



May 23, 2024 – Thursday

## Economy

### **Contractual job hiring by firms up 15% CAGR since Jan 2022, says report**

Contractual jobs in India have expanded at a compound annual growth rate of 15 per cent since January 2022, said a report on Wednesday. Offshoring services companies had the largest share some (55 per cent) of contractual employees within the information technology (IT) staffing domain. Around 30 per cent of such employees were affiliated with global capability centres (GCCs) and 15 per cent worked with domestic conglomerates and startups, according to 'Contractual Hiring Trends in India' report by talent solutions provider Careernet.

[https://www.business-standard.com/industry/news/contractual-job-hiring-by-firms-up-15-cagr-since-jan-2022-says-report-124052200885\\_1.html](https://www.business-standard.com/industry/news/contractual-job-hiring-by-firms-up-15-cagr-since-jan-2022-says-report-124052200885_1.html)

### **Higher R&D spend, AI push & manufacturing top startup founders agenda for new govt**

Endorsing wholeheartedly the government's initiatives as a facilitator and policy-maker in the tech space, startup founders and CEOs have urged for maintaining the continuity once the new regime is in place next month. Focusing on making the country a product nation, increasing R&D spend, and building the AI infrastructure, figure topped on their wish list in the agenda for the next five years.

<https://www.financialexpress.com/business/industry-higher-rampd-spend-ai-push-amp-manufacturing-top-startup-founders-agenda-for-new-govt-3496545/>

## Finance

### **Reserve Bank board approves transfer of Rs 2.11 trillion surplus to govt**

The Central Board of the Reserve Bank of India (RBI), on Wednesday, approved the transfer of Rs 2.1 trillion (Rs 2,10,874 crore) as surplus to the central government for the accounting year 2023-24, the central bank said in a press statement. During its 608th meeting of the Central Board held in Mumbai under the chairmanship of Governor Shaktikanta Das, the RBI reviewed the global and domestic economic scenario, including risks to the outlook.

[https://www.business-standard.com/economy/news/rbi-s-central-board-approves-transfer-of-rs-2-1-trillion-to-govt-for-fy24-124052201077\\_1.html](https://www.business-standard.com/economy/news/rbi-s-central-board-approves-transfer-of-rs-2-1-trillion-to-govt-for-fy24-124052201077_1.html)

### **RBI buys 1.5 times more gold in January-April than whole of 2023**

The Reserve Bank of India added 24 tonnes of gold to its stock of reserves in four months from January to April this year as a hedge against volatility amid geopolitical tensions. This is reckoned to be a part of strategic diversification of reserves in challenging times. This is almost one and a half times the volume it did during the whole of 2023 when it added 16 tonnes to its reserves an analysis of the Reserve Bank data indicates. The Reserve Bank held 827.69 tonnes worth of gold as a part of its foreign exchange reserves as of April 26, 2024, up from 803.6 tonnes as of end December according to the latest Reserve bank of India data.

<https://economictimes.indiatimes.com/news/economy/finance/rbi-buys-1-5-times-more-gold-in-january-april-than-whole-of-2023/articleshow/110340250.cms>

### **PSBs ask US to route advisories via finance ministry**

Indian banks have suggested to the US Treasury that its advisories to them should be routed via the finance ministry to ensure speedy implementation, people privy to the development said. Executives from some of the top lenders, including State Bank of India, Punjab National Bank and Canara Bank, met with a six-member US Treasury delegation last month.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/psbs-ask-us-to-route-advisories-via-finance-ministry/articleshow/110342618.cms>

### **SEBI panel suggests changes to merchant banking, buyback regulations**

After over 30 years of framing initial regulations for merchant bankers, a Securities and Exchange Board of India (Sebi) expert committee has suggested changes to the framework making it more relevant to current times and for the ease of doing business. The expert committee has suggested switching to a digitally signed e-certificates to merchant bankers instead of a physical registration certificate, and tweaks to the method of ascertaining 'net worth' to align it with the current legal definition. It has also recommended allowing individuals with a recognised foreign degree to become a merchant banker, and the removal of certain repetitive disclosures to Sebi.

<https://www.financialexpress.com/business/industry-sebi-panel-suggests-changes-to-merchant-banking-buyback-regulations-3498171/>

### **Major rejig of Customs duty, GST being planned**

The government has identified a clutch of products where inverted duty structure is distorting trade and impacting manufacturing competitiveness and has initiated the process to address the issue, a senior official said. Among the products that have been identified are washing machines, air purifiers, solar glass, paper, furniture, apparel and jewellery. Some of these products are on the list identified for special attention under Make in India initiative. In domestic taxation like Goods and Services Tax (GST) inverted duty structure creates hurdles for manufacturers to claim credit for taxes paid on inputs. "There are many commodities both on the GST side and customs side where inversion in the tax regime is still require to be corrected. We can't have an inverted duty structure which has an impact on our competitiveness and affects our export capabilities," an official had recently said.

<https://www.financialexpress.com/policy/economy-major-rejig-of-customs-duty-gst-being-planned-3498042/>

### **Lower middle class shows growing interest in 'Credit on UPI': Home Credit India study**

A new study by Home Credit India reveals that lower middle-class consumers in the country are increasingly interested in using 'Credit on UPI', which allows instant credit access through UPI-enabled apps.

The second edition of Home Credit India's in-house annual consumer survey —'The Great Indian Wallet Study: Consumer behaviour towards key financial aspects' —showed that 42 per cent of such consumers, especially men, Gen Z and Tier 1 consumers, expressed interest towards using 'Credit on UPI'.

<https://www.thehindubusinessline.com/money-and-banking/lower-middle-class-shows-growing-interest-in-credit-on-upi-home-credit-india-study/article68204097.ece>

### **Financialisation of household savings can fund private capex: Goldman Sachs**

Contrary to the conventional mode of saving in physical assets like real estate, household savings in India are getting increasingly financialised, implying that the infrastructure asset creation could be funded without widening the current account deficit (CAD) or increasing external vulnerability, a latest report released by Goldman Sachs said on Wednesday. The report titled- 'Changing contours of Indian household savings'- also notes that within financial savings, allocations are shifting from banks to non-banks, especially into retirement savings, and the total assets under management (AUM) of retirement savings, insurance, and mutual funds grew at an average rate (CAGR) of 15 per cent, thus outpacing growth in bank deposit (9 per cent CAGR) over the last ten years.

[https://www.business-standard.com/economy/news/financialisation-of-household-savings-can-fund-private-capex-goldman-sachs-124052201203\\_1.html](https://www.business-standard.com/economy/news/financialisation-of-household-savings-can-fund-private-capex-goldman-sachs-124052201203_1.html)

### **IRDAI introduces new corporate governance regulations for insurers**

The Insurance Regulatory and Development Authority of India (IRDAI) has asked insurance companies to seek prior approval for the appointment of their Board Chairperson, effective immediately. Existing Chairperson have been given until March 31, 2026, or the end of their current terms, whichever comes first, to comply with the new regulations. "The proposal for appointment of chairperson of the board shall be submitted for prior approval of the

competent authority,” IRDAI said. “Chairperson of the insurer as on date of issue of this circular is permitted to continue as chairperson up to March 31, 2026 or till he or she completes his or her current tenure, whichever is earlier.”

<https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-introduces-new-corporate-governance-regulations-for-insurers/articleshow/110340899.cms>

## Industry

### Compensation gap between private & public sector widens in FY23

Compensation in the private sector reached a new high of 22% of gross domestic product (GDP) in 2022-23, up from 21.2% in FY22, widening the gap with government sector compensation, an ET analysis of government data released earlier this month showed. Total compensation of employees working with private corporations increased to 13.5% of the GDP in FY23 from 12.8% in the previous year while households, which largely represent the informal sector, saw their wages rise to the highest level in nine years to 8.5% of the GDP in FY23 from 8.4% in FY22.

<https://economictimes.indiatimes.com/news/economy/indicators/compensation-gap-between-private-public-sector-widens-in-fy23/articleshow/110342521.cms>

### Govt may look at addressing inverted duty structures in washing machines, air purifiers

The government is likely to consider addressing the issue of inverted duty structure for certain products like paper, furniture, washing machines, solar glass, and air purifiers to promote domestic manufacturing, an official has said. Inverted duty structure refers to taxation on inputs at higher rates than finished products that result in the build-up of credits and cascading costs. The official said the Commerce and Industry Ministry has shared a list of products with the Finance Ministry to look at the inverted duty structure issues.

<https://economictimes.indiatimes.com/news/economy/policy/govt-may-look-at-addressing-inverted-duty-structures-in-washing-machines-air-purifiers/articleshow/110329220.cms>

### India only nation among top 5 to see growth in steel production

India is the only country, among the top five steel producing nations, to have seen a growth in production in April, with the others seeing production drop by as much as 7% during the month. India, which is the world's second-largest producer of steel, saw production rise by 3.6% to 12.1 million tonne. The country has seen an 8.5% growth in production between Jan-Apr this year, having produced 49.5 million tonne of steel.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/india-only-nation-among-top-5-to-see-growth-in-steel-production/articleshow/110342616.cms>

### Conversational commerce powered by Gen AI to spur next wave of growth for businesses: Bain & Company - Meta Report

As the adoption of conversational messaging platforms accelerates across large and small businesses, the ‘transformative power’ of generative AI is steering businesses toward conversational commerce, according to the report ‘Win with Conversations’ by Bain & Company and Meta, released Thursday, that states 70% of surveyed large enterprises are already engaging with half of their customer base using conversational platforms. Moreover, 60% of the surveyed large enterprises are planning to increase their spending on conversational journeys over the next 3–4 years. The report, based on a survey of end users (consumers) and businesses, shares insights into conversational journeys across enterprises, small businesses, and digital users.

<https://economictimes.indiatimes.com/news/company/corporate-trends/conversational-commerce-powered-by-gen-ai-to-spur-next-wave-of-growth-for-businesses-bain-company-meta-report/articleshow/110347973.cms>

### Wearable devices market sees growth slowdown amid fall in smartwatch shipments

The wearable devices market in India slowed down to a growth of 2.1% on-year in the quarter ended March 2024, driven by a decline in smartwatch shipments, reaching 25.6 million units, after growing at double digits consecutively since 2017, according to a report. A high inventory situation led to a decline in smartwatch shipments for the first time since Q4 2018, falling by 7.3% on-year to 9.6 million units, resulting in the share of smartwatches within the wearables segment dropping from 37.6% from 41.4% a year ago.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/wearable-devices-market-sees-growth-slowdown-amid-fall-in-smartwatch-shipments/articleshow/110336312.cms>

#### **Organised jewellery retailers to witness 17-19% revenue growth: CRISIL**

Organised gold jewellery retailers are expected to clock 17-19 per cent year-on-year revenue growth in 2024-25, driven by higher realisations following a surge in gold prices, while volume is likely to remain steady, a report said on Wednesday. The revenue of organised gold jewellers is expected to rise 17-19 per cent this fiscal, while volume growth is likely to stagnate due to rising gold prices, CRISIL Ratings said in a report.

[https://www.business-standard.com/industry/news/organised-jewellery-retailers-to-witness-17-19-revenue-growth-crisil-124052201083\\_1.html](https://www.business-standard.com/industry/news/organised-jewellery-retailers-to-witness-17-19-revenue-growth-crisil-124052201083_1.html)

#### **Premium devices to deliver value growth for India smartphone market in 2024**

Indian smartphone sales, which have been dominated by the entry and mid-range segments, are set to change as the high-end and super premium ranges grab consumer attention. The premium category is expected to grow more than 20 per cent in 2024 compared to the previous year. While the overall smartphone market is expected to witness modest single-digit growth in 2024, most of this growth is anticipated to come from premium devices and 5G upgrades.

[https://www.business-standard.com/industry/news/premium-devices-to-deliver-value-growth-for-india-smartphone-market-in-2024-124052201148\\_1.html](https://www.business-standard.com/industry/news/premium-devices-to-deliver-value-growth-for-india-smartphone-market-in-2024-124052201148_1.html)

#### **Indian hospitality sector witnesses 11.4% growth in RevPAR in Q1 2024: JLL**

The Indian hospitality sector continued to witness growth in the first quarter of the ongoing year, primarily driven by an 8.5 per cent rise in average daily rates, resulting in an 11.4 per cent increase in revenue per available room (RevPAR). According to JLL's Hotel Momentum India (HMI) Q1 2024, factors such as an increase in corporate travel, weddings, and Meetings, Incentives, Conferences, and Exhibitions (MICE) demand at the end of FY24 have contributed to this strong performance of the sector.

[https://www.business-standard.com/industry/news/indian-hospitality-sector-witnesses-11-4-growth-in-revpar-in-q1-2024-jll-124052201070\\_1.html](https://www.business-standard.com/industry/news/indian-hospitality-sector-witnesses-11-4-growth-in-revpar-in-q1-2024-jll-124052201070_1.html)

#### **38 critical blocks on sale unlikely to accrue benefits in this decade: ICRA**

ICRA on Wednesday said that benefits from the 38 critical mineral blocks that have been put on sale are not likely to accrue in the current decade ending 2030 as the mines are not fully explored. "The preliminary stage of exploration for most of the domestic blocks that are currently being auctioned suggests that their commercialisation and associated benefits are unlikely to fully accrue in the current decade ending 2030. Therefore, India's downstream manufacturing facilities are likely to remain exposed to potential future supply shocks of critical minerals in the intervening years," ICRA said in a statement.

[https://www.business-standard.com/industry/news/38-critical-blocks-on-sale-unlikely-to-accrue-benefits-in-this-decade-icra-124052200956\\_1.html](https://www.business-standard.com/industry/news/38-critical-blocks-on-sale-unlikely-to-accrue-benefits-in-this-decade-icra-124052200956_1.html)

#### **Hotel industry clocks 11% revenue growth per room during Jan-Mar: Report**

India's hotel industry saw strong demand at both business and leisure destinations during the January-March period this year leading to an 11 per cent annual rise in revenue per available room, according to JLL. In a statement on Wednesday, real estate consultant JLL India said that the hospitality sector saw an increase in Average Daily Rate (ADR) of 8.5 per cent year-on-year, resulting in a revenue per available room (RevPAR) growth of 11.4 per cent.

[https://www.business-standard.com/industry/news/hotel-industry-clocks-11-revenue-growth-per-room-during-jan-mar-report-124052200848\\_1.html](https://www.business-standard.com/industry/news/hotel-industry-clocks-11-revenue-growth-per-room-during-jan-mar-report-124052200848_1.html)

### **Agriculture**

#### **MSP purchases fail to boost mustard prices; retail oil prices in negative zone since Feb**

Even as the procurement season is about to end, mandi prices of mustard seed continue to rule below the minimum support price (MSP), despite the government purchasing oilseeds under the price support scheme (PSS) operations. Traders attribute lower price realisation by farmers to bumper output and cheaper imports of edible oils. Official

sources told FE that all India modal prices of mustard seeds are currently around Rs 5300/quintal, around 6% below the minimum support price (MSP) of Rs 5650/quintal for 2023-2024 season (April-June).

<https://www.financialexpress.com/policy/economy-msp-purchases-fail-to-boost-mustard-prices-retail-oil-prices-in-negative-zone-since-feb-3498058/>

## Energy

### ONGC targets to increase oil & gas production by 20% by FY27

State-owned oil and gas producing major Oil and Natural Gas Corp plans to increase its cumulative production of crude oil and natural gas by 20% to 47 Million Metric Ton of oil equivalent (MMtoe) comprising about 21.8 MMT of crude oil and about 25.5 BCM of gas from the current 39.45 MMtoe over the next three years. Additionally, the company expects its oil production from the KG-98/2 block to increase to 20,000 barrels per day in the third quarter of the current fiscal year 2024-25 and then subsequently reach its peak production of 45,000 barrels per day in Q4FY25.

<https://www.financialexpress.com/business/industry-ongc-targets-to-increase-oil-amp-gas-production-by-20-by-fy27-3496572/>

### NHPC expects to complete all 4 units of Parbati-II hydro electric project by Dec 2024

State-owned NHPC on Wednesday said all four units of its Parbati-II hydro electric project are expected to be completed by December 2024. NHPC is constructing an 800 MW (4 units of 200 MW each) Parbati-II HE (hydroelectric) project in Himachal Pradesh. "All 4 units of the project are anticipated to be completed by December 2024," the company said in a regulatory filing. The company is also constructing the 2,000 MW Subansiri Lower HE power project (8 units of 250 MW each) along the border of Assam and Arunachal Pradesh.

<https://economictimes.indiatimes.com/industry/energy/power/nhpc-expects-to-complete-all-4-units-of-parbati-ii-hydro-electric-project-by-dec-2024/articleshow/110339654.cms>

### Slowing EV sales are upending banker climate strategies

Electric vehicles have swiftly gone from a rare bright spot in the fight against climate change to a cause for concern. A slowdown in EV adoption has potentially huge implications for the energy transition. It also has ramifications for the many financial institutions that have pledged to decarbonize the loans and investments they make.

<https://economictimes.indiatimes.com/industry/renewables/slowing-ev-sales-are-upending-banker-climate-strategies/articleshow/110334174.cms>

## Telecom

### Telcos working with tech partners to curb pesky calls, SMS, says COAI

Telecom operators are working with technology partners to implement solutions to curb the menace of pesky calls and SMSes in the coming months, the Cellular Operators Association of India said on Tuesday. The association, which represents major telecom operators, said the companies will be bringing a few more models to address the issue of unsolicited commercial communication (UCC).

<https://www.financialexpress.com/business/industry-telcos-working-with-tech-partners-to-curb-pesky-calls-sms-says-coai-3496605/>

### Trai makes '140' series numbers for commercial calls must from July

The Telecom Regulatory Authority of India (Trai) has given time till July to principal entities such as banks, insurance companies, other brands, etc, and their telemarketers to switch to the '140' series of phone numbers to make promotional calls. For shifting service and transactional calls to the '160' series, the companies have been given time till August, according to officials.

<https://www.financialexpress.com/business/industry-trai-mandates-140-number-series-for-commercial-calls-from-july-3498146/>

## Healthcare

### **Healthcare sector most violative of advertisement rules, says Ascii report**

In 2023-24, the healthcare sector emerged as the most violative sector with respect to advertisement rules in India, according to the Advertising Standards Council of India's (Asci's) Annual Complaints Report released on Wednesday. The sector accounted for 19 per cent or 1,569 of 8,229 ads scrutinised by Ascii during the year. It was followed by illegal offshore betting and personal care ads, which accounted for 17 per cent and 13 per cent of all processed ads, respectively.

[https://www.business-standard.com/industry/news/healthcare-sector-most-violative-of-advertisement-rules-says-ascii-report-124052201068\\_1.html](https://www.business-standard.com/industry/news/healthcare-sector-most-violative-of-advertisement-rules-says-ascii-report-124052201068_1.html)

### **Pharma PLI scheme gathers steam with investments of Rs 33,000 crore**

In less than three years since its launch, the production-linked incentive (PLI) scheme for the pharmaceuticals sector seems to have taken off. The latest data by the department of pharmaceuticals (DoP) suggests that all three components of the scheme — pharmaceuticals, bulk drugs and medical devices — have received a substantial interest from the industry. For instance, the pharmaceuticals category has seen investments of Rs 28,328 crore and generated cumulative production of Rs 1.43 trillion as in April 2024. This is sharp jump from January last year when just about Rs 16,199 crore of investments were made by the pharma manufacturers.

<https://www.financialexpress.com/business/industry-pharma-pli-scheme-gathers-steam-with-investments-of-rs-33000-crore-3498196/>

### **External**

### **India exports over 45,000 tonnes onion after lifting ban, says official**

India has exported more than 45,000 tonnes of onion since the ban on outbound shipments was lifted early this month, a top government official said on Wednesday. These exports provided relief to farmers after curbs were imposed to keep domestic supplies steady ahead of general elections. The world's biggest vegetable exporter banned exports of the bulb last December and then extended it in March, after a rise in prices triggered by sluggish production.

[https://www.business-standard.com/economy/news/india-exports-over-45-000-tonnes-onion-after-lifting-ban-says-official-124052200714\\_1.html](https://www.business-standard.com/economy/news/india-exports-over-45-000-tonnes-onion-after-lifting-ban-says-official-124052200714_1.html)

### **Paper, paperboard imports up 34% on higher supplies from Asean bloc: IPMA**

Imports of paper and paperboard in the country rose by 34 per cent to 19.3 lakh tonnes in 2023-24, driven by higher shipments from ASEAN countries, an industry association said on Wednesday. The Indian Paper Manufacturers Association (IPMA) in a statement said that the increasing imports of these products are hurting the domestic industry. Paper and paperboard imports, as per the commerce ministry data, were 14.3 lakh tonnes in the financial year ended on March 31, 2023, the IPMA said.

[https://www.business-standard.com/industry/news/paper-paperboard-imports-up-34-on-higher-supplies-from-asean-bloc-ipma-124052200985\\_1.html](https://www.business-standard.com/industry/news/paper-paperboard-imports-up-34-on-higher-supplies-from-asean-bloc-ipma-124052200985_1.html)

### **Pulses imports from more countries likely**

India is aiming to import pulses from several countries including Brazil, Argentina, Australia and African countries to augment domestic supplies aimed at curbing inflation in pulses. The government has removed import duties on several varieties of pulses — tur, urad (black matpe), masoor (lentils), yellow peas and bengal gram (desi chana). This concession will be in place till the end of FY25, which is expected to boost domestic supplies.

<https://www.financialexpress.com/policy/economy-pulses-imports-from-more-countries-likely-3496574/>

### **Smartphones become India's fourth largest export item with 42% growth**

Smartphones are now the fourth-largest export item from India with 42 per cent growth to \$15.6 billion in FY24, up by one notch in the ranking from the preceding year. India started collecting data for smartphones separately from April 2022. While India's top export items are dominated by petroleum products, smartphones replaced motor gasoline to become the fourth-largest exported commodity in FY24.

[https://www.business-standard.com/industry/news/smartphones-become-india-s-fourth-largest-export-item-with-42-growth-124052201622\\_1.html](https://www.business-standard.com/industry/news/smartphones-become-india-s-fourth-largest-export-item-with-42-growth-124052201622_1.html)

### **India seeks to acquire graphite blocks in Sri Lanka**

After scouting for critical minerals in Australia and some African nations, India is now in preliminary talks with Sri Lanka to acquire graphite blocks for mining, sources aware of the development told FE. “We had a discussion with Sri Lanka on Monday. They have the purest form of graphite and are ready to cooperate with India,” one of the official sources said.

<https://www.financialexpress.com/business/industry-india-seeks-to-acquire-graphite-blocks-in-sri-lanka-3498087/>