



January 22, 2024 – Monday

## Economy

### Fresh formal job creation dipped to 30-month low levels in Nov: EPFO

The number of new formal jobs created in a month has fallen to its lowest level in over two years since the second wave of the Covid-19 pandemic struck, indicating a significant downturn in the formal labour market. In November 2023, the number of new monthly subscribers under the Employees' Provident Fund (EPF) decreased by nearly 10 per cent to 736,015 from 816,721 in October, according to the latest monthly payroll data released by the Employees' Provident Fund Organisation (EPFO) on Saturday.

[https://www.business-standard.com/economy/news/fresh-formal-job-creation-dipped-to-30-month-low-levels-in-nov-epfo-124012000548\\_1.html](https://www.business-standard.com/economy/news/fresh-formal-job-creation-dipped-to-30-month-low-levels-in-nov-epfo-124012000548_1.html)

### Climate change may cut labour productivity in India to 40% by 2100: Study

Labour productivity could fall as low as 40 per cent in countries like India and Pakistan by the end of the century due to climate change, threatening global food production, according to a study. The research, published in the journal Global Change Biology, predicts that other regions in Southeast and South Asia, West and Central Africa, and northern South America are expected to see physical work capacity reduced to 70 per cent. "Assessments consistently conclude that climate change will reduce crop yields making food security challenges worse," said study lead Gerald Nelson, a professor at the University of Illinois, US.

<https://economictimes.indiatimes.com/news/economy/indicators/climate-change-may-cut-labour-productivity-in-india-to-40-by-2100-study/articleshow/107010818.cms>

## Banking and Finance

### Interim Budget 2024-25: Govt may target 5.3% fiscal deficit for FY25

The fiscal deficit target for FY25 is likely to be pegged at 5.3 per cent of the gross domestic product (GDP) in the upcoming interim budget, suggests an analysis of multiple projections made by economists and forecasting agencies. Fiscal deficit is the difference between the total income of the government and the total expenditure incurred by it.

[https://www.business-standard.com/budget/news/budget-forecasters-converge-towards-5-3-fiscal-deficit-target-for-fy25-124012100447\\_1.html](https://www.business-standard.com/budget/news/budget-forecasters-converge-towards-5-3-fiscal-deficit-target-for-fy25-124012100447_1.html)

### States' loan guarantee more than triples since FY17 to Rs 9.4 trn in FY23

The total loan guarantees extended by 17 major states to their entities have more than tripled to Rs 9.4 trillion by FY23 from Rs 3 trillion in FY17, says a report. While guarantees are contingent liabilities, they may pose a risk to states' fiscal health if a substantial proportion of the stock needs to be serviced by them, warranting robust guarantee monitoring and prudent extension of guarantees in the future so that the financial system as a whole remains resilient.

[https://www.business-standard.com/economy/news/states-loan-guarantee-more-than-triples-since-fy17-to-rs-9-4-trn-in-fy23-124012100235\\_1.html](https://www.business-standard.com/economy/news/states-loan-guarantee-more-than-triples-since-fy17-to-rs-9-4-trn-in-fy23-124012100235_1.html)

### **Personal loans segment sees resurgence post Covid: CRIF-DLAI report**

The personal loans segment has seen a resurgence post Covid led by segments such as small ticket personal loans, personal loans, gold loans, and credit cards. According to a report by credit bureau CRIF and Digital Lenders Association of India (DLAI), the total outstanding personal loans in the country more than doubled in the past four years from Rs 5.5 trillion in FY20 to Rs 11.9 trillion by the end of the first half of financial year 2024 (H1FY24). The report observed that origination volumes in these personal loans were dominated by small ticket personal loans (STPL) with growth observed in origination values from Rs 10,000 to Rs 50,000 and those above Rs 10 lakh.

[https://www.business-standard.com/industry/banking/personal-loans-see-a-resurgence-post-covid-says-cfri-dlai-report-124011901028\\_1.html](https://www.business-standard.com/industry/banking/personal-loans-see-a-resurgence-post-covid-says-cfri-dlai-report-124011901028_1.html)

## **Industry**

### **Average selling price of passenger vehicles in India up by 50% in 5 years**

The average selling price (ASP) of passenger vehicles (PVs) in India has been increasing steadily over the years thanks to premiumisation, an increase in regulatory stringency, and faster adoption of sports utility vehicles (SUVs). According to data from the industry, the ASP has gone up from Rs 7.65 lakh in 2018-19 to Rs 11.5 lakh in 2023-24, up by over 50 per cent. More people prefer buying a top-end variant of the vehicle, with the percentage of buyers rising from 27 per cent about a year ago to 43 per cent now.

[https://www.business-standard.com/industry/auto/average-selling-price-of-passenger-vehicles-rises-by-50-in-last-5-years-124012100104\\_1.html](https://www.business-standard.com/industry/auto/average-selling-price-of-passenger-vehicles-rises-by-50-in-last-5-years-124012100104_1.html)

### **EV makers pitch for comprehensive, consistent policy to enable transition**

A comprehensive policy on the components for Electric Vehicles (EV), inclusion of commercial vehicles for incentives, clarity on the Goods and Services Tax (GST) on spare parts and consistency on the policy front, are the expectations of industry players from the forthcoming Interim Budget for transition from petrol/diesel vehicles to EVs. "The Union Government needs to formulate a comprehensive policy on EV parts, ensuring transparency and establishing a level playing field within the industry. Additionally, the inclusion of commercial vehicles in EV incentives is pivotal for fostering widespread growth and aligning with our shared vision of a sustainable future," Ayush Lohia, CEO, Lohia Auto Industries Ltd told IANS.

<https://economictimes.indiatimes.com/industry/renewables/ev-makers-pitch-for-comprehensive-consistent-policy-to-enable-transition/articleshow/107032174.cms>

## **Agriculture**

### **CSIR launches tech-driven initiative to boost productivity, farmers' income**

The Council of Scientific and Industrial Research (CSIR) has launched a unique mission to develop region-specific smart agro-technologies for paddy in south India, besides for other crops, aiming to improve soil health and productivity and thereby enhance the farmers' income, a senior scientist said. This endeavour will help the Central government to introduce the use of automation, sensors, drones, and Artificial Intelligence gadgets for agriculture in the future.

[https://www.business-standard.com/economy/news/csir-launches-tech-driven-initiative-to-boost-productivity-farmers-income-124012100071\\_1.html](https://www.business-standard.com/economy/news/csir-launches-tech-driven-initiative-to-boost-productivity-farmers-income-124012100071_1.html)

## **Infrastructure**

### **Industrial and logistics space demand hit record in 2023: CBRE report**

Demand for industrial and logistics spaces hit an all-time high across eight major cities last year with leasing activity rising annually by 8 per cent, according to CBRE. In its latest report, real estate consultant CBRE said that the leasing of industrial and logistics spaces rose to 38.8 million square feet in 2023 from 36 million square feet in the previous year driven mainly by demand from third-party logistics (3PL) companies.

[https://www.business-standard.com/economy/news/industrial-and-logistics-space-demand-hit-record-in-2023-cbre-report-124012100335\\_1.html](https://www.business-standard.com/economy/news/industrial-and-logistics-space-demand-hit-record-in-2023-cbre-report-124012100335_1.html)

## Energy

### India's power consumption grows nearly 8% to 1,221.15 bn units in Apr-Dec

Power consumption in the country witnessed an on-year rise of nearly 8 per cent to 1,221.15 billion units (BU) during the April-December period of this fiscal, indicating a surge in economic activities. Power consumption in the country stood at 1,132.11 BU in April-December 2022-23. Industry experts said that around eight per cent growth in power consumption in the first nine months of this fiscal year shows a surge in economic activities.

<https://economictimes.indiatimes.com/industry/energy/power/indias-power-consumption-grows-nearly-8-to-1221-15-bn-units-in-apr-dec/articleshow/107026392.cms>

### India defers \$602 mln plan to fill parts of strategic petroleum reserve

India has deferred a 50-billion-rupee (\$601.78 million) plan to fill parts of its strategic petroleum reserve, keeping in mind emerging trends in oil markets, the finance ministry said on Saturday. In the federal budget for 2023-24, the government had outlined a plan to purchase crude oil worth 50 billion rupees for caverns in the southern cities of Mangalore and Visakhapatnam.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-defers-602-mln-plan-to-fill-parts-of-strategic-petroleum-reserve/articleshow/107014835.cms>

## Telecom

### India set to export indigenously-developed 4G, 5G stacks in 2024: Officials

The Centre is eyeing the export of a full range of indigenously-designed 4G and 5G stacks in 2024 as part of its policy to attract investments and use the technological outreach as a key foreign policy bet. Several countries such as Kenya, Mauritius, Papua New Guinea, and Egypt, among others, have shown interest in the Indian telecom technology.

[https://www.business-standard.com/industry/news/india-set-to-export-indigenously-developed-4g-5g-stacks-in-2024-officials-124012100316\\_1.html](https://www.business-standard.com/industry/news/india-set-to-export-indigenously-developed-4g-5g-stacks-in-2024-officials-124012100316_1.html)

## States

### Kerala plans to implement single-window in plantation sector to reduce bureaucratic hurdles

Kerala is planning to implement a single-window system to expedite the usage of five per cent of the State's plantation sector for other purposes, P Rajeeve, the industries minister, said. The intention is to overcome the practical difficulties being faced in receiving official approval for non-plantation projects in the sector, he said after inaugurating the second edition of the Kerala Plantation Expo. The government is convening a meeting of all the allied departments and the single-window system will come into existence from the next financial year (2024-25), he said and added that the government has also included plantation under a World Bank project for replanting the estates for their improved productivity.

<https://www.thehindubusinessline.com/economy/agri-business/kerala-plans-to-implement-single-window-in-plantation-sector-to-reduce-bureaucratic-hurdles/article67761908.ece>

### Web portal to promote food product exports launched in Rajasthan

NABARD-supported Agri Export Facilitation Centre (AEFC) in Jodhpur has launched a web-based agribusiness information system aimed at promoting agricultural and food product exports in Rajasthan. Rajiv Siwach, Chief General Manager, NABARD, Rajasthan Regional Office, said in a statement that the website will provide timely and accurate information on crop production, weather, market prices, and pest management and will enable online transactions, such as buying and selling inputs, products, and services.

<https://www.financialexpress.com/policy/economy-web-portal-to-promote-food-product-exports-launched-in-rajasthan-3370302/>

## Healthcare

### Pharma MSMEs can get govt help to upgrade facilities

The Department of Pharmaceuticals has proposed to offer financial assistance to micro, small and medium enterprises (MSMEs) to help them upgrade their facilities to ensure better quality of medicines. "Under a central scheme, which is called Pharmaceutical Technology Upgradation Assistance Scheme, MSMEs can seek financial assistance from the government," said Arunish Chawla, secretary, Department of Pharmaceuticals. "This will open a new window for MSMEs who have an opportunity to get some assistance and be able to get the quality certifications that are now mandatory."

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/pharma-msmes-can-get-govt-help-to-upgrade-facilities/articleshow/106998140.cms>

## External

### Zero-duty unrefined gold imports take the shine off local players

The continuous import of gold dore (or unrefined gold) by some refineries under zero duty from the least developed countries (LDCs), despite the government warning against it, is hurting the domestic market. Bullion trade has been reeling under illegitimate imports for over a year and the yellow metal is trading at a discount of about \$25 per ounce in the official market compared to its cost of imports for several months.

[https://www.business-standard.com/markets/commodities/zero-duty-gold-dore-imports-from-lDCs-take-glitter-off-domestic-market-124012100386\\_1.html](https://www.business-standard.com/markets/commodities/zero-duty-gold-dore-imports-from-lDCs-take-glitter-off-domestic-market-124012100386_1.html)

### Chances to reach consensus on WTO dispute settlement body reforms 'low' in next meet: GTRI

WTO member countries are unlikely to reach a consensus next month on reforming the dispute settlement system of the global trade body as there are wide differences over the issue between developed and developing countries, a GTRI report said on Sunday. The trade minister of the 164-member World Trade Organisation (WTO) will gather in Abu Dhabi in February for the 13th ministerial conference (MC) to resolve different issues such as reforms in dispute settlement mechanisms, agriculture-related matters and a moratorium on customs duties on e-commerce trade.

<https://www.financialexpress.com/policy/economy-chances-to-reach-consensus-on-wto-dispute-settlement-body-reforms-low-in-next-meet-gtri-3370696/>

### Electronics exports grow at record 22 per cent in April-December

India's electronics exports grew at a record 22.24% to cross the \$20 billion mark in the first nine months of FY24, propelled by booming smartphone shipments, spearheaded by Apple's iPhone. According to industry body India Cellular and Electronics Association (ICEA), mobile phone exports reached \$10.5 billion during April to December 2023, comprising 52% of total electronics exports. In FY23, electronics exports stood at \$23.6 billion, of which mobile phones comprised \$11.1 billion or 43%.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/electronics-exports-grow-at-record-22-per-cent-in-april-december/articleshow/107034548.cms>