



December 13, 2023 – Wednesday

Economy

CPI inflation rises to 5.55% in November: IIP growth rate at 11.7% in Oct

India's consumer price index (CPI)-based retail inflation in November came out to be 5.55 per cent, according to the data released by the National Statistical Office on Tuesday. In October, the retail inflation was recorded at 4.87 per cent. Till October, the retail inflation rate had declined for the second consecutive month to a five-month low. Rural inflation was 5.85 per cent in November vs 5.12 per cent in October. Food inflation came in at 8.70 per cent for November, as against 6.61 per cent in October. For the month of October 2023, the Quick Estimates of Index of Industrial Production (IIP) growth came at 11.7 per cent, as against -4.1 per cent a year ago in October.

https://www.business-standard.com/economy/news/cpi-inflation-rises-to-5-55-in-nov-stays-within-rbi-s-tolerance-limit-123121200852_1.html

79% employers plan to maintain or increase workforce till March 2024: Report

Nearly 80 per cent of employers intend to maintain or increase their workforce in the second half of FY24, according to a report by TeamLease. The surge in workforce expansion can be attributed to government policies and initiatives aimed at fortifying employment opportunities and cultivating a business-friendly environment. With data from 1,820 companies across 14 cities, the report provides an analysis of anticipated employment trends across 22 industries.

<https://www.thehindubusinessline.com/economy/79-employers-plan-to-maintain-or-increase-workforce-till-march-2024-report/article67630853.ece>

Banking and Finance

Fiscal prudence is govt's top priority, says FM Nirmala Sitharaman

The Union government has kept fiscal prudence as its top priority without denying funds for welfare activities, Finance Minister Nirmala Sitharaman said on Tuesday. "We are on the right track when it comes to macroeconomic fundamentals. This is why we are the fastest-growing economy in the world. Our gross domestic product (GDP) growth in the July-September quarter (Q2) of 7.6 per cent is the highest in the world," Sitharaman said in the Lok Sabha, replying to the discussion on the first supplementary demands for grants for this financial year.

https://www.business-standard.com/economy/news/fiscal-prudence-is-govt-s-top-priority-says-fm-nirmala-sitharaman-123121200980_1.html

Govt says 10 PSBs transferred NPAs of over Rs 11k cr to NARCL from Jan-Nov

A total of 10 Public Sector Banks (PSBs) have transferred Non-Performing Assets (NPAs) of over Rs 11,617 crore to NARCL between January and November this year, the Finance Ministry said on Tuesday. In a written reply to a question in the Rajya Sabha, Minister of State for Finance Bhagwat Karad said the National Asset Reconstruction Company Ltd (NARCL) has recovered Rs 16.64 crore as on November 30, 2023.

https://www.business-standard.com/economy/news/govt-says-10-psbs-transferred-npas-of-over-rs-11k-cr-to-narcl-from-jan-nov-123121200610_1.html

Automatic payment limit through UPI raised to Rs 1 lakh, says RBI

The Reserve Bank of India on Tuesday increased the limit for automatic payments through UPI to Rs 1 lakh per transaction from the existing Rs 15,000 for certain categories, including subscription to mutual funds. As of now, relaxation in Additional Factor of Authentication (AFA) is permitted while processing e-mandates/standing instructions on cards, prepaid payment instruments and UPI (Unified Payments Interface), for subsequent recurring transactions with values up to Rs 15,000.

https://www.business-standard.com/finance/news/automatic-payment-limit-through-upi-raised-to-rs-1-lakh-says-rbi-123121201097_1.html

Centre may save Rs 30,000 crore as states falter

The Centre is expecting savings of at least Rs 30,000 crore from its budgeted Rs 1.3 lakh crore assistance to states for capital expenditure in 2023-24, as the states have faltered in using the sanctioned amount, said people with knowledge of the matter. The Centre has released Rs 60,104 crore under the Special Assistance to States for Capital Expenditure scheme in this financial year, of the sanctioned amount of about Rs 1 lakh crore so far, showed official data. The amount is less than half of that allocated for this fiscal, as states including Andhra Pradesh, Kerala, Punjab and Manipur have failed to meet certain eligibility criteria under the scheme, while Maharashtra and Uttar Pradesh have yet to exhaust the first instalment.

<https://economictimes.indiatimes.com/news/economy/centre-may-save-rs-30000-crore-as-states-falter/articleshow/105942809.cms>

Industry

Amid overall electric vehicle boom: E-bus market share falls to under 3%

The electric vehicle (EV) industry is experiencing a boom in sales this year, crossing the one-million mark in just the first nine months of 2023. But larger e-mobility penetration, which is public transport, has lagged behind for EVs. The share of e-buses within the overall bus market segment decreased to 2.8 per cent in 2023, as of December 10, from 4.1 per cent in 2022, according to the Ministry of Road Transport and Highways' Vahan Dashboard data. Industry experts attribute the decline to delays in bus supply by original equipment manufacturers (OEMs) and the lack of state government efforts in enforcing timely procurement.

https://www.business-standard.com/industry/auto/challenges-in-e-bus-adoption-market-share-slips-amidst-ev-industry-success-123121200853_1.html

Passenger vehicles cruise to a record, small car sales skid 21% in Nov

Even as sales of passenger vehicles (PVs) in the wholesale market in November (the Diwali month) grew, those of small passenger cars showed a decline of 21.5 per cent, the data from the Society of Indian Automobile Manufacturers (SIAM) showed. Including Tata Motors' wholesale numbers, PV sales come in at 334,130 units, a growth rate of 3.7 per cent. Tata Motors does not give a break-up of its monthly sales and hence the segment-wise data for November does not include its breakup of cars and utility vehicles. Rajesh Menon, director general, SIAM, said: "Three-wheelers reported significant growth of 30.8 per cent compared to the previous year, posting sales of about 60,000 units in November, just below the peak of November 2017. Two-wheelers also reported sales of about 1.623 million units with high growth of 31.3 per cent compared to November 2022 and are also slightly below the peak in November 2018."

https://www.business-standard.com/industry/auto/passenger-vehicles-cruise-to-a-record-small-car-sales-skid-21-in-nov-123121200689_1.html

ONDC have to address liability issue, says Consumer Affairs Secretary

Consumer Affairs Secretary Rohit Kumar Singh on Monday asked the Open Network for Digital Commerce (ONDC) to resolve the issue relating to liability, which is important for consumers to get satisfactory services. He said that the government-promoted ONDC has to work on fixing liability in case a consumer does not get the right product. ONDC is an initiative of the Commerce and Industry Ministry to create a facilitative model to help small retailers take advantage of digital commerce.

<https://www.financialexpress.com/business/industry-ondc-have-to-address-liability-issue-says-consumer-affairs-secretary-3335672/>

Indians can't get enough of imported luxe chocolates

Demand for luxury and premium imported chocolates is growing steadily in India and the market is expected to see a significant uptick in the year-end season as well as the years to come, brands and retailers said. Buoyed by the spike in sales, more imported premium brands could come into the country, the people cited above said. India imported \$ 27.84 million worth of chocolates in the financial year 2023 as per commerce ministry data, a year-on-year growth of 45%. "Half our sales are coming from the premium chocolates category, and with dark chocolates being considered almost a superfood by some, the market would be unrecognisable in a few years from now," said Karan Ahuja, co-founder of CocoCart, an omni channel retailer and distributor of imported chocolates in India.

<https://economictimes.indiatimes.com/industry/cons-products/food/indians-cant-get-enough-of-imported-luxe-chocolates/articleshow/105942956.cms>

Infrastructure

India's domestic aviation capacity soars beyond pre-pandemic level

The growth in India's domestic aviation capacity in calendar year 2023 (CY23) was the sixth highest among 20 major domestic markets, compared to the pre-pandemic year of CY19. The domestic capacity in the country surpassed the pre-pandemic level seen in CY19 and was up 5 per cent in CY23. It trails Mexico, Columbia, China, Vietnam, and Spain, which have shown higher growth, according to data shared in a seminar organised by global travel data provider OAG on global aviation trends in 2023.

https://www.business-standard.com/economy/news/india-comes-out-no-6-out-of-20-in-aviation-capacity-growth-since-pandemic-123121100854_1.html

Scindia discusses airfares, ways to improve airlines' on-time performance

Civil aviation minister Jyotiraditya Scindia on Tuesday reviewed the self-monitoring mechanism for airfares put in place by individual airlines and emphasised keeping fares in check on select routes. During an advisory group meeting, there were discussions on airlines' on-time performance (OTP), and the minister instructed the Airports Authority of India (AAI) to relook technical specifications at VFR-equipped (Visual Flight Rules) airports to help enhance OTP, according to an official release.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/scindia-discusses-airfares-ways-to-improve-airlines-on-time-performance/articleshow/105941693.cms>

Energy

Most LNG import terminals in India underutilised

Most of India's liquefied natural gas (LNG) import terminals are deeply underutilised as capacities have expanded at a far faster pace than the domestic gas demand. Of the seven LNG terminals, three have operated below 20% of their capacity and another three below 40% in the first half of the current fiscal year, according to the oil ministry data. Just one terminal at Dahej in Gujarat has operated above 90%.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/most-lng-import-terminals-in-india-underutilised/articleshow/105941986.cms>

Telecom

DoT revises methodology for levying spectrum charges on captive users

To promote ease of doing business, the Department of Telecommunications (DoT) has revised the methodology to levy spectrum charges on captive users, rationalising fees paid by such players. As per officials, the DoT will now be charging for spectrum based on area as against the number of devices earlier. "We have simplified the whole process and introduced the new concept of area-based pan-India captive category. The rates have also been rationalised for most captive users," a DoT official told ET. The move is likely to benefit captive users like Railways, ONGC, BHEL, mining industry etc.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/dot-revises-methodology-for-levying-spectrum-charges-on-captive-users/articleshow/105942939.cms>

States

Karnataka: High-level committee clears projects worth Rs 34,115 Cr, with 13,000 new jobs

The State High-Level Clearance Committee (SHLCC), headed by Chief Minister Siddaramaiah, on Tuesday approved 14 projects worth Rs 34,115 crore, with the potential to create 13,308 jobs across the state. Of the 14 proposals that received the SHLCC nod, 10 are new projects worth Rs 19,452.40 crore, while the four are additional investment projects worth Rs 14,662.59 crore.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/karnataka-high-level-committee-clears-projects-worth-rs-34115-cr-with-13000-new-jobs/articleshow/105941363.cms>

Healthcare

Drug launches, new permissions should be made public, say pharma MNCs

The Organisation of Pharmaceutical Producers of India (OPPI), which represents prominent multinational pharma companies, has urged India's drug controller to make new launches and new drug permissions of Indian pharma companies open to the public, a move that could help them track potential infringers thereby obtaining timely interim injunction from the courts. The proposal, if implemented, could hurt Indian pharma companies. In a recent meeting held by the drug controller on global clinical trials, the OPPI sought from the government a notification system through the drug regulatory authority's digital portal-SUGAM. It has asked for linking of the SUGAM Portal at Centre and state levels and, then, making public the non-commercial information in respect of the filed/pending applications and the approvals granted, it said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/drug-launches-new-permissions-should-be-made-public-say-pharma-mncs/articleshow/105942450.cms>

External

Indian officials in Muscat to negotiate free trade pact with Oman

A proposed comprehensive free trade agreement (FTA) between India and Oman is on a fast-track mode, with a team of officials from the department of commerce in Muscat for negotiations, people aware of the matter said.

It is learnt that the department of commerce has set an internal deadline of finalising the deal by month-end. The development assumes significance since India and the six-member Gulf Cooperation Council (GCC) — Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE) — has not been able to begin negotiations for more than a year. This is due to differences pertaining to the terms of reference, especially with Saudi Arabia. If the trade works out, Oman will be the second GCC member after the UAE to ink an FTA with India. That apart, the proposed agreement is also expected to further strengthen India's economic ties with West Asia.

https://www.business-standard.com/economy/news/indian-officials-in-muscat-to-negotiate-free-trade-pact-with-oman-123121200895_1.html

Global South disappointed over GST draft at COP28; calls for revisions

Developing and poor countries have deplored the latest draft of the global stocktake, the most important document of the ongoing climate conference (COP28) here, calling for major changes, including in the section offering options to slash planet-warming greenhouse gas emissions, negotiators from the Global South said on Tuesday. The latest global stocktake (GST) draft, which will be the centrepiece of the final deal document, does not mention the "phase-out of fossil fuels". However, it includes stronger language on coal usage, which is problematic for heavily coal-dependent countries like India and China.

https://www.business-standard.com/world-news/global-south-disappointed-over-gst-draft-at-cop28-calls-for-revisions-123121200481_1.html

Govt exempts rice exports to some European nations from inspection certificate for 6 more months

India on Tuesday deferred the mandatory requirement of a certificate of inspection by export inspection agencies for shipping both basmati and non-basmati rice to certain European countries by six more months. Amending an earlier notification, the Directorate General of Foreign Trade (DGFT) said that export of rice (basmati and non-

basmati) to EU member states and other European countries namely UK, Iceland, Liechtenstein, Norway, and Switzerland “only” will require certificate of inspection from Export Inspection Council/Export Inspection Agency.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-exempts-rice-exports-to-some-european-nations-from-inspection-certificate-for-6-more-months/articleshow/105941805.cms>

India exports 26 lakh tonnes of basmati rice, 73.18 lakh tonnes of non-basmati rice in Apr-Oct: Govt

India has exported 26.08 lakh tonnes of basmati rice and 73.18 lakh tonnes of non-basmati rice during the April-October period of this fiscal year. In a written reply to Lok Sabha, Agriculture Minister Arjun Munda shared export data of major food grains. As per the data, the exports of basmati rice stood at 45.61 lakh tonnes in the entire 2022-23 financial year while the shipments of non-basmati rice stood at 177.92 lakh tonnes. Exports of basmati rice stood at 44.15 lakh tonnes in 2018-19; 44.55 lakh tonnes in 2019-20; 46.30 lakh tonnes in 2020-21; and 39.44 lakh tonnes in 2021-22. The data showed that exports of rice (other than basmati) were at 76.48 lakh tonnes in 2018-19; 50.56 lakh tonnes in 2019-20; 131.49 lakh tonnes in 2020-21, and 172.89 lakh tonnes in 2021-22 fiscal.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-exports-26-lakh-tonnes-of-basmati-rice-73-18-lakh-tonnes-of-non-basmati-rice-in-apr-oct-govt/articleshow/105939769.cms>

Imports of US apples rise 40 times in 3 months as India scraps retaliatory duty

After India removed “retaliatory import duty” on US apples in September, imports of American apples have surged 40 times in three months, while traders are hopeful of regaining market share. In 2017-18, the import of US apples was a record of over 7 million boxes, which dropped to 50,000 boxes in the 2022–23 (September–August) season. In a promotional event in New Delhi on Tuesday, Sumit Saran, country representative of Washington Apple Commission, said: “We are hopeful to regain our market share. Apart from metros, we see a lot of sales in tier I and tier II cities. We do not promote when Indian production is in market. We wait till domestic production exhausts by January so our product can be from February.” The main sales period of US apples in India continues until July.

<https://www.thehindubusinessline.com/economy/agri-business/imports-of-us-apples-rise-40-times-in-3-months-as-india-scrap-retaliatory-duty/article67631576.ece>