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Economy

CPI Inflation to ease in coming months: Flash Purchase Managers' index launched jointly by HSBC and S&P

Consumer price inflation is set to rise moderately in the coming months, the flash Purchase Managers' index launched jointly by HSBC and Standard and Poors on Wednesday. "The flash PMI indicates that service providers have not passed on the input price increases to final consumers" said Pranjul Bhandari, chief economist, India and Indonesia. "And while manufacturers have, on the whole composite output prices are rising at a lower clip than last month"

<https://economictimes.indiatimes.com/news/economy/indicators/cpi-inflation-to-ease-in-coming-months-flash-purchase-managers-index-launched-jointly-by-hsbc-and-sp/articleshow/107117318.cms>

Indian consumers to be primary drivers for domestic and global economy: Barclays

India's consumers will be the primary driver of growth for both the domestic and global economy in the coming years, with aggregate discretionary consumption tripling to \$2 trillion by 2030, according to Barclays. "Consumption already forms a bigger part of the Indian economy (58%) than in most large consumer-led economies. This, coupled with an expected surge in India's population, suggests the country's consumption is primed for world-beating growth," Rahul Bajoria, MD & Head of EM Asia (ex-China) Economics, Barclays, said in a report released Wednesday.

<https://economictimes.indiatimes.com/news/economy/indicators/indian-consumers-to-be-primary-divers-for-domestic-and-global-economy-barclays/articleshow/107109845.cms>

Banking and Finance

Banks to feel capital pain on 'daylight deals'

Banks will have to set aside capital on thousands of crores of funds they lend to corporates, brokers, asset managers and even clearing houses during the day. The move would impact several private sector and foreign banks whose capital requirement would go up. Better known as intra-day credit lines - or 'day-light overdrafts' (DLOD) - these loan lines are given sometimes for a couple of hours, with the borrower repaying the money before the close of the business hour.

<https://economictimes.indiatimes.com/markets/stocks/news/banks-to-feel-capital-pain-on-daylight-deals/articleshow/107127257.cms>

Local taxes, fees contribute 1.1% to Panchayats' total revenue: RBI report

Local taxes and fees contributed only 1.1 per cent to Panchayats' total revenue, according to a report by the Reserve Bank of India (RBI). Non-tax revenue, primarily from Panchayati Raj programmes and interest earnings, constituted 3.3 per cent of the total revenue receipts. States like Tamil Nadu, Himachal Pradesh, Maharashtra, and Telangana reported higher non-tax revenue than others, according to the RBI report on the Finances of Panchayati Raj Institutions. "The own revenues of the Panchayats --- generated by imposing local taxes, fees, and charges on various activities, including land revenue, professional and trade taxes, and miscellaneous fees --- were only 1.1 per cent of their total revenue during the study period," the report said.

https://www.business-standard.com/economy/news/panchayats-own-revenue-contribute-only-1-1-of-their-total-revenue-rbi-124012400989_1.html

Govt allows direct listing at IFSC to enable local cos raise global capital

The government on Wednesday permitted the direct listing of Indian companies on the Gujarat International Finance Tec's (GIFT's) international exchanges to boost foreign investments. The Ministry of Finance issued a notification, amending the Foreign Exchange Management Act (FEMA) to permit the listing on the international exchanges in the International Financial Services Centre (IFSC). The corresponding provision to enable listing has also been made to the Companies Act.

https://www.business-standard.com/finance/news/govt-allows-direct-listing-at-ifsc-to-enable-local-cos-raise-global-capital-124012400888_1.html

Bank credit expansion projected at 15% in FY24, 12% in FY25: ICRA

Rating agency Icria on Wednesday revised upward its bank credit growth projection at 14.9-15.3 per cent this fiscal, but said the same will lose steam and grow at 12 per cent next fiscal. At 14.9-15.3 per cent, the system level credit expansion in absolute terms will be Rs 20.4-20.9 trillion, it said, adding this will be the highest ever incremental bank credit growth and would surpass the previous high of Rs 18.2 trillion recorded in FY23 at a growth rate of 15.4 per cent.

https://www.business-standard.com/finance/news/bank-credit-expansion-projected-at-15-in-fy24-12-in-fy25-icra-124012400376_1.html

Companies to submit bank details to GST officers within 30 days of registration to avoid suspension, says GSTN

Businesses will be required to submit valid bank account details to GST authorities within 30 days of grant of GST registration to avoid suspension, the GST Network has said. In an advisory to GST-registered businesses, GSTN said all registered taxpayers are required under the Goods and Services Tax (GST) law to furnish details of their bank account/s within 30 days of the grant of registration or before the due date of filing GSTR-1/IFF, whichever is earlier. "Taxpayers are therefore advised to promptly furnish their bank account details, who have not provided it so far if 30 days period is shortly going to expire to avoid disruption in business activities and the subsequent suspension of GSTIN," it said.

<https://economictimes.indiatimes.com/news/economy/policy/companies-to-submit-bank-details-to-gst-officers-within-30-days-of-registration-to-avoid-suspension-says-gstn/articleshow/107118912.cms>

Industry

Centre begins re-auction for 10 GWh tranche of ACC battery PLI scheme

The Centre on Wednesday announced re-bidding for the 10 Gigawatt hour (Gwh) tranche of the total 20 GWh capacity under the production-linked incentive (PLI) scheme for the advanced chemistry cell (ACC) battery storage. A budgetary outlay of Rs 3,620 crore has been earmarked as the incentive against setting up this battery manufacturing capacity in the latest round. In the current bidding process, the prospective applicants can submit their bids to set up a domestic manufacturing facility for ACC, which will help them qualify for incentives under the PLI ACC scheme, the Ministry of Heavy Industries (MHI) said.

https://www.business-standard.com/industry/news/centre-begins-re-auction-for-10-gwh-tranche-of-acc-battery-pli-scheme-124012400681_1.html

Space industry seeks liberal FDI policy, PLI scheme in Union Budget

Budget expectations: India's nascent space sector has sought a liberal FDI policy on a par with the defence industry and production-linked incentive in the interim Budget that the government will present next week. The industry body Indian Space Association (ISpA) has also sought GST exemption for satellites, launch vehicles and ground equipment manufacturing, lower tax rates for external commercial borrowings and reduction of satellite sector withholding tax from 10 per cent to two per cent, given the low profit margins. "Our expectation is for enabling a more liberal FDI (foreign direct investment) policy in the space sector. As of now, even one per cent of FDI has to go through the government approval route and that takes months and months," Awais Ahmed, founder and CEO of Pixxel, a Bengaluru-based start-up, told PTI.

<https://economictimes.indiatimes.com/news/economy/policy/budget-2024-space-industry-seeks-liberal-fdi-policy-pli-scheme-in-union-budget/articleshow/107114022.cms>

More funds for steel sector under green hydrogen mission if required, says R K Singh

Union Minister R K Singh on Wednesday assured stakeholders that additional funds will be allocated for decarbonisation of the steel sector under National Green Hydrogen Mission, if required. Singh chaired a meeting of government and industry stakeholders of the iron and steel sector in order to discuss pilot projects under the mission, an official statement said. Officials of Ministry of New & Renewable Energy, Ministry of Steel and industry representatives from the iron and steel sector participated in the deliberations. The Union Power and New & Renewable Energy Minister said that the funds available under the mission should be used to develop technology for integration of hydrogen in steel making.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/more-funds-for-steel-sector-under-green-hydrogen-mission-if-required-says-r-k-singh/articleshow/107122218.cms>

Agriculture

NITI, govt launch forum for advancing climate resilient agri-food system

NITI Aayog, Ministry of Agriculture and Farmers' Welfare (MoA&FW), and Food and Agriculture Organization (FAO) of the United Nations on Wednesday jointly launched the 'Investment Forum for Advancing Climate Resilient Agrifood Systems in India', an official statement said. The initiative aims to develop an investment and partnership to advance climate-resilient agrifood systems among the government, private sectors, and farmers' organisations, and financial institutions in India, it said.

https://www.business-standard.com/economy/news/niti-govt-launch-forum-for-advancing-climate-resilient-agri-food-system-124012400699_1.html

Need to boost maize yields for meeting ethanol demand: NITI Aayog member

NITI Aayog member Ramesh Chand on Wednesday stressed on the need to increase maize yields to meet the demand for ethanol production. Addressing a workshop on maize here, Chand said that achieving the higher maize productivity is crucial for increasing the maize production in the country, as per an official statement. Speaking on the occasion, Agriculture Secretary Manoj Ahuja emphasised the pivotal role of the private sector in formulating progressive strategies for the maize sector, positioning maize as the crop of opportunity.

https://www.business-standard.com/industry/news/need-to-boost-maize-yields-for-meeting-ethanol-demand-niti-aayog-member-124012401087_1.html

Energy

Union Cabinet approves Rs 8,500 cr incentive for coal gasification projects

The Union Cabinet on Wednesday approved Rs 8,500 crore financial incentive scheme for coal gasification projects. In the first category, Rs 4,050 crore has been provisioned for public sector utilities (PSUs) in which up to three projects will be supported by providing a lump sum grant of Rs 1,350 crore or 15 per cent of capex, whichever is lower. In the second category, Rs 3,850 crore has been earmarked for both government and private sector projects in which the lump sum grant of Rs 1,000 crore or 15 per cent of capex, whichever is lower, is provided for each project. At least one project will be bid out on a tariff-based bidding process and its criteria will be designed in consultation with NITI Aayog, a government statement said.

https://www.business-standard.com/industry/news/union-cabinet-approves-rs-8-500-cr-incentive-for-coal-gasification-projects-124012400960_1.html

States

Old Pension Scheme benefits for 13,000 employees in Karnataka: CM Siddaramaiah

The Karnataka government Wednesday issued a notification to bring about its 13,000 employees, who were notified before April 1, 2006 but were appointed at a later date, under the Old Pension Scheme. Chief Minister Siddaramaiah posted on 'X' that he had made this promise to the government employees on a strike against the new pension

scheme. "Before the election, I visited the place where the employees were on a strike against the NPS and promised them to fulfil the demand after we come to power. I hope this decision has given comfort to all the families of 13,000 employees under NPS," he said.

<https://economictimes.indiatimes.com/news/india/old-pension-scheme-benefits-for-13000-employees-in-karnataka-cm-siddaramaiah/articleshow/107130153.cms>

Arunachal Pradesh to have a mini food park in West Siang district

Arunachal Pradesh Chief Minister Pema Khandu has said that the government will establish a mini food park in the West Siang district with food processing units for all produce of the entire Siang belt. Khandu declared that the Arunachal Pineapple Festival, held at Bagra for the first time as a community initiative in collaboration with Arunachal Pradesh Marketing Board, will be an annual event to be organized by the state department of Horticulture. Speaking at the closing ceremony of the three-day event, Khandu appreciated the local residents under the banner of All Bagra Welfare Society for conceptualizing the festival in collaboration with the state marketing board to highlight and revive pineapple cultivation in the area.

<https://economictimes.indiatimes.com/news/economy/agriculture/arunachal-pradesh-to-have-a-mini-food-park-in-west-siang-district/articleshow/107123513.cms>

Healthcare

Health insurance: Cashless treatment at any hospital now as insurers launch new initiative

The General Insurance Council on Wednesday announced a drive aimed at making cashless hospitalisation available for policyholders even in non-empanelled hospitals. Hospitals with 15 beds, and registered with the respective state health authorities under the Clinical Establishment Act can offer cashless hospitalisation now. In the event of hospitalisation, policyholders need not pay for treatment out of their pockets as the expenses would be covered by the insurance companies concerned. This is subject to the claim being admissible, as per the council. Under the drive 'Cashless Everywhere', efforts will be made to ensure that policyholders can get treated in any hospital they choose with a cashless facility, subject to certain conditions.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/health-insurance-cashless-treatment-at-any-hospital-now-as-insurers-launch-new-initiative/articleshow/107123606.cms?from=mdr>

Export of drugs meant only for Indian market under DCGI lens

Alarmed by last year's controversy of export of substandard cough syrups, the Drug Controller General of India (DCGI) is scrambling to contain a fresh crisis, this time with drugs intended solely for the domestic market ending up in the international market. The DCGI has asked all port offices to ensure that products meant for the "India market only" are not exported after receiving complaints about the unauthorised export of drugs meant for the local market. In a letter to all the port offices and zonal officers, the DCGI said "this practice is to be stopped immediately". The drug regulator has directed state and zonal officers to "ensure that the products meant for India market only (as per label claim) should not be allowed for export. "This is for information and necessary compliance," the DCGI said in a letter dated January 19, a copy of which was seen by ET.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/export-of-drugs-meant-only-for-indian-market-under-dcgi-lens/articleshow/107123783.cms>

Half of health, pharma cos to integrate GenAI solutions under 1 yr: Report

Almost 48 per cent of health care and pharmaceutical companies are poised to integrate their first generative artificial intelligence (GenAI) solutions within the next year, according to an EY-Parthenon report released on Wednesday. The report said that while 28 per cent of healthcare and pharma companies had already implemented their first GenAI solutions, nearly half of them planned to implement these in the next one year.

https://www.business-standard.com/industry/news/half-of-health-pharma-cos-to-integrate-genai-solutions-under-1-yr-report-124012400971_1.html

Powered by innovative drugs, pharma industry can be worth \$200 billion by 2030, says Biocon chief Kiran Mazumdar-Shaw

Research-based incentives to develop innovative drugs can help the domestic pharmaceutical sector to be worth USD 200 billion by 2030, Biocon Executive Chairperson Kiran Mazumdar-Shaw said on Wednesday. Terming the pharmaceutical sector as a great contributor in the country's economic growth, she noted that the industry has even greater potential to grow in the years to come. "India's pharma industry size is estimated at about USD 65 billion today. And by 2030, it is expected to increase to USD 165 billion. Now, I believe it has a potential to even be greater and touch USD 200 billion by 2030," Mazumdar-Shaw told PTI. But such a level of growth cannot just be driven by generics and biosimilars, it has to involve drug innovation, she noted.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/powered-by-innovative-drugs-pharma-industry-can-be-worth-200-billion-by-2030-says-biocon-chief-kiran-mazumdar-shaw/articleshow/107122433.cms>

External

DGFT calls for e-commerce boost to transform India into a global leader in gold jewellery exports

The Directorate General of Foreign Trade (DGFT) has urged the Gem & Jewellery Export Promotion Council to popularise jewellery exports through e-commerce and to position India as a top supplier, design creator and value-adding hub for gold jewellery. Santosh Kumar Sarangi, Director General of DGFT said, "India stands as one of the largest buyers of gold globally, showcasing considerable buying power that can potentially influence the streamlining of gold prices and availability. Recognising the fragmented nature of gold demand in India, spanning from small to large jewellers and varying from kilograms to tons, there's a pressing need for streamlining exports. With immense potential, the aim should be to become the foremost exporter globally. Drawing a parallel with Switzerland, we need champions in India investing in creative designs catering to Western tastes."

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgft-calls-for-e-commerce-boost-to-transform-india-into-a-global-leader-in-gold-jewellery-exports/articleshow/107120771.cms>

Coffee exports from India decline by 5.4% to 377,000 tonne in 2023

Coffee shipments from India declined 5.4 per cent to 3.77 lakh tonne in 2023 due to a fall in the shipment of Robusta coffee, according to the official data. The country had exported 3.98 lakh tonne of coffee in 2022. India, Asia's third-largest producer and exporter, grows Arabica and Robusta variety of coffee. Arabica coffee bean has lesser caffeine content than the Robusta. Arabica has a sweet and smoother taste, while the Robusta is generally more bitter and harsher on the taste buds. According to the Coffee Board of India's latest data, export of Robusta coffee bean declined 15 per cent to 1.87 lakh tonne in 2023, from 2.20 lakh tonne in the previous year.

https://www.business-standard.com/economy/news/coffee-exports-from-india-decline-by-5-4-to-377-000-tonne-in-2023-124012400594_1.html

Bilateral trade between India, Russia likely to increase this year: Sonowal

Bilateral trade between India and Russia was at USD 50 billion in the last financial year and is expected to increase this year, said Union Minister for Ports, Shipping and Waterways, Sarbananda Sonowal, here on Wednesday.

The Eastern Maritime Corridor between the ports on the east coast of India and the Far East region of Russia promises "immense potential" to unlock new trade opportunities, he said. The minister was speaking at a conference on 'Operationalising Eastern Maritime Corridor' which was attended by a delegation from Moscow led by A Yu Bobrakov, Deputy Minister for the Development of the Far East and the Arctic of the Russian Federation, among others.

https://www.business-standard.com/economy/news/bilateral-trade-between-india-russia-likely-to-increase-this-year-sonowal-124012400461_1.html

NITI Aayog invite bids for study on India-China trade deficit

The government will soon come up with a comprehensive action plan to bridge India's trade deficit with China and align India's trading strategies with emerging geopolitical situations and potential risks to safeguard its supply chains, which have seen major disruption during the outbreak of the pandemic. NITI Aayog has invited bids from 10 institutions to analyse the trends in India-China trade (at product category level) over the recent years to discern patterns of trade dependency and underlying reasons for the same.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/niti-aayog-invite-bids-for-study-on-india-china-trade-deficit/articleshow/107110805.cms>

WTO meet: India to bargain for 'poor fishermen' in developing countries

In the 13th Ministerial Conference (MC13) of the World Trade Organisation (WTO) scheduled for late February, India will bargain for a 'complete carve out for poor fishermen' in developing countries, so that subsidies given to them are not discontinued. With about nine million people dependent on the sector in India, the government's top priority at the WTO's ministerial meeting will be to protect the interests of the poor and fishermen, a senior government official said on Wednesday. India also constitutes 25 per cent of the world's fishermen.

https://www.business-standard.com/economy/news/wto-meet-india-to-bargain-for-poor-fishermen-in-developing-countries-124012401059_1.html