

THE INDIAN EXPRESS, THURSDAY, AUGUST 11, 2022

16 ECONOMY

SENSEX: 58,81,29 +3578 (+0.06%) NIFTY: 17,534.75 +965 (0.06%) NIKKEI: 27,819.33 +180.63 HANG SENG: 19,610.84 +392.60 FTSE: 7,491.39 +3.24 DAX: 13,558.47 +23.50



GOLD

₹52,811



RUPEE

₹79.51/USD



OIL

₹96.65



SILVER

₹58,985

Note: Gold, silver and oil prices are quoted in Indian Rupees per 100 grams. Gold and silver prices are for 24 carat gold and silver. Oil prices are for Brent crude oil. All prices are subject to change without notice.

SECTOR WATCH
CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

SOMU ARENDRA BARKH
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first big tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and mom-and-pop stores in some parts of the country to access processes and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

The US software giant intends to introduce social e-commerce — group buying experience — in the Indian market, which would include a shopping app for Indian consumers along with their social circle, harnessing the ONDC network to discover the best pricing among retailers and sellers.

Microsoft coming on board ONDC means that the government-backed project gets its first international marquee name

supply chain like buying, selling and logistics services.

How does ONDC work?

The ONDC platform lies in the middle of the interfaces hosting the buyers and the sellers. So far, the buyer side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like GoFrugal, etc. When a buyer searches for an item on the Paytm app, where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the sellers that have listed that particular item.

On the ONDC, there will be several other backend partners such as logistics service providers, enterprise resource planners, e-commerce store hosting service providers, etc.

What issues will it solve?

An ONDC strategy paper published earlier this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investment required to build competitors to Amazon and Walmart-owned Flipkart. In May, the Department for Promotion of Industry and Internal Trade (DPIIT) went live with ONDC with a test run in cities like Delhi-NCR, Bengaluru, Coimbatore, Bhopal, and Shillong where it plans to onboard 150 sellers.

What does Microsoft joining the platform mean and what else is there on board?

Microsoft's onboarding the ONDC wagon means the project gets its first international marquee name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUGUST 10

AIMING TO curb rising malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without pass-through of lending service providers (LSPs) or other third parties.

The norms follow the recommendations of a working group for digital lending, whose report was made public last November. "The concerns primarily relate to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices," the central bank said in the final guidelines.

WORKING GROUP
RECOMMENDATIONS

The norms issued on Wednesday by the Reserve Bank follow the recommendations of a working group for digital lending, whose report was made public last November.

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions.

The latest regulatory framework is focused on the digital lending ecosystem of RBI's regulated entities (REs) and LSPs engaged by them to extend credit facilities. As for entities falling in the second category, the respective regulator may consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegitimate lending.

Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees

or charges payable to LSPs in the credit intermediation process shall be paid directly by the RE and not by the borrower.

A standardised key fact statement (KFS) must be provided to the borrower before executing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also form part of REs. Automatic increases in credit limit without the explicit consent of borrowers has been prohibited. The loan contract must provide for a cooling-off or lock-up period during which borrowers can exit digital loans by paying the principal and the proportionate APR without any penalty.

All digital lending products extended by REs over merchant platforms involving short term credit or deferred payments must also be reported to credit bureaus by the REs. WITH FE

Capex push: ₹1.16L-cr in two instalments released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE ON Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling ₹1.16 lakh crore with an aim to increase capital and developmental expenditure.

"This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to ₹1,16,665.75 crore on 10th August, 2022, as against normal monthly devolution of ₹58,332.86 crore," a Finance Ministry statement said.

The Centre had, in January, released an advance instalment of tax devolution to state governments amounting to ₹47,541 crore in addition to the regular devolution for the month, taking the total release amount to ₹90,082 crore. It had advanced the payment of an instalment of tax devolution of ₹47,541 crore in November 2021 also.

At present, 41 per cent of tax collected is devolved in 14 instalments during a financial year.

The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

EASING PRESSURE

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losses arising due to implementation of the GST regime, for five years since its rollout. This came to an end on June 30.

Experts said that given the higher-than-anticipated non-excite tax revenues, tax devolution to states is expected to overshoot the budget estimates. "Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly instalments, implies that a total of ₹3.18 trillion has been devolved in the first five months of FY2023, which is equivalent to 39% of the BE. We anticipate that central tax devolution will need to be as large as ₹5.3 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-excite tax revenues," Aditi Nayyar, chief economist, KRA said.

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'PE/VC investments plummet 69% in July to \$3 billion'

Investments by private equity and venture capital (PE/VC) funds into Indian entities fell by 69% to \$3 billion during July, a report by IVCA and EY said

SLOWDOWN IN DEAL MAKING ACTIVITY came as the result of global headwinds like recession and high interest rates in the developed world.

ABSENCE OF LARGE DEALS was a cause for the shortfall, with

just six such deals of over \$100 million aggregating to \$2.2 billion.

LOWEST INVESTMENTS FOR ANY MONTH in a year were seen in July, which were also lower than the \$4.9 billion recorded across 110 deals in June.

Buyouts — the only segment that recorded a growth — was the best performing deal type in July at \$1.6 billion across 5 deals, as against \$1.1 billion in July 2021 across 9 deals.

40% Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 50% in July 2021 and 62% in June 2022.

76% Fall seen in start-ups — which had given a leg-up to the overall venture investing landscape in last 18 months — to \$820 million.

74 PE/VC DEALS RECORDED LAST MONTH, AGAIN 134 DEALS IN THE YEAR-AGO PERIOD.

Largest deal in July saw Edelweiss Infrastructure Yield Fund buy eight road assets of L&T for \$986 million.

Source: IVCA & EY/PTI

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR
Pvt 5G: DoT invites cos for studyENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE DEPARTMENT OF Telecommunications (DoT) on Wednesday invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive non-public networks (CNPNs), also known as private 5G networks.

Enterprises with a net worth of at least ₹100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

These networks are typically set up by an enterprise or organisation for its own use or for the use of its customers. The DoT had issued "Guidelines for Captive Non-Public Network License" in June with an aim to set up a regulatory framework for CNPNs. It had said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises wanting to obtain spectrum directly from the government to take a 10-year renewable licence, for which the

government won't charge any licence fee. An applicant will have to pay a one-time non-refundable application processing fee of ₹50,000 and the licensee will be required to follow stipulated network security norms regarding procurement of telecommunication equipment from trusted sources.

Eligible enterprises must submit details including ownership, net worth, requirement of spectrum in various bands, among other things. The DoT said that participation in this demand study will not entitle the enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's renewable portfolio for ₹10,530 cr

ENS ECONOMIC BUREAU
MUMBAI, AUGUST 10

SAJAN JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 1,753 MW renewable energy portfolio for an enterprise value of about ₹10,530 crore. This is the largest acquisition by JSW Energy in a space where investments have been steadily rising over the last few months.

The deal is being executed through its wholly-owned subsidiary JSW Neo Energy, and will

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help the company achieve its renewable-led capacity growth target of 10 GW by FY25.

Mytrah Energy's portfolio comprises 10 wind special purpose vehicles (SPVs) with a generation capacity of 1,311 MW and seven solar SPVs with a gen-

eration capacity of 422 MW, creating primarily in the south, western and central parts of India. The assets have power purchase agreements and an average remaining life of 18 years, it said in a regulatory update.

The transaction, which is subject to Competition Commission of India and other customary approvals, is expected to be completed by November 15, 2022. The enterprise value of ₹10,530 crore is after adjusting for net current assets, subject to net working capital and other adjustments. FE

BRIEFLY

Bank credit up

Mumbai: In the fortnight ended July 29, bank credit rose 14.52% to ₹123,69,149 crore and deposits 9.14% to ₹1,69,71,406 crore, as per data from the RBI's Scheduled Banks' Statement of Position in India as on July 29.

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical examinations to assess fitness of transgender persons who have applied for commercial pilot licence.

Alibaba stake

Tokyo: Softbank Group Corp said it would book a gain of \$34.1 billion by cutting its stake in Alibaba Group Holding 14.6% from 23.7% as the investment believes the stock to be overvalued to weather the market downturn. PTI

Oil India Q1 PAT

New Delhi: Oil India Ltd (OIL) reported a massive 26% rise in its profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.49 crore against ₹507.94 crore during the year-ago quarter. ENS

US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and clothes helped give Americans a slight break from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

Consumer prices jumped 8.5 per cent in July as against a year earlier, the government said. Wednesday, down from a 9.1 per cent year-over-year rise in June. On a monthly basis, prices were unchanged from June to July, the smallest such rise in more than two years. Much of the relief last month was felt by travelers: Hotel room costs fell 2.7 per cent from June to July, airlines nearly 8 per cent and rental car prices a whisker less.

Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories to provide a clearer picture of underlying inflation. Core prices rose just 0.3 per cent from June, the smallest month-to-month increase since March. And compared with a year ago,

Oil up, bond yields tumble

New York: Oil prices rose Wednesday as a lower-than-expected US inflation figure drove investors into riskier assets. As of 1740 GMT, Brent rose 68 cents, or 0.7%, to \$96.99 and US WTI 83 cents, or 0.5%, to \$91.33.

Meanwhile, the yield on the two-year US Treasury fell to 3.14% from 3.27% late Tuesday and the 10-year yield to 2.76% from 2.78%. Wall Street, however, shot up, with the S&P 500 rising 1.5%, the Nasdaq composite index by 2.5%, and the Dow Jones Industrial Average by 1.4%, as of 1:34 p.m. ET. Bitcoin rose 3.3% to top \$24,000. REUTERS & AP

Oil up, bond yields tumble

core inflation amounted to 5.9 per cent in July, the same year-over-year increase as in June. Although the July figures raised hope that inflation may have peaked after over a year of relentless increases. Still, core prices have slowed in the recent past only to now accelerate in subsequent months.

FEARS OF FORCED TWITTER DEAL
Musk sells \$6.9-bn worth Tesla stocks

San Francisco: Tesla Inc chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal to close," said "senior equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the microblogging site rose 3.5 per cent to \$544.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Musk in early July took up his April 25 pact to buy Twitter for \$44 billion. REUTERS

Two new Galaxy phones in Samsung's foldable offerings

SHRUTIDHAPOLA
BENGALURU, AUGUST 10

SAMSUNG HAS expanded its foldable phone lineup with two new devices launched in Seoul, South Korea: the Galaxy Z Fold 4 — which can open into a nearly tablet-size display — and the Galaxy Z Flip 4 with its iconic 'flip' design are likely to further cement Samsung's dominant position in the foldable segment.

"Through our unwavering focus and industry leadership, expansion for the foldables continues to grow. We've successfully transformed this category from a radical prospect to a mainstream device lineup enjoyed by millions worldwide," TM Roh, president and head of Mobile Experience Business at Samsung Electronics, said.

Both phones come with various improvements over the previous generations, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player has a majority of the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged. Full report on www.indianexpress.com

The Galaxy Z Fold 4 and the Galaxy Z Flip 4 were launched in Seoul

Two new Galaxy phones in Samsung's foldable offerings

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MPSEZ UTILITIES LIMITED

PUBLIC NOTICE
BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of

Petition No. 2133 / 2022, filed before the Hon'ble Gujarat Electricity Regulatory Commission for seeking approval of the Power Purchase Quantum and deviations from the Model Bidding documents, as per the Ministry of Power guidelines dated 06.03.2019, for Procurement of 600 MW Power under Long Term from Power Stations set up on Design, Build, Finance, Own & Operate (DBFOO) basis by MPSEZ Utilities Limited (MUL), Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421.

PETITIONER

1. Pursuant to Hon'ble GERC directive vide daily order dated 08.08.2022, it is hereby notified that the persons who are interested in filing their views / comments / suggestions / objections to the above Petition may file the same with the Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road S-6, Zone S, GIFT CITY, Gandhinagar - 382355 with the documents on which they want to rely upon in five sets, duly supported by an affidavit within 15 days from this publication and also indicate whether they want to be heard in person. One copy of such submission is required to be sent at the below mentioned address of registered office of MPSEZ Utilities Limited. It is also to be noted that the date of hearing in this matter is scheduled by the Hon'ble Commission on 07.09.2022 at 11:30 A.M.

2. For reference of those who are interested, copy of the Petition is available for inspection at the office of MPSEZ Utilities Limited, 2nd floor, Adani House, APSEZ, Navin Island, Near Dhruv, Mundra, Kutch - 370421.

3. The electronic copy of the above mentioned Petition is available at the website www.adniports.com.

For MPSEZ Utilities Limited

Sd/-

Director

Regd Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421 (GUJARAT) India

Tel. No: +91 79 2555 7334 Fax No: +91 79 2555 6099

Ahmedabad

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What is ONDC?

It is an initiative aimed at promoting open network for all aspects of exchange of goods and services over digital or electronic networks. ONDC is to be based on open-sourced methodology, using open specifications and open network protocols independent of any specific platform. It is being developed as a counter to the current duopoly in the Indian e-commerce market, which is largely dominated by Amazon and Walmart-owned Flipkart.

In May, the Department of Promotion of Industry and Internal Trade (DPIIT) went live with ONDC with a test run in cities like Delhi-NCR, Bengaluru, Coimbatore, Bhopal, and Shillong where it plans to onboard 150 sellers.

What Microsoft joining the platform means and who else is there on board?

Microsoft onboarding the ONDC wagon means the project gets its first international marquee name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

market. Microsoft's entry is seen as a significant boost to the platform, which is still in its early stages.

Full report on www.indianexpress.com

ADVANCE INSTALMENT ALONG WITH MONTHLY TAX DEVOLUTION

Capex push: ₹1.16L-cr in two instalments released to states

ECONOMIC BUREAU
NEW DELHI, AUGUST 10THE CENTRE ON Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling Rs 1,16 lakh crore with an aim to increase capital and developmental expenditure.

This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to Rs 1,16,665.75 crore on 10th August, 2022, as against normal monthly devolution of Rs 58,332.86 crore. A Finance Ministry statement said. The Centre had, in January, released an advance instalment

of tax devolution to state governments amounting to Rs 47,541 crore in addition to the regular devolution for the month taking the total release amount to Rs 30,082 crore. It had advanced the payment of an instalment of tax devolution of Rs 47,541 crore in November 2021 also.

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is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for losses arising due to implementation of the GST regime, for five years since its rollout. This came to an end on June 30.

Experts said that given the higher-than-anticipated non-tax revenue, tax devolution to states is expected to overshoot the budget estimates.

They said that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged to two monthly instalments, implies

that a total of Rs 3.18 trillion has been devolved in the first five months of FY2023, which is equivalent to 38% of the BE. We anticipate that central tax devolution will be as large as Rs 9.3 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-tax revenue.

Aditi Nayar, chief economist, ICA said.

Given that capital spending and projects involve a considerable lead time, Nayar said, an early reassessment of the monthly amount being shared with the states will help enable them to boost their capital spending. "In FY2022, a large part of the upside in tax devolution was banked to Q4, which ended up reducing state government borrowings in that quarter but did not translate to higher spending," she said.

Full report on www.indianexpress.com

EASING PRESSURE

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'PE/VC investments plummet 69% in July to \$3 bn'

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Just six such deals of over \$100 million aggregated to \$2.2 billion

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ABSENCE OF LARGE DEALS WAS CAUSE FOR THE SHORTFALL, WITH

Buyouts — the only segment that recorded a growth — was the best performing deal type in July at \$1.6 billion across 5 deals, as against \$1.1 billion in July 2021 across 9 deals

Largest deal in July saw Edelweiss Infrastructure Yield Plus fund buy eight road assets of LA for \$886 million

Source: ICA & EY/PTI

INPUTS FROM ENTERPRISES WITH NET-WORTH OF AT LEAST ₹100 CR SOUGHT BY SEPT 9

Pvt 5G networks: DoT invites cos for study

ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE DEPARTMENT OF Telecommunications (DoT) has invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive non-public networks (CNPNs), also known as private 5G networks.

Enterprises with a net-worth of at least Rs 100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said in a notification Wednesday. These networks are typically set up by

an enterprise or organisation like factories for their private use and are not accessible to the general public.

The DoT had issued Guidelines for Captive Non-Public Network License in June with an aim to set up a regulatory framework for CNPNs.

The norms call for enterprises wanting to obtain spectrum directly from the government to submit a 10-year

renewable licence, for which the government won't charge any licence fee.

An applicant will have to pay a one-time non-refundable application processing fee of Rs 50,000 and the licensee will be required to follow stipulated network security norms regarding procurement of telecom equipment from trusted sources.

Eligible enterprises are required to submit details including ownership, net worth, requirement of spectrum in various bands, among other things. The Department has clarified that the study is a demand study will not ensure the enterprises any claim for spectrum assignment.

In its June guidelines, the DoT had said that enterprises setting up CNPNs will have to ensure that there is no interference caused to any public network or any other licensed user of spectrum. On the scope of the CNPN licence for enterprises, the DoT said such a licensee may establish indoor or within premise isolated captive non-public network for own use within the area of operation of licence.

Full report on www.indianexpress.com

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Largest deal in July saw Edelweiss Infrastructure Yield Plus fund buy eight road assets of LA for \$886 million

Source: ICA & EY/PTI

Full report on www.indianexpress.com

RBI ISSUES NORMS TO CURB MALPRACTICE

Digital lending rules: Direct disbursal to a/c, sans third party

ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRAL bank issued regulations for the digital lending space with an eye on checking malpractices, mandating that such loans must be credited directly into the bank accounts of borrowers and not through any third party.

Besides, the Reserve Bank of India (RBI) said digital lending entities, and not the borrowers, should pay fees or charges payable to lending service providers (LSPs) in the credit intermediation process.

The regulator, in a detailed set of guidelines for digital lending issued Wednesday, mentioned the concerns primarily related to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices. The RBI had constituted a Working Group on 'Digital lending including lending through online platforms and mobile applications' (WGDL) in January 2021.

It further said regulatory framework to support orderly growth of credit delivery through digital lending involves while mitigating the regulatory concerns has been framed up.

"This regulatory framework is based on the principle that lending business can be carried out only by entities that are either regulated by the Reserve

Bank or entities permitted to do so under any other law," it said.

The Reserve Bank's regulatory framework focused on the digital lending ecosystem of RBI's Regulated Entities (REs) and the LSPs permitted by them to extend various permissible credit facilities services.

"All loan disbursements and repayments are required to be executed only between the bank accounts of borrower and the RE without any third party's involvement on account of the LSP or any third party," the RBI said.

Also, any fees, charges, payable to LSPs in the credit intermediation process shall be paid directly by RE and not by the borrower, it added. WTP/PTI

Full report on www.indianexpress.com

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BRIEFLY

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical examiners to assess fitness of transgender persons who have applied for commercial pilot licence.

Coal India Q1 net

New Delhi: Coal India Ltd posted an almost three-fold rise in consolidated net profit at Rs 8,32,86 crore for June quarter 2022-23 on the back of higher sales.

BoB MCLR hike

New Delhi: Bank of Baroda on Wednesday said it will raise the marginal cost of fund-based lending rates (MCLR) by up to 0.20 per cent across terms from August 12. The bank has approved the revision in MCLR with effect from August 12, 2022. Bank of Baroda said in a regulatory filing. PTI

Oil India Q1 PAT

New Delhi: Oil India Ltd (OIL) reported an average 20% rise in profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.49 crore against ₹1,297.94 crore during the year-to-date quarter. ENS

Wary of forced Twitter deal, Musk sells \$6.9-bn worth of Tesla stock

HYUNJO JOIN & AKRITI SHARMA
SAN FRANCISCO/BENGALURU, AUGUST 10

TESLA INC CEO Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal to close 'and' some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the microblogging site rose 3.5% to \$44.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Tesla shares were up nearly 4% at \$88.2.

Musk in early July tore up his April 25 agreement to buy Twitter for \$44 billion. Twitter has sued Musk to force him to complete the transaction, dismissing his claim that he was misled about the number of spam accounts on the social media platform as lawyer's nonsense in the wake of a plunge in technology stocks. The two sides head to trial on October 17.

Full report on www.indianexpress.com

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SoftBank to gain \$34 bn from cutting Alibaba stake

SAM NUSSEY
TOKYO, AUGUST 10

SOFTBANK GROUP Corp said on Wednesday it would book a gain of \$34.1 billion by cutting its stake in Alibaba Group Holding, as the investment between the two looks to shore up cash reserve to weather the market downturn.

The Japanese company will reduce its stake in Alibaba to 14.6 per cent from 23.7 per cent by selling prepaid forward contracts. Alibaba's listed shares were down 1.5 per cent in early trade.

SoftBank

THE INDIAN EXPRESS, THURSDAY, AUGUST 11, 2022

17 ECONOMY

SENSEX: 58,817.29 ▼ 35.78 (-0.06%) NIFTY: 17,534.75 ▲ 9.65 (0.06%) NIKKEI: 27,819.33 ▼ 180.63 HANG SENG: 19,610.84 ▼ 392.60 FTSE: 7,491.39 ▲ 3.24 DAX: 13,558.47 ▲ 23.50



GOLD

₹ 52,811



RUPEE

₹ 79.51/USD



OIL

₹ 96.65



SILVER

₹ 58,985

Note: Gold, silver rates are in Indian rupees per 10g. Silver per 1kg. Gold rate is for 22K gold. Silver rate is for 99.9% silver.

SECTOR WATCH
CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

SOMU YARENDRA BARKH
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first big tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and non-and-pop stores in some parts of the country to access processes and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

The US software giant intends to introduce social e-commerce — group buying experience — in the Indian market, which would include a shopping app for Indian consumers along with their social circle, harnessing the ONDC network to discover the best pricing among retailers and sellers.

Microsoft coming on board ONDC means that the government-backed project gets its first international marquee name

supply chain like buying, selling and logistics services.

How does ONDC work?

The ONDC platform lies in the middle of the interfaces hosting the buyers and the sellers. So far, the buyer side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like GoPiggy, etc.

When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the sellers that have listed that particular item.

On the ONDC, there will be several other backend partners such as logistics service providers, enterprise resource planners, commerce store hosting service providers, etc.

What issues will it solve? An ONDC strategy paper published earlier this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investment required to build competitors to the integrated solutions offered by the big players has become a entry barrier for digital marketplace players. It also flagged the inability of marketplace players to move out of the platform ecosystem given that the value created by these small players is stored with the larger platform. With this in mind, ONDC eyes transforming the marketplace ecosystem into an operator-driven platform-centric model to facilitate direct interoperable decentralized network.

Full report on www.indianexpress.com

What does Microsoft joining the platform mean and who else is there on board? Microsoft onboarding the ONDC wagon means the project gets its first international marquee name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUGUST 10

AIMING TO curb lending malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without pass-through of lending service providers (LSPs) or other third parties.

The norms follow the recommendations of a working group for digital lending, whose report was made public last November. "The concerns primarily relate to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices," the central bank said in the final guidelines.

WORKING GROUP
RECOMMENDATIONS

The norms issued on Wednesday by the Reserve Bank follow the recommendations of a working group for digital lending, whose report was made public last November.

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions.

The latest regulatory framework is focused on the digital lending ecosystem of RBI's regulated entities (REs) and the LSPs engaged by them to extend credit facilities to borrowers. As for entities falling in the second category, the respective regulatory framework must consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for curbing malpractices by the government to curb illegal lending.

Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees

or charges payable to LSPs in the credit intermediation process shall be paid directly by the RE and not by the borrower.

A standardised key fact statement (KFS) must be provided to the borrower before executing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also form part of KFS. Automatic increases in credit limit without the explicit consent of borrowers has been prohibited. The loan contract must provide for a cooling-off or look-up period during which borrowers can exit digital loans by paying the principal and the proportionate APR without any penalty.

All digital lending products extended by REs over merchant platforms involving short term credit or deferred payments must also be reported to credit bureaus by the REs. WITH FE

Capex push: ₹1.16L-cr in two instalments released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE on Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling ₹1.16 lakh crore with an aim to increase capital and developmental expenditure.

"This is in line with the commitment of the government to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to ₹1,16,065.75 crore up to 31st August, 2022, as against normal monthly devolution of ₹58,332.86 crore," a Finance Ministry statement said.

The Centre had, in January, released an advance instalment of tax devolution to state governments amounting to ₹1,311 crore in addition to the regular devolution for the month, taking the total release amount to ₹9,80,82 crore. It had advanced the payment of an instalment of tax devolution of ₹4,541 crore in November 2021 also.

At present, 41 per cent of tax devolution is devolved in 14 instalments during a financial year.

The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

EASING PRESSURE

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losses arising due to implementation of the GST regime for five years since its rollout. This came to an end on June 30. Experts said that given the higher-than-anticipated non-exercise tax revenues, tax devolution to states is expected to exceed the budget estimates.

"Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly instalments, implies that a total of ₹3,318 trillion has been devolved in the first five months of FY2023, which is equivalent to 39% of the BE. We anticipate that central tax devolution will need to be as large as ₹3,93 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-exercise tax revenues," Aditi Nayar, chief economist, ICRA said.

Given that capital spending and projects involve a considerable lead time, Nayar said, an early reassessment of the need for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

'PE/VC investments plummet 69% in July to \$3 billion'

Investments by private equity and venture capital (PE/VC) funds into Indian entities fell by 69% to \$3 billion during July, a report by IVCA and EY said

SLOWDOWN IN DEALMAKING

ACTIVITY can be the result of global headwinds like recession and high interest rates in the developed world.

ABSENCE OF LARGE DEALS

was a cause for the shortfall, with

just six such deals of over \$100 million aggregating to \$2.2 billion

LOWEST INVESTMENTS FOR ANY MONTH in a year were seen in July, which were also lower than the \$4.9 billion recorded across 118 deals in June

Largest deal in July saw Edelweiss Infrastructure Yield Plus fund buy eight road assets of L&T for \$885 million

Source: IVCA & EY/PTI

40% Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 90% in July 2021 and 82% in June 2022

76% Fall seen in investments into start-ups, a sharp drop from a high of 90% in July 2021 and 82% in June 2022

74 PE/VC RECORDS LAST MONTH, AGAINST 134 DEALS IN THE YEAR-AGO PERIOD

Source: IVCA & EY/PTI

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR Pvt 5G: DoT invites cos for study

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE DEPARTMENT of Telecommunications (DoT) on Wednesday invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive non-public networks (CNPNs), also known as private 5G networks.

Enterprises with a net worth of at least ₹100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

These networks are typically set up by an enterprise or organisation like a factory for their private use and are not accessible to the general public. The DoT had issued 'Guidelines for Captive Non-Public Network License' in June with an aim to set up a regulatory framework for CNPNs. It had said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises wanting to obtain spectrum directly from the government to take a 10-year renewable licence, for which the government won't charge any fee. An applicant will have to pay a one-time non-refundable application processing fee of ₹5,00,000 and the licensee will be required to follow stipulated network security norms regarding procurement of telecom equipment from trusted sources. Eligible enterprises must submit details including ownership, net worth, requirement of spectrum in various bands, among other things. The DoT said that participation in this demand study will not entitle the enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's renewable portfolio for ₹10,530 cr

ENS ECONOMIC BUREAU
MUMBAI, AUGUST 10

SAJAN JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 1,753 MW renewable energy portfolio for an enterprise value of about ₹10,530 crore. This is the largest acquisition by JSW Energy in a space where investment flows have been steadily rising over the last few months.

The deal is being executed through its wholly-owned subsidiary JSW Neo Energy, and will

The deal is being executed through its wholly-owned subsidiary JSW Neo Energy

help the company achieve its renewable-led capacity growth target of 10 GW by FY25. Mytrah Energy's portfolio comprises 10 wind special purpose vehicles (SPVs) with a generation capacity of 1,331 MW and seven solar SPVs with a generation capacity of 422 MW operating primarily in the southern, western and central parts of India. The assets have power purchase agreements and an average remaining life of 18 years, it said in a regulatory update.

The transaction, which is subject to Competition Commission of India and other customary approvals, is expected to be completed by November 15, 2022. The enterprise value of ₹10,530 crore is after adjusting for net current assets, subject to net working capital and other adjustments. PE

BRIEFLY

Bank credit up

Mumbai: In the fortnight ended July 29, bank credit rose 14,525 to ₹123.69 lakh crore and deposits 9,148 to ₹169.7 lakh crore, as per data from the RBI's Scheduled Bank Statement of Position in India as on July 29.

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical examiners to assess fitness of transgender persons who have applied for commercial pilot licence.

Alibaba stake

Tokyo: Softbank Group Corp said it would look to gain a \$34.1 billion by cutting its stake in Alibaba Group Holding to 14.6% from 23.7%, as the investment behemoth looks to shore up its cash reserve in weather the market downturn. PTI

Oil India Q1 PAT

New Delhi: Oil India Ltd (OIL) reported a massive 20% increase in its quarterly profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.40 crore against ₹1,257.94 crore during the year-ago quarter. BNS

US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and clothes helped give Americans a slight breather from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

Consumer prices jumped 8.5 per cent in July as against a year earlier, the government said Wednesday, down from a 9.1 per cent year-over-year rise in June. On a monthly basis, prices were unchanged from June to July, the smallest such rise in more than two years. Much of the relief last month was felt by travellers: Hotel room costs fell 2.7 per cent from June to July, fares nearly 8 per cent and annual car prices a whopping 3.5 per cent.

Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories to provide a clearer picture of underlying inflation. Core prices rose just 0.3 per cent from June to July, the smallest month-to-month increase since March. And compared with a year ago,

Oil up, bond yields tumble

New York: Oil prices rose Wednesday as a lower-than-expected US inflation figure drove investors into riskier assets. As of 1746 GMT, Brent rose 68 cents, or 0.7%, to \$96.99 and US WTI 83 cents, or 0.3%, to \$91.33. Meanwhile, the yield on the two-year US Treasury fell to 2.76% from 2.78%.

Wall Street, however, shot up. With the S&P 500 rising 1.9%, the Nasdaq composite index by 2.5%, and the Dow Jones Industrial Average by 1.4%, as of 1:14 p.m. ET. Bitcoin rose 3.3% to top \$24,000. REUTERS & AP

core inflation amounted to 5.9 per cent in July, the same year-over-year increase as in June. All told, the July figures raised hope that inflation may have peaked after a year of relentless increases. Still, core prices have slowed in the recent past only to re-accelerate in subsequent months.

FEARS OF FORCED TWITTER DEAL Musk sells \$6.9-bn worth Tesla stocks



Elon Musk AP/PTI

San Francisco: Tesla Inc chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal in some 'forced' way, my equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the microblogging service fell 1.5 per cent to \$44.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Musk in early July took up his April 25 pact to buy Twitter for \$44 billion. REUTERS

Two new Galaxy phones in Samsung's foldable offerings

SHRUTIDHAPALA
BENGALURU, AUGUST 10

SAMSUNG HAS expanded its foldable phone lineup with two new devices launched in Seoul, South Korea: the Galaxy Z Fold 4 — which can open into a nearly tablet-size display — and the Galaxy Z Flip 4, which is its iconic 'flip' design are likely to further cement Samsung's dominant position in the foldable segment.

"Throughout our unwavering focus and industry leadership, our commitment for the foldables continues to grow. We've successfully transformed this category from a radical project to a mainstream device lineup enjoyed by millions worldwide," TM Roh, president and head of Mobile experience Business at Samsung Electronics, said.

Both phones come with various improvements over the previous generation, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player has a majority of the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged.

Full report on www.indianexpress.com

The Galaxy Z Fold 4 and the Galaxy Z Flip 4 were launched in Seoul

Full report on www.indianexpress.com

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MPSEZ UTILITIES LIMITED

PUBLIC NOTICE

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of Petition No. 2133 / 2022, filed before the Hon'ble Gujarat Electricity Regulatory Commission for seeking approval of the Power Purchase Quantum and other terms and conditions of the Bidding documents, as per the Ministry of Power guidelines dated 06.03.2019 for Procurement of 600 MW Power under Long Term from Power Stations set up on Design, Build, Finance, Own & Operate (DBFOO) basis by MPSEZ Utilities Limited (MUL), Adani Corporate House, Shantigram, Nr. Vasano Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421.

PETITIONER

1. Pursuant to Hon'ble GERC directive vide dated order dated 08.08.2022, it is hereby notified that the persons who are interested in filing their views / comments / suggestions / objections to the above Petition may file the same with The Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road 5-C, Zone 5, GIFT CITY, Gandhinagar - 382355 with the documents on which they want to rely upon in five sets, duly supported by an affidavit within 15 days from this publication and also indicate whether they want to be heard in person. One copy of such submission is required to be sent at the below mentioned address of registered office of MPSEZ Utilities Limited: It is also to be noted that the date of hearing in this matter is scheduled by the Hon'ble Commission on 07.09.2022 at 11:30 A.M.

2. For reference of those who are interested, copy of the Petition is available for inspection at the office of MPSEZ Utilities Limited, 2nd floor, Adani House, APSEZ, Navan Island, Near Dhrub, Mundra Kutch - 370421.

3. The electronic copy of the above mentioned Petition is available at the website www.adanipos.com.

For: MPSEZ Utilities Limited

Sd/-

Regd Office: Adani Corporate House, Shantigram,

Nr. Vasano Devi Circle, S. G. Highway, Khodiyar,

Ahmedabad - 382 421 (GUJARAT) India

Tel. No: +91 79 2555 7334 Fax No: +91 79 2555 6099

THE INDIAN EXPRESS, THURSDAY, AUGUST 11, 2022

13 ECONOMY

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OIL

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SILVER

₹ 58,985

Note: Gold, silver and oil prices are quoted in Indian rupees per 100 grams. Silver price is for 1 kg. Data as of August 11, 2022.

SECTOR WATCH
CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

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Full report on www.indianexpress.com

BRIEFLY

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Oil India Q1 PAT
New Delhi: Oil India Ltd (OIL) reported a massive increase in its quarterly profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.40 crore against ₹507.94 crore during the year-ago quarter. BNS

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUG 10

AIMING TO curb rising malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without pass-through of lending service providers (LSPs) or other third parties.

The norms follow the recommendations of a working group for digital lending, whose report was made public last November. "The concerns primarily relate to unregulated engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices," the central bank said in the final guidelines.

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

WORKING GROUP
RECOMMENDATIONS

The norms issued on Wednesday by the Reserve Bank follow the recommendations of a working group for digital lending, whose report was made public last November

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions.

The latest regulatory framework is focussed on the digital lending ecosystem of RBI's regulated entities (REs) and the LSPs engaged by them to extend credit facilitation services. As for entities falling in the second category, the respective regulator may consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegitimate lending.

Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees

or charges payable to LSPs in the credit intermediation process shall be paid directly by the RE and not by the borrower.

A standardised key fact statement (KFS) must be provided to the borrower before executing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also form part of KFS. Automatic increases in credit limit without the explicit consent of borrowers may consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegitimate lending.

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'PE/VC investments plummet 69% in July to \$3 billion'

Investments by private equity and venture capital (PE/VC) funds into Indian entities fell by 69% to \$3 billion during July, a report by IVCAs and EY said

SLOWDOWN IN DEALMAKING ACTIVITY can be the result of global headwinds like recession and high interest rates in the developed world

ABSENCE OF LARGE DEALS was a cause for the shortfall, with

just six such deals of over \$100 million aggregating to \$2.2 billion

LOWEST INVESTMENTS FOR ANY MONTH in a year were seen in July, which were also lower than the \$4.3 billion recorded across 118 deals in June

Buyouts — the only segment that recorded a growth — was the largest deal type in July at \$1.6 billion across five deals, as against \$1.1 billion in July 2021 across nine deals

40% Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) in total investments, compared to 60% in July 2021 and 82% in June 2022

Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) in total investments, compared to 60% in July 2021 and 82% in June 2022

76% Fall seen in investments into start-ups — which had gone down to a low of \$1.1 billion in July 2021 and \$1.8 billion in June 2022

74 PE/VC DEALS RECORDED LAST MONTH, AGAINST 134 DEALS IN THE YEAR-AGO PERIOD

Largest deal in July saw Edelweiss Infrastructure Yield Plus fund buy eight road assets of L&T for \$88.6 million

Source: IVCAs & EY (PTI)

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR
Pvt 5G: DoT invites cos for studyENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE DEPARTMENT OF Telecommunications (DoT) on Wednesday invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive non-public networks (CNPNs), also known as private 5G networks.

Enterprises with a net worth of at least ₹100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

These networks are typically set up by an enterprise or organisation like factories for their private use and are not accessible to the general public. The DoT had issued Guidelines for Captive Non-Public Network License in June with an aim to set up a regulatory framework for CNPNs. It had said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises wanting to obtain spectrum directly from the government to take a 10-year renewable licence, for which the

government won't charge any licence fee. An applicant will have to pay a one-time non-refundable application processing fee of ₹5,00,000 and the licensee will be required to follow stipulated network security norms regarding procurement of telecom equipment from trusted sources.

Eligible enterprises must submit details including ownership, net worth, requirement of spectrum in various bands, among other things. The DoT said that participation in this demand study will not entitle the enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's renewable portfolio for ₹10,530 cr

ENS ECONOMIC BUREAU
MUMBAI, AUGUST 10

SAJAN JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 1,753 MW renewable energy portfolio for an enterprise value of ₹10,530 crore. This is the largest acquisition by JSW Energy in a space where investment flows have been steadily rising over the last few months.

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help the company achieve its renewable-led capacity growth target of 10 GW by FY25.

Mytrah Energy's portfolio comprises 10 wind special purpose vehicles (SPVs) with a generation capacity of 1,331 MW and seven solar SPVs with a gen-

eration capacity of 422 MW, operating primarily in the southern, western and central parts of India. The assets have power purchase agreements and an average remaining life of 18 years, it said in a regulatory update.

The transaction, which is subject to Competition Commission of India and other customary approvals, is expected to be completed by November 15, 2022. The enterprise value of ₹10,530 crore is after adjusting for net current assets, subject to net working capital and other adjustments. PE

US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and clothes helped give Americans a slight lull from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

Consumer prices jumped 8.5 per cent in July as against a year earlier, the government said Wednesday, down from a 9.1 per cent year-over-year rise in June. On a monthly basis, prices were unchanged from June to July, the smallest such rise in more than two years. Much of the relief last month was felt by travelers: Hotel room costs fell 2.7 per cent from June to July, airfares nearly 8 per cent and rental car prices a whopping 9.5 per cent.

Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories to provide a clearer picture of underlying inflation. Core prices rose just 0.3 per cent from June, the smallest month-to-month increase since March. And compared with a year ago,

Oil up, bond yields tumble

NEW YORK, AUGUST 10

New York: Oil prices rose Wednesday as a lower-than-expected US inflation figure drove investors into riskier assets. As of 17:40 GMT, Brent rose 0.8 cents, or 0.7%, to \$96.99 and US WTI 83 cents, or 0.3%, to \$91.33. Meanwhile, the yield on the two-year US Treasury fell to 3.34% from 3.27% late Tuesday and the 10-year yield to 2.76% from 2.78%. Wall Street, however, shot up, with the S&P 500 rising 1.5%, the Nasdaq composite index by 2.5%, and the Dow Jones Industrial Average by 1.4%, as of 1:34 p.m. ET. Bitcoin rose 3.3% to \$24,000. REUTERS & AP

core inflation amounted to 5.9 per cent in July, the same year-over increase as in June. All the while, investors raised hope that inflation may have peaked after over a year of relentless increases. Still, core prices have slowed in the recent past only to re-accelerate in subsequent months.

FEARS OF FORCED TWITTER DEAL
Musk sells \$6.9-bn worth Tesla stocks

SAN FRANCISCO, AUGUST 10

San Francisco: Tesla Inc chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal in close 'take' some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the microblogging service rose 1.5 per cent to \$44.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Musk in early July took up his April 25 pact to buy Twitter for \$44 billion. REUTERS

Two new Galaxy phones in Samsung's foldable offerings

SHRUTIDHAPALA
BENGALURU, AUGUST 10

SAMSUNG HAS expanded its foldable phone lineup with two new devices launched in Seoul, South Korea: the Galaxy Z Fold 4 — which can open into a nearly tablet-sized display — and the Galaxy Z Flip 4 with its iconic "flip" design are likely to further cement Samsung's dominant position in the foldable segment.

"Throughout its pioneering focus on industry leadership, commitment for the foldables continues to grow. We've successfully transformed this category from a radical project to a mainstream device lineup enjoyed by millions worldwide," TM Roh, president and head of Mobile Experience Business at Samsung Electronics, said.

Both phones come with various improvements over the previous generation, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player is a major player in the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged. Full report on www.indianexpress.com

MPSEZ UTILITIES LIMITED
PUBLIC NOTICE

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of Petition No. 2133 / 2022, filed before the Hon'ble Gujarat Electricity Regulatory Commission for seeking approval of the Power Purchase Quantum and deviations from the Bidding documents, as per the Ministry of Power guidelines dated 06.03.2019, for Procurement of 600 MW Power under Long Term from Power Stations set up on Design, Build, Finance, Own & Operate (DBFO) basis by MPSEZ Utilities Limited (MUL), Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khandiyar, Ahmedabad - 382 421.

PETITIONER
1. Pursuant to Hon'ble GERC directive vide dated order dated 08.08.2022, it is hereby notified that the persons who are interested in filing their views / comments / suggestions / objections to the above Petition may file the same with the Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road S-5, Zone 5, GIFT CITY, Gandhinagar - 382535 with the documents on which they want to rely upon in five sets, duly supported by an affidavit within 15 days from this publication and also indicate whether they want to be heard in person. One copy of such submission is required to be sent at the below mentioned address of registered office of MPSEZ Utilities Limited. It is also to be noted that the date of hearing in this matter is scheduled by the Hon'ble Commission on 07.09.2022 at 11:30 A.M.
2. For reference of those who are interested, copy of the Petition is available for inspection at the office of MPSEZ Utilities Limited, 2nd Floor, Adani House, APSEZ, Navina Island, Near Dhruv, Mundra, Kutch - 370421.
3. The electronic copy of the above mentioned Petition is available at the website www.adaniports.com.

For MPSEZ Utilities Limited
Sd/-
Director
Regd Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khandiyar, Ahmedabad - 382 421 (GUJARAT) India.
Tel. No: +91 79 2555 7334; Fax No: +91 79 2555 6099

THE INDIAN EXPRESS, THURSDAY, AUGUST 11, 2022

ECONOMY

SENSEX: 58,817.29 ▲ 35.78 (-0.06%) NIFTY: 17,534.75 ▲ 9.65 (0.06%) NIKKEI: 27,819.33 ▼ 180.63 HANG SENG: 19,610.84 ▼ 392.60 FTSE: 7,491.39 ▲ 3.24 LAX: \$5,584.47 ▲ 23.50



GOLD

₹ 2,811



RUPEE

₹ 79.51/USD



OIL

\$ 96.65



SILVER

₹ 58,985

SECTOR WATCH
CONSUMER INTERNETMicrosoft's ONDC
bet: Eye on social
e-commerce foray
& better pricingSOUMYARENDRA BARIK
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first high-tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and micro-and-pop stores in some parts of the country to access processes and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

Microsoft, coming on board ONDC means that the government-backed project gets its first international marquee name.

supply chain like buying, selling and logistics services.

How does ONDC work?

The ONDC platform is in the middle of the interfaces hosting the buyers and the sellers. So far, the buyer side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like GoPiggy, etc.

When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the sellers that have listed that particular item.

On the ONDC, there will be several other backend partners such as logistics service providers, enterprise resource planning (ERP) and e-commerce store hosting service providers, etc.

What issues will it solve? An ONDC strategy paper published earlier this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investment required to build competitors to the integrated solutions offered by the big players has become an entry barrier for digital marketplace players. It also flagged the inability of marketplace sellers to move out of the platform ecosystem given that the value created by these small players is being captured by the platform owners. With this in mind, ONDC eyes transforming the marketplace ecosystem from an operator-driven platform-centric model to a facilitator-driven interoperable decentralised network.

What does Microsoft mean and who else is there on board?

Microsoft, joining the ONDC wagon means the project gets its first international marquee name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

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AIMING TO curb rising malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without pass-through of lending service providers (LSPs) or other third parties.

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business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions.

The latest regulatory framework is focused on the digital lending ecosystem of RBI's regulated entities (REs) and the LSPs engaged by them to extend credit facilitation services. As for entities falling into the second category, the respective regulator may consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegitimate lending.

Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees

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A standardised key fact statement (KFS) must be provided to the borrower before executing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also form part of KFS. Automatic increases in credit limit without the explicit consent of borrowers has been prohibited. The loan contract must provide for a cooling-off or look-up period during which borrowers can exit digital loans by paying the principal and the proportionate APR without any penalty.

All digital lending products extended by REs over merchant platforms involving short-term credit or deferred payments must also be reported to credit bureaus by the REs. WITH FE

Capex push: ₹1.16L-cr
in two instalments
released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE on Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling ₹1.16 lakh crore with an aim to increase capital and developmental expenditure.

"This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to ₹1.16 lakh crore on 10th August, 2022, as against the regular monthly devolution of ₹58,332.86 crore," a Finance Ministry statement said.

The Centre had, in January, released an advance instalment of tax devolution to state governments amounting to ₹47,541 crore in addition to the regular devolution for the month, taking the total release amount to ₹1,90,082 crore. It had advanced the payment of an instalment of tax devolution of ₹47,541 crore in November 2021 also.

At present, 41 per cent of tax collected is devolved in 14 instalments during a financial year.

The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

EASING PRESSURE

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losses arising due to implementation of the taxation regime, for five years since its rollout. This came to an end on June 30.

Experts said that given the higher-than-anticipated non-exercise tax revenues, tax devolution to states is expected to overshoot the earlier estimates.

"Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly instalments, implies that a total of ₹3.18 trillion has been devolved in the first five months of FY2023, which is equivalent to 32% of the BE. We anticipate that central tax devolution will need to be as large as ₹3.83 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-exercise tax revenues," Aditi Nayar, chief economist, ICRA said.

Given that capital spending and projects involve a considerable lead time, Nayar said, an early reassessment of the monthly amounts being shared with the states will help enable them to boost their capital spending. "In FY2022, a large part of the upside in tax devolution was backlogged to Q4, which ended up reducing state government borrowing in that quarter but did not translate to higher spending," she said.

'PE/VC investments plummet 69% in July to \$3 billion'

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SLOWDOWN IN DEAL MAKING ACTIVITY can be the result of global headwinds like recession and high interest rates in the developed world.

RESENCE OF LARGE DEALS was a cause for the shortfall, with

just six such deals of over \$100 million aggregating to \$2.2 billion.

LOWEST INVESTMENTS FOR ANY MONTH in a year were seen in July, which were also lower than the \$4.5 billion recorded across 118 deals in June.

Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 90% in July 2021 and 82% in June 2022.

76% Fall seen in investments into start-ups, which had given a boost to the overall investment landscape in last 18 months to \$820 million.

74 PE/VC DEALS RECORDED LAST MONTH, AGAINST 134 DEALS IN THE YEAR-AGO PERIOD.

Longest deal in July saw Edelweiss Infrastructure Fund buy eight road assets of L&T for \$886 million.

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR
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These networks are typically set up by an enterprise or organisation like factories for their private use and are not accessible to the general public. The DoT had issued 'Guidelines for Captive Non-Public Network License' in June with an aim to set up a regulatory framework for CNPNs. It had said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises participating in the demand study will not be entitled to enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's
renewable portfolio for ₹10,530 crENS ECONOMIC BUREAU
MUMBAI, AUGUST 10

SAJAN JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 1,753 MW renewable energy portfolio for an enterprise value of about ₹10,530 crore. This is the largest acquisition by JSW Energy in a space where investment flows have been steadily rising over the last few months.

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BRIEFLY

Bank credit up

Mumbai: In the fortnight ended July 29, bank credit rose 14.52% to ₹123,669 lakh crore and deposits 9.14% to ₹169,716 lakh crore, as per data from the RBI's Scheduled Bank Statement position in India as on July 29.

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical examinations to assess fitness of transgender persons who have applied for commercial pilot licence.

Alibaba stake

Tokyo: SoftBank Group Corp said it would look to gain a 33.1 billion by cutting its stake in Alibaba Group Holding to 14.6% from 23.7%, as the investment behemoth looks to shore up its cash reserve to weather the market downturns. PTI

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US inflation slows
from a 40-year peak
but remains highASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and a slight break from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

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Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories to provide a clearer picture of underlying inflation. Core prices rose just 0.3 per cent from June, the smallest month-to-month increase since March. And compared with a year ago,

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yields tumble

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Musk sells
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Two new Galaxy
phones in Samsung's
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Both phones come with various improvements over the previous generation, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player has a majority of the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged. Full report on www.indianexpress.com

The Galaxy Z Fold 4 and the Galaxy Z Flip 4 were launched in Seoul

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MPSEZ UTILITIES LIMITED

PUBLIC NOTICE

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For MPSEZ Utilities Limited

add: Director

Regd Office: Adani Corporate House, Shantigram, Nr. Vishnudev Circle, S. G. Highway, Khandiyar, Ahmedabad - 382 421 (GUJARAT) India. Tel. No: +91 79 2555 7334. Fax No: +91 79 2555 6099



GOLD

₹52,811



RUPEE

₹79.51/USD



OIL

₹96.65



SILVER

₹58,985

SECTOR WATCH
CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

SOURABH K. BARKER
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first big tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and mom-and-pop stores in some parts of the country in a robust process and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

The US software giant intends to introduce social e-commerce — group buying experience — in the Indian market, which would include a shopping app for Indian consumers along with their social circle, harnessing the ONDC network to discover the best pricing among retailers and sellers.

Microsoft coming on board ONDC means that the government-backed project gets its first international marquee name

supply chain like buying, selling and logistics services.

How does ONDC work?

The ONDC platform lies in the middle of the interfaces between the buyers and the sellers. So far, the buyer side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like GoFrugal etc. When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to the seller side interface that will list all the sellers that have listed that particular item.

On the ONDC, there will be several other backend partners such as logistics service providers, enterprise resource planning, e-commerce, store hosting, service providers etc.

What issues will it solve?

An ONDC strategy paper published this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investment required to build competitors to the integrated solutions offered by the big players has become an entry barrier for digital marketplace. It also flagged the inability of marketplace sellers to move out of the platform ecosystem given that the value created by these small players is stored with the larger platforms. With this in mind, ONDC eyes transforming the marketplace ecosystem from an operator-driven platform-centric model to a facilitator-driven interoperable decentralised network.

Full report on www.indianexpress.com

What does Microsoft mean and who else is there on board?

Microsoft's onboarding the ONDC wagon underscores the project gets its first international marquee name ahead of its Bengaluru launch. Many partner companies are currently live on the ONDC network, offering a number of services in the e-commerce

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUGUST 10

AIMING TO curb rising malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without passing through of lending service providers (LSPs) or other third parties.

The norms follow the recommendations of a working group for digital lending, whose report was made public last November. "The concerns primarily relate to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, changing of exorbitant interest rates, and unethical recovery practices," the central bank said in the final guidelines.

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

WORKING GROUP
RECOMMENDATIONS

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business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions. The latest regulatory framework is focused on the digital lending ecosystem of RBI-regulated entities (REs) and the LSPs engaged by them to extend credit facilitation services. As for entities falling in the second category, the respective regulator may consider formulating rules on digital lending, based on the recommendations of the working group. The RBI said, for entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegal lending. Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees or charges payable to LSPs in the credit intermediation process shall be paid directly by the RE and not by the borrower. A standardised key fact statement (KFS) must be provided to the borrower before executing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also factor in the cost of digital loans by paying the principal and the proportionate APR without any penalty.

All digital lending products extended by REs over merchant platforms involving short-term credit or deferred payments must also be reported to credit bureaus by the REs. WITH FE

Capex push: ₹1.16L-cr in two instalments released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE ON Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling ₹1.16 lakh crore with an aim to increase capital and developmental expenditure.

This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to ₹1,16,665.75 crore on 10th August, 2022, as against normal monthly devolution of ₹5,58,332.86 crore," a Finance Ministry statement said.

The Centre had, in January, released an advance instalment of tax devolution to state governments amounting to ₹47,541 crore in addition to the regular devolution amounting to ₹90,082 crore. It had advanced the payment of an instalment of tax devolution of ₹47,541 crore in November 2021 also.

At present, 41 per cent of tax collected is devolved in 14 instalments during a financial year. The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

EASING PRESSURE

■ The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending.

losses arising due to implementation of the taxation regime, for five years since its rollout. This came to an end on June 30. Experts said that given the higher-than-anticipated non-exercise tax revenues, tax devolution to states is expected to overshoot the budget estimates.

"Presenting that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly instalments, implies that a total of ₹3.18 trillion has been devolved in the first five months of FY2023, which is equivalent to 39% of the BE. We anticipate that central tax devolution will need to be as large as ₹3.3 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-exercise tax revenues," Aditi Nayar, chief economist, ICAI said.

Given that capital spending and projects involve a considerable lead time, Nayar said, an early reassessment of the monthly amounts being shared with the states will help enable them to boost their capital spending. "In FY2022, a large part of the upside in tax devolution was laddered to Q4, which ended up reducing state government remaining fiscal deficit but did not translate to higher spending," she said.

'PE/VC investments plummet 69% in July to \$3 billion'

Investments by private equity and venture capital (PE/VC) funds into Indian entities fell by 69% to \$3 billion during July, a report by IVCA and EY said

SLOWDOWN IN DEALMAKING ACTIVITY can be the result of global headwinds like recession and high interest rates in the developed world.

ABSENCE OF LARGE DEALS was a cause for the shortfall, with

Buyouts — the only segment that recorded a growth — was the best performing deal type in July at \$1.6 billion across 9 deals, as against \$1.1 billion in July 2021 across 9 deals.

Just six such deals of over \$100 million aggregating to \$2.2 billion

LOWEST INVESTMENTS FOR ANY MONTH in a year were seen in July, which were also lower than the \$4.5 billion recorded across 118 deals in June

Longest deal in July saw Edelweiss Infrastructure YLT Fund buy eight road assets of L&T for \$886 million

Source: IVCA & EY/PI

40% PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 90% in July 2021 and 82% in June 2022

Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 90% in July 2021 and 82% in June 2022

76% Fall seen in investments into start-ups — which had given a leg-up to the overall venture landscape in last 18 months — to \$820 million

74 PE/VC DEALS RECORDED LAST MONTH, AGAINST 134 DEALS IN THE YEAR-AGO PERIOD

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Source: IVCA & EY/PI

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR
Pvt 5G: DoT invites cos for studyENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE DEPARTMENT OF Telecommunications (DoT) on Wednesday invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive non-public networks (CNPNs), also known as private 5G networks.

Enterprises with a net worth of at least ₹100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

These networks are typically set up by an enterprise or organisation for its own use and are not accessible to the general public. The DoT had issued Guidelines for Captive Non-Public Network license in June with an aim to set up a regulatory framework for CNPNs. It had said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises wanting to obtain spectrum directly from the government to take a 10-year renewable license, for which the

government won't charge any license fee. An applicant will have to pay a 20-year renewable application processing fee of ₹50,000 and the licensee will be required to fulfil stipulated network security norms regarding procurement of telecom equipment from trusted sources.

Eligible enterprises must submit details including ownership, net worth, requirement of spectrum in various hands, among other things. The DoT said that participation in this demand study will not entitle the enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's renewable portfolio for ₹10,530 cr

ENS ECONOMIC BUREAU
MUMBAI, AUGUST 10

SAIL/JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 1,753 MW renewable energy portfolio for an enterprise value of about ₹10,530 crore. This is the largest acquisition by JSW Energy in a space where investment flows have been steadily rising over the last few months.

The deal is being executed through its wholly-owned subsidiary JSW Neo Energy, and will

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help the company achieve its renewable-led capacity growth target of 10 GW by FY25.

Mytrah Energy's portfolio comprises 10 wind special purpose vehicles (SPVs) with a generation capacity of 1,311 MW and seven solar SPVs with a gen-

eration capacity of 422 MW, operating primarily in the southern, western and central parts of India. The assets have power purchase agreements and an average remaining life of 18 years, it said in a regulatory update.

The transaction, which is subject to Competition Commission of India and other customary approvals, is expected to be completed by November 15, 2022. The enterprise value of ₹10,530 crore is after adjusting for net current assets, subject to net working capital and other adjustments. PE

BRIEFLY

Bank credit up

Mumbai: In the fortnight ended July 29, bank credit rose 14,52% in ₹123,69 lakh crore and deposits 9.14% to ₹163.7 lakh crore, as per data from the RBI's Scheduled Banks' Statement of Position in India as on July 29.

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical assessments to assess fitness of transgender persons who have applied for commercial pilot licence.

Alibaba stake

Taipei: SoftBank Group Corp said it would book a gain of \$14.1 billion by cutting its stake in Alibaba Group Holding to 14.6% from 23.7%, as the investment behemoth looks to shore up its cash reserve to weather the market downturn. PTI

Oil India Q1 PAT

New Delhi: Oil India Ltd (OIL) reported a massive 200% rise in its profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.49 crore against ₹507.94 crore during the year-ago quarter. ENS

US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and clothes helped give Americans a slight break from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

Consumer prices jumped 0.5 per cent in July as against a year earlier, the government said Wednesday, down from a 9.1 per cent year-over-year rise in June. On a monthly basis, prices were unchanged from June to July, the smallest such rise in more than two years. Much of the relief last month was felt by travelers: Hotel room costs fell 2.7 per cent from June to July, airlines nearly 8 per cent and rental car prices whopped 9.5 per cent.

Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories (to provide a clearer picture of underlying inflation). Core prices rose just 0.3 per cent from June, the smallest month-to-month increase since March. And compared with a year ago,

Oil, oil, bond yields tumble

New York: Oil prices rose Wednesday as a lower-than-expected US inflation figure drove investors into riskier assets. As of 1746 GMT, Brent rose 68 cents or 0.7% to \$96.39 and US WTI 81 cents, or 0.5%, to \$91.35.

Meanwhile, the yield on the two-year US Treasury fell to 3.14% from 3.27% late Tuesday and the 10-year yield to 2.76% from 2.78%. Wall Street, however, shot up, with the S&P 500 rising 1.9%, the Nasdaq composite index by 2.5%, and the Dow Jones Industrial Average by 1.4%, as of 1:34 p.m. ET. Bitcoin rose 3.3% to top \$24,000. REUTERS/AP

Core inflation amounted to 5.9 per cent in July, the same year-over-year increase as in June

All told, the July figures raised hope that inflation may have peaked after over a year of relentless increases. Still, core prices have slowed in the recent past only to re-accelerate in subsequent months.

FEARS OF FORCED TWITTER DEAL

Musk sells \$6.9-bn worth Tesla stocks

San Francisco: Tesla Inc. chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal to close 'and' some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the microblogging site rose 3.5 per cent to \$44.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Musk in early July tore up his April 25 pact to buy Twitter for \$44 billion. REUTERS

SHRUTI DHAPALA

BENGALURU, AUGUST 10

SAMSUNG IAS expanded its foldable phone lineup with two new devices launched in Seoul, South Korea: the Galaxy Z Fold 4 — which can open into a nearly tablet-size display — and the Galaxy Z Flip 4 with its iconic "flip" design are likely to further cement Samsung's dominant position in the foldable segment.

"Through our unwavering focus and industry leadership, excitement for the foldables continues to grow. We've successfully transformed this category from a radical project to a mainstream device lineup enjoyed by millions worldwide," TM Roh, president and head of Mobile Experience Business at Samsung Electronics, said.

Both phones come with various improvements over the previous generation, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player has a majority of the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged. Full report on www.indianexpress.com

Two new Galaxy phones in Samsung's foldable offerings

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The Galaxy Z Fold 4 and the Galaxy Z Flip 4 were launched in Seoul

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MPSEZ UTILITIES LIMITED

PUBLIC NOTICE
BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of Petition No. 2133 / 2022, filed before the Hon'ble Gujarat Electricity Regulatory Commission for seeking approval of the Power Purchase Quantum and deviations from the Model Bidding documents, as per the Ministry of Power guidelines dated 06.03.2019, for Procurement of 600 MW Power under Long Term from Power Stations set up on Design, Build, Finance, Own & Operate (DBFOO) basis by MPSEZ Utilities Limited (MUL), Adani Corporate House, Shantigram, Nr. Vaishnavi Devi Circle, S. G. Highway, Khandiyar, Ahmedabad - 382 421.

PETITIONER

1. Pursuant to Hon'ble GERC directive vide daily order dated 08.08.2022, it is hereby notified that the persons who are interested in filing their views / comments / suggestions / objections to the above Petition may file the same with The Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road S.C. Zone 5, GIFT City, Gandhinagar - 382355 with the documents on which they want to rely upon in five sets, duly supported by an affidavit within 15 days from this publication and also indicate whether they want to be heard in person. One copy of such submission is required to be sent at the below mentioned address of registered office of MPSEZ Utilities Limited. It is also to be noted that the date of hearing in this matter is scheduled by the Hon'ble Commission on 07.09.2022 at 11:30 A.M.

2. For reference of those who are interested, copy of the Petition is available for inspection at the office of MPSEZ Utilities Limited, 2nd Floor, Adani House, MPSEZ, Navali Island, Near Shrub, Mundra, Kutch - 370421.

3. The electronic copy of the above mentioned Petition is available at the website www.adaniports.com.

For MPSEZ Utilities Limited

Sd/ Director

Regd Office: Adani Corporate House, Shantigram,

Nr. Vaishnavi Devi Circle, S. G. Highway, Khandiyar,

Ahmedabad - 382 421 (GUJARAT) India

Tel. No: +91 79 2555 7334. Fax No: +91 79 2555 6099

THE INDIAN EXPRESS, THURSDAY, AUGUST 11, 2022

13 ECONOMY

SENSEX: 54,172.59 ▲ 35.78 (0.06%) NIFTY: 17,534.75 ▲ 9.65 (0.06%) NIKKEI: 27,819.33 ▼ 10.63 HANG SENG: 19,610.84 ▼ 392.60 FTSE: 7,491.39 ▲ 3.24 DAX: 13,558.47 ▲ 23.34



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Note: Gold, silver and oil prices are in US dollars per 100 grams. Rupee prices are in Indian rupees per 100 grams. All prices are as of August 10, 2022.

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Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

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Enterprises with a network of at least Rs 100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

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RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

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"Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged as two monthly instalments, implies that a total of Rs 3.38 trillion has been devolved in the first five months of FY2023, which is equivalent to 35% of the BE. We anticipate that central tax devolution will need to be as large as Rs 5.3 trillion in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-exercise tax revenues," Aditi Nayyar, chief economist, KRA said.

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EXPLAINED

What is ONDC?

It is an initiative aimed at promoting open networks for all aspects of exchange of goods and services over digital or electronic networks. ONDC is to be based on open-source methodology, using open specifications and open network protocols independent of any specific platform. It is being developed as a counter to the current duopoly in the Indian e-commerce market which is largely dictated by Amazon and Walmart-owned Flipkart. In May, the Department for Promotion of Industry and Internal Trade (DPIIT) went live with ONDC with a test run in cities like Delhi-NCR, Bengaluru, Coimbatore, Bhopal, and Shillong where it plans to onboard 150 sellers.

What does Microsoft joining the platform mean and who else is there on board?

Microsoft's entry into the ONDC means the project gets its first international marquee name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

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Largest deal in July saw Edelweiss Infrastructure Plus Fund buy eight road assets of LAT for \$886 million

Source: IVCA & EY (IPI)

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR

Pvt 5G: DoT invites cos for study

THE DEPARTMENT OF Telecommunications (DoT) on Wednesday invited stakeholders to participate in a demand study for direct assignment of spectrum for setting up captive in-house public networks (CNPNs), also known as private 5G networks.

Enterprises with a network of at least Rs 100 crore who are willing to set up CNPNs by obtaining spectrum directly from the government can send their inputs for the demand study until September 9, the DoT said.

These networks are typically set up by an enterprise or organisation like factories for their private use and are not accessible to the general public. The DoT had issued 'Guidelines for Captive In-House Public Network Licences' in June with an aim to set up a regulatory framework for CNPNs. It said that enterprises setting up CNPNs will have to ensure there is no interference caused to any public network or any other licensed user of spectrum.

The norms call for enterprises wanting to obtain spectrum directly from the government to take a 10-year renewable licence, for which the

government won't charge any licence fee. An applicant will have to pay a one-time non-refundable application processing fee of Rs 50,000 and the licensee will be required to follow stipulated network security norms regarding procurement of telecom equipment from trusted sources.

Eligible enterprises must submit details including ownership, net worth, requirement of spectrum in various bands, among other things. The DoT said that participation in this demand study will not entitle the enterprises any claim for spectrum assignment. Full report on www.indianexpress.com

40% Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 0.0% in July 2021 and 8.2% in June 2022.

Just six such deals of over \$100 million aggregating to \$2.2 billion.

LOWEST INVESTMENTS FOR JULY MONTH in a year were seen in July, which were also lower than the 14.7 billion recorded across 118 deals in June.

ABSENCE OF LARGE DEALS was a cause for the shortfall, with

Buyouts — the only segment that recorded a growth — was the best performing deal type in July at \$1.6 billion across 5 deals, as against \$1.1 billion in July 2021 across 9 deals.

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Full report on www.indianexpress.com

Full report on www.indianexpress.com

JSW Energy to buy Mytrah Energy's renewable portfolio for ₹10,530 cr

SAJAN JINDAL-LED JSW Energy on Wednesday signed an agreement to acquire Mytrah Energy's 3,253 MW renewable energy portfolio for an enterprise value of about Rs 10,530 crore. This is the largest acquisition by JSW Energy in a space where investment flows have been steadily rising over the last few months.

The deal is being executed through its wholly-owned subsidiary JSW Neo Energy, and will

help the company achieve its renewable-led capacity growth target of 10 GW by FY23.

Mytrah Energy's portfolio comprises 10 wind special purpose vehicles (SPVs) with a generation capacity of 1,331 MW and seven solar SPVs with a generation capacity of 422 MW, operating primarily in the southern, western and central parts of India. The assets have power purchase agreements and an average remaining life of 18 years, it said in a regulatory update.

The transaction, which is subject to Competition Commission of India and other customary approvals, is expected to be completed by November 15, 2022. The enterprise value of Rs 10,530 crore is after adjusting for net working assets, subject to net working capital and other adjustments. FE

Full report on www.indianexpress.com

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BRIEFLY

Bank credit up

Mumbai: In the fortnight ended July 29, bank credit rose 14.52% to ₹123,659 lakh crore and deposits 9.14% to ₹1,66,77,000 crore, as per data from the RBI's Scheduled Bank Statement of Position in India as on July 29.

Pilot licence

New Delhi: The Directorate General of Civil Aviation (DGCA) on Wednesday issued guidelines for medical examiners to assess fitness of transgender persons who have applied for commercial pilot licence.

Alibaba stake

Tokyo: SoftBank Corp said it would book a gain of \$341 billion by cutting its stake in Alibaba Group Holding to 14.6% from 23.7%, as the investment behemoth looks to shore up its cash reserve to weather the market downturn. PTI

Oil India Q1 PAT

New Delhi: Oil India Ltd (OIL) reported a massive 206% rise in its profit after tax (PAT) for the quarter ended June 2022 at ₹1,555.49 crore against ₹507.94 crore during the year-ago quarter. BNS

US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

FALLING PRICES for gas, airline tickets and clothes helped give Americans a slight break from the pain of high inflation last month, though overall price increases slowed only modestly from a four-decade high that was reached in June.

Consumer prices jumped 8.5 per cent in July as against a year earlier, the government said Wednesday, down from a 9.1 per cent year-over-year rise in June.

On a monthly basis, prices were unchanged from June to July, the smallest such rise in more than two years. Much of the relief last month was felt by travelers: Hotel room costs fell 2.7 per cent from June to July, airlines nearly 8 per cent and rental car prices a whopping 9.5 per cent.

Last month's declines in travel-related prices helped lower so-called core inflation, a measure that excludes the volatile food and energy categories to provide a clearer picture of underlying inflation. Core prices rose just 0.3 per cent from June, the smallest month-to-month increase since March.

And compared with a year ago,

core inflation amounted to 5.9 per cent in July, the same year-over-year increase as in June.

All told, the July figures raised hope that inflation may have peaked after over a year of relentless increases. Still, core prices have slowed the recent pace only to re-accelerate in subsequent months.

FEARS OF FORCED TWITTER DEAL

Musk sells \$6.9-bn worth Tesla stocks

San Francisco: Tesla Inc chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal to close 'and' some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

Shares of the micrologging site rose 3.5 per cent to \$44.35 in early trading, but were still significantly below Musk's offer price of \$54.20 per share. Musk in early July tore up his April 25 pact to buy Twitter for \$44 billion. REUTERS

Oil up, bond yields tumble

New York: Oil prices rose Wednesday as a lower-than-expected US inflation figure drove investors to riskier assets. As of 17:46 GMT, Brent rose 0.8 cents, or 0.7%, to \$96.99 and US WTI 83 cents, or 0.5%, to \$91.33.

Meanwhile, the yield on the two-year US Treasury fell to 3.14% from 3.27% late Tuesday and the 10-year yield to 2.76% from 2.78%.

Wall Street, however, shrug, with the S&P 500 rising 1.5%, the Nasdaq composite index by 2.5%, and the Dow Jones Industrial Average by 1.4%, as of 1:34 p.m. ET. Bitcoin rose 3.3% to top \$24,000. REUTERS & AP

Elon Musk

San Francisco: Tesla Inc chief executive Elon Musk sold \$6.9 billion worth of shares in the electric vehicle maker, saying the funds could be used to finance a potential Twitter deal if he loses a legal battle with the social media platform.

"In the (hopefully unlikely) event that Twitter forces this deal to close 'and' some equity partners don't come through, it is important to avoid an emergency sale of Tesla stock," he said in a tweet late on Tuesday.

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Two new Galaxy phones in Samsung's foldable offerings

SHRUTI DHAPOLA
BENGALURU, AUGUST 10

SAMSUNG HAS expanded its foldable phone lineup with two new devices launched in Seoul, South

17 ECONOMY

SENSEX: 58,817.29 ▼ 35.78 (-0.06%) NIFTY: 17,334.75 ▲ 9.65 (0.06%) NIKKEI: 27,819.33 ▼ 180.63 HANG SENG: 19,610.84 ▼ 392.60 FTSE: 7,491.39 ▲ 3.24 DAX: 13,558.47 ▲ 23.50

GOLD	RUPEE	OIL	SILVER
₹52,811	₹79.51/USD	\$96.65	\$58,985

SECTOR WATCH CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

SOURMYARENDRA BARIK
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first big tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and mom-and-pop stores in some parts of the country to access processes and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

The US software giant intends to introduce social e-commerce — group buying experience — in the Indian market, which would include a shopping app for Indian consumers along with their social circle, harnessing the ONDC network to discover the best pricing among retailers and sellers.

Microsoft coming on board ONDC means that the government-backed project gets its first international marquee name

supply chain like buying, selling and logistics services.

How does ONDC work?

The ONDC platform lies in the middle of the interfaces hosting the buyers and the sellers. So far, the buyer side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like Coforge, etc. When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the products. The ONDC platform has listed that particular item. On the ONDC, there will be several other backend partners such as logistics service providers, enterprise resource planners, e-commerce store hosting service providers, etc.

What issues will it solve?

An ONDC strategy paper published earlier this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investment required to build competitors to the integrated solutions offered by the big players has become an entry barrier for digital marketplace. It also flagged the inability of marketplace sellers to move out of the platform ecosystem given that the value created by these small players is stored with the larger platform. With this in mind, ONDC eyes transforming the marketplace ecosystem from an operator-driven platform-centric model to a facilitated, open, interoperable, decentralised network.

Full report on www.indianexpress.com

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUG 10

AIMING TO curb rising malpractices in the digital lending ecosystem, the Reserve Bank of India (RBI) on Wednesday issued guidelines for entities engaged in digital lending, with the norms stating that all digital loans must be disbursed and repaid through bank accounts of regulated entities only, without passing through lending service providers (LSPs) or other third parties.

The norms follow the recommendations of a working group for digital lending, whose report was made public last November. "The concerns primarily relate to unbridled engagement of third parties, mis-selling, breach of data privacy, unfair business conduct, charging of exorbitant interest rates, and unethical recovery practices," the central bank said in the final guidelines.

WORKING GROUP
RECOMMENDATIONS



The norms issued on Wednesday by the Reserve Bank follow the recommendations of a working group for digital lending, whose report was made public last November.

The regulator classified digital lenders into three categories: entities regulated by the RBI and permitted to carry out lending

business, entities authorised to carry out lending as per other statutory or regulatory provisions but not regulated by the RBI, and entities lending outside the purview of any statutory or regulatory provisions.

The latest regulatory framework is focused on the digital lending ecosystem of RBI's regulated entities (REs) and the LSPs engaged by them to extend credit facilitation services. As for entities falling in the second category, the respective regulator may consider formulating rules on digital lending, based on the recommendations of the working group, the RBI said. For entities in the third category, the working group has suggested specific legislative and institutional interventions for consideration by the government to curb illegitimate lending.

Apart from direct disbursements and repayments of digital loans, the norms mandate that any fees

or charges payable to LSPs in the credit intermediation process shall be paid directly by the RE and not by the borrower.

A standardised key fact statement (KFS) must be provided to the borrowers before processing the loan contract. The all-inclusive cost of digital loans in the form of annual percentage rate (APR) will have to be disclosed to borrowers. The APR shall also form part of KFS. Automatic increases in credit limit without the explicit consent of borrowers has been prohibited. The loan contract must provide for a cooling-off or look-up period during which borrowers can exit digital loans by paying the principal and the proportionate APR without any penalty.

All digital lending products extended by REs over merchant platforms involving short term credit or deferred payments must also be reported to credit bureaus by the REs. WITHFE

Capex push: ₹1.16L-cr in two instalments released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE on Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling ₹1.16 lakh crore with an aim to increase capital and developmental expenditure.

"This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to ₹13,16,622.75 crore on 10th August, 2022, as against normal monthly devolution of ₹5,332.85 crore," a Finance Ministry statement said.

The Centre had, in January, released an advance instalment of tax devolution to state governments amounting to ₹47,541 crore in addition to the regular devolution for the month, taking the total release amount to ₹5,30,002 crore. It had advanced the payment of an instalment of tax devolution of ₹47,541 crore in November 2021 also.

At present, 41 per cent of tax collected is devolved in 14 instalments during a financial year.

The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compounded rate of 14 per cent from the base year 2015-16 for

EASING PRESSURE

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losses arising due to implementation of the taxation regime, for five years since its rollout. This came to an end on June 30.

Experts said that given the higher-than-anticipated non-exercise tax revenues, tax devolution to states is expected to overshoot the budget estimates.

"Presuming that the amount devolved in July 2022 was half of the August 2022 figure, as the latter has been pegged at two monthly instalments, implies that a total of ₹3,18,175 has been devolved in the first five months of FY2023, which is equivalent to 39% of the BE. We anticipate that central tax devolution will need to be as large as ₹5,93,175 in FY2023, overshooting the FY2023 Budget Estimates, led by an expected upside in non-exercise tax revenues," Aditi Nayyar, chief economist, ICRA said.

Given that capital spending and projects involve a considerable lead time, Nayyar said, an early reassessment of the monthly amounts being shared with the states will help enable them to boost their capital spending. "In FY2022, a large part of the upside in tax devolution was backdated to Q4, which ended up reducing state government borrowings in that quarter but did not translate to higher spending," she said.

'PE/VC investments plummet 69% in July to \$3 billion'

Investments by private equity and venture capital (PE/VC) funds into Indian entities fell by 69% to \$3 billion during July, a report by IVC and EY said

SLOWDOWN IN DEALMAKING ACTIVITY can be the result of global headwinds like recession and high interest rates in the developed world

ABSENCE OF LARGE DEALS was a cause for the shortfall, with

Buyouts — the only segment that recorded a growth — was the best performing deal type in July at \$1.6 billion across 9 deals, as against \$1.1 billion in July 2021 across 9 deals

40% Share of pure-play PE/VC investments (excluding real estate and infrastructure sectors) within total investments, compared to 50% in July 2021 and 82% in June 2022

just six such deals of over \$100 million aggregating to \$2.2 billion

LOWEST INVESTMENTS FOR ANY MONTH in year were seen in July, which were also lower than the \$4.9 billion recorded across 118 deals in June

Largest deal in July saw Edelweiss Infrastructure Yield Plus fund buy eight road assets of LAT for \$886 million

Source: IVC & EY/PTI

76% Fall seen in investments into start-ups — which had given a total of \$820 million investing landscape in last 18 months — to \$820 million

74 PE/VC DEALS RECORDED LAST MONTH, AGAINST 134 DEALS IN THE YEAR-AGO PERIOD

Source: IVC & EY/PTI

INPUTS FROM ENTERPRISES WITH NET WORTH OF AT LEAST ₹100 CR Pvt 5G: DoT invites cos for study

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MUMBAI, AUGUST 10

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BRIEFLY

Bank credit up

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US inflation slows from a 40-year peak but remains high

ASSOCIATED PRESS
WASHINGTON, AUGUST 10

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FEARS OF FORCED TWITTER DEAL

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Elon Musk AP/PTI

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Two new Galaxy phones in Samsung's foldable offerings

SHRUTI DHAPOLA
BENGALURU, AUGUST 10

SAMSUNG has expanded its foldable phone lineup with two new devices launched in Seoul, South Korea: the Galaxy Z Fold 4 — which can open into a nearly tablet-size display — and the Galaxy Z Flip 4 with its iconic 'flip' design are likely to further cement Samsung's dominant position in the foldable segment.

"Throughout unwavering focus and industry leadership, excitement for the foldables continues to grow. We've successfully transformed this category from a radical project to a mainstream device lineup enjoyed by millions worldwide," TM Roh, president and head of Mobile Experience Business at Samsung Electronics, said.

Both phones come with var-

The Galaxy Z Fold 4 and the Galaxy Z Flip 4 were launched in Seoul

ious improvements over the previous generation, including the latest Qualcomm flagship processor, better cameras and battery life for users. Samsung has also improved multitasking on these phones.

Nearly 10 million foldable phones were shipped globally in 2021 and the South Korean player has a majority of the market. While players like Huawei, Oppo and Vivo have released foldable devices in the China market, these are not being sold globally, keeping Samsung's dominance in this segment unchallenged. Full report on www.indianexpress.com

MPSEZ UTILITIES LIMITED

PUBLIC NOTICE

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of Petition No. 2133 / 2022, filed before the Hon'ble Gujarat Electricity Regulatory Commission for seeking approval of the Power Purchase Quantum and deviations from the Model Bidding documents, as per the Ministry of Power guidelines dated 06.03.2019, for Procurement of 600 MW Power under Long Term from Power Stations set up on Design, Build, Finance, Own & Operate (DBFOO) basis by MPSEZ Utilities Limited (MUL), Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421.

PETITIONER

- Pursuant to Hon'ble GERC directive vide daily order dated 08.08.2022, it is hereby notified that the persons who are interested in filing their views / comments / suggestions / objections to the above Petition may file the same with The Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road 5-C, Zone 5, GIFT CITY, Gandhinagar - 382355 with the documents on which they want to rely upon, five sets, duly supported by an affidavit within 15 days from this publication and also indicate whether they want to be heard in person. One copy of such submission is required to be sent at the below mentioned address of registered office of MPSEZ Utilities Limited. It is also to be noted that the date of hearing in this matter is scheduled by the Hon'ble Commission on 07.09.2022 at 11.30 A.M.
- For reference of those who are interested, copy of the Petition is available for inspection at the office of MPSEZ Utilities Limited, 2nd Floor, Adani House, MPSEZ, Navina Island Near Dhrub, Munda, Kutch - 370421.
- The electronic copy of the above mentioned Petition is available at the website www.adaniports.com

For MPSEZ Utilities Limited
Sd/-
Director

Regd Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382 421 (GUJARAT) India
Tel. No: +91 79 2555 7334. Fax No: +91 79 2555 6099

SENSEX: 58,817.29 ▲ 35.78 (+0.06%) NIFTY: 17,534.75 ▲ 96.5 (0.06%) NIKKEI: 27,819.33 ▲ 180.63 HANG SENG: 19,610.84 ▼ 392.60 FTSE: 7,491.39 ▲ 3.24 DAX: 13,558.47 ▲ 23.50



SECTOR WATCH CONSUMER INTERNET

Microsoft's ONDC bet: Eye on social e-commerce foray & better pricing

SOUMYARENDRA BARKI
NEW DELHI, AUGUST 10

MICROSOFT HAS become the first big tech company to join the Open Network for Digital Commerce (ONDC), a government-backed project aimed at enabling small merchants and mom-and-pop stores in some parts of the country to access processes and technologies that are typically deployed by large e-commerce platforms such as Amazon and Flipkart.

The US software giant intends to introduce social e-commerce — group buying experience — in the Indian market, which would include a shopping app for Indian consumers along with their social circle, harnessing the ONDC network to discover the best pricing among retailers and sellers.

What is ONDC? It is an initiative aimed at promoting open networks for all aspects of exchange of goods and services over digital or electronic networks. ONDC is to be based on open-source methodology, using open protocols and open network protocols independent of any specific platform. It is being developed as a counter to the current duopoly in the Indian e-commerce market, which is largely dominated by Amazon and Walmart-owned Flipkart. In May, the Department for Promotion of Industry and Internal Trade (DPIIT) went live with ONDC with a test run in cities like Delhi-NCR, Bengaluru, Coimbatore, Bhopal, and Shillong where it plans to onboard 150 sellers.

What does Microsoft joining the platform mean and why else is there on board? Microsoft's joining the ONDC project means the platform gets its first international unique name ahead of its Bengaluru launch. Many participants are currently live on the ONDC network, offering a number of services in the e-commerce

Microsoft coming on board ONDC means that the government-backed project gets its first international marquee name

supply chain like buying, selling and logistics services.

How does ONDC work? The ONDC platform is in the middle of the interfaces hosting the buyers and the sellers. So far, the larger side interface is being hosted by Paytm, whereas the seller side interface is being hosted by players like Cofinlog, etc.

When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the sellers that have listed that particular item.

On the ONDC, there will be several other backend partners such as logistics service providers, enterprise source planners, e-commerce service providers, etc. When a buyer searches for an item on the Paytm app, for where ONDC has gone live, the app will connect to the ONDC platform, which will connect it to seller side interfaces that will list all the sellers that have listed that particular item.

What issues will it solve? An ONDC strategy paper published earlier this year flagged the rising dominance of global players in India's e-commerce ecosystem, pointing out that the large quantum of investments required to build competitors to the integrated solutions offered by the big players has become an entry barrier for digital marketplace players. It also flagged the inability of marketplace sellers to move out of the platform ecosystem given that the value created by these small players is stored within the larger platform. With the ONDC, the ONDC ecosystem is an open, interoperable, platform-agnostic model to facilitate digital marketplace decentralised network.

Full report on www.indianexpress.com

RESERVE BANK ISSUES GUIDELINES TO CURB MALPRACTICES

Digital lending norms: Direct credit to a/c, sans third party

ENS ECONOMIC BUREAU
MUMBAI/NEW DELHI, AUGUST 10

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Source: IVCAs to EY/PTI

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WORKING GROUP RECOMMENDATIONS

The norms issued on Wednesday by the Reserve Bank follow the recommendations of a working group for digital lending, whose report was made public last November

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Capex push: ₹1.16L-cr in two instalments released to states

Advance instalment along with monthly tax devolution from Centre

ENS ECONOMIC BUREAU
NEW DELHI, AUGUST 10

THE CENTRE on Wednesday released an advance instalment in addition to the regular monthly instalment of tax devolution to states totalling Rs 1.16 lakh crore with an aim to increase capital and developmental expenditure.

This is in line with the commitment of the government to strengthen the hands of states to accelerate their capital and developmental expenditure. The Union Government has released two instalments of tax devolution to state governments amounting to Rs 1.16,665.75 crore on 10th August, 2022, as against normal monthly devolution of Rs 58,332.86 crore. "A credit of deferred payments must also be reported to credit bureaus by the KES. WITH PE

At present, 41 per cent of tax collected is devolved in 14 instalments during a financial year. The advance release of the tax devolution amount to states is expected to ease fiscal pressure of states and incentivise them for extra spending, especially after the end of the compensation mechanism under the Goods and Services Tax (GST) regime, an official said. As per the GST (Compensation to States) Act, 2017, the states were guaranteed compensation at the compound rate of 14 per cent from the base year 2015-16 for

losses arising due to implementation of the taxation regime, for five years since its rollout. This came to an end on June 30. Experts said that given the higher-than-anticipated non-tax revenue, tax devolution to states is expected to over-shoot the budget estimates.