



October 30, 2023 – Monday

Key Developments

Govt tightens LLP rules; partners have to declare beneficial interests, intangible contributions

The government has made the disclosure rules tougher for limited liability partnerships (LLPs), which will now be required to maintain a register of partners with details of their beneficial interests and both tangible and intangible contributions. According to the Limited Liability Partnership (Third Amendment) Rules, 2023, notified by the Ministry of Corporate Affairs (MCA), even upcoming LLPs have to maintain such a register, at their registered offices, within 30 days of incorporation. The new rules came into force on October 28. The move, aimed at improving transparency in the way LLPs operate in the country, comes just when a record number of companies and such partnership firms are getting incorporated this fiscal year.

<https://economictimes.indiatimes.com/news/economy/policy/govt-tightens-llp-rules-partners-have-to-declare-beneficial-interests-intangible-contributions/articleshow/104801765.cms>

Economy

NITI Aayog's Vision 2047 for \$30 trn economy may be ready by December

NITI Aayog, the central think tank, is in advanced stages of finalising the year-long exercise of developing a 25-year vision to make India a \$30 trillion economy by 2047, its Chief Executive Officer B V R Subrahmanyam said on Sunday. He said several long-term goals had broadly been identified and Prime Minister Narendra Modi would unveil the vision document soon. These goals include a per capita gross domestic product (GDP) of \$17,590, \$8.67 trillion of exports, and Rs 1,273 trillion of investments by 2047. "A lot of the inputs through departmental SGoS (Sectoral Groups of Secretaries) have come. Now, we are working on the big picture and harmonising these inputs. Some implementation plans will be added and by December, we will have the draft vision ready," he told reporters in New Delhi.

https://www.business-standard.com/economy/news/centre-likely-to-have-vision-2047-ready-by-december-niti-ceo-subrahmanyam-123102900729_1.html

5G, satcoms, semiconductors to boost economy with \$240 bn by FY28: KPMG

5G, satellite communication and semiconductors will collectively contribute approximately \$240 billion to India's economy over the next five years and are estimated to contribute 1.6 per cent to the national GDP by FY28, according to a report by KPMG. A KPMG report released at the ongoing seventh edition of the India Mobile Congress said India is preparing for a monumental shift to become a global digital powerhouse as the three technologies leverage key national strengths, namely economy, technology, demography and demand.

https://www.business-standard.com/industry/news/5g-satcoms-semiconductors-to-boost-economy-with-240-bn-by-fy28-kpmg-123102800641_1.html

Banking and Finance

MCA's big reform mandates dematerialisation for private companies

India has taken another giant stride in enhancing the integrity of its financial markets with the Corporate Affairs Ministry (MCA) now mandating private companies to go in for dematerialisation of their securities. All private companies, except small and government companies, can henceforth issue new securities only in dematerialised form, the MCA has said in its latest amendment to a Rule concerning issuance of securities.

<https://www.thehindubusinessline.com/economy/mcas-big-reform-mandates-dematerialisation-for-private-companies/article67472570.ece>

Industry

Diamond houses hope to cut through slump in next four months

Amid a slowdown in the affluent markets, plunge in prices and chaotic geopolitics, Indian diamond houses, which cut and polish nine out of 10 stones, told banks last week that the next four months would be crucial. The trade that suffered a 30% drop in prices of natural stones and dealt with over 50% slide in lab-grown diamond (LGD) prices in the past one year, is in touch with global mining giants like DeBeers for marketing assistance after putting a temporary ban on imports. A lurking concern among the traditional diamantaires is that while the supply of mined diamonds has slowed following the import ban, there is no control over LGD prices as anyone having the money can set up LGD factories. But LGD players say the prices have stabilised with 2 out of 11 players globally going bankrupt.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-jewellery/diamond-houses-hope-to-cut-through-slump-in-next-four-months/articleshow/104805987.cms>

Goods demand fades, services holds out hope

The pent-up demand fuelled by pandemic time savings is beginning to peter out for goods, but may last for some more time for services, say economists. Overall consumer demand is also expected to come under pressure from tighter monetary conditions and lesser pull from rural India. However, high-end consumption is expected to provide some support. "Inequality is playing out. Wherever there has been recovery, it's either been heavily biased towards the more affluent and upper-middle tiers or where it has been mass-based, there has been downtrading," said Abheek Barua, chief economist, HDFC Bank.

<https://economictimes.indiatimes.com/news/economy/indicators/goods-demand-fades-services-holds-out-hope/articleshow/104805639.cms>

FSSAI asks States to step up surveillance of sweets, milk products during festival season

The Food Safety and Standards Authority of India (FSSAI) has asked States and UTs to step up surveillance surveys on milk and milk products and sweets during the upcoming festival season. The food safety authority is already in the process of undertaking its annual pan-India milk survey across 766 districts. The 42nd Central Advisory Committee (CAC) meeting was held on Saturday. In the meeting, FSSAI CEO G Kamala Vardhana Rao urged States and UT's to raise awareness about food safety in the ecosystem. He also directed them to step up surveillance efforts in milk and milk products and sweets segment keeping in mind higher demand during festival season.

<https://www.thehindubusinessline.com/economy/fssai-asks-states-to-step-up-surveillance-of-sweets-milk-products-during-festival-season/article67472958.ece>

High rates can compress India Inc's margins, but it's a manageable risk: Ramnath Krishnan

The likelihood of repeated geopolitical conflicts, uncertainty in commodity prices and increasingly lower odds on interest rates staying higher for longer could squeeze India Inc's margins, said Ramnath Krishnan, Group CEO of ICRA, tells Gayatri Nayak and Bhaskar Dutta in an interview. Krishnan, a veteran in the financial services industry, said that amid a lack of meaningful pick-up in private sector capex, the saving grace for rating firms has been a slew of big-ticket bond issuances by banks as lenders typically seek out pedigreed ratings for their market instruments. Edited excerpts:

<https://economictimes.indiatimes.com/news/company/corporate-trends/high-rates-can-compress-india-incs-margins-but-its-a-manageable-risk-ramnath-krishnan/articleshow/104805796.cms>

Agriculture

Kharif crop output, including rice, may drop due to uneven monsoon

Production of rice, the biggest cereal grown during the kharif season, could drop by 3.79 per cent in the 2023-24 season to 106.31 million tonnes, compared with 110.5 million tonnes, according to the final estimate for 2022-23. This decline is attributed to an uneven monsoon, despite higher than usual acreage. According to the first advanced estimate of kharif foodgrain production released late last night, production of all major kharif crops this year may decline, with moong, urad, soybean, and sugarcane leading the pack. The decline is due to a prolonged dry spell in August and an uneven monsoon at the start of the season.

https://www.business-standard.com/economy/news/rice-production-might-fall-by-3-this-kharif-due-to-uneven-monsoon-rains-123102800535_1.html

Infrastructure

NHAI monetises highways worth Rs 6,584 cr via toll, operate, transfer model

After struggling with substandard bids, the National Highways Authority of India (NHAI) on Sunday said it awarded two highway monetisation projects worth Rs 6,584 in the toll, operate, and transfer (TOT) mode. The two bundles (11 & 12) are Allahabad Bypass on NH19 in Uttar Pradesh and Lalitpur–Sagar–Lakhnadon section that passes through Uttar Pradesh and Madhya Pradesh. The TOT bundle 11 for the 84-km-long Allahabad Bypass has been awarded to Cube Highways and Infrastructure for Rs 2,156 crore. The second bundle for the 316-km-long section has been awarded to IRB Infrastructure Trust for Rs 4,428 crore, the NHAI said.

https://www.business-standard.com/economy/news/nhai-monetises-rs-6-584-crore-highways-in-toll-operate-and-transfer-mode-123102900821_1.html

Developers see high demand for gated apartments in Central and West Delhi

Suppliers of high-end residential units in Gurgaon and Noida, such as DLF, TARC, Raheja, and Unity Group, who are releasing inventory after a long time, are suddenly recording a rush of residents from Central and West Delhi as they seek exclusivity and security in gated communities. According to experts, this is the first time that so many branded products will come to the market, where supply has always been an issue. "There is an inherent demand in Central and West Delhi, with people living there now wanting to move to gated condominiums with all the facilities. They have been forced to go to satellite towns due to a lack of supply," said Amar Sarin, managing director and CEO of TARC Ltd.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/developers-see-high-demand-for-gated-apartments-in-central-and-west-delhi/articleshow/104805921.cms>

Energy

Power Ministry asks utilities to import 6% of their coal until March

India has asked utilities to import 6% of their coal requirement until March, due to rising power demand and inadequate supply of domestic coal, the power ministry said. Worries have mounted over shrinking coal stocks at power plants, where inventories fell the fastest in two years during the first half of October. In a letter dated Wednesday and seen by Reuters on Saturday, the ministry asked the companies to blend the imported coal with domestic coal to maintain stocks amid higher consumption.

https://www.business-standard.com/economy/news/power-ministry-asks-utilities-to-import-6-of-their-coal-until-march-123102800300_1.html

Telecom

India needs 22 mn skilled workers in 5G focussed industries by 2025: TSSC

India will require 22 million skilled workers in 5G-focused industries by 2025 in areas such as cloud computing, robots, and the Internet of Things (IoT), according to a report by the Telecom Sector Skill Council (TSSC). Released at the ongoing seventh edition of the India Mobile Congress, the report stated that India is the only country expected to have a surplus of skilled labour, with 1.3 million workers in the Technology, Media, and Telecommunications (TMT) sector by 2030.

https://www.business-standard.com/industry/news/india-needs-22-mn-skilled-workers-in-5g-focussed-industries-by-2025-tssc-123102800668_1.html

AMD working with India telecom gear makers on telecom tech

US chipmaker Advanced Micro Devices (AMD) has teamed up with Indian 4G and 5G equipment makers such as VVDN and C-DoT to offer telecommunications solutions in the country, enabled by its acquisition of programmable logic chip-maker Xilinx. "We are bringing leading edge, power efficient technologies to India to power radios, servers and compute requirements at data centres and the edge, and even in the RAN (radio access network)," said Gilles Garcia, senior director business lead, data centre communications group, AMD.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/amd-working-with-india-telecom-gear-makers-on-telecom-tech/articleshow/104811540.cms>

States

Odisha to spend Rs 2,000 cr to create disaster-resilient infrastructure

Odisha Chief Minister Naveen Patnaik on Sunday said his government has decided to spend more than Rs 2,000 crore to create disaster-resilient infrastructure in various parts of the state. Addressing a gathering virtually at a function at Rabindra Mandap here on the occasion of Odisha Disaster Preparedness Day 2023, he said the government was giving priority to resilient infrastructure and state-wide risk mapping would be undertaken for various disasters.

https://www.business-standard.com/economy/news/odisha-to-spend-rs-2-000-cr-to-create-disaster-resilient-infrastructure-123102900806_1.html

Kerala Tourism to come out with microsites to promote pilgrimage tourism

Kerala Tourism is to come out with a set of microsites to promote State's rich and diverse heritage, highlighting features of important places of worship. As part of this, a microsite that provides a wide range of information in different languages on Sabarimala will be unveiled.

<https://www.thehindubusinessline.com/news/kerala-tourism-to-come-out-with-microsites-to-promote-pilgrimage-tourism/article67472677.ece>

Healthcare

DCGI to meet stakeholders soon to discuss improvements in clinical trials

In a bid to iron out issues and challenges faced during clinical trials in the country, the Drugs Controller General of India (DCGI) will meet key representatives from the pharma industry next month to understand areas of improvement in global clinical trials. A meeting to be attended by representatives from the Indian Society for Clinical Research, Organisation of Pharmaceutical Producers of India (OPPI), Indian Pharmaceutical Alliance will be held on November 14. India's drug regulator has received several representations raising concerns on the processing of global clinical trial applications.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/dcgi-to-meet-stakeholders-soon-to-discuss-improvements-in-clinical-trials/articleshow/104805968.cms>

External

India pitches for clear definition of e-commerce trade in goods in WTO

India has asked the WTO members to work on a clear definition of e-commerce trade in goods and services as it would help provide developing countries a policy space to make decisions on the fast-growing sector, an official said. At present, there is a difference of understanding about the subject between developed and developing member countries of the World Trade Organization (WTO).

https://www.business-standard.com/economy/news/india-pitches-for-clear-definition-of-e-commerce-trade-in-goods-in-wto-123102900431_1.html