



October 16, 2023 – Monday

Economy

Share of women in wage work declined to 15.9% in 2022-23, says PLFS

The quality of employment for women continues to deteriorate as their share in wage work fell for the fourth consecutive year during July 2022-June 2023, a Business Standard analysis found. The analysis was from the latest Periodic Labour Force Survey (PLFS), released by the National Statistical Office (NSO). At the national level, the share of women in regular wage work has declined sharply to 15.9 per cent in 2022-23, from 21.9 per cent in the pre-pandemic period of 2018-19.

https://www.business-standard.com/economy/news/quality-of-employment-for-women-severely-hit-in-the-past-4-years-plfs-123101500663_1.html

Need to keep eye on geopolitical situation: CEA V Anantha Nageswaran

Private investment is happening in India, and inflation is not a concern, but crude oil prices and tightening global monetary conditions pose a risk, said chief economic advisor (CEA) V Anantha Nageswaran. The geopolitical situation needs to be closely watched, he told ET on the sidelines of the International Monetary Fund (IMF) and World Bank meetings in Marrakech, Morocco. "At the moment, we do not see it (developments in West Asia) as something that causes an immediate and significant economic impact, but we will need to watch it closely," said Nageswaran. He said India's retail inflation is likely to be plus or minus 20 basis points of the Reserve Bank of India's 5.4% forecast for this financial year.

<https://economictimes.indiatimes.com/news/economy/policy/need-to-keep-eye-on-geopolitical-situation-cea-v-anantha-nageswaran/articleshow/104448707.cms>

India is in a good place but global economy is getting weaker, riskier: World Bank chief economist Indermit Gill

There is now a consensus that interest rates are going to be higher for longer, but there is less agreement about how much higher and how much longer, said Indermit Gill, chief economist, World Bank. In an interview with Deepshikha Sikarwar on the side lines of G20 finance ministers and central bank governors meeting in Marrakech, Morocco, he said governments will have a tough time managing. Edited excerpts:

<https://economictimes.indiatimes.com/news/economy/indicators/india-is-in-a-good-place-but-global-economy-is-getting-weaker-riskier-world-bank-chief-economist-indermit-gill/articleshow/104448956.cms>

Banking and Finance

PSU banks told to tighten loan risk assessment

The government has asked state-run banks to strengthen their loan risk assessment parameters after the Reserve Bank of India (RBI) flagged signs of stress in the retail loan segment. It has also asked them to focus on the acquisition of high-quality current and savings accounts. "Banks will carry out regular stress testing and adopt risk-based profitability models in all loan portfolios," said an official, who did not wish to be identified. The government nominees on the bank board will also ensure that such stress analysis reports are part of the agenda and are discussed in all relevant board meetings, the official said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/psu-banks-told-to-tighten-loan-risk-assessment/articleshow/104448969.cms>

PMJDY continues to grow, adding ₹30,000 crore to total balance in H1

The Pradhan Mantri Jan Dhan Yojana (PMJDY) continues to elicit an enthusiastic response even after crossing the milestone of over 50 crore beneficiaries. The total balance in the basic bank accounts of the Centre's flagship financial inclusion grew by about ₹30,000 crore in the first half of the current financial year to reach ₹2.05 lakh crore as of October 4, 2023, as against ₹1.75 lakh crore in the comparable period of FY23, as per the latest government data. The total number of beneficiaries increased by over 3.5 crore in the last one year, from 47 crore to 50.63 crore.

<https://www.thehindubusinessline.com/news/pmjdy-continues-to-grow-adding-30000-crore-to-total-balance-in-h1/article67423820.ece>

New cover story: 30% commission cap likely in credit life policies

Life insurance companies are close to agreeing to impose a 30% cap on commissions paid to corporate agencies, including banks and non-banking financial companies, for credit life policies, said people with knowledge of the matter. It comes as the industry reorients marketing practices following the regulator's decision to scrap product-wise caps and go for company-wise ones in the wake of insurers facing GST evasion charges. The matter has been discussed in Life Insurance Council meetings over the past few months, said two persons privy to the information. While the council has not sent a formal letter yet, talks are at an advanced stage to put in place self-regulation, they said.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/new-cover-story-30-commission-cap-likely-in-credit-life-policies/articleshow/104452130.cms>

Industry

New angel tax regime: No scrutiny of recognised startups, says CBDT

The Central Board of Direct Taxes (CBDT) has issued directives to tax officials that may prevent them from scrutinising funds raised by recognised start-ups under the new angel tax regime. In a recent communiqué to senior officials, the direct tax administration said that no verification would be done by any assessing officer if a start-up has been recognised by the Department for Promotion of Industry and Internal Trade (DPIIT) and the case is selected under scrutiny for pending angel tax assessment.

https://www.business-standard.com/economy/news/new-angel-tax-regime-no-scrutiny-of-recognised-startups-says-cbd-123101500815_1.html

Committee in PLI scheme approves Rs 1,000 cr disbursement to beneficiaries

The Empowered committee in PLI (production-linked incentive) scheme has approved Rs 1,000 crore disbursement to beneficiary firms of the electronics sector, a top government official said. The government disbursed Rs 2,900 crore till March 2023, out of claims worth Rs 3,400 crore received under the scheme, which aims at boosting domestic manufacturing, creating jobs and supporting exports. "In the recent meeting of the committee, Rs 1,000 crore disbursements were approved under the PLI scheme for the electronics sector. Actual disbursement to the beneficiary companies would take a few more days," the official said.

https://www.business-standard.com/economy/news/committee-in-pli-scheme-approves-rs-1-000-cr-disbursement-to-beneficiaries-123101500218_1.html

First semicon fab expected within a year, focus on components where India can lead: Vaishnav

The country's first electronic chip manufacturing plant is expected to be in place within a year, according to Union Telecom and IT Minister Aswhini Vaishnav. The government has initially earmarked USD 10 billion incentive for setting up a semiconductor manufacturing ecosystem in the country including a wafer fabrication plant. The wafer fabrication plants are the first building block of physical chips that are used in all high-tech electronic products.

"We are focussing on some niche area where we can take global leadership. Telecom and EV (electric vehicles) have emerged as a big segment for semiconductors. If we focus on developing and manufacturing chips used in these segments then we can become global leaders in these two segments," Vaishnav told PTI in an interview.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/first-semicon-fab-expected-within-a-year-focus-on-components-where-india-can-lead-vaishnav/articleshow/104445022.cms>

Consumer product makers bet big on discretionary spending recovery with start of Navratri and Durga Puja

With the festival season beginning with Navratri and Durga Puja, consumer product companies across categories are hopeful of a recovery in discretionary spending. Players in various sectors, including furniture, beauty, and white goods, are targeting high double-digit growth this festival season. Ashish Shah, Co-Founder and CEO of Pepperfry, the leading online furniture and home goods marketplace, said, "In the past few quarters, demand for discretionary categories has been subdued due to inflationary pressures, among other factors. But now we are really hoping that festival season demand trends will see a significant turnaround. So we are looking at 25–30 per cent growth in this festival season. Everyone who is in the discretionary category is hoping to see a respite."

<https://www.thehindubusinessline.com/companies/consumer-product-makers-bet-big-on-discretionary-spending-recovery-with-start-of-navratri-and-durga-puja/article67423615.ece>

Agriculture

Govt gives final warning to sugar sector stakeholders to disclose stocks by Oct 17

The government has given a final call to all legal entities engaged in sugar trade to declare their stocks on a food ministry website by October 17, and warned that strict action will be taken against those for violation. On September 23, the Food Ministry had issued an order directing all sugar stakeholders -- wholesalers, retailers, big chain retailers and processors -- to weekly update their stock position on its website. The Ministry, however, observed that many of the legal entities dealing with sugar trade/storage have "still not registered" themselves on the sugar stock management system. "Various instances have been reported to the Directorate of Sugar and Vegetable Oils, where many of these legal entities are having possession of a substantial quantity of unreported sugar stocks," the ministry said in a letter written to all stakeholders.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-gives-final-warning-to-sugar-sector-stakeholders-to-disclose-stocks-by-oct-17/articleshow/104441411.cms>

Infrastructure

Railway ministry generates Rs 67 lakh revenue from scrap disposal

Bringing the best out of waste, the Ministry of Railways earned around Rs 66.83 lakh by selling scrap till October 13 under its Special Campaign 3.0. According to the Ministry of Railways, during this campaign, special focus was given to scrap disposal in offices and workplaces and the target for freeing space of 3,18,504 sq. feet. Railway has set a target of 10,722 Cleanliness Campaigns to be conducted by October. To achieve these targets, more than 5,297 cleanliness campaigns have been conducted during the Campaign till October 13.

https://www.business-standard.com/industry/news/railway-ministry-generates-rs-67-lakh-revenue-from-scrap-disposal-123101500912_1.html

Improved industrial, commercial activity to boost toll collections in Q3

India's improving industrial and commercial activity aided by momentum in the manufacturing sector and backed by favourable demand will boost toll collections by highway operators during October-December. After largely muted growth in July 2023, logistics activity picked up during August and September and demand is expected to appreciate further in October-December aided by marriage and festival season purchases as well as uptick in mining and construction sectors. ICRA VP Ashish Modani told businessline: "E-way bills remained above 92 million for the second consecutive month in September 2023, on the back of higher economic activity. Improved economic activity also reflects in healthy traffic growth across most project stretches, and is expected to sustain in the coming quarters with the festival season kicking in. ICRA expects toll collection growth of 6-9 per cent in FY24, primarily supported by 4-5 per cent growth in traffic."

<https://www.thehindubusinessline.com/economy/logistics/improved-industrial-commercial-activity-to-boost-toll-collections-in-q3/article67411526.ece>

Energy

Aiming for enough power to aid 9-10% growth: RK Singh

Power minister RK Singh on Sunday said the ministry's aim is to provide enough electricity to power the country's growth even higher than the current levels. "Our mission is to provide electricity so that the Indian economy is able to grow at around 9- 10%" he said while addressing the foundation day of the Central Electricity Authority (CEA). The CEA is the planning cell of the power ministry. Singh said the authority should look at the needs for reforms in the power sector. The role of CEA is to look ahead and identify what are the systems and technologies which need to be put in place in the power sector, Singh said. There is a need to increase the pace of addition of transmission and generation capacity, he said.

<https://economictimes.indiatimes.com/industry/energy/power/aiming-for-enough-power-to-aid-9-10-growth-rk-singh/articleshow/104449227.cms>

Telecom

Telcos log data usage surge as cricket action shifts to mobiles

As World Cup cricket fever grips the nation on the heels of India's thrilling win over Pakistan yesterday, consumers are catching the live action on their smartphones, which is leading to a surge in mobile data usage for India's top telecom operators. Analysts and industry executives estimate Reliance Jio and Bharti Airtel to report around 6% sequential growth in mobile data usage levels in the December quarter, on the back of strong digital viewership of World Cup cricket action amid rising appetite for 5G services. Without 5G, Vodafone Idea (Vi) is estimated to report lower sequential growth (around 3-4%) in mobile data consumption levels.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-log-data-usage-surge-as-cricket-action-shifts-to-mobiles/articleshow/104449038.cms>

External

Basmati rice minimum export price review still under consideration: Centre

The government said on Sunday that the review of the minimum export price (MEP) of \$1,200 per tonne, levied on basmati rice exports in August, is still under active consideration. This decision comes as the government extended the MEP until further notice on Saturday. The MEP was originally up for reconsideration on October 15. This statement follows reports that some exporters, infuriated by the extension of the MEP on basmati rice, have ceased buying new basmati from farmers. This has led to a decline in open market prices by at least Rs 300-400 per quintal over the past few weeks.

https://www.business-standard.com/industry/agriculture/basmati-rice-minimum-export-price-review-still-under-consideration-centre-123101500638_1.html

G20 finance ministers and central bank governors adopt crypto road map

G20 finance ministers and central bank governors (FMCBG) have adopted the road map on crypto assets which was proposed in the synthesis paper by the International Monetary Fund (IMF) and Financial Stability Board (FSB), calling for its swift and coordinated implementation. The joint communiqué, issued after the final meeting of the FMCBG under India's presidency at Marrakech, urged countries to implement policy frameworks.

https://www.business-standard.com/economy/news/g20-finance-ministers-central-bank-governors-adopt-crypto-assets-roadmap-123101301226_1.html

Rice traders demand flat export duty of \$80 per tonne on parboiled rice

Rice exporters have requested the Centre for a flat export duty of \$ 80 per tonne for parboiled rice instead of the current 20 per cent duty to smoothen trade, a top official of the rice exporters' umbrella body said on Sunday.

The Indian Rice Exporters Federation (IREF) has also requested the government to reconsider its export ban on white rice which was imposed in July and reduction in the minimum export price for basmati rice to \$ 850 per tonne to prevent negative impacts on both export volumes and farmers.

https://www.business-standard.com/economy/news/rice-traders-demand-flat-export-duty-of-80-per-tonne-on-parboiled-rice-123101500394_1.html

Sugar exports under restricted list soon; quota curbs proposed to stem domestic price rise

The food ministry has recommended that sugar exports be put under the 'restricted' category beyond October 31, a move that signals a likely multi-year low in shipments of the sweetener, and a narrowing gap between domestic production and consumption. A directorate general of foreign trade (DGFT) notification to this effect is expected shortly.

<https://www.financialexpress.com/policy/economy-sugar-exports-under-restricted-list-soon-quota-curbs-proposed-to-stem-domestic-price-rise-3273038/>