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Economy

India will be shielded from risks of global slowdown: World Bank President

Amidst risk of a global slowdown in the early part of next year, India is expected to remain shielded from its effects due to robust domestic consumption, World Bank President Ajay Banga said in New Delhi on Wednesday. "The outlook for the world economy is better than expectations, but there is more risk on the downside in terms of a slowdown in the early part of next year. Since India gets a lot of its gross domestic product from domestic consumption, even if the world were to slow down for a few months, India has a natural cushion against (it)," Banga, who is on his first visit to India, told the media following his meeting with Finance Minister Nirmala Sitharaman.

https://www.business-standard.com/economy/news/india-has-a-natural-cushion-against-global-slowdown-world-bank-chief-123071900900_1.html

Over 50% households in 12 Indian States have inadequate housing, finds NITI Aayog report

In 12 States, a majority of households are still deprived of housing. This includes big States such as Uttar Pradesh, Madhya Pradesh, and Jharkhand. This is according to the recent NITI Aayog report titled "National Multidimensional Poverty Index: A progress review 2023." According to the report, a household is considered deprived of housing if it "has inadequate housing: the floor is made of natural materials, or the roof or wall are made of rudimentary materials."

<https://www.thehindubusinessline.com/data-stories/data-focus/over-50-households-in-12-indian-states-have-inadequate-housing-finds-niti-aayog-report/article67097816.ece>

Data protection bill: Govt mulls exempting startups from data sharing rules

The Centre could exempt some Indian start-ups from provisions of the Personal Data Protection Bill relating to the usage and purpose of data collected from citizens, at its discretion, The Financial Express (FE) reported on Wednesday. This implies that startups could be exempted from collecting the absolute minimum data required for any purpose and limiting its usage to the intended purpose. Only government-notified data fiduciaries and data processing entities will be exempted when it comes to data collection and data sharing, according to the report.

https://www.business-standard.com/india-news/data-protection-bill-govt-mulls-exempting-startups-from-data-sharing-rules-123071900312_1.html

DBS revises India's inflation forecast upwards to 5.2% from 4.8% earlier on food price rise

DBS research on Wednesday said that it has revised India's inflation to 5.2 per cent for FY24 as compared to 4.8 per cent earlier due to concerns in certain areas including perishables like vegetables, pulses and foodgrains. DBS said the overall situation is expected to be manageable due to adequate reservoir and groundwater levels which will influence the winter crop. In addition to this, pre-emptive supply-side price management steps including redistribution of inter-state supplies, stepping up imports or export bans to boost domestic stocks, supporting better crop yields, containing hoarders will also help.

<https://economictimes.indiatimes.com/news/economy/indicators/dbs-revises-indias-inflation-forecast-upwards-to-5-2-from-4-8-earlier-on-food-price-rise/articleshow/101924003.cms>

No big reforms seen till LS polls, rains may weigh on prices: S&P

India is unlikely to embark on any major new reforms till the 2024 elections, but momentum could pick up if the next government comes with a strong mandate, S&P Global Ratings said Wednesday. The central government will be able to meet its fiscal deficit target, but the country faces the risk of rising prices due to uneven monsoons. "Regarding the elections in India, our expectation is that major new reforms in the country are probably unlikely right up to the election cycle and until the 2024 elections are over," Andrew Wood, Director, Asia Pacific Sovereign Ratings, S&P Global Ratings, said during a webinar. "After that, reform momentum could pick up if there is a strong mandate for the next government."

<https://economictimes.indiatimes.com/news/economy/indicators/no-big-reforms-seen-till-ls-polls-rains-may-weigh-on-prices-sp/articleshow/101967068.cms>

Indian jobseekers value flexibility over salary, finds Indeed survey

Work flexibility is the most crucial parameter for Indian jobseekers, much more than compensation and benefits, according to a survey by global job site Indeed. As per the survey, 71 per cent of jobseekers chose flexibility as the top parameter. This includes ability to work from home, set your own hours, and take breaks as needed.

https://www.business-standard.com/economy/news/indian-jobseekers-value-flexibility-over-salary-finds-indeed-survey-123071900639_1.html

Banking and Finance

India may achieve fiscal deficit aim despite threats from disinvestment and weather hindrances

India's chances of missing the budget deficit target for this fiscal year is very slim at the moment despite weather hindrances, divestment revenue risks and meek corporate tax collections, thanks to support from the central bank, economists said. "The government has clearly got a much better dividend from the Reserve Bank of India," Upasna Bhardwaj, Senior Economist, Kotak Mahindra Bank, told ET Online. There may be some amount of change happening because of probable downsizing on the nominal GDP growth that we expect compared to what the government is expecting. But having said that, there is a buffer at the moment from the dividend that the government has received from the RBI," she added.

<https://economictimes.indiatimes.com/news/economy/policy/india-to-stick-to-fiscal-prudence-despite-threats-from-disinvestment-and-weather-hindrances/articleshow/101927983.cms>

Industry

Professionals registered on MCA21 portal to have single ID

The government has started the process for deactivating multiple login IDs that are in the name of a single company secretary, chartered accountant or cost accountant on the MCA21 portal, which is the platform for submitting statutory filings under the companies and LLP laws. In this regard, the corporate affairs ministry has issued a circular and professionals, who are having multiple IDs, need to get approval from their respective apex institutes for deactivating the IDs so that there is only one ID for one user, according to officials. Professionals refer to company secretaries, chartered accountants and cost accountants. The move comes as Version 3 (V3) of the portal is being operationalised. Under V3, a professional can have only one login ID whereas in V2, multiple IDs were allowed.

<https://economictimes.indiatimes.com/news/economy/policy/professionals-registered-on-mca21-portal-to-have-single-id/articleshow/101953330.cms>

Re-auction of PLI for batteries soon

The Centre will soon re-auction performance linked incentives (PLI) for 20 GW advanced chemistry cell (ACC) battery manufacturing, said officials. Incentives of an estimated ₹7,240 crore will be offered in the new bids, they said. This capacity was initially allocated to Hyundai Global Motors, a company which was found to be impersonating South Korea's Hyundai Motor Co. These sops are being offered under the ₹18,100 crore PLI scheme for ACC. The incentives on offer will be disbursed over a five-year period on sale of batteries manufactured in India. Ola Electric Mobility, Rajesh Exports and Reliance New Energy Solar are the three other companies that were awarded PLI benefits for ACC battery manufacturing last year. "Their plans are largely on track," a senior government official told ET on condition of anonymity.

<https://economictimes.indiatimes.com/news/economy/policy/re-auction-of-qli-for-batteries-soon/articleshow/101966884.cms>

Piyush Goyal discusses roadmap to achieve USD 250 bn textiles production by 2030

Union Minister Piyush Goyal on Wednesday discussed the roadmap to achieve the target of USD 250 billion domestic textiles production and USD 100 billion exports by 2030. The Minister for Textiles, Consumer Affairs, Food and Public Distribution and Commerce and Industry highlighted the need for collective commitment to position India in the global market. "While interacting with the officers and staff during the Chintan Shivir organized by the Ministry of Textiles, Goyal emphasized on a holistic approach towards making the textiles sector more vibrant so as to prepare to take on global competition.

<https://economictimes.indiatimes.com/industry/cons-products/garments-/textiles/piyush-goyal-discusses-roadmap-to-achieve-usd-250-bn-textiles-production-by-2030/articleshow/101966295.cms>

Retailers see moderate growth of 7% in June: Retailers Association of India

Ahead of the critical festival season months, retailers in the country clocked a modest growth in sales in June. As per the latest survey findings released by Retailers Association of India, retailers clocked a growth of 7 per cent in June 2023 over June 2022. This growth was led by south India. Sales growth levels in the retail sector have been hovering at 6-7 per cent since March as per the previous editions of the Retail Business Survey of the industry body.

<https://www.thehindubusinessline.com/economy/retailers-see-moderate-growth-of-7-in-june-retailers-association-of-india/article67097139.ece>

FMCG firms line up Rs 17,200 crore in capex

Some of the country's top consumer goods companies including names such as Nestle, Mondelez, ITC, Hindustan Unilever (HUL), Britannia, Tata Consumer and Procter & Gamble (P&G) have lined up investments to the tune of Rs 17,200 crore over the next few years, as they look to ramp up operations in India. The total amount has been collated based on announcements these firms have made in the last few months, coming at a time when the domestic fast-moving consumer goods (FMCG) market is expected to revive.

<https://www.financialexpress.com/industry/fmcg-firms-line-up-rs-17200-crore-in-capex/3178666/>

Electric vehicles overtake diesel for first time in EU

Sales of new electric battery vehicles overtook diesel car purchases in Europe for the first time last month but activity is far from pre-pandemic levels, a lobby group said on Wednesday. In June, the market share for cars running on electric batteries rose to 15.1%, according to the European Automobile Manufacturers' Association (ACEA), with more than 158,000 units sold in the EU. Most EU markets recorded double or even triple-digit percentage gains, with heavyweights Germany, France and the Netherlands all posting increases of more than 50%. Petrol remained the new car fuel type with the largest market share at 36.3%, while hybrid electric vehicles were second at 24.3%.

<https://economictimes.indiatimes.com/industry/renewables/electric-vehicles-overtake-diesel-for-first-time-in-eu/articleshow/101966234.cms>

Smartphone market shows revival signs in 2nd quarter

The Indian smartphone market showed signs of a recovery in the second quarter despite shipment volume falling 1% year on year - the fourth consecutive quarter of decline - as it grew 18% sequentially to 36.1 million units, Canalys said on Wednesday. The market tracker predicted a more favourable demand environment in the second half buoyed by improved consumer spending and festive demand. India hosting the Cricket World Cup in October could be a catalyst with mobile service providers looking to greatly expand the reach of their 5G services by then and smartphone brands expected to roll out affordable 5G handsets.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/smartphone-market-shows-revival-signs-in-2nd-quarter/articleshow/101967099.cms>

Consumer deal activity almost halves during January-June period

Deal activity in the retail and consumer sector has slumped in recent months as investors have turned cautious amid high inflation and other uncertainties in the market, a Grant Thornton Bharat report has said. The number of deals through mergers and acquisitions and private equity funding in this sector almost halved to 150 during January-June

from 297 a year earlier while the drop in value was even higher - 61% - at \$2.8 billion against \$7 billion in the absence of big-ticket investments, said the report shared exclusively with ET.

<https://economictimes.indiatimes.com/news/company/corporate-trends/consumer-deal-activity-almost-halves-during-january-june-period/articleshow/101967266.cms>

Agriculture

Govt hikes cap on OMSS rice auction, wheat offtake rises to 60%

The fourth round of e-auction, as part of the Centre's Open Market Sale Scheme (OMSS) to tame rising foodgrain prices, witnessed sales of nearly 60 per cent of the 1.84 lakh tonnes (lt) of wheat on offer on Wednesday, despite traders being kept out of the process. This was against the 42 per cent purchase recorded in the previous round. However, as rice offtake further slipped to just 10 tonnes, the government has raised the upper limit from 100 tonnes per entity in a State to 1,000 tonnes per region for each buyer from next round. But, there is no change in the reserve price as was speculated. In last the round, 290 tonnes of rice got sold.

<https://www.thehindubusinessline.com/economy/agri-business/govt-hikes-cap-on-omss-rice-auction-wheat-offtake-rises-to-60/article67098546.ece>

Industry bats for separate branding of biofortified foods

As the global market of biofortification is projected to reach \$217.21 million by 2030 from the current \$100.84 million (in 2022), the government is seeking the private sector's help to popularise the access to nutrient-rich crops. The industry wants separate branding of biofortified foods, similar to what has been done for "organic" products. Addressing a conference on "Strengthening Food Systems for Nutrient-Rich Crops", organised by the industry chamber, FICCI, in New Delhi, Maninder Kaur Dwivedi, additional secretary in the Agriculture Ministry, on Wednesday said there is a need to popularise access to nutrient-rich crops. "It is the corporates and industry which can turn nutrient-rich crops into more varieties of ready-to-eat foods that are palatable, acceptable in line with the evolving global taste," Dwivedi said.

<https://www.thehindubusinessline.com/economy/agri-business/industry-bats-for-separate-branding-of-biofortified-foods/article67097611.ece>

Infrastructure

Shipping industry likely to sustain performance in FY24, may see moderation in margins: Report

The domestic shipping industry is projected to sustain its performance in the current fiscal, albeit with some moderation in operating margins, CareEdge Ratings said in its report on Wednesday. The outlook for the Indian shipping industry is stable, primarily because the mid-size tanker (both crude and product) and dry Bulk segments account for the majority of vessel capacities, it said. These segments are anticipated to fare well in the overall shipping industry, it said. The Indian shipping fleet is primarily dominated by crude and product tankers, accounting for the majority of the overall capacity at 57 per cent. While dry bulk carriers account for 16 per cent of the total fleet, the container vessels share stands at 5 per cent, as per the rating agency.

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/shipping-industry-likely-to-sustain-performance-in-fy24-may-see-moderation-in-margins-report/articleshow/101961763.cms>

Demand for luxury housing doubled over the past five years: DLF in annual report

Demand for premium and luxury housing has doubled over the past five years, while the housing industry has witnessed a steady rise in the market share of reputable and larger players, said DLF in its FY 2022-23 annual report. "This trend is primarily influenced by heightened consumer confidence in these brands, substantial improvements in their financial positions, and their ability to deliver high-quality, secure, and sustainable ecosystems over the years," DLF chairman Rajiv Singh said in the company's annual report.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/demand-for-luxury-housing-doubled-over-the-past-five-years-dlf-in-annual-report/articleshow/101952883.cms>

Energy

Coal Ministry extends last date for registration under Star Rating policy

The last date for registration of coal and lignite mines under Star Rating programme has been extended until July 25, an official statement said. The government's Star Rating policy aims to evaluate mines based on various factors across seven key parameters namely, mining operations, environment-related parameters, adoption of technologies, best mining practices, economic performance, rehabilitation & resettlement, worker-related compliance and safety & security. "Extended the last date for registration and self-evaluation for Star Rating of coal and lignite mines from 15th July to 25th July 2023, In an effort to facilitate greater participation and ensure accurate self-evaluation," the Ministry of Coal said in a statement.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/coal-ministry-extends-last-date-for-registration-under-star-rating-policy/articleshow/101950607.cms>

India's power demand growth to slip in 2023 & 2024 from the high recorded in 2022

The rate of growth of power demand in India, which clocked an impressive 8.4 per cent y-o-y in last calendar year, is expected to decline to 6.8 per cent and 6.1 per cent in 2023 and 2024, respectively. According to the latest report by the International Energy Agency (IEA), the strong post-pandemic recovery, combined with intense heat waves, drove electricity demand up by 8.4 per cent in 2022.

<https://www.thehindubusinessline.com/economy/indias-power-demand-growth-to-slip-in-2023-2024-from-the-high-recorded-in-2022/article67098273.ece>

Healthcare

Health Ministry moots Centre or state bodies be empowered to regulate drugs, cosmetics manufacture

The Union Health Ministry has mooted that either the Centre or state authorities be empowered to regulate the manufacture of drugs and cosmetics, changing its earlier proposal of allowing only the Central Drugs Standard Control Organisation (CDSCO) to do so. As of now, all manufacturing activities relating to drugs and cosmetics are regulated by only the state governments through their drug control organisations, official sources told PTI. The draft bill also mentions that the Central government may regulate, restrict or prohibit selling, stocking, exhibiting or offering sale or distribution of any drug online by notification. The latest draft of the New Drugs, Medical Devices and Cosmetics Bill, 2023, which seeks to replace the Drugs and Cosmetics Act of 1940, is yet to be approved by the Cabinet.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/health-ministry-moots-centre-or-state-bodies-be-empowered-to-regulate-drugs-cosmetics-manufacture/articleshow/101932174.cms>

Govt moots single regulatory portal for drugs

The Health Ministry is planning a unified portal for digital drug regulatory mechanism. The portal will include the details of stakeholders, such as manufacturers, distributors, and procurement agencies, among others.

<https://www.thehindubusinessline.com/economy/govt-moots-single-regulatory-portal-for-drugs/article67098370.ece>

Docs asked to suggest alternatives to pholcodine-containing cough syrups

The drug regulator has issued an advisory asking doctors to advise patients to stop taking suppressant pholcodine-containing cough syrups immediately and suggest alternatives, amid concerns that it can trigger life-threatening allergic reactions in people who have to go for general anaesthesia before surgery. Doctors have also been advised to verify if the patients scheduled to take general anaesthetics-containing neuromuscular blocking agents have taken pholcodine-containing cough and cold remedies in the previous 12 months, and also be aware of anaphylactic reactions in such patients.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/docs-asked-to-suggest-alternatives-to-pholcodine-containing-cough-syrups/articleshow/101967296.cms>

External

Oilmeal exports down 35 per cent last month; 19 per cent higher in April-June: SEA

Oilmeal exports fell 35 per cent in June to 2,80,001 tonne, mainly due to lower demand of rapeseed meals from overseas, according to trade body SEA. Exports of oilmeals stood at 4,29,616 tonne in the same month last year. However, the overall exports of oilmeals rose 19 per cent to 12,10,045 tonne during April-June from 10,16,031 tonne in the corresponding period of the previous year. In the first quarter of 2023-24, export of soybean meal rose to 3,64,611 tonne compared to 75,454 tonne in the year-ago period.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/oilmeal-exports-down-35-per-cent-last-month-19-per-cent-higher-in-april-june-sea/articleshow/101948146.cms>

India's imports of sunflower oil to fall as Black Sea grain deal expires

India's imports of sunflower oil are likely to fall in the coming months as it becomes uncompetitive against rival oils due to rising prices after Russia withdrew from the Black Sea grain deal, industry officials told Reuters. The drop in sunflower oil imports would force the world's biggest buyer of vegetable oils to increase purchases of palm oil and soybean oil to compensate. A year-long deal allowing the safe Black Sea export of Ukraine's grain expired on Monday after Russia quit and warned it could not guarantee the safety of ships, in a move the United Nations said would "strike a blow to people in need everywhere".

https://www.business-standard.com/india-news/india-s-imports-of-sunflower-oil-to-fall-as-black-sea-grain-deal-expires-123071900421_1.html

Japan has immense opportunities for Indian apparel exporters: AEPC

Decline in Chinese garment exports to Japan provides an immense opportunity for the Indian apparel industry to boost shipments to the island nation, AEPC said on Wednesday. The Apparel Export Promotion Council (AEPC) said a strong Indian garment industry with its unique offerings has a huge scope for Japanese trading companies to source from India. Members of the council are participating in the 12th edition of the India Tex Trends Fair in Tokyo.

<https://www.thehindubusinessline.com/economy/japan-has-immense-opportunities-for-indian-apparel-exporters-aepc/article67096894.ece>

US at WTO: India allows GM cotton, mustard at home but blocks imports

The US has raised concerns at India's approval for environmental release of genetically modified (GM) mustard and the "routine cultivation" of GM cotton by Indian farmers even as New Delhi mandates a non-GMO and GM-free status certificate from exporting countries for 24 food products, including apples, wheat, rice, tomato and potato. In a submission to the WTO on Tuesday, it asked India to revoke the measure. "The United States continues to request India immediately revoke this trade restrictive measure," it said.

<https://economictimes.indiatimes.com/news/economy/agriculture/us-at-wto-india-allows-gm-cotton-mustard-at-home-but-blocks-imports/articleshow/101967148.cms>

First year of FTA with UAE: India's fuel exports grow faster than non-fuel

A year after the free trade agreement (FTA) with the United Arab Emirates (UAE) kicked in, India's non-petroleum exports grew at a relatively slower pace than exports of refined petroleum products to the West Asian nation. Commerce and industry ministry data showed that non-oil exports witnessed a 3 per cent jump at \$22.95 billion, while the overall shipments to the UAE grew 9.5 per cent at \$30.98 billion during May 2022-April 2023.

https://www.business-standard.com/economy/news/first-year-of-fta-india-s-fuel-exports-grow-faster-than-non-fuel-to-uae-123071900915_1.html

India's Russian oil imports hit new high in June, but growth slows

India's imports of Russian oil edged up to an all-time high in June, though growing at the slowest pace since October, tanker data obtained from trade sources showed on Wednesday, signaling its appetite for Russian oil may have peaked. Refiners in India, the world's third-biggest importer of Russian oil, have been gorging on the raw material as it was sold at a discount after western nations shunned purchases from Moscow over its invasion of Ukraine. Russian oil has, however, started to lose its appeal to Indian refiners, as discounts are narrowing and problems cropped up in settling payments, forcing Indian refiners to scout for alternative sources in the Middle East.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/indias-russian-oil-imports-hit-new-high-in-june-but-growth-slows/articleshow/101973472.cms>

Indian, Russian officials discuss new initiatives to expand defence cooperation

Indian and Russian officials discussed ways to expand overall defence cooperation at a two-day meeting that concluded on Wednesday, the defence ministry said. The deliberations took place at the third meeting of the working group on military cooperation of the Indian-Russian intergovernmental commission on military and military-technical cooperation. "The discussions focused on extending the ongoing defence engagements between the two sides and mulled new initiatives under the ambit of the existing bilateral defence cooperation mechanism," the ministry said in a statement.

<https://economictimes.indiatimes.com/news/defence/indian-russian-officials-discuss-new-initiatives-to-expand-defence-cooperation/articleshow/101964088.cms>