



June 12, 2024 – Wednesday

Economy

World Bank retains India's economic growth forecast at 6.6% for FY25

The World Bank on Tuesday retained its growth forecast for India at 6.6 per cent for FY25. "India will remain the fastest-growing of the world's largest economies, although its pace of expansion is expected to moderate. After a high growth rate in FY 2023/24, steady growth of 6.7 per cent per year, on average, is projected for the three fiscal years beginning in FY 2024/25," the multilateral bank said in its latest biannual Global Economic Prospects.

https://www.business-standard.com/economy/news/world-bank-raises-india-s-gdp-growth-forecast-by-20-bps-for-fy25-124061101017_1.html

Rural jobs, roads, housing next on government radar

A day after the government announced its plan to construct 30 million houses under the Pradhan Mantri Awas Yojana (PMAY), it is weighing more measures as part of its 100-day agenda as well as the medium-term road map to signal its rural focus, people aware of the matter said. These could include greater support to beneficiaries under the rural housing programme, streamlining of the job guarantee scheme, expansion of the road network, and increased efforts towards alleviating poverty and bolstering the income of women, they told ET.

<https://economictimes.indiatimes.com/news/economy/policy/rural-jobs-roads-housing-next-on-government-radar/articleshow/110919342.cms>

Need to build on success of PLI schemes, recent FTAs, PPP governance model: Piyush Goyal

Commerce and industry minister Piyush Goyal on Tuesday asked senior government officers to build on the success of schemes such as the production-linked incentive (PLI) scheme, recently signed trade agreements (FTA) and focus on the public-private partnership (PPP) model of governance. He was convening a review meeting after taking charge of the ministry for the second term, with senior officers from the commerce and industry department where commerce secretary Sunil Barthwal and Department for Promotion of Industry and Internal Trade secretary Rajesh Kumar Singh presented a brief on the ongoing proposals and action items of the ministry, according to an official statement.

<https://economictimes.indiatimes.com/news/economy/policy/need-to-build-on-success-of-pli-schemes-recent-ftas-ppp-governance-model-piyush-goyal/articleshow/110918728.cms>

Polls over, govt draws final sketch of 100-day action plan

The BJP-led National Democratic Alliance (NDA) government is studying the 100-day plan prepared ahead of the elections as well as the Viksit Bharat 2047 goals to quickly draw up an agenda for action for ministries and departments for the period. The measures that require legislative sanction or funds could be announced in the budget, which is likely next month. The 100-day agenda had been prepared by bureaucrats and Niti Aayog officials and overseen by the cabinet secretary after elections were announced, people aware of the details told ET. The Viksit Bharat (Developed India) 2047 goals will also be put up for general public consultations.

<https://economictimes.indiatimes.com/news/economy/policy/polls-over-govt-draws-final-sketch-of-100-day-action-plan/articleshow/110919544.cms>

Chinese-Indian JVs may get Govt nod, but with a rider

The government may allow new joint ventures (JVs) between Chinese and Indian companies only if the Indian partner has a majority shareholding, four electronics and automobile industry chief executives who want to set up JVs with Chinese firms told ET. Government officials, especially from the department for promotion of industry and internal trade (DPIIT), are in touch with the CEOs to help set up these JVs, they said. Some proposed manufacturing projects, especially for auto and electronics components, have been stuck for a couple of years now, but now these firms have restarted talks with Chinese companies buoyed by the government's softened stance and the conclusion of the JV between MG Motor India and JSW.

<https://economictimes.indiatimes.com/news/economy/policy/chinese-indian-jvs-may-get-govt-nod-but-with-a-rider/articleshow/110919714.cms>

Major overhaul on cards to improve data quality, frequency

The new government is likely to overhaul the entire statistical system of the country, which includes undertaking additional surveys, fixing data leakages, improving frequency of the survey releases, and tweaking the methodology of computing several macro-economic indicators, official sources told FE. "The entire overhaul of the statistical system is the top priority of the government," an official said, while adding that some of the decisions pertaining to the same are also part of the 100-day plan of the government. "The statistics ministry had earlier prepared a 100-day plan, but it's being reviewed at the moment," the person added.

<https://www.financialexpress.com/policy/economy-major-overhaul-on-cards-to-improve-data-quality-frequency-3520840/>

India reports sixth strongest hiring outlook globally in Sept qtr: Survey

India ranks sixth globally for its employment outlook for September quarter 2024, with 30 per cent of businesses planning to increase their staff over the next three months, according to a global survey by workforce solutions company ManpowerGroup. India's Net Employment Outlook (NEO), calculated by subtracting employers planning reductions versus those planning to hire, stood at 30 per cent. It weakened from the previous quarter and the same time last year by 6 per cent, as employers are cautious in their hiring intent for the next three months.

https://www.business-standard.com/industry/news/india-reports-sixth-strongest-hiring-outlook-globally-in-sept-qtr-survey-124061100390_1.html

IT ministry to meet industry over draft digital competition law on Jun 13

The IT Ministry has scheduled a meeting with industry associations on Thursday to discuss their views on the draft Digital Competition law that has witnessed startups clash with tech giants in a pitched battle over certain provisions. The meeting will be chaired by the IT Secretary S Krishnan. "Numerous representations are being received from industry associations on the draft digital competition Bill, raising serious concerns regarding the impact of the proposed Bill on data and digital markets," the IT Ministry said in its meeting notice, seen by PTI.

https://www.business-standard.com/industry/news/it-ministry-to-meet-industry-over-draft-digital-competition-law-on-jun-13-124061100888_1.html

Finance

RBI must review plan to raise provisions against infra loans: Lobby group

The lobby group for Indian non-banking lenders on Tuesday asked for a review of a recent proposal from the central bank calling for an increase in the provisions that lenders have to set aside against infrastructure project loans. Last month, the Reserve Bank of India (RBI) proposed that banks and non-banking financial companies set aside a provision of 5 per cent of the total loan amount of infrastructure projects at the construction phase, a sharp jump from the 0.4 per cent required currently.

https://www.business-standard.com/finance/news/rbi-must-review-plan-to-raise-provisions-against-infra-loans-lobby-group-124061100382_1.html

Regulator plans to ease compliance burden on insolvency professionals

The bankruptcy regulator has proposed to reduce the compliance burden on insolvency professionals, who oversee the resolution of stressed assets, without compromising on the accuracy and the comprehensiveness of the

information required for decision-making. It seeks to reduce the amount of information and data that insolvency professionals are currently required to submit, according to a discussion paper floated by the Insolvency and Bankruptcy Board of India (IBBI). The regulator proposes to rationalise compliance deadlines to reduce the pressure caused by numerous and frequently overlapping submission dates.

<https://economictimes.indiatimes.com/news/economy/policy/regulator-plans-to-ease-compliance-burden-on-insolvency-professionals/articleshow/110919183.cms>

General insurance companies can't reject claims for want of documents: Irdai

General insurance companies cannot reject claims for want of documents, the Insurance Regulatory and Development Authority of India (Irdai) said on Tuesday. The master circular is part of reforms in the general insurance business, especially post-de-notification of all the tariffs and policy wordings, ushering in a new era of measures for simplified and customer-centric insurance solutions. General insurance companies cannot reject claims for want of documents, the Insurance Regulatory and Development Authority of India (Irdai) said on Tuesday. The master circular is part of reforms in the general insurance business, especially post-de-notification of all the tariffs and policy wordings, ushering in a new era of measures for simplified and customer-centric insurance solutions.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/general-insurance-companies-cant-reject-claims-for-want-of-documents-irdai/articleshow/110917209.cms>

Industry

Auto industry body seeks cut in two-wheeler GST; SIAM suggests three-level slabs based on fuel types

The Society of Indian Automobile Manufacturers (SIAM) on Tuesday wrote a letter to the government, requesting a reduction in the GST rates for two-wheelers. It suggested that the government cut the rate to 18% from the current 28% for two-wheelers with internal combustion engines and to 5% from the existing 12% for zero-carbon tailpipe emission models such as those powered by hydrogen.

<https://economictimes.indiatimes.com/industry/auto/two-wheelers-three-wheelers/siam-seeks-gst-reduction-on-two-wheelers/articleshow/110919661.cms>

Domestic passenger vehicle sales rise 4% in May to 347,492 units: Siam

Passenger vehicle wholesales in India increased 4 per cent year-on-year in May to 347,492 units, as compared to the same month last year, industry body SIAM said on Tuesday. Overall passenger vehicle (PV) dispatches from companies to dealers stood at 334,537 units in May 2023. "Passenger vehicles have only witnessed a moderate growth, primarily owing to a high base effect of the previous year," the Society of Indian Automobile Manufacturers (SIAM) President Vinod Aggarwal said in a statement.

https://www.business-standard.com/industry/auto/domestic-passenger-vehicle-sales-rise-4-in-may-to-347-492-units-siam-124061100289_1.html

EV sales soar 40.31 per cent in FY24, two-wheelers lead the charge

Sale of electric vehicles in India soared 40.31 per cent in FY2024 to 1,752,406 units, according to a report by JMK Research & Analytics. As per the report, electric two-wheelers (E2Ws) and electric three-wheelers (E3Ws) were the primary drivers, accounting for 94 per cent of all EV sales. The electric two-wheeler (E2W) segment led the charge, selling 1,009,356 units. This represents a year-on-year growth of 29 per cent, capturing 57.60 per cent of total EV sales in FY2024. The increased awareness and introduction of advanced models comparable to internal combustion engine (ICE) vehicles contributed to this surge.

<https://economictimes.indiatimes.com/industry/renewables/ev-sales-soar-40-31-per-cent-in-fy24-two-wheelers-lead-the-charge/articleshow/110926598.cms>

Steel demand expected to grow in range of 9-12% in FY25: Ind-Ra report

The steel demand is expected to grow in the range of 9-12 per cent during the ongoing 2024-25 fiscal, according to India Ratings and Research (Ind-Ra). The demand will be supported by steady growth in the end-user industries such as automobile and infrastructure sectors, the rating agency said in a report on Tuesday. The agency forecasts the steel demand growth in the range of 9-12 per cent year-on-year for FY25, it said.

https://www.business-standard.com/industry/news/steel-demand-expected-to-grow-in-range-of-9-12-in-fy25-india-report-124061100703_1.html

DPIIT, Flipkart, toy makers to meet on Jun 12 on ways to increase sourcing

Senior officials from the Commerce and Industry Ministry, Walmart group firm Flipkart and domestic toy makers will discuss on Thursday ways to increase sourcing and immediate onboarding of manufacturers on the e-commerce platform, an industry official said. The official said that to make India a global manufacturing hub for toys, the government has undertaken a series of initiatives, and in this context, the Department for Promotion of Industry and Internal Trade (DPIIT), in collaboration with Flipkart, is organising this workshop to enhance India's position and capabilities in the global toy supply chain.

https://www.business-standard.com/industry/news/dpiit-flipkart-toy-makers-to-meet-on-jun-12-on-ways-to-increase-sourcing-124061101085_1.html

Paint sector to double its production capacity to 7.8 blpa by FY27, says CRISIL report

The production capacity of organised paints sector is expected to double to approximately 7.8 billion litre per annum (blpa) between FY24 and FY27 with investments of around Rs 19,000 crore lined up, including by one large entrant, reveals a report by CRISIL. The report further suggests that out of these, around 2.4 blpa will be operational in FY25. Additionally, this will have a share of 1.3 blpa from the new entrants into the industry, primarily in the decorative segment, which accounts for 75-80 per cent of the total paints production.

<https://www.financialexpress.com/business/industry-paint-sector-to-double-its-production-capacity-to-7-8-blpa-by-fy27-says-crisil-report-3521596/>

Infrastructure

NHAI to monetise assets with Rs 15000 to Rs 20000 crore in 2024-25 through InvIT

The National Highways Authority of India (NHAI) will monetise road assets worth Rs 15,000 – 20,000 crore in the current fiscal year through its infrastructure investment trust the National Highways Infra Trust (NHIT), it said on Tuesday. NHIT, formed in October 2020 to support the government's national monetisation pipeline, has so far garnered Rs 26,125 crore in three rounds of monetisation.

<https://economictimes.indiatimes.com/news/economy/infrastructure/nhai-to-monetise-assets-with-rs-15000-to-rs-20000-crore-in-2024-25-through-invite/articleshow/110917590.cms>

Energy

Electric vehicle owners can soon sell surplus battery power back to grids

Power distribution firms are developing a new technology enabling owners of electric vehicles (EVs) to feed surplus power stored in their vehicle batteries back into the grid, according to a report in the Economic Times (ET). This vehicle-to-grid (V2G) technology, akin to rooftop solar schemes, allows electric car owners to sell the electricity stored in their vehicles to the grid. Additionally, as part of the initiative, distribution companies are evaluating the practicality of using EVs as supplementary power reserves during periods of peak demand.

https://www.business-standard.com/industry/news/electric-vehicle-owners-can-soon-sell-surplus-battery-power-back-to-grids-124061100724_1.html

End-use curbs for coal supplies to non-power units to go

To increase coal availability to the non-regulated sectors (NRS) like cement, steel, sponge iron and captive power units, the Union coal ministry is planning to provide them with long-term linkages, without end-use restrictions. The plan is to modify the policy guidelines for NRS coal linkages issued in 2016, which made it mandatory for these industries to avail coal from state-run coal companies through the auction route, and with specified end uses. Stakeholders' consultations in this regard are scheduled to be held by the coal secretary on June 13, according to sources.

<https://www.financialexpress.com/business/industry-end-use-curbs-for-coal-supplies-to-non-power-units-to-go-3522055/>

India eyes oil deals with nations including Russia, minister says

Indian Oil Minister Hardeep Singh Puri on Tuesday announced that state-run Bharat Petroleum Corp plans to build a new refinery and the nation is looking at signing more oil import deals with countries including Russia at discounted rates. Puri, who took charge of the ministry for a second time on Tuesday, said Prime Minister Narendra Modi wants to provide energy at affordable rates to customers to cushion them from the volatile oil markets.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-eyes-oil-deals-with-nations-including-russia-minister-says/articleshow/110907311.cms>

States

Trade and industry bodies in Rajasthan call for creating solar energy hub

Trade and industry bodies in Rajasthan have requested the government to develop the state as a solar panel manufacturing hub. Incidentally, Rajasthan ranks as one of the leading states in the country for solar energy production. There is a lot of scope in the state's solar energy field and a lot of work is yet to be done in it.

https://www.business-standard.com/industry/news/trade-and-industry-bodies-in-rajasthan-call-for-creating-solar-energy-hub-124061100739_1.html

Healthcare

Pharma's eco pill: Sustainable packaging as new prescription for planet

Pharmaceutical (pharma) companies are increasingly adopting sustainable packaging materials to replace traditional ones, aiming to reduce their carbon footprint. This move is driven by both regulatory requirements and environmental, social, and governance targets. Merck Life Science has replaced single-use glass bottles with reusable steel drums for chemical transportation. This change reduces carbon emissions and alleviates the logistical burden of waste disposal for customers.

https://www.business-standard.com/industry/news/pharma-players-embrace-sustainable-packaging-to-cut-carbon-footprint-124061000825_1.html

Weather changes drove Indian pharma market growth to 5.2% in May

The Indian pharmaceutical market (IPM) grew 5.2 per cent in May 2024, aided by a double-digit value growth in anti-infectives (12 per cent) and respiratory therapy areas (10.2 per cent) due to sudden change in weather across the country, according to market research firm Pharmarack. Excessive summer heat led to a spurt in common pulmonology issues like bronchitis, asthma, chronic obstructive pulmonary diseases, and emphysema, leading to 10 per cent growth for respiratory therapy areas, according to Pharmarack.

https://www.business-standard.com/industry/news/weather-changes-drove-indian-pharma-market-growth-to-5-2-in-may-124061100979_1.html

External

Exports from special economic zones up 4% to \$163.69 bn in 2023-24

Exports from special economic zones (SEZs) rose by over 4 per cent to \$163.69 billion in 2023-24 even though the country's total shipments dipped by more than 3 per cent in the last fiscal. According to the data of the commerce ministry, exports from these zones stood at \$157.24 billion in 2022-23 and \$133 billion in 2021-22. SEZs are key export hubs which contributed over one-third of the country's total outbound shipments in the last fiscal.

https://www.business-standard.com/industry/news/exports-from-special-economic-zones-up-4-to-163-69-bn-in-2023-24-124061100637_1.html

Govt restricts import of gold jewellery and parts amid unusual surge

The government on Tuesday imposed restrictions on the import of gold jewellery and parts from all countries, except from its free-trade agreement (FTA) partner United Arab Emirates amid an 'unusual surge' in the inbound shipments. According to a notification released by the Directorate General of Foreign Trade (DGFT), import of items such as finished products of gold jewellery — gold studded with pearls, diamonds, precious stones — and parts have been put under the "restricted" category from "free" category at present.

https://www.business-standard.com/economy/news/govt-restricts-import-of-gold-jewellery-parts-amid-30-times-increase-124061101039_1.html

Tyre exports from India recorded at Rs 23,073 cr in FY24

The total tyre exports from India during 2023-24 stood at Rs 23,073 crore, matching previous year's figure on the back of a sharp recovery in the second half of the fiscal, the Automotive Tyre Manufacturers' Association (ATMA) said on Tuesday. In the first half of the year, tyre exports were severely impacted by falling demand in view of slowdown in advanced economies, geopolitical uncertainties and inflationary pressures, the industry body said in a statement.

<https://economictimes.indiatimes.com/industry/auto/tyres/tyre-exports-from-india-recorded-at-rs-23073-cr-in-fy24/articleshow/110905909.cms>

India's seafood exports decline due to Red Sea crisis and overseas demand slump in FY24

The Red Sea crisis and sluggish overseas demand have dented India's seafood exports in value terms in FY24, witnessing a 5.39 per cent decline in rupee terms and an 8.80 per cent decline in dollar terms.

<https://www.thehindubusinessline.com/economy/agri-business/indias-seafood-exports-decline-due-to-red-sea-crisis-and-overseas-demand-slump-in-fy24/article68278698.ece>