



November 23, 2023 – Thursday

Economy

Indian economy better poised than China to handle global headwinds, says Axis Bank's chief Economist

Despite strong global headwinds and aggressive liquidity tightening by the central bank, the Indian economy is still accelerating, said Axis Banks' chief Economist Neelkanth Mishra, who is also the part-time chairman of UIDAI. Speaking at a lecture in Bengaluru, the part time member of the Economic Advisory Council said India is in a better position to handle global headwinds than its Asian rival China. Mishra credited this growth to an increase in export of modern services, higher investment in infrastructure and better penetration of basic amenities through the country. While India's share in global services trade is 4.5%, we have done significantly better in the trade of modern services like remote work, taking up 8% of the market share, he said.

<https://economictimes.indiatimes.com/news/economy/indicators/indian-economy-better-poised-than-china-to-handle-global-headwinds-says-axis-banks-chief-economist/articleshow/105420147.cms>

Banking and Finance

RBI's eye always on inflation, yet takes in other factors, too: Shaktikanta Das

The Reserve Bank of India (RBI) Governor Shaktikanta Das Wednesday expanded the scope of his oft-repeated 'Arjuna' analogy to communicate that Mint Road considers not only inflation but also other factors as policy influencers while emphasising that he was not providing guidance about future actions. "I'm not giving any forward guidance or indication so far as the next monetary policy is concerned, which is coming up on December 8. But I would just like to slightly deviate and just explain to you our approach," Das said at the FIBAC 2023 conference in Mumbai. Das then went on to provide two parallels related to Arjuna, one of the protagonists of the Mahabharata.

<https://economictimes.indiatimes.com/news/economy/policy/rbis-eye-always-on-inflation-yet-takes-in-other-factors-too-shaktikanta-das/articleshow/105425119.cms>

Bank loans to grow at 13-13.5% in FY24, says CareEdge Ratings

Bank credit offtake is expected to grow at 13-13.5% in 2023-24 (April-March), aided by an expansion in the overall economy and a strong demand for loans, says CareEdge Ratings. The credit rating agency feels that banks have adequate capital to absorb the impact of RBI measures on expected credit losses and unsecured personal loans. Latest RBI data showed that credit offtake increased by 20.4% year on year (y-o-y) for the fortnight ended November 3 due to a strong demand for personal loans. Excluding the impact of the merger of Housing Development Finance Corporation with HDFC Bank, the growth stood at 15.9%.

<https://www.financialexpress.com/business/banking-finance-bank-loans-to-grow-at-13-13-5-in-fy24-says-careedge-ratings-3313490/>

Unsecured retail loans' growth to ease in FY24: Crisil Ratings

Unsecured retail loans are likely to see slower growth of 20-30% compared to 45% last year, as non-banking financial companies (NBFCs) alter their strategies due to the recent regulatory measures issued by the Reserve Bank Of India, said Crisil Ratings. "The recent regulatory measures are targeted at unsecured retail loans and do not impact the

secured asset classes where growth is expected to be steady", said Gurpreet Chhatwal, managing director at Crisil Ratings.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/unsecured-retail-loans-growth-to-ease-in-fy24-crisil-ratings/articleshow/105425129.cms>

Industry

Govt registers 1 crore GST-exempted informal micro enterprises for access to priority sector loans

The number of informal micro units (IMEs), which are not covered under the Goods and Services Tax (GST) regime or exempted from the CGST Act, 2017, registering for the Udyam certificate via the government's Udyam Assist Platform (UAP) to be eligible for priority sector loans (PSL) has crossed the 1-crore mark. At the time of filing this report, 1.01 crore IMEs were Udyam-registered, according to the data from the Udyam portal.

<https://www.financialexpress.com/business/sme/govt-registers-1-crore-gst-exempted-informal-micro-enterprises-for-access-to-priority-sector-loans/3314106/>

Diwali witnessed 49% rise in online sales, K-shaped recovery continues

The Diwali period, from October 29 to November 11, registered a 49 per cent jump in online sales along with a 35 per cent rise in traffic, a Financial Express (FE) reported. In addition to this, the conversion rates also went up by 22 per cent, the FE report cited a festive season report by global commerce media company Criteo. Conversion rate is the ratio of customers who check a product and the customers who actually purchase it. Compared to the sales in 2021, Diwali sales in 2022 grew by 17 per cent in 2022. Elaborating on the sales, Co-Founder and Director of Excellent Publicity Vaishali Dalal told FE, "During Diwali, brands created remarkable advertising campaigns, ensuring sustained excitement throughout the festival period." Other than this, a year free from the woes of the Covid-19 pandemic and the ICC Cricket World Cup hosted in India also contributed to the sales, the FE report said.

https://www.business-standard.com/industry/news/diwali-witnessed-49-rise-in-online-sales-k-shaped-recovery-continues-123112200245_1.html

1 mn electric 2-wheelers sales target for FY24 hit by tepid festival sales

Industry projections that registrations of electric two wheelers will reach the one million mark by FY24 are looking unrealistic. Sales in the festive season have been lower than expected. Registrations reached only 0.5 million in the first eight months of the financial year with only a few days of November left. "We would have had to reach at least 1 lakh a month in the festive season of October and November to get the momentum for 1 million but that has not happened. We expect the next months to be a period of lull so we have to wait for FY25 sometime from May and June for the momentum towards 1 lakh per month to pick up," said the founder.

https://www.business-standard.com/industry/auto/electric-two-wheelers-sales-decline-far-short-of-fy24-expectations-123112101106_1.html

States need to GI-tag food, beverages for better prices overseas: Alcobev industry

The Indian alcoholic beverage sector on Wednesday laid stress on GI-tagging approach for food and beverage products by states, as this will help in achieving better price realisation in overseas markets. The alcobev industry is poised to grow by around six per cent CAGR (compound annual growth rate) to reach USD 63 billion in the next five years from the current size of USD 51.7 billion, International Spirits and Wines Association of India Chief Executive Officer Nita Kapoor said.

<https://www.financialexpress.com/business/industry-states-need-to-gi-tag-food-beverages-for-better-prices-overseas-alcobev-industry-3314401/>

MSME body AIE seeks clarity on 'status of MSMEs' in India for better implementation of policies

Chennai-based MSME body Association of Indian Entrepreneurs (AIE) has sought clarity from the MSME ministry on the "status of MSMEs" in the country based on the annual report of the MSME ministry in order to formulate or revise policies for a deeper positive impact on the MSME sector. Citing the report's data of 6.33 lakh crore unincorporated non-agriculture MSMEs in the country based on the 2015-16 national sample survey, AIE Founder Chairman KE Raghunathan highlighted that the number of MSME registrations on.

<https://www.financialexpress.com/business/sme/msme-body-aie-seeks-clarity-on-status-of-msmes-in-india-for-better-implementation-of-policies/3314368/>

Used car startups seek new routes as revenue tanks

New-age used-car platforms such as Cars24, Spinny, CarDekho and CarTrade Tech have increased efforts on generating revenue from ancillary sources such as auto financing, insurance and classifieds, after witnessing a palpable slowdown in growth last fiscal year. According to people tracking the sector, these firms faced the slowdown as the “growth-at-all-costs” push by venture-backed companies took a backseat and they started focusing on improving unit economics by controlling expenses. Tweaking of business models continued into the current fiscal 2024 as well.

<https://economictimes.indiatimes.com/tech/startups/used-car-startups-explore-new-routes-as-revenue-growth-slows/articleshow/105424548.cms>

'Smartphone shipments to stay flat in 2023 despite festive uptake'

Smartphone shipments in India are expected to remain flat or see a minor decline despite the strong uptake during the festival season, according to market trackers. The country had seen a steep decline in smartphone shipments in the first half of 2023, which even the robust festival-season sales failed to offset. In this backdrop, market trackers said they expect the year to end with 140-150 million units shipped. "The smartphone market is displaying promising indications of stabilisation, encountering comparatively fewer challenges as we approach 2024 and beyond," research firm CMR India said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/smartphone-shipments-to-stay-flat-in-2023-despite-festive-uptake/articleshow/105424173.cms>

Infrastructure

India eyes moving e-commerce cargo through Ganga river

India is readying a route on the Ganga river to move e-commerce cargo using the National Waterway 1. An agreement on these lines was signed between the Inland Waterways Authority of India (IWAI) and Amazon Seller Services for promoting cargo movement and transportation of customer shipments and products on Wednesday. An official statement said this partnership seeks to harness the efficiency and sustainability of water transport to optimize logistics, diminish environmental footprints, and promote economic development.

<https://economictimes.indiatimes.com/news/india/india-eyes-moving-e-commerce-cargo-through-ganga-river/articleshow/105418498.cms>

NHAI to undertake safety audit of 29 under-construction tunnels

The National Highway Authority of India will undertake a safety audit of all 29 under-construction tunnels across the country to ensure safety and adherence to the highest quality standards during construction. The move has been triggered by the recent Silkyara tunnel incident in which 41 workers were trapped on November 12 and the rescue operations are still under way. According to a statement issued by the Ministry of Road Transport and Highways, NHAI officials along with a team of experts from Delhi Metro Rail Corporation (DMRC) as well as other tunnel experts will inspect the ongoing tunnel projects and will submit a report within seven days.

<https://economictimes.indiatimes.com/industry/transportation/roadways/nhai-to-undertake-safety-audit-of-29-under-construction-tunnels/articleshow/105420834.cms>

Energy

RK Singh calls for investment in thermal capacities, eyes 80 GW addition by FY32

Power minister RK Singh has called for investment and participation of the entire power sector in adding thermal capacities as India seeks to add 80 GW of such units by FY32. "Thermal energy was written off a few years ago, which was premature. Thermal cannot be written off until energy storage becomes viable," Singh said. Thermal power is going to stay until energy storage becomes cost-effective for round-the-clock supply through renewable energy, he added. "The country absolutely needs at least 80,000 MW (80 GW) of capacity addition from today till 2031-32,

which is essential to meet our base load requirements," Singh said while interacting with stakeholders in the power sector on Tuesday.

<https://economictimes.indiatimes.com/industry/energy/power/rk-singh-calls-for-investment-in-thermal-capacities-eyes-80-gw-addition-by-fy32/articleshow/105424929.cms>

Power units told to wrap up planned shutdowns by February

In a bid to prepare for demand in the summer months, the power ministry has advised thermal power plants to complete their planned maintenance shutdown by February. This is to ensure that sufficient capacity is available before summer demand seeps in, which usually is from March to May. The Central Electricity Authority notes the schedules of such shutdowns and prepares an annual list for it. However, this year the schedule has undergone changes, sources said. "Due to change of plans [for maintenance] this year, quantum may be changed from the initial schedule for the coming months," a source said. "A final compiled list could be out by the second week of December for the coming months."

<https://economictimes.indiatimes.com/industry/energy/power/power-units-told-to-wrap-up-planned-shutdowns-by-february/articleshow/105424876.cms>

Telecom

Over ₹1,500 crore left in kitty, telecom PLI 2.0 in works

The government is considering releasing a revised version of the production-linked incentive (PLI) scheme for telecom equipment and inviting fresh applications, as it is left with a surplus outlay of over ₹1,500 crore with less than half of the 42 companies meeting their targets for FY23. As per officials aware of the details, the revised scheme is expected to make some new telecom networking products eligible for incentives. Some companies have already shown interest in a revised scheme during consultations, they said. "Some firms have not met the sales targets because the orders got a bit delayed in the run-up to 5G roll out. Now things have streamlined, and the majority of the firms would meet the targets next year," an official told ET.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/over-1-5kcr-left-in-kitty-telecom-pli-2-0-in-works/articleshow/105424236.cms>

Healthcare

Drug regulator halts production at 76 units over poor standards

India's drug regulator has ordered 76 out of 237 pharmaceutical companies to cease production due to poor manufacturing standards discovered during risk-based inspections carried out since last December, said people in the know. More than 75% of the firms have also been issued show cause notices, the people said. Out of the total samples drawn from these manufacturing units, 15.1% have so far been declared to be of not of standard quality (NSQ). The regulator is currently conducting Phase IV of these inspections.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/drug-regulator-halts-production-at-76-units-over-poor-standards/articleshow/105425061.cms>

External

Prolonged approval processes impact India's medical devices exports: GTRI

Prolonged regulatory approval processes in the UK impact India's exports of medical devices to the British market, think tank GTRI said on Wednesday. To promote exports of these devices, it said, India should negotiate a Mutual Recognition Agreement (MRA) to expedite the entry of these equipment into the UK market, particularly for devices with CDSCO (Central Drugs Standard Control Organisation) licence or Quality Council of India's Indian Certification of Medical Devices (ICMED) certification.

https://www.business-standard.com/economy/news/prolonged-approval-processes-impact-india-s-medical-devices-exports-gtri-123112200282_1.html