



April 23, 2024 – Tuesday

Economy

Vegetables likely to pinch your pocket until monsoon

With rising vegetable prices squeezing budgets, Indian households and policy makers are pinning their hopes on the monsoon to get much-needed relief. Experts are predicting a significant 0.4-0.6 percentage point increase in inflation over the next few months due to the impact of higher vegetable prices and ongoing extreme hot weather conditions in several parts of the country. "For vegetables, the heatwave is impacting output and prices. With the present price rise, one can expect a 0.4-0.6% inflation impact," said Madan Sabnavis, chief economist of the Bank of Baroda. For instance, in Delhi's Azadpur mandi, okra or bhindi, sponge guard or tori, and cabbage are all trading at higher price levels than last year.

<https://economictimes.indiatimes.com/news/economy/indicators/pricey-affair-vegetables-likely-to-pinch-your-pocket-until-monsoon/articleshow/109510243.cms>

Stakeholders seek more time to submit comments on digital competition law

Various stakeholders on Monday urged the government to provide more time to submit inputs on the draft digital competition law. As many as 21 entities, including CUTS International, Broadband India Forum, Internet Freedom Foundation and The Dialogue, as well as 26 individuals have written an open letter in this regard. Initially, the deadline for submitting comments on the draft digital competition law and the report of Committee on Digital Competition Law (CDCL) was April 15 and the same has been extended till May 15.

https://www.business-standard.com/industry/news/stakeholders-seek-more-time-to-submit-comments-on-digital-competition-law-124042201180_1.html

Women representation in mfg sector to touch 40% by year-end: TeamLease

There has been a significant increase in demand for women apprentices in the manufacturing sector, as factories are increasingly adopting gender-agnostic recruitment practices, a sharp departure from traditional hiring norms and underscore the industry's commitment to fostering inclusive work environments. According to staffing company TeamLease, in the past 8-10 months, there has been a remarkable five-fold surge in demand for young women who have completed class 10/12 to be appointed as apprentices, reflecting a shifting landscape in India's workforce dynamics.

https://www.business-standard.com/industry/news/women-representation-in-mfg-sector-to-touch-40-by-year-end-teamlease-124042200362_1.html

As temperature touches 45 degrees, IMD's severe heat wave warning for 5 states

Over the next five days, a persistent heat wave is anticipated to continue across east India, with a likelihood of its expansion into additional regions starting from the 24th of April, according to India Meteorological Department. Earlier this week, the maximum temperatures soared within the range of 42-45°C across much of Odisha and Rayalaseema. Similar conditions were observed in some parts of Gangetic West Bengal, Jharkhand, Vidarbha, Chhattisgarh, southwest Madhya Pradesh, Telangana, Coastal Andhra Pradesh, and Yanam, where temperatures ranged between 40-42°C.

<https://economictimes.indiatimes.com/news/india/as-temperature-touches-45-degrees-imds-severe-heat-wave-warning-for-5-states/articleshow/109516814.cms>

Finance

50% leadership of PSBs needs to do a catch up on digitisation: Study

Half of the senior management leaders at Indian public sector banks (PSBs) currently need to build digital capability to rapidly transform their bank, findings of a study done by Deloitte India revealed. The study titled 'Deloitte's PoV on Public Sector Banks' was based on the study of over 100 PSB leaders. It said that digital transformation is taking place in banks at a rapid pace and leaders across levels need to be adept in implementing it.

https://www.business-standard.com/finance/news/50-leadership-of-psbs-needs-to-do-a-catch-up-on-digitisation-study-124042200441_1.html

CD issuances fall significantly in April as liquidity conditions ease

Issuances of certificates of deposit (CDs) fell significantly in April on the back of easing liquidity conditions which also resulted in rates falling by around 40 basis points (bps). Total issuances stood at Rs 19, 850 crore as of April 21, as compared to Rs 1.2 trillion worth of issuances in March. The issuances were the lowest since April 2022. "March being the year end, the issuances were more and rates were elevated. The liquidity has also improved within the system, which is leading to a fall in rates," said VRC Reddy, head of treasury, Karur Vysya Bank.

https://www.business-standard.com/finance/news/cd-issuances-fall-significantly-in-april-as-liquidity-conditions-ease-124042200932_1.html

Pricing key challenge for health insurance of older citizens: Experts

The insurance regulator's move to prod insurance companies to sell health products to all age groups, including those above 65, is aimed at increasing penetration though there would be challenges on pricing due to higher risk perception, experts said. While there was no regulatory cap on age for health insurance policies, most companies had an internal policy which did not allow them to sell health insurance products to persons over 65.

https://www.business-standard.com/finance/insurance/pricing-key-challenge-for-health-insurance-of-older-citizens-experts-124042201093_1.html

Industry

FSSAI to test samples of spices, infant nutrition products

The Food Safety and Standards Authority of India (FSSAI) has ordered a pan-India sampling and testing drive of spices products of various brands to check on safety and quality parameters. In a separate move, samples of infant nutrition products are also being lifted for testing to ensure they are in adherence with the country's norms and regulations, according to government sources.

<https://www.thehindubusinessline.com/economy/fssai-to-test-samples-of-spices-infant-nutrition-products/article68095057.ece>

Indian jewellery bigwigs spread their wings in the US betting on the diaspora

Despite undergoing difficult economic and geopolitical conditions, prominent Indian jewellery brands persist in expanding their presence in the United States, TOI said in a report on Monday. Luxury and premium brands are placing their bets on the rapidly expanding market and significant purchases made by affluent members of the Indian diaspora. Last year, Tanishq, a part of the Tata Group, launched three stores in the US, located in Houston, Frisco, and New Jersey, and followed up with another opening in Chicago in March 2024.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/indian-jewellery-bigwigs-spread-their-wings-in-the-us-betting-on-the-diaspora/articleshow/109504032.cms>

Auto sector sees no impact due to Iran-Israel conflict

There is not much impact on the shipments of automobile products to overseas markets due to the Iran-Israel conflict, as companies have already been taking other routes since the Red Sea crisis, industry experts told businessline. "The impact was there (during the Red Sea crisis), but it has been worked around... now we are

taking the longer routes. The lead time has gone up – earlier it used to be around eight weeks, but now it is around 10 weeks. The costs too have gone up – transportation/ freight rates are up because of the longer route. Other than that, there is no concern because it's not that we are not able to sell," Vinod Aggarwal, President, the Society of Indian Automobile Manufacturers (SIAM) told businessline.

<https://www.thehindubusinessline.com/economy/auto-sector-sees-no-impact-due-to-iran-israel-conflict/article68094316.ece>

Domestic mining and construction equipment industry volumes estimated to decline by 12-15% YoY in FY25, says ICRA

The volumes of the domestic mining and construction equipment (MCE) industry is projected to decline in FY2025 following two consecutive years of strong growth viz. 26 per cent in FY2023 and 24 per cent in FY2024E, said a report by ICRA. The reversal in this growth trend, ICRA stated, will be driven by a slowdown in the new project award activity in Q4 FY2024 and Q1 FY2025, as the Model Code of Conduct will remain in force during the Parliamentary Elections in April-May 2024 (till the announcement of results on June 4, 2024). Additionally, the aggregate revenues for ICRA's sample set companies are expected to contract by 9-12 per cent and operating margins by 100-150 basis points in FY2025.

<https://www.financialexpress.com/business/industry-domestic-mining-and-construction-equipment-industry-volumes-estimated-to-decline-by-12-15-yoy-in-fy25-says-icra-3464982/>

95% of Indian travellers interested in sustainable travel: Report

Even as 95 per cent of Indian travellers interviewed said sustainable travel is important to them, more than half feel the irreversible damage has already been done, a report said on Monday. Online travel agency Booking.com's ninth 'Sustainable Travel Report 2024' revealed that almost two-thirds (62 per cent) of Indian travellers stated they would feel guilty when they make less sustainable travel choices and 20 per cent of them want to travel more sustainably because they believe it's the right thing to do.

https://www.business-standard.com/industry/news/95-of-indian-travellers-interested-in-sustainable-travel-report-124042200813_1.html

CCI to study impact of AI on competition, efficiency and innovation

The Competition Commission of India (CCI) has launched a study on the impact of artificial intelligence (AI) on competition, efficiency and innovation in key user industries, a press statement said. "The transformative capabilities of AI have significant pro-competitive potential. At the same time, there may be competition concerns emanating from the use of AI," the CCI said.

https://www.business-standard.com/industry/news/cci-launches-study-into-effects-of-artificial-intelligence-on-competition-124042200422_1.html

Agriculture

Not so sweet: Sugar prices up 4.5% in last 2 weeks

A rising mercury is turning up the heat on sugar prices. Prices of the sweetener have risen nearly 4.5% in the last two weeks as soaring summer temperatures across the country is fuelling a surge in demand for sugar from beverage and ice cream companies. Prices have increased despite the government allocating a higher sales quota for April. The Centre allocates a monthly quota to every sugar mill for sugar sales. The quota for February was 2.2 million tonnes, which was increased to 2.35 million tonnes for March, and further to 2.5 million tonnes for April.

<https://economictimes.indiatimes.com/news/economy/agriculture/not-so-sweet-sugar-prices-up-4-5-in-last-2-weeks/articleshow/109510276.cms>

Centre eyeing cluster-based approach for agricultural crops

The Centre is planning to modify its farm sector schemes suitably so that the country can have different clusters for different crops, potentially benefitting farmers allowing them to sell their produce at the doorstep when industry and processors will be tempted to reach to the grassroots for sourcing raw materials. "What we are thinking is to start cluster-based development of agricultural crops on the same pattern as done in the horticulture crops," a source said. The only way farmers will be encouraged to adopt the cluster approach is when they are incentivised, the source said.

<https://www.thehindubusinessline.com/economy/agri-business/centre-eyeing-cluster-based-approach-for-agricultural-crops/article68094954.ece>

Infrastructure

Centre studying innovative ways to boost infrastructure funding

The government is exploring policy mechanisms to capture the increase in land value resulting from road projects, including auctioning exits at greenfield expressways and 'betterment' levy, as it looks to ramp up funding for infrastructure creation, a senior official told ET. In this regard, the roads ministry is studying global best practices on innovative ways of infrastructure financing, the official said, adding that a decision on which mechanism will be used will be taken after the new government takes charge. "The thinking is part of the long-term vision of the ministry...The idea is to recover and reinvest the increase in land value along our upcoming expressways, which can be used for financing development of future infrastructure creation," the official said. Betterment levy is a one-time charge on property owners adjacent to expressways who have benefited from government action to develop infrastructure. The charge depends on the proximity to the expressway.

<https://economictimes.indiatimes.com/news/economy/infrastructure/centre-studying-innovative-ways-to-boost-infrastructure-funding/articleshow/109510192.cms>

India's major ports see 5% rise in traffic in FY24, driven by iron ore exports, coking coal imports

India's major ports saw a 5 per cent-odd y-o-y increase in cargo traffic, including container movement, to 819.3 million tonnes (mt), driven by rising iron ore exports and increasing coking coal imports.

<https://www.thehindubusinessline.com/economy/logistics/indias-major-ports-see-5-rise-in-traffic-in-fy24-driven-by-iron-ore-exports-coking-coal-imports/article68093844.ece>

Domestic air traffic hits new single-day high; crosses 471,000 passengers

Domestic air traffic touched a new single-day high of 4,71,751 passengers on Sunday, according to official data. The traffic on Sunday was more than 14 per cent higher than the average pre-Covid count of 3,98,579. On April 21, the total number of domestic air passengers stood at 4,71,751 and the number of flights was 6,128, as per the data from the civil aviation ministry. This is higher than the domestic air traffic of 4,28,389 passengers and 5,899 flights recorded on April 21, 2023.

https://www.business-standard.com/industry/news/domestic-air-traffic-hits-new-single-day-high-crosses-471-000-passengers-124042200698_1.html

Energy

LNG import volume up 17.5% in FY24 as consumption rises

India's import of liquefied natural gas (LNG) rose in volume term by 17.5% on year to 30,917 mmscm (million standard cubic meter) in the financial year 2023-24 due to increased consumption, data from the Petroleum Planning and Analysis Cell showed. The rise in consumption by 11.1% on year in FY24 to 66,634 mmscm was driven by use of gas by the fertilizer, power, and city gas distribution sectors.

<https://www.financialexpress.com/business/industry-lng-import-volume-up-17-5-in-fy24-as-consumption-rises-3464052/>

Coal Ministry targets nearly 20% higher stock at power projects by June 30

The coal ministry is expecting a closing stock of around 38-40 million tonnes at domestic coal-based power plants by June 30, when the summer demand starts cooling off from highs and monsoon logistical disturbances pick up. The target is 13-19% higher than the stock on the same date last year. The stock is expected to be sufficient to start the monsoon season, when coal production and evacuation typically slows down, a senior government official said. "There is massive improvement in rail transportation in Mahanadi Coalfields. The average rake supply [in Mahanadi Coalfields] is currently at 99-100 per day compared with 94 per day in FY24," the official said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/coal-ministry-targets-nearly-20-higher-stock-at-power-projects-by-june-30/articleshow/109510234.cms>

Telecom

Over 50% internet users dissatisfied with data speeds, connectivity: Survey

Despite India's low-cost and expanding internet accessibility, a recent survey found that over half of internet users are dissatisfied with data speeds and experience connection issues. An overwhelming 70 per cent of these users expressed the desire to switch service providers, the survey said. According to the annual broadband survey by LocalCircles, 86 per cent of users in India primarily connect to the internet at home via fiber, broadband, DSL, or fixed-line connection. However, more than half of these users -- 56 per cent -- reported connection disruption or lower speeds than what they were promised or paying for.

https://www.business-standard.com/industry/news/over-50-internet-users-dissatisfied-with-data-speeds-connectivity-survey-124042200653_1.html

States

Uttar Pradesh govt scales up industrial land bank to 25,000 acres

With Uttar Pradesh aiming to become a trillion-dollar economy by 2027, the state government has built a robust land bank of 25,000 acres for prompt allotment to industries. State nodal agency UP State Industrial Development Authority (UPSIDA) has acquired land across 75 districts. Recently, 1,470 acres were allocated by UPSIDA in Lalitpur district for the development of a bulk drug park. The project is poised to position the state as a leading hub for pharmaceuticals, generic medicines, and medical devices in South Asia.

https://www.business-standard.com/economy/news/uttar-pradesh-govt-scales-up-industrial-land-bank-to-25-000-acres-124042200677_1.html

Healthcare

Panel to finalise list of over-the-counter drugs for sale at general stores

A three-member committee of gynaecologists has been set up to finalise a list of over-the-counter (OTC) drugs that will be available in regular stores near you rather than chemists and shall be available without prescription. The committee has been asked to finalise the list in the next two weeks. The panel has been set up under chairmanship of Directorate General of Health Services Atul Goel. Dr Bindu Bajaj, HoD, OBG (Obs and Gynae), Safdarjung Hospital, Dr Ashok Kumar, HOD, OBG, RML Hospital, Dr Reena, OBG, Lady Hardinge Medical College, will submit the list of OTC drugs.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/panel-to-finalise-list-of-over-the-counter-drugs-for-sale-at-general-stores/articleshow/109510207.cms>

External

India's polished diamond exports decline by 27.5% as key markets falter

India's cut and polished diamond exports in 2023/24 plunged 27.5% from a year ago to a \$15.97 billion due to sluggish demand from the United States, China and the United Arab Emirates, a leading trade body said on Monday. The fall in exports forced the world's biggest diamond polisher to reduce imports of rough diamonds by 18% from a year ago to \$14.27 billion in the financial year ended March 31, the Gem and Jewellery Export Promotion Council (GJEPC) said.

https://www.business-standard.com/industry/news/india-s-polished-diamond-exports-decline-by-27-5-as-key-markets-falter-124042200741_1.html

Anti-dumping duty on synthetic rubber soon

The Directorate General of Trade Remedies (DGTR) has recommended imposition of provisional anti-dumping duty on imports of Isobutylene-Isoprene Rubber (IIR) or butyl rubber from China, Saudi Arabia, Russia, Singapore and US on an application by Reliance Sibur Elastomers (RSEPL), the sole producer of the product in India. The duties proposed on imports of IPR from the five countries that were causing damage to the Indian producer range from \$319 to \$ 647 per tonne depending on the country from which the product has originated. Highest duty has been imposed on butyl rubber imported from Saudi Arabia while lowest has been on the product coming from China. The

DGTR investigation showed the margin of injury from dumping is 15% to 60%, which is significant and hurts the domestic industry.

<https://www.financialexpress.com/business/industry/anti-dumping-duty-on-synthetic-rubber-soon/3464111/>

Medical device makers look to hike Russia exports to Rs 2,000 cr in 5 years

India's exports of medical devices to Russia can be tripled in the next five years through collaborative efforts by both countries, according to the Association of Indian Medical Device Industry (AiMeD). The push to shore up Indian medical device exports to Russia comes after players from both countries recently held an online meeting to explore opportunities in the areas of manufacturing and marketing life-saving medical equipment and devices.

https://www.business-standard.com/economy/news/indian-medical-device-exports-to-russia-can-be-tripled-in-5-years-124042201078_1.html

Small exporters seek continuation of amnesty scheme till Sep: Industry body

Several small exporters have requested the government to continue the amnesty scheme for one-time settlement of default in export obligation till September, an industry body said on Monday. Ludhiana-based Hand Tools Association President S C Ralhan said the number of small exporters have not been able to avail of benefits of the scheme due to fulfilling their obligations to make payments to MSMEs within 45 days.

https://www.business-standard.com/industry/news/small-exporters-seek-continuation-of-amnesty-scheme-till-sep-industry-body-124042200940_1.html

As tensions mount in Red Sea, freight charges, insurance premiums may surge further

Freight charges and insurance premia for shipping vessels plying on global routes are expected to firm up with heightened tensions between Iran and Israel. The threat is seen high for ships bound for western European countries and the US. Sector watchers estimate that freight rates rose by about \$100 per container for ships going through the Red Sea due to disruptions and capacity constraints. War risk insurance premium, which was at around 0.05% before the crisis, is now between 0.75% and 1% of the insured value of the vessel.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/as-tensions-mount-in-red-sea-freight-charges-insurance-premiums-may-surge-further/articleshow/109510264.cms>

RoDTEP: Verification mechanism to help establish payouts are input duty remissions, not subsidies

Rattled by anti-subsidy duties imposed last year by the US and the EU on certain Indian exports benefiting under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme especially designed to be WTO compatible, the government is putting in place a verification process to establish that only input duties have been remitted under the scheme whenever investigations are sought by an importing country on alleged payout of subsidies, officials have said.

<https://www.thehindubusinessline.com/economy/rodtep-verification-mechanism-to-help-establish-payouts-are-input-duty-remissions-not-subsidies/article68094710.ece>

India, 7 other WTO members slam EU & UK over steel duty

India, China and Russia, along with five other World Trade Organization (WTO) members, on Monday criticised the European Union's decision to extend its existing safeguard measure on certain steel products beyond June 30. At a WTO meeting, they argued that the EU's safeguard duty - brought into force after the United States in 2018 imposed additional duties on certain categories of steel imports from the bloc - was inconsistent with the global trade body's rules. "The EU said it has evidence that the steel safeguard measure continues to be necessary," said a Geneva-based official, who did not wish to be identified.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-7-other-wto-members-slam-eu-uk-over-steel-duty/articleshow/109510984.cms>

'UN keen on furthering MDB reforms initiated during India's G20 Presidency'

UN Secretary-General Antonio Guterres is keen on continuing the momentum of Multilateral Development Banks (MDB) reforms initiated during the G20 presidency of India, Chairman of the 15th Finance Commission N. K. Singh has said. Singh, who had met Guterres at the UN headquarters in New York on April 12, said he had a positive interaction with the UN chief. Deputy Secretary General Amina Mohammed was also present during the meeting.

Guterres was very keen on continuing the momentum of MDB reforms initiated during India's G20 Presidency and as contained in the 2 Vol. IEG Report, Singh said in a post on X, referring to the report of the Independent Expert Group.

https://www.business-standard.com/industry/banking/un-keen-on-furthering-mdb-reforms-initiated-during-india-s-g20-presidency-124042200215_1.html