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Economy

Plans afoot to push carbon capture utilisation & storage tech: Niti Aayog Member

The government is working on a national carbon capture utilization and storage (CCUS) mission which could provide financial or other incentives for scaling up its adoption, Niti Aayog Member V K Saraswat said on Thursday. CCUS involves capturing of carbon dioxide generally from large point sources like power generation or industrial facilities that use either fossil fuels or biomass as fuel.

<https://economictimes.indiatimes.com/news/economy/policy/plans-afoot-to-push-carbon-capture-utilisation-storage-tech-niti-aayog-member/articleshow/112384376.cms>

Households expect inflation to edge up: RBI survey

Indian households have turned hawkish on inflation compared to their perception in May this year, the Reserve Bank's household inflation expectation survey indicates. The latest survey indicates that general inflation levels are expected to be higher by 20 bps (one basis point is 0.01 percent) across all time periods- current period, three month ahead, and one year ahead. While the current period inflation is expected at 8.2 percent compared to 8 percent expected in the May survey.

<https://economictimes.indiatimes.com/news/economy/indicators/households-expect-inflation-to-edge-up-rbi-survey/articleshow/112381747.cms>

IT hiring likely to grow by 8.5% by next year as demand grows: Report

With IT companies gradually coming out of the slump and actively ramping up their hiring efforts, a report on Thursday said that recruitment is set to surge with an estimated 8.5 per cent increase in job roles within the industry by next year. The demand for skilled IT talent is growing after a slow period late last year and early this year. Hiring is set to surge, with an estimated 8.5 per cent increase in job roles within the industry by next year, according to a report by Indeed, a global job matching and hiring platform and a subsidiary of Recruit Holdings.

https://www.business-standard.com/industry/news/it-hiring-likely-to-grow-by-8-5-by-next-year-as-demand-grows-report-124080800924_1.html

Finance

Two MPC members dissent for a second time in a row

Two of the six monetary policy members, Ashima Goyal and Jayanth Varma, continued to vote for a reduction in the policy rate by 25 basis points (one bps is 0.01 percent) and a change in stance to neutral for the second time in a row. One of them has been voting for a change in stance in every successive meetings since August 2022

<https://economictimes.indiatimes.com/news/economy/policy/two-mpc-members-dissent-for-a-second-time-in-a-row/articleshow/112375654.cms>

New UPI feature to allow multiple users to use one account for transactions

The Reserve Bank of India (RBI) has proposed introducing 'delegated payments' on Unified Payments Interface (UPI), the widely used digital payments platform, allowing multiple users to make transactions from a single primary bank

account. The holder of the primary bank account can set transaction limits for secondary users linked to the UPI-enabled account. "This product is expected to add to the reach and usage of digital payments across the country," the RBI said. UPI has a user base of 424 million.

https://www.business-standard.com/industry/banking/new-upi-feature-to-allow-multiple-users-to-use-one-account-for-transactions-124080800941_1.html

SEBI proposes revised format for FVCI for filing compliance report

Capital markets regulator Sebi on Thursday proposed a revised format for filing compliance reports by Foreign Venture Capital Investors with regard to their activities. Under the rule, Foreign Venture Capital Investors (FVCI) are required to provide quarterly reports to Sebi in the format specified with respect to their venture capital activities. "Recently, the Sebi board has approved amendments to FVCI Regulations which will be notified in due course. In this context, a need for revising the format for filing of compliance reports by FVCI has been felt," Sebi said in its consultation paper.

https://www.business-standard.com/markets/news/sebi-proposes-revised-format-for-fvci-for-filing-compliance-report-124080801064_1.html

Banks' certificates of deposit fund-mop up more than triples in country

Banks are tapping certificates of deposit (CD) – an instrument issued to raise funds from large investors – in a big way. CD issuances increased to nearly Rs 10 trillion in FY24 from Rs 2.90 trillion in FY22, a jump of 3.3 times. In Q1 FY25, CD issuance increased by 66 per cent to Rs 2.65 trillion compared to Rs 1.60 trillion in Q1 FY24, said SBI Research in a report recently. The uptick in CD issuance is to make up for the imbalance in banks' deposit and credit growth. Bank's credit-to-deposit ratio – the amount of funds given out of every Rs 100 raised through deposits – has hovered around 80 per cent since September 2023.

https://www.business-standard.com/finance/news/banks-certificates-of-deposit-fund-mop-up-more-than-triples-in-country-124080900062_1.html

Fintech solutions can positively impact income, savings: CEA Nageswaran

The evolution of fintech solutions can have a transformative impact on the income, savings, and wealth creation in India, thereby contributing to social stability in the country, Chief Economic Advisor (CEA) V Anantha Nageswaran said on Thursday. He added that the fintech industry should be aware of the challenges that fintechs may pose to society. "The industry participants in the course of their businesses must accentuate the positives and be cognizant of the challenges that a potent combination of finance and technology can together pose to social stability, to the fortunes of low and middle income people," Nageswaran said during the Global Economic Summit on fintech held in Mumbai. He participated in the event virtually.

https://www.business-standard.com/finance/news/fintech-solutions-can-positively-impact-income-and-wealth-creation-cea-124080801467_1.html

Industry

FMCG sector grows 4% in value, 3.8% by volume in April-June: Report

India's fast-moving consumer goods sector grew 4 per cent by value in the April-June quarter compared to the same period last year and on the back of relaxed consumption patterns, according to consumer research firm NielsenIQ. Volume growth came in at 3.8 per cent. Price growth stabilised in April-June at 0.2 per cent, underscoring a stable environment. Rural volume growth in the quarter stood at 5.2 per cent while urban was at 2.8 per cent. The two markets experienced softer consumption in the quarter ended June, said the firm in a press release.

https://www.business-standard.com/industry/news/fmcg-sector-value-growth-at-4-volume-at-3-8-in-april-june-nielseni-124080800546_1.html

India's wearable devices market dips by 10% to 29.5 mn units in Q1: IDC

Wearable device shipments in India recorded the first-ever decline, falling by 10 per cent in June 2024 quarter to 29.5 million units, due to large unsold stocks of old models and lower level of innovation in the segment, market research firm IDC said on Thursday. According to the report, Oppo along with OnePlus had the biggest fall in

shipment of 35.8 per cent year on year (YoY). It was followed by Fire-Boltt whose wearable shipment declined by 24.3 per cent, Noise with a drop of 13.9 per cent, and boAT 9.8 per cent year on year.

https://www.business-standard.com/industry/news/india-s-wearable-devices-market-dips-by-10-to-29-5-mn-units-in-q1-idc-124080801825_1.html

Chemicals, auto, pharma in critical sectors list to cut import dependence

India has begun an exercise to identify critical sectors where dependence on imports is making them vulnerable to supply chain disruptions, as part of an agreement under the 14-member Indo-Pacific Economic Framework (IPEF). The government has zeroed in on chemicals, automobiles, pharmaceuticals, advanced technology, electronics and critical minerals, which are important from the perspective of national security and economic stability, under the IPEF Supply Chain Resilience Agreement, which came into force this February.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/chemicals-auto-pharma-in-critical-sectors-list-to-cut-import-dependence/articleshow/112384212.cms>

FAME Scheme Violation: Govt starts reinstating subsidies to EV makers that paid FAME penalties

The centre has begun restoring subsidies to companies that paid penalties for violating the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India) scheme. This development comes after Revolt Motors (part of RattanIndia), and Greaves Electric Mobility (part of Greaves Cotton) applied for subsidy under the ongoing Electric Mobility Promotion Scheme (EMPS), 2024.

<https://economictimes.indiatimes.com/industry/renewables/fame-scheme-violation-govt-starts-reinstating-subsidies-to-ev-makers-that-paid-fame-penalties/articleshow/112391191.cms>

Infrastructure

RBI status quo on interest rates to boost demand for realty sector: CEOs

The real estate majors welcomed the Reserve Bank of India's (RBI) move to keep its key rates unchanged. Speaking about the development, Prashant Sharma, president of Naredco Maharashtra, said, "We welcome the RBI's decision to keep the policy repo rate unchanged at 6.5 per cent. This decision reflects a cautious yet stable approach to monetary policy amidst global economic uncertainties." "In the real estate sector, stability in interest rates is crucial for maintaining buyer confidence and ensuring steady demand, particularly in the housing segment," said Rajeev Ranjan, co-founder and chief executive officer of The Mentors Real Estate Advisory Pvt Ltd, while praising the decision.

https://www.business-standard.com/economy/news/rbi-status-quo-on-interest-rates-to-boost-demand-for-realty-sector-ceos-124080800962_1.html

Logistics cost will be below 9% of GDP by April next year, says Gadkari

India's logistics cost will come down to 9 per cent of GDP by April next year, Union Minister Nitin Gadkari said on Thursday. Addressing an event here, Gadkari further said the country's exports will also increase when the logistics cost comes down to single digit. "Our logistics cost now is 16 per cent...It will come down to 9 per cent by April next year," he said. However, according to quick estimates of economic think tank National Council of Applied Economic Research (NCAER), the logistics cost in India ranged from 7.8 per cent to 8.9 per cent of GDP in 2021-22.

https://www.business-standard.com/industry/news/logistics-cost-will-be-below-9-of-gdp-by-april-next-year-says-gadkari-124080801440_1.html

Energy

Private firms mull thermal capacity addition to keep pace with demand

As the government looks at thermal power actively to mitigate the rising demand, private sector companies such as Adani Power, JSW Energy and Tata Power are looking at adding thermal capacities and launching new projects. Interestingly, some companies like Tata Power and JSW Energy, who have renewable energy as the main focus of their business, are now actively looking at the opportunities in the thermal energy space. The Adani Group is also looking at adding new thermal capacities.

<https://www.financialexpress.com/business/industry/private-firms-mull-thermal-capacity-addition-to-keep-pace-with-demand/3576722/>

Telecom

Trai completes mandatory examination of recent industry-wide tariff hikes

The Telecom Regulatory Authority of India (TRAI) has finished its mandatory examination of the latest bout of industry-wide tariff hikes and has concluded they are fair and non-predatory in nature, officials said. The three private sector telecom operators, Reliance Jio, Bharti Airtel, and Vodafone Idea (Vi), had raised tariffs from July 3-4. The telcos have submitted details of the hike within the stipulated seven days, and these were not found to be discriminatory or predatory in nature, they added.

https://www.business-standard.com/industry/news/trai-completes-mandatory-examination-of-recent-industry-wide-tariff-hikes-124080801203_1.html

Telcos urge global vendors to absorb duty hike

Bharti Airtel, Reliance Jio and Vodafone Idea (Vi) are pushing global vendors Nokia, Ericsson and Samsung to absorb the latest hike in basic customs duty (BCD) on printed circuit board assembly (PCBA), saying they are in no position to shell out an extra 5% towards 4G/5G network rollouts/expansions, people aware of the matter said.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-urge-global-vendors-to-absorb-duty-hike/articleshow/112383561.cms>

External

India proposes preferential trade pact with BIMSTEC

As talks on a free trade agreement between members of Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is taking long, India has proposed a preferential trade agreement (PTA) with them to foster intra-regional trade. The idea of a PTA was proposed by Commerce and Industry Minister Piyush Goyal at the BIMSTEC Business Summit here on Wednesday which was organised by CII and Ministry of External Affairs. "Maybe, we can begin with a PTA (preferential trade agreement) if not a full-blown FTA...But let's examine the realistic possibility and move forward on a fast-track basis," he said.

<https://www.financialexpress.com/business/industry-india-proposes-preferential-trade-pact-with-bimstec-3576664/>

Indo-Bangla trade resumes from Petrapole land port amid tight security

Trade between India and Bangladesh through Petrapole land port in West Bengal, resumed Thursday morning amid tight security, officials said. The two South Asian neighbours' trade came to a halt on August 5 following the fall of the Sheikh Hasina government in Bangladesh and it partially resumed on Wednesday through several land ports in West Bengal, except Petrapole.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indo-bangla-trade-resumes-from-petrapole-land-port-amid-tight-security/articleshow/112363619.cms>