



April 11, 2024 – Thursday

Economy

ADB raises India's GDP growth forecast for FY25 to 7 pc on robust investment, consumer demand

The Asian Development Bank (ADB) on Thursday raised India's GDP growth forecast for the current fiscal to 7 per cent from 6.7 per cent earlier, saying the robust growth will be driven by public and private sector investment demand and gradual improvement in consumer demand. The 2024-25 growth estimate is, however, lower than 7.6 per cent projected for the 2022-23 fiscal. Strong investment drove GDP growth in the 2022-23 fiscal as consumption was muted, the ADB said.

<https://economictimes.indiatimes.com/news/economy/indicators/adb-raises-indias-gdp-growth-forecast-for-fy25-to-7-pc-on-robust-investment-consumer-demand/articleshow/109209864.cms>

31% of women in tech considering quitting their jobs, shows survey

Nearly a third (31 per cent) of women employees of technology companies worldwide may quit over the next 12 months, a report has said. Lack of training and want for better compensation are reasons for the decision, according to Skillssoft's annual 'Women in Tech' report cited in the Economic Times (ET). As many as 40 per cent cited women employees said department or company management was the top reason they would leave their organisations, 39 per cent cited lack of training and growth, and only 26 per cent said that compensation was an influence in their decision to quit.

https://www.business-standard.com/industry/news/31-of-women-in-tech-considering-quitting-their-jobs-shows-survey-124041000627_1.html

Wage ceiling under EPFO may be raised to ₹21k

The government is contemplating enhancing the wage ceiling under the Employees' Provident Fund Organisation (EPFO) to at least ₹21,000 from ₹15,000 now to widen the social security coverage, a step towards achieving universal social security. The proposal, which has been on the backburner for several years now, is being re-looked at.

<https://economictimes.indiatimes.com/news/economy/policy/wage-ceiling-under-epfo-may-be-raised-to-21k/articleshow/109205027.cms>

Finance

ICRA revises FY25 outlook for banking sector to 'stable' from 'positive'

Rating agency ICRA on Wednesday revised its outlook for Indian banks to "stable" from "positive" for Financial Year 2024-25 (FY25), saying it expects credit growth and profitability to moderate. The sector's overall profile is expected to remain healthy. Sachin Sachdeva, vice-president and sector head at ICRA, said challenges in deposit mobilisation and regulatory measures could slow down growth in consumer credit. Non-banking financial companies (NBFCs) are expected to temper expansion to Rs 19.0-20.5 trillion in FY25 from Rs 22 trillion in FY24.

https://www.business-standard.com/industry/banking/icra-revises-fy25-outlook-for-banking-sector-to-stable-from-positive-124041000445_1.html

PSU banks beat private peers in market capitalisation gains during Q4

State-owned banks beat their private-sector peers, posting the highest gains in their market capitalisation in Q4 FY24, on the back of improved financial metrics. The government's focus on long-term projects also largely benefits state-owned lenders, S&P Market Intelligence said in a note. 15 of the 20 largest banks in India logged gains in market capitalisation, with 13 of them posting double-digit increases. Market capitalisation of all PSU banks, on the list of the country's 20 largest banks, improved from the previous quarter.

<https://www.thehindubusinessline.com/money-and-banking/psu-banks-beat-private-peers-in-market-capitalisation-gains-during-q4/article68051097.ece>

UCBs strengthening profile on regulatory support, improved margins

Urban co-operative banks have improved their credit profile and financial health backed by the regulatory support, slew of reforms especially in governance and economic upturn in the post pandemic phase. With the repricing of loans and higher lending rates for fresh loans, the net interest margins improved from a low of 1.89 per cent in FY20.

https://www.business-standard.com/industry/news/ucbs-strengthening-profile-on-regulatory-support-improved-margins-124041001078_1.html

CPSEs invest Rs 8.05 trillion in FY24, exceed target by 9%

Central public-sector entities – companies and departmental agencies (CPSEs) – achieved 109% of their combined capital expenditure target for FY24 by investing Rs 8.05 trillion, an all-time high. These entities' capex grew by 24% on year in FY24 compared with Rs 6.48 trillion in FY23. The capex target for the CPSEs and other agencies was set at Rs 7.42 trillion as per the FY24 revised estimate.

<https://www.financialexpress.com/business/industry-cpses-invest-rs-8-05-trillion-in-fy24-exceed-target-by-9-3452785/>

Industry

Govt asks auto industry to prepare 'Automotive Mission Plan 2047'

Prime Minister Narendra Modi has reportedly asked the automobile industry make a comprehensive plan to be announced as part of his 'first 100 days' of the new government. The ambitious 'Automotive Mission Plan (AMP) 2047' is to be announced in September. Sources said the PM is expected to release the AMP 2047 in the Society of Indian Automobile Manufacturers (SIAM) and Automotive Components Manufacturers Association (ACMA) conventions to be held in September.

<https://www.thehindubusinessline.com/news/govt-asks-auto-industry-to-prepare-automotive-mission-plan-2047/article68051121.ece>

Govt approves 11 EV manufacturers for receiving incentives under EMPS

The Ministry of Heavy Industries has approved 11 electric vehicle (EV) manufacturers, including Ather Energy, Bajaj Auto, Hero MotoCorp, Ola Electric, and Mahindra, to receive incentives under the recently introduced Electric Mobility Promotion Scheme (EMPS) 2024. "A total of 11 firms have been granted approval under the EMPS, with several more under consideration," informed a senior official of the ministry to Business Standard.

https://www.business-standard.com/industry/auto/govt-approves-11-ev-manufacturers-for-receiving-incentives-under-emps-124041001044_1.html

PLI incentives for FY24 remain at Rs 6,800 crore, far from govt estimates

Incentives worth Rs 6,800 crore were disbursed among the eligible beneficiaries of production-linked incentive (PLI) schemes in 2023-24 against the government estimate of Rs 11,000 crore, revealed Rajesh Kumar Singh, secretary, the Department for Promotion of Industry and Internal Trade (DPIIT), on Wednesday. Singh also shared the government's plans to make the PLI schemes for textiles, bulk drugs, food products, and solar PV modules relatively attractive by adding more product lines and extending the timelines. Furthermore, the PLI scheme for drones could see an increase in allocation due to its good offtake.

https://www.business-standard.com/economy/news/pli-incentives-for-fy24-remain-at-rs-6-800-crore-far-from-govt-estimates-124041001132_1.html

Climate change: Lack of govt benefits, funding key barriers for SMEs to take climate action, says survey

Lack of policies or government-sponsored benefits and insufficient funding are the two leading barriers preventing small and medium enterprises (SMEs) from taking climate action, said the SME Climate Hub 2024 survey on Wednesday by We Mean Business — a global nonprofit coalition that works with the world's most influential businesses to act on climate change. According to the 288 SMEs across 44 countries and 25 industries part of the survey, 52 per cent cited lack of policies or government-sponsored benefits as the top challenge to action on climate change and insufficient funding.

<https://www.financialexpress.com/business/sme/climate-change-lack-of-govt-benefits-funding-key-barriers-for-smes-to-take-climate-action-says-survey/3452660/>

Agriculture

Post-poll, ration shops to get a 'smart nutrition hubs' makeover

The Indian government is planning a major facelift for ration shops. As part of the post-election five-year plan that all ministries have been asked to chalk up for the next government, the country's 5.38 lakh fair price shops (FPS) will be turned into nutrition hubs right down to the village level. The government believes that this would be the most effective mass connect with the 80 crore people who avail of various items distributed through ration shops.

<https://www.thehindubusinessline.com/economy/agri-business/post-poll-ration-shops-may-become-smart-nutrition-hubs/article68050849.ece>

Wheat procurement reaches near 1.5 million tonnes, up by 41%

Wheat procurement by the Food Corporation of India (FCI) for the Centre's buffer stocks has reached 1.44 million tonnes (mt) - 41 per cent higher than 1.03 mt in the year-ago period. However, this year procurement began on March 13, starting from Rajasthan. Though the Government has set a target to buy 37.29 mt in the marketing year beginning April 1, officials have said that the "realistic" procurement may be 31-32 mt.

<https://www.thehindubusinessline.com/economy/agri-business/wheat-procurement-reaches-near-15-million-tonnes-up-by-41/article68051074.ece>

Centre tells States to enforce weekly stock disclosure of pulses

The Centre on Wednesday directed all States and Union Territories to enforce weekly stock disclosure of pulses by all stock-holding entities and verify the stocks declared by them. Stocks in warehouses located in major ports and in pulses industry hubs should be verified from time to time and strict action should be taken on the stock-holding entities found to be reporting false information on stock disclosure portal, an official statement said.

<https://www.thehindubusinessline.com/economy/agri-business/centre-tells-states-to-enforce-weekly-stock-disclosure-of-pulses/article68051218.ece>

Sugar mills paid Rs 78,000 cr to cane farmers in H1 of 2023-24 season

Sugar mills in India have paid Rs 78,000 crore to sugarcane farmers in the first six months of the current marketing season, a food ministry official said. Mills have cleared 87% of the total cane payment of Rs 90,000 crore till March 31 of the 2023-24 season. They have produced over 300 lakh tonnes of sugar so far this season.

<https://economictimes.indiatimes.com/news/economy/agriculture/sugar-mills-paid-rs-78000-cr-to-cane-farmers-in-h1-of-2023-24-season/articleshow/109194724.cms>

Infrastructure

Demand for retail space in malls, high-streets may dip 15% in 2024: CBRE

Demand for retail spaces in shopping malls and high-street locations may decline up to 15 per cent this year from a record 71 lakh square feet in 2023 calendar year with retailers being cautiously optimistic, according to CBRE.

Leasing of retail spaces in shopping malls and high street locations rose 48 per cent to 71 lakh (7.1 million) square feet in 2023 across eight major cities as against 48 lakh (4.8 million) square feet during the 2022 calendar year.

https://www.business-standard.com/industry/news/demand-for-retail-space-in-malls-high-streets-may-dip-15-in-2024-cbre-124041000297_1.html

Road ministry working on mega plan for building 50,000 km of new, access-controlled, expressways

The Ministry of Road Transport and Highways, in the first 100 of the formation of the next government, could unveil a mega plan for building 50,000 km of new, access-controlled, expressways by 2037 to help reduce logistic costs. The programme is expected to replace the Bharatmala scheme and will sync all future road projects with the government's Vision 2047 for the sector.

<https://economictimes.indiatimes.com/news/economy/infrastructure/road-ministry-working-on-mega-expressway-plan-for-building-50000-km-of-new-access-controlled-expressways/articleshow/109193113.cms>

'Indicate' timeline to implement new FDTL rules: DGCA to airlines

The Directorate General of Civil Aviation (DGCA) on Wednesday asked Indian carriers to "indicate" a timeline to prepare and implement the new flight duty time limitation (FDTL) norms for pilots. FDTL norms are crucial as they guarantee sufficient rest for pilots, minimising the risk of untoward incidents. The new FDTL norms, which were issued in January, provide pilots with increased rest time.

https://www.business-standard.com/industry/news/indicate-timeline-to-implement-new-ftdl-rules-dgca-to-airlines-124041001111_1.html

Summer airfares on major domestic routes increase by 13%, shows data

Airfares on major domestic routes such as Kolkata-Bagdogra, Delhi-Bengaluru, and Delhi-Mumbai have witnessed an increase of up to 12.7 per cent year-on-year (Y-o-Y) for travel in May this year, as per data shared by Thomas Cook (India) and SOTC Travel. According to aviation industry experts, the recent increase in aviation turbine fuel prices, rupee depreciation, reduction of flights by key players, and grounding of planes due to engine supply issues have contributed to the rise in airfares.

https://www.business-standard.com/industry/news/summer-airfares-on-major-domestic-routes-increase-by-13-shows-data-124041001070_1.html

Energy

Coal ministry readies busy 100-day agenda for Modi 3.0

The first 100-day agenda of the Narendra Modi government if voted to power again would include operationalising 12 new coal mines, near-exclusive transfer of coking coal blocks to steel companies willing to set up washeries via auction route, source in the know told FE. A policy for the critical minerals other than those covered under a recent policy is also in the works, they added. Additionally, the coal ministry also aims to launch the Request for Proposals for gasification projects announced in FY24 and come up with a revised production plan for the country's coal mines.

<https://www.financialexpress.com/business/industry-coal-ministry-readies-busy-100-day-agenda-for-modi-3-0-3452784/>

States

Religious tourism sees a surge in Uttar Pradesh ahead of festivals

Religious cities in Uttar Pradesh see a surge in tourism as devotees visit Varanasi, Mathura, and Ayodhya for blessings before festivals. Kashi Vishwanath Temple donations hit a record Rs 83.34 crore by March, with significant increases observed. Prakhar Mishra, director, tourism, at Government of Uttar Pradesh said Varanasi saw a record-breaking influx of 95.63 lakh pilgrims in March, flocking to seek the blessings of Kashi Vishwanath, while Ayodhya saw more than two lakh visitors each day for the newly constructed Ram Mandir and Hanumangarhi last month.

<https://economictimes.indiatimes.com/industry/services/travel/religious-tourism-sees-a-surge-in-uttar-pradesh-ahead-of-festivals/articleshow/109201411.cms>

Healthcare

'Demand for Indian healthcare pros to double nationally, globally by 2030'

The demand for healthcare professionals is expected to double globally by 2030 due to the increasing ageing population, demographic shifts and non-communicable diseases, an industry official said on Wednesday. Global shortage and an ageing population have spurred the demand for Indian healthcare professionals who are highly respected in the international markets for their skills, NLB Services CEO Sachin Alug told PTI.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/demand-for-indian-healthcare-profs-to-double-nationally-globally-by-2030/articleshow/109199659.cms>

Diagnostic Companies poised for 10-11% revenue growth in FY25: CRISIL

Diagnostic companies are poised to register 10 to 11 per cent growth in revenue in financial year 2025 due to a higher number of patients and improving revenue per patient, according to a study by ratings agency CRISIL. The projected rise in revenue comes on the back of an estimated 8 per cent growth in financial year 2024.

https://www.business-standard.com/industry/news/diagnostic-companies-poised-for-10-11-revenue-growth-in-fy25-crisil-124041000944_1.html

Anti-ageing tech likely to shape healthcare demand in coming years

After the pandemic, there has been a generational and sentimental shift in how Indian consumers view health and wellness. In its recent analysis of emerging areas of focus for health and wellness sentiments, El-Toro Finserve LLP highlighted that areas like 'food as medicine,' anti-ageing technology and products, personalised happiness medicine, and hormone-boosting lifestyle solutions are going to be in focus in the coming years. Kapil Khandelwal, Managing Partner of El-Toro Finserve LLP, stated that after the pandemic, there is a focus on understanding post-pandemic mental health and well-being, and concerns about physical health due to stress, violence, chronic diseases, new epidemics, and work culture. Consumers are worried about climate change and its impact on food production and healthy living.

https://www.business-standard.com/industry/news/anti-aging-tech-likely-to-shape-healthcare-demand-in-coming-years-124041000456_1.html

External

India's 2023 goods exports \$432 billion: WTO

India clocked \$451 billion goods export in FY 23 and \$394.99 billion in April-February FY24. In its latest Global Trade Outlook and Statistics report, India's share of global goods exports was 1.8% in 2023 and imports was 2.8%. In digitally delivered services, India's share rose to 6% in 2023 from 4.4% in 2019. In global commercial services, India's share in exports is seen 4.4% in 2023 at \$344 billion, up 11% on-year whereas imports were flat at \$247 billion.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-2023-goods-exports-432-bln-wto/articleshow/109202566.cms>

FPIs in Mauritius to face greater scrutiny after tax treaty revision

Foreign portfolio investors (FPIs) from Mauritius may face higher scrutiny after the amendment in the India-Mauritius tax treaty introduced a principle purpose test (PPT) to prevent treaty abuse by taxpayers. The Mauritius government had in February decided to amend the double taxation avoidance agreement (DTAA) with India to align with the Organisation for Economic Co-operation and Development's proposal on base erosion and profit shifting.

https://www.business-standard.com/economy/news/fpis-in-mauritius-to-face-more-scrutiny-after-amendment-in-tax-treaty-124041000895_1.html

Muted exports for auto sector in FY25 amid weak overseas demand: Ind-Ra

In a report released by India Ratings and Research (Ind-Ra), it was revealed that auto-ancillaries and auto exports will remain subdued in FY25 due to likely weak demand from Europe and the US. Despite a modest increase in auto ancillaries' export revenue of 2.7 per cent year-over-year (Y-o-Y) in the first half of FY24 and 5.2 per cent Y-o-Y in FY23, future growth is expected to be affected by economic challenges (macroeconomic headwinds) and geopolitical issues that are likely to impact exports from Q4FY24 to H1FY25, consequently affecting the overall exports revenue for FY25.

https://www.business-standard.com/industry/auto/muted-exports-for-auto-sector-in-fy25-amid-weak-overseas-demand-ind-ra-124041001064_1.html

Tur dal prices rise more than 10% despite open import policy

The prices of tur dal have increased by more than 10% in less than a month despite the open import policy. The pulses processing industry has claimed that it is facing supply shortages of raw tur for converting into tur dal. Though the government suspects hoarding by importers, trade body Indian Pulses and Grains Association (IPGA) has pointed towards hoarding by exporting countries and procurement of tur dal by Gujarat as the reasons for the recent surge in tur dal prices.

<https://economictimes.indiatimes.com/news/economy/agriculture/tur-dal-prices-rise-more-than-10-despite-open-import-policy/articleshow/109204656.cms>