the initiative to abolish the laws that reflect the slavery mentality. "The country is now changing, reforming, and simplifying such labour laws," the Prime Minister said, adding that with this in mind, 29 labour laws have been converted into four simple labour codes. *(BusinessLine)*

Job Creation in June Highest in FY23 So Far

Formal job creation reached the highest level so far in this financial year in June at the Employees' Provident Fund Organisation (EPFO) and the Employees' State Insurance Corporation (ESIC), whereas the National Pension Scheme (NPS) saw a decline compared to the previous month. *(The Economic Times)*

Escalation of geopolitical tensions biggest risk to India's growth outlook: RBI MPC member

The biggest risk to India's growth outlook is an escalation of geopolitical tensions, especially if these tensions spread to the Asian region, Reserve Bank of India's Monetary Policy Committee (MPC) member Jayanth R. Varma said on Wednesday. *(The Hindu)*



Banking and Monetary Policy

RBI likely to set 7.23% cutoff yield on new 10-year bond: Reuters poll

The Reserve Bank of India will likely set a cutoff yield of 7.23 per cent on 130 billion rupees (\$1.63 billion) of the new 10-year bond being auctioned on Friday, according to the median estimates in a Reuters poll of 11 traders. India's federal government is also selling 40 billion rupees of a 6.69 per cent 2024 bond, 70 billion rupees of a 7.10 per cent 2029 bond and 90 billion rupees of a 6.95 per cent 2061 bond. *(Business Standard)*

RBI's net forward book shrinks \$34.94 bn in first 3 months of FY23

The Reserve Bank of India's (RBI's) outstanding net forward purchases of US dollars fell by more than 50 per cent from the last quarter of FY22 to \$30.86 billion in the June quarter (Q1). The net forwards position was at \$65.79 billion at the end of the last fiscal year. *(Business Standard)*

Soon small finance banks may be permitted to co-lend with NBFCs: Report

Industry watchers say the banking regulator seems to be open to SFBs' co-lending demand. If these banks and NBFCs join forces, it will increase priority sector lending (PSL), which is a focus area for both the government and RBI. PSL is productive and generates income for borrowers. *(Mint)*

RBI likely to slow down pace of rate hikes, may raise rates by 0.25 pc in Sept: Deutsche Bank

The Reserve Bank's rate setting panel is likely to opt for slowing down the pace of hikes and increase the repo rate by 0.25 per cent in September, Deutsche Bank said on Monday. The central bank has already hiked the repo rate by 1.40 per cent in three consecutive actions since May this year, in response to the uncomfortably high inflation which has been consistently breaching the upper end of the tolerance band set by the government to the RBI. *(The Economic Times)*

RBI set to hike interest rates by another 50-60 bps, inflation key concern

The minutes of the August 22 Monetary Policy Committee of the RBI highlights that inflation continues to remain the key concern for the MPC members despite a deceleration in the overall price momentum after a peak of 7.8 per cent recorded in April, Acuite Ratings said in a note. *(Business Standard)*

Rupee seen firming to 78.5-79.5 against dollar by FY23-end: HDFC Bank

The Indian rupee is likely to strengthen to 78.50-79.50 against the dollar by March 2023, as commodity prices stabilise globally and improving domestic fundamentals lure back foreign portfolio inflows, the country's top private lender HDFC Bank said. *(Business Standard)*

Inflation to ease to 4% in two years after peaking, says RBI Governor

Reserve Bank of India Governor Shaktikanta Das seeks to slow India's inflation to 4 per cent within two years after hitting its peak in the last few months. The RBI has raised policy repurchase rate by a total of 140 basis points since May, including back-to-back half point increases in June and August, to cool down inflation within its mandate of 2 per cent-6 per cent. Consumer prices have fallen for three straight months in July but continue to remain above 6 per cent mark. *(Business Standard)*

Banks must ensure credit schemes reach eligible citizens: FM Sitharaman

Finance Minister Nirmala Sitharaman on Tuesday asked banks to serve eligible beneficiaries of government credit-related schemes. *(Business Standard)*

The case for pricing UPI transactions and what's at stake for banks

Last Sunday, the finance ministry tweeted that UPI (Unified Public Interface) is a digital public good with immense convenience for the public and productivity gains for the economy. And, therefore, "there is no consideration in the government to levy any charges for UPI services. The concerns of the service providers for cost recovery have to be met through other means", it said. *(Business Standard)*

Bank credit growth accelerates to 14.2% in June quarter: RBI data

Bank credit growth accelerated to 14.2 per cent in the quarter ended June 2022 from 6 per cent in the same period of the previous year, RBI data showed on Thursday. In the quarter ended March 2022, bank credit had expanded by 10.8 per cent. *(Business Standard)*

Jan Dhan, a financial inclusion game-changer

The reach of the scheme can be further extended by improving financial literacy and adopting secure digital technologies. *(BusinessLine)*

RBI lifts curbs on Amex, allows on boarding of new customers

The Reserve Bank of India (RBI) on Wednesday lifted restrictions on the global card network American Express after more than 15 months, allowing it to onboard customers, citing "satisfactory compliance". *(Mint)*

What's behind RBI paper on digital payments

The central bank's discussion paper on levying a fee on digital payments may be offering a way out to fintech players. *(BusinessLine)*

India's strong economy means RBI can hike rates once again

India's strong economic growth offers room for the Reserve Bank of India to raise rates by another 60 basis points as the central bank seeks to stamp out high inflation, DBS Group Research said in a note on Thursday. Favourable base effect after the onset of Delta coronavirus variant last year will additionally lift the year-on-year GDP numbers, Radhika Rao, senior economist at DBS Group Research, wrote in the note. *(The Economic Times)*

Small finance banks may be allowed to co-lend with NBFCs soon

The Reserve Bank of India (RBI) may liberalise small finance banks' scope of activities by permitting them to co-lend with non-banking finance companies (NBFCs). *(Mint)*

Inadequate regulatory adherence by banks on governance norms would prove costly

The key policy implication stemming from the empirical outcomes is that inadequate regulatory adherence by banks with governance norms would be costlier and may have destabilising impact on the banking sector, noted the study put together by two academicians and three RBI officials. *(BusinessLine)*

RBI clarifies position on privatisation of PSBs

The Reserve Bank of India today issued a clarification with respect to a paper released on Thursday on privatisation of public sector banks. The paper titled 'Privatisation of Public Sector Banks: An Alternate Perspective' was authored by researchers of RBI. "This is regarding reports in certain sections of the media stating that the RBI is against privatisation of Public Sector Banks (PSBs). *(BusinessLine)*



External Sector

Foreign exchange reserves fall \$2.24 bn to \$570 bn; FCA dips to \$506.9 bn

The country's foreign exchange reserves fell USD 2.238 billion to USD 570.74 billion in the week ended August 12, according to the Reserve Bank of India (RBI) data. *(Business Standard)*

S&P raises India inflation forecast by 50 basis points to 6.8% for FY23

India has ample foreign exchange reserves to withstand pressure on credit worthiness, S&P Global Ratings said on Thursday, while raising its inflation forecast by 50 basis points to 6.8 per cent for FY23 citing higher commodity prices, rising interest rates and foreign exchange volatility. It kept its growth forecast unchanged at 7.3 per cent for the financial year. *(Business Standard)*

Revenue dept rejects proposal for anti-dumping duties on Chinese textured glass

Domestic producers of solar glass will no longer get anti-dumping tariff protection against imports from China as the Department of Revenue has rejected the recommendation of the Directorate General of Trade Remedies (DGTR) for continued imposition of such duties on textured tempered glass from China for another two years. *(BusinessLine)*

Oil prices jump nearly 4% on Tuesday on OPEC+ supply tightening fears

Oil prices surged by nearly 4% on Tuesday after Saudi Arabia floated the idea of OPEC+ output cuts to support prices in the case of returning Iranian crude and with the prospect of a drop in U.S. inventories. *(Business Standard)*

US dollar regaining momentum?

The US dollar gained fresh momentum last week. The dollar index surged 2.4 per cent breaking above the key resistance level of 107. It has closed the week on a strong note at 108.17. The Indian rupee (USDINR: 79.78) has weakened further last week. It has closed at 79.78 in the onshore market and much lower at 79.92 in the offshore segment. *(BusinessLine)*

In August deluge, FPIs pump in over Rs. 45,000 cr

Foreign portfolio investors (FPIs) returned to stock markets with a bang in August. After a selling spree worth more than \$33 billion in nine months, between October 2021 and June 2022, FPIs have made net purchases in stocks and bonds worth around \$5.5 billion in the past three to four weeks, a majority of the money coming in during August. *(BusinessLine)*

Centre to assess possible impact of EU's decision to withdraw GSP benefit for certain exports

The Centre may engage with the industry to assess the impact of the European Union's decision to withdraw preferential tariff benefits for certain products from India, including electrical machinery, plastics, articles of stones and articles of leather, from January 2023. *(BusinessLine)*

Russia wants to expand imports from India in big way

Russia has circulated a fresh list of products, including items such as medical equipment, pharmaceuticals, chemicals, industrial equipment, garments, furniture and jewellery, that it wishes to import from India for a more balanced bilateral trade and a sustainable implementation of rupee-denominated payment mechanism. *(BusinessLine)*

Engineering goods exports slows to 0.20% in July at \$9.56 bn

Engineering goods exports grew a meagre 0.20 per cent in July 2022 (year-on-year) to \$9.56 billion as weak demand from China and the EU, coupled with export duty on steel items, acted as dampeners. *(BusinessLine)*

India's iron ore exports fall 85% in July on duty levy, weak demand

India's iron ore exports took a near 85 per cent hit in July, year-on-year, to about 0.50 million tonnes (mt); following lower buying from China and post levy of export duty. Exports in the corresponding period last year (July 2021) was 3.24 mt. *(BusinessLine)*

FinMin notifies rules, regulations for overseas investment

An Indian entity can invest up to four times of net worth in a foreign entity. Also, it is permitted to put up to 50 per cent of its net worth in overseas portfolio investment. These are part of new rules and regulations for overseas investment, notified by the Finance Ministry, on 22 August 2022. *(BusinessLine)*

India said to incentivise rupee-settled exports to boost Russia trade

India may give incentives to exporters settling trades using rupees to boost the acceptability of the currency and increase the sales of goods to Russia, which has fallen because of western sanctions, according to government and industry sources. *(The Hindu)*

New ODI regulations: Govt allows investment in financial services abroad

Indian companies not in financial services can now directly invest in financial-services firms abroad, such as brokerages, asset management funds, and credit cards under the automatic route. *(Business Standard)*

Centre may allow 8 million tonnes sugar exports next season in two tranches

With sugar production projected to be nearly 40 million tonnes (mt) in the 2022-23 sugar season (starting October 1), the central government may be looking at a policy to allow exports of around 8 mt of the sweetener in two tranches, informed trade and market sources. *(Business Standard)*

India to tell US that Russia oil price cap needs broader consensus: Report

India will seek broader consensus before it supports US-led efforts to cap the price of Russian oil, which American officials are expected to push for this week when they travel to Mumbai and New Delhi. *(Business Standard)*

Department of Commerce to overhaul export scheme for services sector

The Department of Commerce is working towards overhauling the export boosting scheme for the services sector — Service Exports from India Scheme (SEIS) — with the expressed objective of supporting pandemic-hit sectors like tourism, hospitality, education, and health care. *(Business Standard)*

India's crude oil imports from US dip by one million tonnes in June quarter

India slashed its crude imports from the US by around one million metric tonnes (MT) in the June quarter of FY23 while it ramped up imports of the discounted crude oil from sanctions-hit Russia. *(Business Standard)*

Gem, jewellery exports down 7% on global economic slowdown

Gem and jewellery export declined by seven per cent last month to \$3.13 billion against \$3.37 billion logged in the same period last month on the back of global economic recessionary trend. *(BusinessLine)*

Govt decides to put restrictions on export of wheat flour to curb prices

The government decided to put restrictions on the export of wheat or meslin flour to curb rising prices of the commodity. The decision was taken at a meeting of the Cabinet Committee on Economic Affairs (CCEA), chaired by Prime Minister Narendra Modi. *(Business Standard)*

Forex buffers ample to tackle cyclical difficulty: S&P Global

India has built up buffers against cyclical difficulties and has ample foreign exchange reserves to withstand pressure on credit worthiness, S&P Global Ratings said. Country has a strong external balance sheet, limited external debt. *(The Hindu)*

Significant Cut Unlikely in Gulf Oil Supplies to India

West Asian crude oil exporters are unlikely to significantly cut supplies to India next year to satisfy growing European demand, executives at Indian state-run refiners said as they

prepared to negotiate annual purchase deals with the Gulf suppliers. *(The Economic Times)*

India sees sharp decline in IT sector's ability to fund trade deficit

IT services are India's single biggest export and a key source of foreign exchange. But there has been a sharp decline in the IT industry's ability to fund India's fast-growing merchandise trade deficit and current account deficit. *(Business Standard)*



Agriculture and Rural Economy

Panel begins discussions on MSP, natural farming, crop diversification

The first meeting of the committee on minimum support price (MSP), headed by former Union Agriculture Secretary Sanjay Agrawal, saw discussions on natural farming, changing cropping patterns in the country and to ensure MSP to farmers by making the system more effective and transparent. The Union Agriculture Ministry said deliberations are underway in the panel for "strategy and way forward" on such issues. *(The Hindu)*

Regulate apple imports, farmers urge Minister

The Apple Farmers' Federation of India has written a letter to Union Agriculture Minister Narendra Singh Tomar urging his attention into the crisis in the sector. Issues such as high input cost, lack of fair price and unavailability of infrastructure such as cold chains, were making the crisis worse for apple growers, they said. *(The Hindu)*

Finance ministry expects rural demand to recover as inflation softens

Rural demand in India, which was buffeted by the Covid-19 pandemic and then by high global inflation, is set to recover as prices come down and the southwest monsoon proves supportive to the sowing season, the finance ministry said in its latest monthly economic report (MER). *(Business Standard)*

Demand for MGNREGA work drops in monsoon deficit states by 35% in July

The demand for Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) work has dropped by almost 35 per cent in July 2022 compared with the same period last year due to heavy monsoon rains over several parts of the country and a pick-up in the kharif sowing activities. *(Business Standard)*

Centre calls meet with States on Aug 30 to draw up rice procurement plan

The Food Ministry is taking all precautions for the ensuing kharif marketing season to procure rice for the Central Pool after having been unable to procure even 50 per cent of wheat in the rabi marketing season this year. It is expecting the States to convey how much of rice it could procure during a meeting on August 30 *(BusinessLine)*

Why we must re-examine narrative of rural distress

In recent years, particularly since the pandemic began in early 2020, public discourse and even policy decisions have operated under the assumption that India's rural economy is hurting and our economic recovery from covid has been uneven, etc. However, the rural economy is multifaceted and the narrative around it needs to broaden to be realistic and true to facts. *(Mint)*



Roads Sector has Most No of Delayed Projects

The road transport and highways sector has the maximum number of delayed projects at 300, followed by railways at 119 and petroleum sector at 90, showed a government report. In the road transport and highways sector, 300 out of 825 projects are delayed. In railways, out of 173 projects, 119 are delayed, while for petroleum, 90 out of 142 projects are delayed, as per the latest flash report on infrastructure projects for June 2022. *(The Economic Times)*

Uber India claims it had created ₹44,600-cr worth economic value in 2021

Ride hailing app Uber created an economic value of ₹44,600 crore for the Indian economy in 2021, a report commissioned by the company said on Wednesday. The report, compiled by research firm Public First, measured economic impact in terms of Uber's driver-partner payouts, indirect and direct impact of driver-partner spending on vehicles and induced impact of additional driver-partner income. *(BusinessLine)*

Green energy plans have an import problem

Achieving India's ambitious energy transition goals pledged by the Prime Minister at the Conference of Parties (COP 26) in Glasgow depends on several factors. A significant pillar of this strategy is the transition to green energy and action on climate change — a shift in mobility through electric vehicles (EVs) and upscaling solar and wind power generation. These points were underscored in the Budget of 2022-23. *(BusinessLine)*

Flaws in our emission reduction goals

The recent government decision to update the Nationally Determined Contributions (NDCs) under the Paris Agreement has revived the debate on how India can meet its green commitments as well as its rising energy needs. *(BusinessLine)*

Chennai Petroleum Corp forms joint venture for Rs 31,580-cr refinery

Chennai Petroleum Corp Ltd said on Tuesday it has formed a joint venture with its parent company Indian Oil Corp and others to build a 9 MMTPA refinery at a cost of Rs 31,580 crore in Tamil Nadu. CPCL, in which National Iranian Oil Company has about 15% stake, was operating a small refinery at the Cauvery Basin at Nagapattinam, where the new plant will be located. *(Business Standard)*

Reliance Industries warns of global recession headwinds after profit miss

Reliance Industries Ltd. has warned that a global recession can hurt oil refining margins, flagging the possibility of more pain ahead after the owner of world's largest refining complex posted a lower-than-expected profit. "Recession fears are overtaking oil market fundamentals, resulting in lower prices and margins," Reliance's Joint Chief Financial Officer V. Srikanth said in a post-earnings call Friday. *(Business Standard)*

Consumer momentum unlikely to derail as IT firms rationalise salary payouts

Consumption-related stocks are unlikely to take a big knock as companies, especially the ones in the information technology (IT) sector, look to rationalise costs over the next few

quarters, said analysts, who believe the delay in variable pay payment and bonuses will largely be restricted to the IT sector. *(Business Standard)*

Why power utility stocks are likely to underperform going forward

The spike in the prices of fossil fuels will obviously impact energy-intensive industries. Thermal power generators and by extension, power utilities could be placed under pressure for instance. But this is a complex value-chain and understanding the impact of higher fuel prices means delving into different categories of pricing models. *(Business Standard)*

India's Techade: Upskilling will be key, say industry leaders

In his Independence Day speech, Prime Minister Narendra Modi declared that this was India's "Techade" and that the country was on the cusp of a digital revolution. (In 2015, the government had launched the Digital India programme, covering multiple projects of central ministries and states, to expand the country's digital economy.) *(Business Standard)*

Green hydrogen: India Inc's next big thing even as policies take shape

A central guiding policy on this fad fuel is on the drawing board with unique incentives and a regulated supply chain is yet to emerge. Even as policies and supply chain take shape, conglomerates and RE companies are investing heavily in this new fuel. *(Business Standard)*

Govt exempts garment, hosiery sold loose or open from 6 key declarations

The government on Thursday said it has exempted garments and hosiery sold loose or open at the point of sale from six declarations, including 'best before use' and 'consumer care address'. The consumer affairs ministry has brought amendments to this effect in the Legal Metrology (Packaged Commodities) Rules 2011, following various representations, it said in a statement. *(The Economic Times)*

Is the alleged chicanery of prescribing Dolo-650 just another example of doctors trapping you in hunger for freebies?

As the Federation of Medical & Sales Representatives Association of India's writ petition in the Supreme Court informing the court that the Central Board of Direct Taxes has accused Micro Labs, makers of Dolo, of distributing ₹1,000 crore freebies to doctors for prescribing the medicine, makes headlines, it is becoming clear that, in the past also, whenever charges of malfeasance have been laid against doctors and big pharma, nothing has come out of it. *(The Economic Times)*

India to become world's number one producer of steel: Jyotiraditya Scindia

Union Minister Jyotiraditya M Scindia on Tuesday exuded confidence that India will become the number one producer of steel in the world in the days to come. India is the world's second-largest producer of crude steel after China. The minister was speaking during a conference on Indian minerals and metals industry organised by NMDC and Ficci. He was of the view that India has moved from becoming the net importer of steel to the net exporter of steel. *(The Economic Times)*

Housing sales to breach pre-pandemic levels in 2022; demand momentum to continue despite interest rate hikes: Industry

India's residential market is expected to sustain demand momentum despite rise in mortgage and property rates as sales this year across the top 7 cities are likely to breach pre-pandemic level of 2.62 lakh units, industry players said. After braving four back-to-

back disruptions in form of demonetisation, RERA, GST and COVID-19 in the last 6 years, industry experts feel the housing market is going through a lot of structural changes and is now at the start of a long-term upcycle. *(The Economic Times)*

Good luck taking away China's manufacturing mojo

Countries from the US to Vietnam and Indonesia are all trying to present themselves as alternatives. The \$53 billion Chips Act was an attempt by the White House to reclaim chip manufacturing, as is the national blueprint to build a lithium-ion battery supply chain by the end of the decade. *(The Economic Times)*

Vikas Khemani on shift strategy and sectors to make maximum money in next 5-10 years

"We saw that post-pandemic, two very major shifts happening in the Indian economy which is going to create massive amounts of wealth over the next 5-7-10 years. One of them is manufacturing. The second shift is that every company globally and locally is forced to spend a lot more money on technology than they have ever spent. This is a five- ten-year trend where the spend on manufacturing and IT is going to increase and these are the structural opportunities." *(The Economic Times)*

Chinese slowdown brightens prospects for Indian manufacturing: Experts

The growing tension between the US and China over Taiwan may escalate into geopolitical instability adversely impacting sourcing of inputs and equipment from the world's second largest economy. These developments will have some positive spillovers for India. *(The Economic Times)*

India to be Samsonite's biggest manufacturing base globally

Global luggage manufacturer and retailer Samsonite is planning to have its largest manufacturing unit in India by further expanding the capacity of its factory in Nashik, Maharashtra. Two other units of the company are in Belgium and Hungary in Europe. *(The Hindu)*

IOC to spend ₹2 lakh cr. for net zero target by 2046

Indian Oil Corporation (IOC), the nation's top oil firm, will invest ₹2 lakh crore to achieve net-zero operational carbon emissions by 2046. The target set is in line with India's aim to reach net-zero emissions by 2070. *(The Hindu)*

Adani stake in NDTV | Promoters cite SEBI ban on dealing in shares

In the face of a takeover bid from the Adani group's media subsidiary, NDTV promoters Prannoy Roy and Radhika Roy indicated on Thursday that an immediate transfer of their shares held through promoter holding firm RRPRH is not possible as they are currently barred by stock market watchdog SEBI from dealing in shares directly or indirectly. *(The Hindu)*

Major traders, banks cut business ties with Russia-backed Indian refiner

Many global oil traders and banks have stopped dealing with Indian refiner Nayara Energy, a Rosneft affiliate, as they are worried about Western sanctions over Russia's invasion of Ukraine, two people with knowledge of the matter told Reuters. *(The Hindu)*

Six-year high: Over 90,000 new firms registered with MCA in H1 2022

In a sign that the economy is well on its road to recovery, new company registrations were at record high in the first six months of this calendar year. Services sector accounted for the most new registrations, followed by manufacturing. *(BusinessLine)*



News on Kerala

Kerala likely to oppose draft Electricity (Amendment) Rules

The Kerala government is likely to take a strong stand against the draft Electricity (Amendment) Rules, 2022, which seek to allow power distribution licensees to automatically recover the additional expenses they incur on fuel and power purchase from the consumers on a monthly basis. The Union Ministry of Power had sought comments from the States on the draft rules published earlier this month. *(The Hindu)*

Centre cutting State loans: Kerala Minister

As the Enforcement Directorate (ED) summoned his predecessor T.M. Thomas Isaac on an investigation against the Masala Bonds issued by the Kerala Infrastructure Investment Fund Board (KIIFB), State Finance Minister K.N. Balagopal on Wednesday said the Centre was using the investigating and regulating agencies to subjugate the States so that they fell in line with the interests of the Centre. *(The Hindu)*

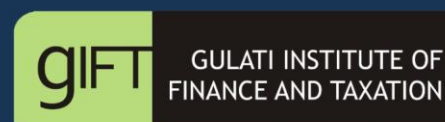
RBI imposes restrictions on Thodupuzha Urban Co-operative Bank, Kerala

The RBI on Wednesday barred customers of Thodupuzha Urban Co-operative Bank, Kerala, from withdrawing funds as part of several restrictions imposed on the lender due to its deteriorating financial condition. *(The Hindu)*

State to raise Rs. 3,000 crore

The State government will raise Rs. 3,000 crore from the market through sale of bonds. The auction will be held on the Reserve Bank of India Core Banking Solution (EKuber) system on August 29, the government said in a statement on Thursday. *(The Hindu)*

GULATI INSTITUTE OF FINANCE AND TAXATION
GIFT Campus, Chavadamukku,
Sreekariyam, Thiruvananthapuram, Kerala - 695017
Phone : 0471 2596970, 2596980, 2590880, 2593960
Fax : 0471 2591490
Email : giftkerala@gmail.com



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