



December 14, 2023 – Thursday

## Economy

### **ADB raises India FY24 growth forecast to 6.7%, cites industry performance**

India's economy would grow 6.7 per cent in Financial Year 2023-24 (FY24), said Asian Development Bank (ADB) on Wednesday, raising the estimate from 6.3 per cent it made in September. The lender revised its estimate based on India's higher-than-expected gross domestic product (GDP) growth, of 7.6 per cent, in the second quarter of FY24. "Economic data also indicate the industrial sector in particular, including manufacturing, mining, construction, and utilities, grew by double digits. For FY2024 as a whole, agriculture is expected to grow slightly slower than expected, but this will be more than offset by industry's much stronger-than-expected growth, hence the upward revision," it said in a report.

[https://www.business-standard.com/economy/news/adb-raises-india-fy24-growth-forecast-to-6-7-cites-industry-performance-123121300660\\_1.html](https://www.business-standard.com/economy/news/adb-raises-india-fy24-growth-forecast-to-6-7-cites-industry-performance-123121300660_1.html)

### **Economic growth prospects remain strong in medium-term: S&P**

Strong domestic activity is likely to offset global headwinds, as India's growth prospects remain strong in the medium term, with the economy projected to grow 6.7-7% annually between 2024-26, S&P Global Ratings said Wednesday. "India's economic growth prospects should remain strong over the medium term, with GDP expanding 6.4%-7% annually in fiscal years 2024-2026," said Vishrut Rana, Economist at S&P Global Ratings.

<https://economictimes.indiatimes.com/news/economy/indicators/economic-growth-prospects-remain-strong-in-medium-term-sp/articleshow/105956037.cms>

### **Govt likely to come out with logistics cost estimate framework on Thursday**

The government is expected to release a framework to assess the logistics cost in the country to get a realistic estimate tomorrow, an official has said. At present, the government is going by certain estimates, suggesting India's logistics cost stands at about 13-14 per cent of the country's GDP (gross domestic product). Sumita Dawra, Special Secretary in the Department for Promotion of Industry and Internal Trade (DPIIT), had earlier stated that the government is coming out with its logistics cost framework. The framework would include elements of this cost and how to measure that.

<https://economictimes.indiatimes.com/news/economy/policy/govt-likely-to-come-out-with-logistics-cost-estimate-framework-on-thursday/articleshow/105969799.cms>

### **Change with the times: NSC Committee suggests overhaul of statistics infra**

A panel, set up by the National Statistical Commission (NSC), has suggested a technological overhaul of the country's statistics infrastructure, including hiring more employees with technical qualifications to help it cater to the need of modern statistical systems, said officials. The panel submitted a report to the NSC, which will suggest the way to take the process forward to the statistics and programme implementation ministry, they said. The move comes after the ministry suggested leveraging big data analytics, artificial intelligence and machine learning in its revised draft of national policy on official statistics in August. "It is high time we upgrade the IT infrastructure. Moving to modern statistical systems processes would not mean anything if we don't have the IT system or the technical workforce to support it," said one of the officials.

<https://economictimes.indiatimes.com/news/economy/policy/change-with-the-times-nsc-committee-suggests-overhaul-of-statistics-infra/articleshow/105970371.cms>

### **Infra spending, good performance by large economies push sharp uptick in GDP in H1FY24: Raghuram Rajan**

Former RBI governor Raghuram Rajan has attributed the sharp uptick in GDP in the first half of the current fiscal to infrastructure spending and good performance by large economies of the world but added India has to do a lot of catching up and the USD 5 trillion economy goal for 2025 is nearly impossible. Rajan further said that even as India's growth rate is strong, private investment and private consumption have not picked up. "So if you look at why we have done so well this year, one of the reasons we are doing so well is also because the world is doing well. "... the other reason for this very strong growth in the first half is tremendous government spending on infrastructure," Rajan told PTI.

<https://economictimes.indiatimes.com/news/economy/policy/infra-spending-good-performance-by-large-economies-push-sharp-uptick-in-gdp-in-h1fy24-raghuram-rajan/articleshow/105964898.cms>

## **Banking and Finance**

### **FM tables CGST Second Amendment Bill in Lok Sabha**

The Finance Minister on Wednesday tabled the central goods and services tax (CGST) second Amendment bill that extends the upper age limit of GST Appellate tribunal Chairman to 67 years from the existing 65 years and allows advocates with 10 years of experience to be eligible to become a member. The bill has fixed the minimum age for tribunal members to be 50 years. Government on September 15 notified 31 benches of the GST Appellate Tribunal. However the advocates were not eligible to become a member, unlike other tribunals. This amendment says advocates can be eligible to be a member if he/ she has been "an advocate for ten years with substantial experience in litigation in matters relating to indirect taxes in the Appellate Tribunal".

<https://economictimes.indiatimes.com/news/economy/finance/fm-tables-cgst-second-amendment-bill-in-lok-sabha/articleshow/105961657.cms>

### **Centre turns focus on skills of the key executives of state-run banks**

The Centre has asked state-run banks to focus on the capacity building of their key executives and specialised senior officials, including chief technology officers and chief revenue officers. It is keen that the top brass of public sector banks (PSBs) is geared up to handle fast-changing market dynamics and technological outgrowth, said people aware of the matter. "We want them to build strength in areas that require in-depth knowledge, such as risk management, digital infrastructure and cybersecurity," said a government official, who did not wish to be identified.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/centre-turns-focus-on-skills-of-the-key-executives-of-state-run-banks/articleshow/105970463.cms>

## **Industry**

### **India's refined copper demand to grow by 11% in FY24 on govt's infra development plans, transition to renewable energy**

The domestic refined copper demand growth will remain healthy at ~11 per cent in FY2024 and FY2025, outpacing the rate of global growth in copper demand, given the Government's thrust on infrastructure development and a gradual transition to renewable energy, according to a report by ICRA. Per the report, the price of copper is expected to remain range-bound at current levels of ~8200-8300/tonne in the near term and it foresees a stable outlook for the domestic copper industry.

<https://www.financialexpress.com/business/industry-indias-refined-copper-demand-to-grow-by-11-in-fy24-on-govts-infra-development-plans-transition-to-renewable-energy-3337087/>

### **MSME contribution to India's GDP lags pre-pandemic highs, shows data**

The share of micro, small and medium enterprises (MSME) in India's gross domestic product (GDP) in 2021-22 was 29 per cent, lower than the sector's pre-pandemic highs. The share of MSMEs in the country's total output, in terms of gross value added, touched 31 per cent in 2018-19 before declining during the pandemic, as per data tabled in the Parliament on Monday. About \$200 billion worth of MSME products were exported in 2022-23, but their share

in India's overall exports declined to a five-year low of 44 per cent. MSME products made up about half of all exports in 2019-20 before the pandemic. Since then, the share has declined. India's overall exports increased by 44 per cent in the same period-- from \$313 billion in FY20 to over \$450 billion in FY23.

[https://www.business-standard.com/economy/news/msme-contribution-to-india-s-gdp-lags-pre-pandemic-highs-shows-data-123121200908\\_1.html](https://www.business-standard.com/economy/news/msme-contribution-to-india-s-gdp-lags-pre-pandemic-highs-shows-data-123121200908_1.html)

### **India Inc to increase investments by almost 3.5X by 2026 to digitize, automate, relocate supply and production facilities, says Accenture**

Companies in India are ramping up regional suppliers and production facilities to become less vulnerable to disruption. Per a research by Accenture, by 2026, 63 per cent of companies in India intend to buy most key items from regional suppliers, up from 34 per cent currently. The report "Resiliency in the making" said that 77 per cent organisations in India are planning to produce and sell most of their products in the same region by 2026, up from the current 29 per cent.

<https://www.financialexpress.com/business/industry-india-inc-to-increase-investments-by-almost-3-5x-by-2026-to-digitize-automate-relocate-supply-and-production-facilities-says-accenture-3337187/>

### **Consumer staples demand surges in ongoing wedding season**

Demand for staples such as basmati rice, edible oils and maida (refined wheat flour) has increased up to 35% year-on-year in the ongoing wedding season, said industry executives. The increase in consumption of essential commodities has been witnessed in not only the bigger urban regions but also tier-2 and tier-3 cities, they said. "We are seeing demand coming in from places like Udaipur, Jaipur, Agra, Kolkata, Uttar Pradesh, Bihar, Delhi and south India," said Angshu Mallick, managing director of Adani Wilmar, which sells consumer staples under the brand name Fortune.

<https://economictimes.indiatimes.com/news/economy/indicators/consumer-staples-demand-surges-in-the-ongoing-wedding-season/articleshow/105960125.cms>

### **Indian automobile market fastest growing among top 10 globally**

India has been the fastest growing among the world's 10 largest automobile markets this calendar year when compared to the pre-pandemic year of 2019, according to a global sales forecasting firm. The world's largest light vehicle (includes cars and light utility vehicles less than 6 tonnes) market, behind China and the US, is estimated to advance 36% in 2023 to 4.8 million units over 2019, according to S&P Global Mobility forecast. While China is expected to close the year with a 2% increase over 2019, the US is expected to report a decline of 9%. The remaining seven markets are likely to post single to double digit declines in 2023 over 2019. While Japan, the fourth largest by volume, is likely to record a 7% drop, Germany, the UK and Brazil may end 2023 with declines of 21%, 17% and 19%, respectively, over 2019.

<https://economictimes.indiatimes.com/industry/auto/auto-news/indian-automobile-market-fastest-growing-among-top-10-globally/articleshow/105970487.cms>

## **Agriculture**

### **Poultry sector to seek reduction in import duty on maize & soyabean**

Food shortages created due to the erratic monsoon are not limited to humans. The poultry industry is going to request the central government to reduce import duty on maize and soyabean to tackle a scarcity of feed for their flocks. "We are going to write to the central government requesting to reduce the import duty on maize and soyabean," said Suresh Deora, chairman, Compound Feed Manufacturers' Association (CLFMA) of India.

<https://economictimes.indiatimes.com/news/economy/agriculture/poultry-sector-to-seek-reduction-in-import-duty-on-maize-soyabean/articleshow/105970571.cms>

### **Prices of onion, wheat and pulses fall on fear of government action**

The prices of pulses, wheat and onion fell substantially following a series of price control measures announced by the central government last week. Wheat prices have declined by 15% in the last four days after the central government tightened the stock holding limit on traders and processors. Likewise, the wholesale prices of onion at the benchmark Lasalgaon APMC in Maharashtra have crashed by 15-20% after the Centre banned onion export on

December 8 and the decision to allow duty-free import of yellow peas has led to a fall in prices of all the pulses, trade insiders said.

<https://economictimes.indiatimes.com/news/economy/agriculture/prices-of-onion-wheat-and-pulses-fall-on-fear-of-government-action/articleshow/105957076.cms>

## Telecom

### Telcos differ with govt stance on 6 GHz spectrum at WRC

India's telcos are alarmed at the Indian delegation's interventions regarding the 6 GHz spectrum band at the ongoing World Radiocommunications Conference (WRC), which they say are contrary to the originally agreed upon position. In a letter to telecom minister Ashwini Vaishnaw sent Wednesday, the telcos have said that it appears that discussions are being steered towards the band's designation for delicensed WiFi usage.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-differ-with-govt-stance-on-6-ghz-spectrum-at-wrc/articleshow/105970553.cms>

## States

### Bihar business summit: MoUs signed with 8 firms for investment of Rs 554 cr

Memorandums of Understanding (MoU) were signed between the Bihar government and eight companies on Wednesday for proposed investments of Rs 554.4 crore in textile and leather sectors in the eastern state. Speaking at the inaugural session of the two-day global investors' summit 'Bihar Business Connect-2023' here, Bihar industries minister Samir Kumar Mahaseth iterated the demand for the creation of Special Economic Zones (SEZs) in the state by the Centre, and assured the delegates that the Nitish Kumar government would provide all assistance to them for establishing industries.

[https://www.business-standard.com/economy/news/bihar-business-summit-mous-signed-with-8-firms-for-investment-of-rs-554-cr-123121300847\\_1.html](https://www.business-standard.com/economy/news/bihar-business-summit-mous-signed-with-8-firms-for-investment-of-rs-554-cr-123121300847_1.html)

### Tamil Nadu software exports hit \$4.8 bn, top among all states: Minister

Software exports from Tamil Nadu have reached an all-time high of \$ 4.8 billion surpassing all other states in the country as of October 31, 2023, State Minister T R B Rajaa said on Wednesday. The Minister for Industries said the software exports from the state could hit \$ 8 billion this financial year, marking a 'significant leap' from last year's \$ 5.37 billion.

[https://www.business-standard.com/economy/news/tamil-nadu-software-exports-hit-4-8-bn-top-among-all-states-minister-123121300913\\_1.html](https://www.business-standard.com/economy/news/tamil-nadu-software-exports-hit-4-8-bn-top-among-all-states-minister-123121300913_1.html)

## External

### Govt announces registration procedure for importers of yellow peas

The government on Wednesday notified the procedure for traders to register imports of yellow peas under the import monitoring system. The Directorate General of Foreign Trade (DGFT) said that an importer can apply under the system online on the DGET website. "The importer on submission of advance information in this online system and online payment of Rs 500 shall be issued an Automatic Registration Number," the DGFT said. The importer has to apply for registration not later than five days before the expected date of arrival of the import consignment. After that, they have to submit the registration number to the concerned Customs authorities when filing for import clearance.

[https://www.business-standard.com/economy/news/govt-announces-registration-procedure-for-importers-of-yellow-peas-123121301225\\_1.html](https://www.business-standard.com/economy/news/govt-announces-registration-procedure-for-importers-of-yellow-peas-123121301225_1.html)

### Govt considering cut in import duties on wheat, chana

After taking a number of measures to rein in food inflation recently, the government is discussing several other proposals including cutting import duties on wheat and chana to boost domestic supplies and preempt spike in prices. Sources told FE that the government is keeping a close watch on the wheat prices and "all possible measures are under consideration to bring down the prices,".

<https://www.financialexpress.com/policy/economy-govt-considering-cut-in-import-duties-on-wheat-chana-3336885/>

#### **Making history, COP28 nations agree to 'transition away' from fossil fuels**

The 28th Conference of the Parties of the United Nations (UN) Framework Convention on Climate Change (COP28), hosted by oil exporter United Arab Emirates (UAE), adopted the idea of “transitioning away from fossil fuel” in the final decision text, marking the first instance of such a decision in the three decades of COP’s existence. This agreement, reached during the hottest year in recorded history, was finalised on Wednesday after two weeks of intense debate at the UN climate summit in Dubai.

[https://www.business-standard.com/economy/news/making-history-28th-cop-adopts-transition-away-from-fossil-fuels-123121301111\\_1.html](https://www.business-standard.com/economy/news/making-history-28th-cop-adopts-transition-away-from-fossil-fuels-123121301111_1.html)

#### **No plan to expand laptop, personal computer import curbs: India tells WTO**

India on Tuesday informed the World Trade Organisation (WTO) that it does not plan to expand the use of import management systems for computers, laptops and other IT hardware products beyond the listed products. India said that the reason behind this decision is to "protect public morals, quota administration, regulate imports of arms, ammunition or fissionable materials and safeguard national security". New Delhi said that industry experts were consulted prior to the notification issued on August 3, and a transition period of three months was provided till October 31, wherein further comments were sought from trade and industry.

[https://www.business-standard.com/economy/news/no-plan-to-expand-laptop-personal-computer-import-curbs-india-tells-wto-123121300311\\_1.html](https://www.business-standard.com/economy/news/no-plan-to-expand-laptop-personal-computer-import-curbs-india-tells-wto-123121300311_1.html)