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Economy

Process to pick GSTAT judicial and tech members to start after Budget

A panel headed by revenue secretary Sanjay Malhotra will initiate the process of selection and appointment of judicial and technical members for the Goods and Services Tax Appellate Tribunal (GSTAT) after the presentation of the budget, officials said. The central government is aiming to make the tribunal functional by the end of November and has already initiated the process of shifting anti-profiteering cases to the GSTAT principal bench from the Competition Commission of India (CCI). "We are putting all efforts to make the principal bench operational by the end of November and the process of selection and appointment will start immediately after the budget," a senior government official told ET.

<https://economictimes.indiatimes.com/news/economy/policy/process-to-pick-gstat-judicial-and-tech-members-to-start-after-budget/articleshow/111440084.cms>

Finance

RBI moots rationalisation of norms for export, import transactions

The Reserve Bank of India (RBI) has proposed rationalisation of norms governing export and import transactions to promote ease of doing business and empower banks to deliver quicker and more efficient services to foreign exchange customers. According to draft norms, every exporter should furnish a declaration specifying the amount of the full export value of the goods or services.

https://www.business-standard.com/economy/news/rbi-moots-rationalisation-of-norms-for-export-import-transactions-124070201114_1.html

Insurance firms eye tax reliefs in upcoming Budget to boost penetration

Indian insurance companies are eyeing multiple tax exemptions from the central government in the upcoming Union Budget to enhance attractiveness and affordability of insurance products, thereby promoting greater penetration nationwide. Life insurance companies have called for tax deduction on annuities as well as lower goods and services tax (GST) on their other products. Further, the industry is also hoping that the government will tweak the new tax regime to include tax exemption for life insurance products. Currently, the new tax regime does not allow any exemptions on these products, which were allowed under 80C in the old tax regime.

https://www.business-standard.com/finance/insurance/insurance-firms-eye-tax-reliefs-in-upcoming-budget-to-boost-penetration-124070200804_1.html

Industry

Centre amends CMVR to allow registration of convertible vehicles

The Centre has allowed registration of a new category of convertible vehicle that can be a three-wheeler or two-wheeler interchangeably. With an amendment to the Central Motor Vehicles Rules (CMVR), the ministry of road

transport and highways (MoRTH) has enabled registration and usage of the 'L2-5 vehicle' category. According to the notification published on June 29, these rules are called the Central Motor Vehicles (Eighth Amendment) Rules, 2024. https://www.business-standard.com/industry/auto/centre-amends-cmvr-to-allow-registration-of-convertible-vehicles-124070200899_1.html

FMCG Q1 check: Some hot, some not

Scorching summer heat and general elections made the April-June period a mixed-bag quarter for consumer goods, even as top industry executives said green shoots are becoming conspicuous in rural consumption. Sales volumes in categories like cold beverages, ice creams, talcum powder, cooling hair oils, deodorants and sunscreens rose up to 15 per cent from a year earlier in the quarter amid severe heatwave conditions, according to companies and analyst reports. However, sales of impulse packaged snacks and single-serve packs of beverages took a hit, as harsh weather caused a fall in out-of-home consumption. Sales of household insecticides too was impacted due to delayed onset of monsoon.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/fmcg-q1-check-some-hot-some-not/articleshow/111440294.cms>

Budget wish list: Component PLI top demand of electronics companies

Bringing components used in electronic goods under the production-linked incentive (PLI) scheme and having rationalised tariffs on inputs are two of the demands of manufacturers from the upcoming Budget. The demand is part of the recommendations submitted to the government by the India Cellular and Electronics Association (ICEA). They are aimed at attracting global value chains (GVCs) and scaling up production and exports in the next five years.

https://www.business-standard.com/industry/news/electronics-industry-seeks-tariff-cuts-pli-for-components-in-budget-124070200918_1.html

Indian fast fashion industry poised to reach over \$50 bn by FY31: Redseer

The Indian fast fashion industry is projected to burgeon into a massive \$50 billion market by FY31, indicating a promising future, according to a report by Redseer Strategy Consultants. Fast fashion has democratised the fashion industry. For Millennials and Gen Z (the driving force for this industry), fast fashion has provided affordability combined with constant access to trendy styles, making it a game-changing experience.

https://www.business-standard.com/industry/news/indian-fast-fashion-industry-poised-to-reach-over-50-bn-by-fy31-redseer-124070200764_1.html

India's high input tariffs stifle smartphone export growth, industry calls for reductions & policy changes

High tariffs on input parts and barriers to entry for leading firms in the global value chains has hindered further growth in increasing India's share of smartphone exports with the help of the production-linked incentive scheme. The electronics industry has asked to reduce input tariffs in the upcoming union budget, which at around 7.4% on average as compared to 0% in China's bonded zones, is undoing the benefit from the PLI scheme which has propelled smartphone production to exceed domestic demand and become the third largest exported commodity from India in FY24, according to government data.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/indias-high-input-tariffs-stifle-smartphone-export-growth-industry-calls-for-reductions-policy-changes/articleshow/111434096.cms>

EV makers seek stability in incentives, call for long-term subsidy assurance before FAME III roll out

With expectations of the union budget unveiling the third edition of the government scheme to promote adoption of electric vehicles, sections of EV makers said this time they wanted a subsidy policy with a definite timeline, rather than one that would be abruptly cut off like the previous one. "New changes are too sudden, especially for the automobile industry with its long lead times. We would want the new subsidy regime to last for at least two to three years to truly benefit the industry," Amitabh Saran, chief executive of electric three-wheeler maker Altigreen, told ET.

<https://economictimes.indiatimes.com/industry/renewables/ev-makers-seek-stability-in-incentives-call-for-long-term-subsidy-assurance-before-fame-iii-roll-out/articleshow/111440328.cms>

Mid-sized cities to be big demand centre for electric vehicles: Report

The gap in demand for electric vehicles between large and mid-sized cities in the country is shrinking and the Tier-II 2 cities are likely to emerge as the next big demand centre for EVs, a report said on Tuesday. An analysis of the electric two-wheeler and car sales by strategic research provider BloombergNEF (BNEF) from 207 cities across 10 states also suggests that the electric two-wheeler sales in some tier 2 markets have surpassed metropolitans while within tier 2 cities, state capitals generally leading the growth in electric car sales.

https://www.business-standard.com/industry/auto/mid-sized-cities-to-be-big-demand-centre-for-electric-vehicles-report-124070200962_1.html

India taps Africa, Latin America to shore up critical mineral supply

India is in talks with Africa and Latin America to secure critical mineral blocks on a government-to-government basis, Veena Kumari Dermal, joint secretary in the mines ministry, said on Tuesday. Critical minerals like lithium are crucial in driving energy transition as they are essential for clean energy technologies, including wind and electric vehicles. Currently, New Delhi is heavily reliant on imports for its critical mineral supply.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-taps-africa-latin-america-to-shore-up-critical-mineral-supply/articleshow/111440163.cms>

Infrastructure

NHAI to do GIS-based land acquisition for upcoming national highway projects

The National Highways Authority of India (NHAI) on Tuesday entered into a memorandum of understanding with the Survey of India for development and validation of GIS-based land acquisition plan for upcoming national highway projects in India. The agreement aims at leveraging geospatial technology and development of standard operating procedures for GIS-based land acquisition plan to enhance land acquisition planning as well as preparation of terms of reference for consultants.

<https://economictimes.indiatimes.com/news/economy/infrastructure/nhai-to-do-gis-based-land-acquisition-for-upcoming-national-highway-projects/articleshow/111438128.cms>

Railways witnesses 10% increase in freight loading in June, shows data

Indian Railways witnessed a 10 per cent increase in freight loading in June, marking a rare double-digit rise in its goods transportation in the past few months, according to data released by the ministry of railways. "During the month of June 2024, originating freight loading of 135.46 million tonnes (mt) has been achieved against loading of 123.06 mt in June 2023, which is an improvement of around 10.07 per cent over last year," the ministry said on Tuesday.

https://www.business-standard.com/industry/news/railways-witnesses-10-increase-in-freight-loading-in-june-shows-data-124070201052_1.html

Energy

Coal Ministry seeks view on draft coal, lignite mining plan norms

The coal ministry on Tuesday said it held a stakeholders' consultation on draft Mining Plan Guidelines for Coal and Lignite Blocks, 2024, which proposes optimum extraction of mineral resources while ensuring sustainable resource management. The key elements of the draft norms include the mandatory inclusion of restoration, remediation, and regeneration actions in mining plans for sustainable resource management, the ministry said in a statement.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/coal-ministry-seeks-view-on-draft-coal-lignite-mining-plan-norms/articleshow/111440070.cms>

India's coal production increases 14% to 84.63 million tonne in June

The country's coal production rose by 14.49 per cent to 84.63 million tonne (MT) in June. The country's coal output was 73.92 MT in June last fiscal, according to provisional figures of the government. In June Coal India Ltd's (CIL) production was at 63.10 MT, registering a rise of 8.87 per cent compared to the same period last year, the coal ministry said in a statement. India's coal dispatch in June was at 85.76 MT, up by 10.15 per cent compared to the same period last year.

https://www.business-standard.com/industry/news/india-s-coal-production-increases-14-to-84-63-million-tonne-in-june-124070200736_1.html

Power sector Budget wish list: Funds for green energy, more domestic mfg

With India accelerating green energy transition, the energy sector is pinning its hopes on the upcoming Union Budget to catalyse policy support and tax benefits. Sector executives are expecting a relook at GST rates across the renewable energy supply chain, and viability gap funding for newer sectors such as green hydrogen, offshore wind and energy storage, among others. Global CEO of Hero Future Energies Srivatsan Iyer said the green energy industry is looking for reduction of GST rates on renewable energy components.

https://www.business-standard.com/budget/news/power-sector-budget-wish-list-funds-for-green-energy-more-domestic-mfg-124070200127_1.html

Telecom

Government may be on target on telecom revenues despite weak auction

Despite a tepid response to the recent spectrum sale, the department of telecommunications (DoT) is still likely to earn around Rs 1.20 lakh crore as revenue receipts this fiscal on the back of past auctions and regulatory levies with state-run BSNL alone accounting for half of it. The government had targeted revenue receipts of Rs 1.20 lakh crore from the telecom sector in the interim budget presented in February. The figure is likely to be retained in the full budget to be presented later this month, officials said, asking not to be named.

<https://economictimes.indiatimes.com/industry/telecom/government-may-be-on-target-on-telecom-revenues-despite-weak-auction/articleshow/111439943.cms>

States

3 testing facility to come up in Tamil Nadu Defence Industrial Corridor

The Ministry of Defence (MoD) Tuesday signed a Memorandum of Understanding (MoU) to establish three state-of-the-art testing facilities for Unmanned Aerial System (UAS), Electronic Warfare (EW) and Electro Optics (EO) domains in Chennai under the Tamil Nadu Defence Industrial Corridor. The MoU, under the Defence Testing Infrastructure Scheme (DTIS), was exchanged between senior MoD officials and Tamil Nadu Industrial Development Corporation Limited in the presence of Defence Secretary Giridhar Aramane in the national capital.

<https://www.thehindubusinessline.com/economy/3-testing-facility-to-come-up-in-tamil-nadu-defence-industrial-corridor/article68360310.ece>

Healthcare

Weekly-once insulin jab may soon come to India

In what could be a respite for people who need insulin jabs every day, a new weekly insulin dosage by Danish drug maker Novo Nordisk has got closer to approval in India. The Subject Expert committee (SEC) under India's drug controller has advised the drug regulator to permit the import and sale of Novo Nordisk's first weekly insulin-Insulin Icodec.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/weekly-once-insulin-jab-may-soon-come-to-india/articleshow/111440061.cms>

External

Put off health stamp for milk, pork, fish imports: US to India

The US has asked India to delay by six months the requirement of a health certificate accompanied with imported food consignment of milk, pork and fish. At the World Trade Organization (WTO) last week, Washington also suggested that the certificate requirement be deferred till the two sides can reach a mutually agreed solution. The EU, Australia and Japan also raised concerns on the issue. India now requires all milk and milk products, pork and pork products, and fish and fish products imported into the country to be accompanied with a health certificate issued by the competent authority of the exporting country.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/put-off-health-stamp-for-milk-pork-fish-imports-us-to-india/articleshow/111439981.cms>

India's trade dependence on China, EU rose in Q1 of 2024, says UNCTAD

India's trade dependence on China and the EU increased in the first quarter of 2024 while it reduced on Saudi Arabia, the United Nations Trade and Development (UNCTAD) said Tuesday. In its Global Trade Update, it said that the global trade trends have turned positive and global trade growth was driven by increased exports from China, India, and the US, while Europe and Africa disappointed.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-trade-dependence-on-china-eu-rose-in-q1-of-2024-says-unctad/articleshow/111433961.cms>

India executes first Rs 1 crore pulses export to Myanmar under Rupee-Kyat trade settlement mechanism

The first transaction of over Rs 1 crore pulses export to Myanmar from India was successfully executed under the Rupee-Kyat trade settlement mechanism on Tuesday, a move which will boost bilateral trade and enhance the usage of local currencies. "Rupee-Kyat trade settlement mechanism is operational now," the Embassy of India in Yangon posted on X.

<https://economictimes.indiatimes.com/news/economy/policy/india-executes-first-rs-1-crore-pulses-export-to-myanmar-under-rupee-kyat-trade-settlement-mechanism/articleshow/111432722.cms>