



June 24, 2024 – Monday

## Economy

### **Pandemic exposure lowered wage aspirations of rural women: World Bank**

The exposure to the pandemic lowered the wage aspirations of young women, especially in rural India, which may have decreased their willingness to migrate to urban areas, according to a recent study by the World Bank. The working paper titled: "The Influence of Covid-19 on Young Women's Labour Market Aspirations and Expectations in India" found that exposure to the pandemic significantly decreased the "wage aspirations" of young women living in rural areas by 25 per cent after the pandemic.

[https://www.business-standard.com/economy/news/pandemic-exposure-lowered-wage-aspirations-of-rural-women-world-bank-124062300412\\_1.html](https://www.business-standard.com/economy/news/pandemic-exposure-lowered-wage-aspirations-of-rural-women-world-bank-124062300412_1.html)

### **Informal entities in manufacturing lost 5.4 million jobs in 7 years**

Unincorporated enterprises in the manufacturing sector lost nearly 1.8 million establishments and shed 5.4 million jobs between July 2015-June 2016 and October 2022-September 2023, an analysis of the fact sheet on 'Annual Survey of Unincorporated Sector Enterprises (ASUSE)' and the comparable 73rd round survey in 2015-16 by the National Statistical Office(NSO) showed. An estimated 17.82 million unincorporated enterprises operated in the manufacturing sector in October 2022-September 2023, nearly 9.3 per cent down from 19.7 million unincorporated enterprises in July 2015- June 2016. Similarly, the number of workers engaged by these establishments declined by nearly 15 per cent to 30.6 million (2022-23) from 36.04 million (2015-16).

[https://www.business-standard.com/economy/news/informal-entities-in-manufacturing-lost-5-4-million-jobs-in-7-years-124062300500\\_1.html](https://www.business-standard.com/economy/news/informal-entities-in-manufacturing-lost-5-4-million-jobs-in-7-years-124062300500_1.html)

## Finance

### **India can grow at 8 pc if inflation keeps falling: Ashima Goyal, an external member of MPC**

India's economy has the potential to safely grow around 8% but the nominal repo rate has to fall along with a projected decline in inflation, Ashima Goyal, an external member of the Monetary Policy Committee said to Bhaskar Dutta. The Reserve Bank of India has projected India's GDP growth at 7.2% in the current fiscal year. Edited excerpts:

<https://economictimes.indiatimes.com/news/economy/indicators/india-can-grow-at-8-pc-if-inflation-keeps-falling-ashima-goyal-an-external-member-of-mpc/articleshow/111212395.cms>

### **Government asks PSBs to identify non-performing vendors, create negative list**

Service providers to public sector banks (PSBs), including vendors, law and consulting firms, and IT companies, may face challenges securing contracts from all PSBs if they underperform or delay projects of any one bank. The government has asked lenders to identify such firms and create a negative list. "We want banks to ensure that these non performers do not get business from any other state-run financial institutions. We expect PSBs to share this information amongst themselves and take strict action against erring parties," said an official requesting anonymity.

<https://economictimes.indiatimes.com/news/economy/policy/perform-or-perish-government-asks-psbs-to-identify-non-performing-vendors-create-negative-list/articleshow/111212128.cms>

### **Centre may prepay market loans taken to compensate states during Covid yrs**

The central government may be able to repay Rs 2.69 lakh crore loans it had taken to compensate states for GST revenue loss in FY21 and FY22 by November 2025, four months ahead of its scheduled repayment, an official has said. The full repayment of the market borrowings is expected earlier than the previously calculated timeline of March 2026. The issue is expected to be taken up for discussion in the next meeting of the GST Council in August, the official added.

[https://www.business-standard.com/economy/news/centre-may-prepay-market-loans-taken-to-compensate-states-during-covid-yrs-124062300186\\_1.html](https://www.business-standard.com/economy/news/centre-may-prepay-market-loans-taken-to-compensate-states-during-covid-yrs-124062300186_1.html)

### **GST Council waives interest, penalty on tax demands between FY18 and FY20**

The Goods and Services Tax (GST) Council in its Saturday meeting has approved several compliance measures, aiming at reducing tax litigation and enhancing ease of business across the sectors. The all-powerful Council waived interest and penalty for demand notices issued for the financial years 2017-18, 2018-19, and 2019-20. This is for cases where the taxpayer pays the full amount of tax raised in the notice by March 31, 2025. The waiver is conditional and does not cover wilful defaulters.

[https://www.business-standard.com/economy/news/gst-council-waives-interest-penalty-on-past-tax-demands-to-ease-compliance-124062200669\\_1.html](https://www.business-standard.com/economy/news/gst-council-waives-interest-penalty-on-past-tax-demands-to-ease-compliance-124062200669_1.html)

### **Centre anticipates Rs 70k crore GST cess surplus from 'sin' goods**

The Centre is expecting a substantial surplus of around Rs 70,000 crore from GST compensation cess collections, even after settling loans taken out on behalf of states during the pandemic, the Economic Times reported on Saturday. The surprise surplus is attributed to impressive revenue generation from taxes on the so-called "sin" goods like pan masala, cigarettes, and vehicles, which attract 28 per cent GST with an additional cess.

[https://www.business-standard.com/economy/news/centre-anticipates-rs-70k-crore-gst-cess-surplus-from-sin-goods-124062200482\\_1.html](https://www.business-standard.com/economy/news/centre-anticipates-rs-70k-crore-gst-cess-surplus-from-sin-goods-124062200482_1.html)

### **Focus on upcoming Budget: Policy in the works on finance, health support for elders**

India is considering policy measures for senior care that aim at providing health, financial, social and digital support to its aging population, officials said. All stakeholder ministries, including the ministry of health and family welfare, the ministry of social justice and empowerment, ministry of finance and NITI Aayog are deliberating on the policy contours for elderly care, a senior government official told ET. The budget next month could unveil the government's action plan for senior care, they said. "Elderly care is one of the top priorities of the government ....some announcements are expected soon in this regard," the official, involved in the deliberations, said, on the condition of anonymity.

<https://economictimes.indiatimes.com/news/economy/policy/focus-on-upcoming-budget-policy-in-the-works-on-finance-health-support-for-elders/articleshow/111212143.cms>

## **Industry**

### **BIS introduced new safety standards for EVs in India**

The Bureau of Indian Standards (BIS) introduced two new guidelines aimed at enhancing the safety of electric vehicles in the L, M, and N categories. L refers to two-wheelers, while the M and N categories correspond to four-wheelers and goods trucks, respectively. These new sets of rules, called IS 18590: 2024 and IS 18606: 2024, focus on the main parts of electric cars, buses, and trucks, especially the powertrain (which includes parts like the motor and transmission).

<https://economictimes.indiatimes.com/industry/auto/auto-news/bis-introduced-new-safety-standards-for-evs-in-india/articleshow/111207984.cms>

### **Govt starts taking call on Chinese investments, Indian cos Press (Note) 3**

The government may have started moving on approving Chinese companies' investments in India, said people with knowledge of the matter. That's prompted some Indian companies to resume their pursuit of government approval for joint ventures (JVs) with Chinese partners, they said. These approvals are being given on a case-by-case basis, the people said. For instance, Haier Appliances India has got government nod to invest Rs 184 crore in AC component manufacturing after almost two-and-a-half years. The Department for Promotion of Industry & Internal Trade had directed the Chinese firm in November 2021 to take Press Note 3 clearance for its proposal under the production-linked incentive scheme for white goods.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/govt-starts-taking-call-on-chinese-investments-indian-cos-press-note-3/articleshow/111212642.cms>

#### **PLI projects: Steel Min fast-tracks visa approvals for Chinese experts**

India's Steel Ministry is facilitating visa processes especially for Chinese technicians and experts who would be working on PLI projects covering speciality steel. Mapping the progress of the speciality steel making schemes, under PLI, would be taken up soon, sources in the know said. Against a revised expected investment of ₹16,000 crore for FY24, actual investments were 10 per cent lesser, or at ₹14,500 crore, the last review carried out showed. Companies / scheme beneficiaries had previously committed to invest ₹21,000 crore last fiscal.

<https://www.thehindubusinessline.com/companies/indias-steel-ministry-speeds-up-visa-process-for-chinese-technicians-amid-pli-scheme-challenges/article68323841.ece>

#### **Polls and weather take a toll on smartphone sales in June quarter**

A likely tepid June quarter, affected by the elections, heatwaves and floods, is prompting some market experts to reduce their growth outlook for 2024 smartphone shipments, although another section believes demand for 5G devices would underpin sales and help overcome the impact of a circumspect first half. Smartphone shipments in the second quarter are expected to be slower than the first quarter on account of fewer launches through the general elections that spanned the entire three-month quarter, coupled with intense heatwaves and floods in some parts of the country, analysts said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/polls-and-weather-take-a-toll-on-smartphone-sales-in-june-quarter/articleshow/111212130.cms>

#### **ICAI, MCA secretary discuss road map to create big Indian companies**

The Institute of Chartered Accountants of India (ICAI) has held discussions with ministry of corporate affairs (MCA) secretary Manoj Govil on the 'Aggregation of CA Firms' and the roadmap to create big Indian firms, a press statement by ICAI said. Earlier in May, Finance Minister Nirmala Sitharaman had said that the ICAI should take it as a challenge to set up an Indian 'big four' and seek global clients.

[https://www.business-standard.com/industry/news/icai-and-mca-discuss-the-roadmap-to-create-big-indian-companies-124062300566\\_1.html](https://www.business-standard.com/industry/news/icai-and-mca-discuss-the-roadmap-to-create-big-indian-companies-124062300566_1.html)

#### **BII bullish on Indian EV ecosystem, expects to invest \$300 mn in 3 yrs: MD**

British International Investment, UK's development finance institution, is betting big on the Indian electric vehicles ecosystem and expects to invest another \$ 300 million in the next three years, according to its MD and Head of Technology & Telecoms, Abhinav Sinha. The company, which has backed Mahindra group's electric vehicles (EV) arm besides other startups like Euler Motors, Turno and Battery Smart, has already invested around \$ 300 million in the Indian EV sector and sees further investment opportunities in EV manufacturing, components and financing segments in the country.

[https://www.business-standard.com/industry/auto/bii-bullish-on-indian-ev-ecosystem-expects-to-invest-300-mn-in-3-yrs-md-124062300139\\_1.html](https://www.business-standard.com/industry/auto/bii-bullish-on-indian-ev-ecosystem-expects-to-invest-300-mn-in-3-yrs-md-124062300139_1.html)

### **Agriculture**

#### **Agri experts calls for direct transfer of fertiliser subsidy**

In a pre-Budget meeting with Finance Minister Nirmala Sitharaman, agriculture experts and farm organisations demanded an end to the practice of routing the fertiliser subsidies via manufacturers, and direct transfer of these

sops to the farmers. They also suggested that all farm inputs be exempted from GST, and building agri infrastructure to deal with climate change.

<https://www.financialexpress.com/business/industry-agri-experts-calls-for-direct-transfer-of-fertiliser-subsidy-3531501/>

### **Stop Nafed's onion procurement till irregularities are investigated, demand farmers**

After a team from the National Agricultural Cooperative Marketing Federation (Nafed) made surprise visits to the procurement centres and reportedly found irregularities in their functioning, onion growers have demanded suspension of Nafed's onion procurement operations till the investigations are over, which may further increase the hurdles in the government's strategic buffer creation target. The central government is facing challenges in achieving its procurement target of 5 lakh tonnes of onions as market prices are higher than the prices offered by the government agencies. The central government's decision to create the buffer was announced in April.

<https://economictimes.indiatimes.com/news/economy/agriculture/stop-nafeds-onion-procurement-till-irregularities-are-investigated-demand-farmers/articleshow/111216929.cms>

## **Infrastructure**

### **As many as 458 infra projects hit by cost overrun of Rs 5.71 lakh cr in May**

As many as 458 infrastructure projects, each entailing an investment of Rs 150 crore or above, were hit by a cost overrun of more than Rs 5.71 lakh crore in May this year, according to an official report. According to the Ministry of Statistics and Programme Implementation (MoSPI), which monitors infrastructure projects worth Rs 150 crore and above, out of 1,817 projects, 458 reported cost overruns and 831 projects were delayed. The total original cost of implementation of 1,817 projects was Rs 27,58,567.23 crore, and their anticipated completion cost is likely to be Rs 33,29,647.99 crore, which reflects an overall cost overrun of over Rs 5,71,080.76 (20.70 per cent of original cost), the ministry's latest report for May 2024 showed.

<https://economictimes.indiatimes.com/news/economy/infrastructure/as-many-as-458-infra-projects-hit-by-cost-overrun-of-rs-5-71-lakh-cr-in-may/articleshow/111202477.cms>

### **Office spaces in metro cities more expensive now, rent up over 5%**

If you are planning to hire offices in any of the metro cities, it might create a bigger dent in your budget. Real estate demand, especially for office spaces, is on the rise. JM Financial says that the rent across metro cities is up 5.1 per cent in Q4 of FY24. This is primarily driven by parity in demand and supply. The top seven cities as per the report are Bengaluru, Hyderabad, Pune, Mumbai Metropolitan Region (MMR), Delhi NCR, Kolkata and Chennai. Majority of these cities have witnessed a surge in rents however, the rentals in Bengaluru were stable on a quarterly basis and it is even expected that going forward it will remain the same.

<https://www.financialexpress.com/business/industry-office-spaces-in-metro-cities-more-expensive-now-rent-up-over-5-3532003/>

## **Energy**

### **Govt to launch fourth tranche of auction for critical and strategic mineral blocks on Monday**

The Ministry of Mines is set to launch the 4th tranche of auctions for critical and strategic mineral blocks on Monday in the national capital. According to a statement by the ministry, Union Minister of Coal and Mines G Kishan Reddy and Minister of State for Coal and Mines Satish Chandra Dubey will inaugurate this tranche on Monday at the Scope Convention Centre, CGO Complex, New Delhi.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/govt-to-launch-fourth-tranche-of-auction-for-critical-and-strategic-mineral-blocks-on-monday/articleshow/111204832.cms>

## **Healthcare**

### **Govt widens composition of drug, medical devices pricing reforms panel**

The government has expanded the composition of a committee formed to look into pricing reforms for drugs and medical devices by including civil rights activists, representing patients and consumers, like All India Drug Action

Network (AIDAN), Patient Safety and Access Initiative of India Foundation, and Medecins Sans Frontieres (MSF). A new Drug (Prices Control) Order (DPCO) may be in the works, considering the current DPCO 2013 is already more-than-a-decade old. The committee will look into the reforms in pricing for drugs and medical devices. The committee will evaluate the availability of medicines and medical devices and the pricing of essential medicines while providing incentives to the industry to maintain growth and build sustainability in exports.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/govt-widens-composition-of-drug-medical-devices-pricing-reforms-panel/articleshow/111212168.cms>

## External

### 'Commerce ministry in talks with South Korea to upgrade existing FTA'

With talks to upgrade the existing free trade agreement (FTA) moving forward between India and Korea, the department of commerce is engaging with different ministries, including heavy industries, steel, and chemicals, to prepare the offer list, an official said. Preparation of the list is part of the negotiations, which are underway, for the upgrade of the existing FTA between the two countries, dubbed as comprehensive economic partnership agreement (CEPA).

[https://www.business-standard.com/industry/news/commerce-ministry-in-talks-with-south-korea-to-upgrade-existing-fta-124062300344\\_1.html](https://www.business-standard.com/industry/news/commerce-ministry-in-talks-with-south-korea-to-upgrade-existing-fta-124062300344_1.html)

### DGFT, Revenue dept working on dedicated hubs to boost e-commerce exports

In a bid to boost India's e-commerce exports, the Directorate General of Foreign Trade (DGFT) is working with the Department of Revenue to establish designated e-commerce hubs across the country to streamline the process for online export shipments. The country's e-commerce exports currently stand at \$ 2 billion as compared to China's staggering \$ 350 billion, according to industry sources.

[https://www.business-standard.com/economy/news/dgft-revenue-dept-working-on-dedicated-hubs-to-boost-e-commerce-exports-124062300239\\_1.html](https://www.business-standard.com/economy/news/dgft-revenue-dept-working-on-dedicated-hubs-to-boost-e-commerce-exports-124062300239_1.html)

### Rules eased for SEZs for disposal of waste metal

The government has eased rules for units in Special Economic Zones (SEZs) involved in reconditioning, repair and re-engineering services allowing them to sell waste metal in the domestic market after paying import duty. SEZ Rules allow import of items for repair and refurbishments subject to the condition that all the units that enter the country get exported. The scrap and other metal waste that is generated in the process also has to be exported.

<https://www.financialexpress.com/business/industry-rules-eased-for-sezs-for-disposal-of-waste-metal-3531505/>

### India-UAE CEPA: "Consciously decided" to keep dispute settlement out of investment, digital trade chapters

In the India-UAE free trade agreement, it was consciously decided to keep investments and digital trade out of dispute settlement during negotiations between the two sides, India has said answering queries on the pact at the WTO.

<https://www.thehindubusinessline.com/economy/india-uae-cepa-consciously-decided-to-keep-dispute-settlement-out-of-investment-digital-trade-chapters/article68323948.ece>