



May 10, 2024 – Friday

## Economy

### Company registrations drop in April, but LLPs continue to scale fresh peak

After record incorporations in 2023-24, company registrations fell 3.7% year-on-year in April, partly due to the high base effect. But incorporation of limited liability partnerships (LLPs) surged 36% year-on-year, according to the latest corporate affairs ministry data. The data showed 15,982 companies were incorporated in the first month of this financial year, against 16,599 a year before. A total of 5,896 LLPs were registered in April, compared with 4,335 a year earlier. In April 2023, about 4% more companies were incorporated than in the year before, while LLP registrations had witnessed a manifold jump. In 2023-24, 16.3% more companies and 62.7% more LLPs were incorporated than in the previous year, a reflection of the growing optimism about the country's growth prospects over the medium to long term despite external headwinds. A record 185,314 companies and 58,990 LLPs were incorporated in 2023-24.

<https://economictimes.indiatimes.com/news/economy/indicators/company-registrations-drop-in-april-but-llps-continue-to-scale-fresh-peak/articleshow/109989364.cms>

### Indian PE, VC investments decline 35 pc to USD 39 billion in 2023: Report

The Indian private equity and venture capital investments declined by about 35 per cent to around USD 39 billion in 2023 from USD 62 billion in 2022, according to a joint report by Bain & Company and IVCA released on Thursday. The private equity (PE) investments in India dropped by 18 per cent to USD 29.6 billion from a peak value of USD 36 billion in 2022. The drop in VC investments was much sharper, with total investments at USD 9.6 billion in 2023 versus USD 25.7 billion in 2022. "Mirroring the global trend, Indian private equity and venture capital (PE-VC) investment softened by about 35 per cent from approximately USD 62 billion in 2022 to around USD 39 billion in 2023, returning to pre-Covid-19 activity levels," the report said.

<https://economictimes.indiatimes.com/industry/banking/finance/indian-pe-vc-investments-decline-35-pc-to-usd-39-billion-in-2023-report/articleshow/109988076.cms>

## Finance

### NPCI may defer market cap deadline for UPI payment platforms by 2 years

The National Payments Corporation of India (NPCI), which oversees the Unified Payments Interface (UPI), is set to defer implementing caps on market share for digital payment platforms by two years, according to Reuters. With only eight months left for the implementation deadline, NPCI appears to be favouring growth over concerns about market concentration.

[https://www.business-standard.com/finance/news/npci-may-delay-market-cap-deadline-for-upi-payment-platforms-by-2-years-124050900718\\_1.html](https://www.business-standard.com/finance/news/npci-may-delay-market-cap-deadline-for-upi-payment-platforms-by-2-years-124050900718_1.html)

### FinMin to discuss RBI's draft project financing norms with banks, IBA

The Finance Ministry will discuss the Reserve Bank of India's (RBI) draft project financing norms with banks and the Indian Banks' Association (IBA) soon, said a senior Finance Ministry official, requesting anonymity. "We will discuss

this matter with banks and the IBA, and will take it forward after receiving comments from the banks," the senior government official said.

[https://www.business-standard.com/economy/news/finmin-to-discuss-rbi-s-draft-project-financing-norms-with-banks-iba-124050801367\\_1.html](https://www.business-standard.com/economy/news/finmin-to-discuss-rbi-s-draft-project-financing-norms-with-banks-iba-124050801367_1.html)

#### **FY24 fiscal deficit seen slightly better than projected Rs 17.4 trn: Report**

India's fiscal deficit for the year ending March 2024 is expected to be slightly better than the government's projection of 17.35 trillion rupees (\$207.81 billion), a government source told Reuters on Thursday. "Extra tax receipts and some non-tax revenues helped in bettering the fiscal deficit target," the government source, who did not want to be named, told reporters in New Delhi.

[https://www.business-standard.com/economy/news/fy24-fiscal-deficit-seen-slightly-better-than-projected-rs-17-4-trn-report-124050900968\\_1.html](https://www.business-standard.com/economy/news/fy24-fiscal-deficit-seen-slightly-better-than-projected-rs-17-4-trn-report-124050900968_1.html)

#### **SEBI weighs mandatory direct securities payout to client's account**

To enhance operational efficiency and reduce the risk to clients' securities, markets regulator Sebi on Thursday proposed making the process of direct payout of such securities to the client's account mandatory. Currently, the clearing corporation credits the pay-out of securities in the pool account of the broker, who then credits the same to the respective client's demat accounts.

[https://www.business-standard.com/markets/news/sebi-mulls-direct-payout-of-securities-to-client-s-account-mandatory-124050901100\\_1.html](https://www.business-standard.com/markets/news/sebi-mulls-direct-payout-of-securities-to-client-s-account-mandatory-124050901100_1.html)

### **Industry**

#### **Govt considers offering incentives for lithium processing: Report**

India is considering offering incentives to encourage private companies to set up lithium processing facilities, as New Delhi tries to develop its nascent lithium mining and boost supplies of the EV battery metal, three government sources said. It would offer incentives to companies to set up lithium processing plants under a new critical minerals policy that was being worked out by the mines ministry, the sources said.

[https://www.business-standard.com/industry/news/govt-considers-offering-incentives-for-lithium-processing-report-124050900708\\_1.html](https://www.business-standard.com/industry/news/govt-considers-offering-incentives-for-lithium-processing-report-124050900708_1.html)

#### **Small cars will be big again, says Maruti Suzuki**

Small cars sales in the local market will revive in the next couple of years on back of economic growth and improvement in income levels of customers at the entry-level, the country's largest carmaker Maruti Suzuki said, adding it expects to capitalise on the growth in the segment going ahead with most competitors exiting the space. Maruti Suzuki Managing Director Hisashi Takeuchi said one million premium hatchbacks alone are expected to sold in the country by FY31, up from 680,000 units last fiscal. "We sell decent volumes, make money on these cars. We have very high market share in small cars. And as the economy grows, the the market will revive, we will grow because others have stopped sales in the space," he said on the sidelines of the launch of the new Swift priced between Rs 6.49-9.64 lakh (ex-showroom, India).

<https://economictimes.indiatimes.com/industry/auto/auto-news/why-maruti-suzuki-remains-bullish-on-small-car-segment/articleshow/109986606.cms>

#### **Bikes will retake pre-covid peak in two years: TVS**

Two-wheeler sales in India will surpass pre-Covid peak either this fiscal year or the next, Sudarshan Venu, managing director at TVS Motor Company, said, indicating a broad-based revival in the economy where demand for entry-level two-wheelers have been languishing in the last few years due to a sharp rise in acquisition costs and the pandemic's financial impact. Domestic two-wheeler sales totalled 17.9 million units in FY24, recovering from a low of 13.57 million units in FY22 but falling short of peak sales of 21.18 million units in the pre-Covid year of FY19. Venu said the Indian economy is in a "good situation" with inflation under control, which will drive consumption going forward.

<https://economictimes.indiatimes.com/industry/auto/two-wheelers-three-wheelers/bikes-will-retake-pre-covid-peak-in-two-years-tvs/articleshow/109989634.cms>

### **Tyre sale volumes expected to see moderate growth of 4-6% in FY25: ICRA**

Domestic tyre sale volumes are expected to see a moderate growth of 4-6 per cent this fiscal after witnessing an estimated pace of 6-8 per cent in the previous financial year, ratings agency Icria said on Thursday. This growth in the last fiscal was driven by factors such as elevated base and subdued growth in the commercial vehicle (CV) segment, it said.

[https://www.business-standard.com/industry/news/tyre-sale-volumes-expected-to-see-moderate-growth-of-4-6-in-fy25-icra-124050900722\\_1.html](https://www.business-standard.com/industry/news/tyre-sale-volumes-expected-to-see-moderate-growth-of-4-6-in-fy25-icra-124050900722_1.html)

### **Stable prices, lower fuel cost, moderated demand in FY25: Cement executives**

The cement sector in the current financial year (2024-25/FY25) could see stable prices and lower costs, said top executives from large manufacturers, some hinting at moderate growth in demand for the same period. “Going forward, there might be some moderation in FY25 in terms of demand,” said Atul Daga, chief financial officer for UltraTech Cement, during his address to analysts in a post-earnings call last week.

[https://www.business-standard.com/industry/news/stable-prices-lower-fuel-cost-moderated-demand-in-fy25-cement-executives-124050701350\\_1.html](https://www.business-standard.com/industry/news/stable-prices-lower-fuel-cost-moderated-demand-in-fy25-cement-executives-124050701350_1.html)

### **India's retail sector set to cross \$2 trillion by 2030, says report**

India's retail market is poised to surpass \$2.2 trillion by 2030, with approximately 90 per cent of sales expected to occur offline, according to the report Decoding Omnichannel: Strategies for D2C Brands by Accel, Fireside Ventures, and Redseer Strategy Consultants. The report also finds that a substantial portion of all purchases will be influenced by what consumers see online.

[https://www.business-standard.com/industry/news/india-s-retail-sector-set-to-cross-2-trillion-by-2030-says-report-124050901342\\_1.html](https://www.business-standard.com/industry/news/india-s-retail-sector-set-to-cross-2-trillion-by-2030-says-report-124050901342_1.html)

### **Smartphone shipment volumes surge in Q1, outlook stays strong**

The Indian smartphone market registered 8-10% year-on-year growth in shipment volumes in the first quarter of 2024 and is set to grow in high single-digits this calendar year, driven by premiumisation trend and 5G adoption, market trackers Counterpoint Research and Cybermedia Research said. As per Counterpoint, volume shipments grew 8% in the quarter ended March while revenue jumped 18%. However, sales were less than expected due to a drop in retail footfalls and a section of consumers cutting down on discretionary spending even as better inventory levels allowed brands to fill channels with multiple new launches, it said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/smartphone-shipment-volumes-surge-in-q1-outlook-stays-strong/articleshow/109989616.cms>

## **Agriculture**

### **Govt introduces high yielding & disease resistance wheat variety**

To boost output, the Indian Agricultural Research Institute (IARI), a premier institute credited for developing most of the rice and wheat varieties in the country, has introduced a new high yielding variety of wheat seed variety. The new seed variant – HD 3386, recently approved by the central seed committee of the agriculture ministry, is resistant to yellow, and leaf rust diseases mostly reported in the key wheat growing region of northwest region – Punjab, Haryana, Uttar Pradesh and Rajasthan.

<https://www.financialexpress.com/policy/economy-govt-introduces-high-yielding-amp-disease-resistance-wheat-variety-3481576/>

### **Indian Tea Association raises concerns over lower production, prices**

Lower production, coupled with falling prices, has compounded the woes of the Indian tea industry.

The leading planters' body, the Indian Tea Association (ITA), said on Thursday that sweltering heat with insufficient rainfall in the Brahmaputra Valley in Assam and West Bengal has adversely impacted production. Moreover, heavy rain, coupled with thunderstorms and hail across several tea estates in the Barak Valley in Assam throughout April, has left planters in the region concerned about second flush teas and the overall production scenario, the ITA noted.

[https://www.business-standard.com/industry/news/indian-tea-association-raises-concerns-over-lower-production-prices-124050901130\\_1.html](https://www.business-standard.com/industry/news/indian-tea-association-raises-concerns-over-lower-production-prices-124050901130_1.html)

### **ISMA moots strategic policy interventions to meet 20% ethanol blending target by 2030**

To address the challenges faced by the sugar industry and meet the 20 per cent ethanol blending target by 2030, the Indian Sugar and Bio-Energy Manufacturers Association (ISMA) has stressed the need for strategic policy interventions by the Centre. The drop in Indian sugarcane production due to the global climate phenomenon, EL Nino, has significantly impacted ethanol production, with a sudden halt in production from mid-December 2023.

<https://www.thehindubusinessline.com/news/isma-moots-strategic-policy-interventions-to-meet-20-ethanol-blending-target-by-2030/article68157676.ece>

## **Infrastructure**

### **GCCs drove India office demand with 37% share in leasing activity in Q1**

During the first quarter of FY25, India saw significant traction in global capability centre (GCC) leasing, with 5 million square feet leased, making up 37 per cent of total office leasing in the top six cities. Looking ahead, GCCs are projected to lease 45-50 million square feet of office space in the next two years, constituting around 40 per cent of total demand. Heightened GCC activity is driven by diverse occupiers across sectors like banking, financial services, and insurance (BFSI), technology, engineering and manufacturing, and healthcare. There is also a consistent preference for green-certified Grade A office spaces. Sub- and near-dollar micro-markets remain pivotal for GCC space uptake in India, contributing nearly 80 per cent of the leasing activity from 2019 to 2023.

[https://www.business-standard.com/industry/news/gccs-drove-india-office-demand-with-37-share-in-leasing-activity-in-q1-124050900955\\_1.html](https://www.business-standard.com/industry/news/gccs-drove-india-office-demand-with-37-share-in-leasing-activity-in-q1-124050900955_1.html)

## **Energy**

### **India projects biggest power shortfall in 14 years in June**

India is projecting its biggest power shortfall in 14 years in June after a slump in hydropower generation, its government told Reuters, and is racing to avoid outages by deferring planned plant maintenance and re-opening idled units. The deficit also follows delays, a government source said, in the commissioning of 3.6 gigawatts (GW) of new coal-fired plants which had been targeted to be operational before March. A peak shortage of 14 GW is forecast in June during nighttime hours, when solar capacity is offline, the Central Electricity Authority, the country's planning body for the power sector, told Reuters in a statement.

<https://economictimes.indiatimes.com/industry/energy/power/india-projects-biggest-power-shortfall-in-14-years-in-june/articleshow/109984977.cms>

## **Healthcare**

### **Heatwave ignites surge in chronic therapy demand**

Soaring temperatures in many parts of India are fuelling demand for medications that manage chronic conditions. This includes medications for high blood pressure (antihypertensives), cholesterol (lipid-lowering drugs), and blood clotting (platelet aggregation inhibitors). Sales of oral electrolytes and sunscreens are also seeing a surge, according to market researcher Pharmarack. Industry data shows sales of antihypertensive drugs have risen to ₹1,134 crore in April from ₹1,129 crore in March and ₹1,119 crore in February. It recorded ₹13,468 crore in Moving Annual Turnover (MAT) in the 12 months through April 2024.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/heatwave-ignites-surge-in-chronic-therapy-demand/articleshow/109989575.cms>

## **External**

### **Indian exports up in 115 nations out of 238 destinations in 2023-24**

India's exports have surged to as many as 115 countries out of the total 238 destinations during 2023-24 despite the global economic uncertainties, according to a recent report by the Ministry of Commerce. These 115 export destinations, which account for 46.5 per cent of India's export basket, include the US, UAE, Netherlands, China, UK, Saudi Arabia, Singapore, Bangladesh, Germany and Italy. The country's merchandise exports decreased by 3 per cent

to \$437.1 billion in the last fiscal. However, services exports rose to \$341.1 billion in 2023-24 as against \$325.3 billion in 2022-23.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indian-exports-up-in-115-nations-out-of-238-destinations-in-2023-24/articleshow/109978944.cms>

#### **Exim Bank expects 12.3% growth in exports during Apr-Jun quarter to \$116 bn**

The Export-Import Bank of India on Thursday said India's merchandise exports would grow by 12.3 per cent year-on-year to USD 116.7 billion in the April-June quarter this fiscal. "These positive growth rates are expected to be witnessed in continuation of the positive growth witnessed during the last two quarters of the previous financial year," India Exim Bank said in a statement.

[https://www.business-standard.com/economy/news/exim-bank-expects-12-3-growth-in-exports-during-apr-jun-quarter-to-116-bn-124050901233\\_1.html](https://www.business-standard.com/economy/news/exim-bank-expects-12-3-growth-in-exports-during-apr-jun-quarter-to-116-bn-124050901233_1.html)