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Economy

Reform pill likely soon for speedy recovery of debt

The government is finalising changes in various debt recovery laws to empower banks and other lenders to quickly resolve non-performing loans. The measures include enabling special Debt Recovery Tribunals (DRTs) to handle high-value cases and granting legal validity to e-notices sent by banks. Separately, a set of amendments to the Insolvency and Bankruptcy Code (IBC) is being considered to fix any shortcomings in the law. "These reforms are aimed at expeditious loan recoveries, giving more legal backing to recovery tribunals, and addressing delay tactics by borrowers in the recovery process," said a government official aware of the developments.

<https://economictimes.indiatimes.com/news/economy/policy/reform-pill-likely-soon-for-speedy-recovery-of-debt/articleshow/112846705.cms>

Finance

Will open 30 million Jan-Dhan accounts this FY, says FM Sitharaman

On the eve of the 10th anniversary of Pradhan Mantri Jan-Dhan Yojana (PMJDY), Union Finance Minister Nirmala Sitharaman announced that the government aims to open over 30 million new PMJDY accounts during 2024-25. Briefing reporters, Sitharaman revealed that as of August 14, 2024, a total of 531.3 million Jan-Dhan accounts have been opened since the scheme's launch a decade ago, with a cumulative deposit balance of Rs 2.3 trillion.

https://www.business-standard.com/industry/banking/30-million-new-accounts-fm-sitharaman-s-pmjdye-expansion-plan-for-fy25-124082701285_1.html

Over 40% consumers use digital payment every day in Tier 3-6 cities: Report

More than 40 per cent of consumers in Tier 3 to 6 cities use digital payment on a daily basis, while 45 per cent claimed to use it once in two days, a new survey report has said. "This reflects the frequent usage of digital payments by consumers, even in Tier 3 to 6 locations of the country," said a report by Chase India on The State of Digital Payments in India. The report identifies the key challenges faced by merchants and consumers in the adoption of digital payment services at the grassroots level.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/over-40-consumers-use-digital-payment-every-day-in-tier-3-6-cities-report/articleshow/112836125.cms>

MFI sector faces headwinds, overleveraging concerns rise: Ind-Ra

Improved availability of loans from microfinance institution (MFI) players, government loans, Kisan Credit Card loans, mudra loans, gold loans and other fintech loans could overleverage the end MFI borrower, impacting repayment capability, cautioned India Ratings and Research (Ind-Ra).

<https://www.thehindubusinessline.com/money-and-banking/mfi-sector-faces-headwinds-overleveraging-concerns-rise-ind-ra/article68573404.ece>

Co-branded credit cards to outpace traditional credit cards by 2X by FY28: Report

Co-branded credit cards (CBCCs) are growing at a compound annual growth rate (CAGR) of 35-40 per cent and could account for over 25 per cent in terms of issuance by FY28, according to a report by consultancy firm Redseer and fintech Hyperface. Co-branded credit cards are outpacing the traditional credit cards, driven by India's booming economy and shifting consumer preferences, according to the report. The report titled 'The Rise of Co-Branded Credit Cards: Redefining Customer Loyalty' highlights that in FY24, CBCCs accounted for 12-15 per cent of the total credit cards in circulation.

<https://www.thehindubusinessline.com/money-and-banking/co-branded-credit-cards-to-outpace-traditional-credit-cards-by-2x-by-fy28-report/article68572769.ece>

Industry

August Sales Forecast: Dealer dispatches may slow down as inventory piles up

Rising inventory across sales channels and lack of competitively priced new models that can attract buyers are beginning to weigh on the wholesale volumes (dispatches to dealers) of the passenger car industry. For the first time in 30 months, the volume of the passenger car industry is expected to decline 2.5-3% on a year-on-year basis for two consecutive months in August as manufacturers curtail dispatches to dealers seeking to match supplies with a weak demand.

<https://economictimes.indiatimes.com/industry/auto/auto-news/august-sales-forecast-dealer-dispatches-may-slow-down-as-inventory-piles-up/articleshow/112846074.cms>

Automakers to extend discounts on new purchases against scrap vehicles

Leading automakers including Maruti Suzuki, Hyundai Motor India and Tata Motors Tuesday said they will extend discounts on new vehicle purchases against scrapped vehicles, under the government's Voluntary Fleet Modernisation Programme (VVMP) scheme. These discounts will be extended for a limited period of one year by passenger vehicle makers, and two years by commercial vehicle makers, according to an official statement.

<https://economictimes.indiatimes.com/industry/auto/cars-uvs/automakers-to-extend-discounts-on-new-purchases-against-scrap-vehicles/articleshow/112845555.cms>

Regional food brands embrace quick commerce for nationwide reach amid festive surge

Regional or hyperlocal food and beverage brands are increasingly joining quick commerce platforms such as Zomato-owned Blinkit, Zepto, Swiggy Instamart and BigBasket's BBNOW. These brands are seeking to not only enhance their presence nationwide, but also capitalise on the demand surge expected during the festive season, executives say.

<https://economictimes.indiatimes.com/industry/cons-products/food/regional-food-brands-embrace-quick-commerce-for-nationwide-reach-amid-festive-surge/articleshow/112846637.cms>

GCCs in India offer 12-20% higher tech salaries than IT services firms

The expansion of global capability centres (GCCs) by international corporations in India, coupled with the growing need for technology professionals, is causing a widening salary gap compared to IT services firms. According to a recent TeamLease Digital report as mentioned by Moneycontrol, GCCs are offering salaries that are 12-20 per cent higher than those of IT services and other non-tech industries for similar tech positions.

https://www.business-standard.com/industry/news/gccs-in-india-offer-12-20-higher-tech-salaries-than-it-services-firms-124082700669_1.html

Agriculture

Govt sees no rise in food prices during festive season

The government on Monday allayed fears about any potential spurt in the prices of pulses, onion and potato in the coming festive period, citing adequate monsoon rains, robust kharif sowing and liberal import of lentils. Nidhi Khare, secretary, department of consumer affairs told FE that prices of potato and onion have been stable for the last several weeks while there has been a significant fall in tomato prices.

<https://www.financialexpress.com/policy/economy-govt-sees-no-rise-in-food-prices-during-festive-season-3593113/>

Infrastructure

India's tier-1 real estate market becomes transparent for the first time

India's tier-1 real estate market is now in the 'transparent' category for the first time, according to JLL's Global Real Estate Transparency Index (GRET) 2024. The market also emerged as the top global improver, driven by advancements in transaction processes and market fundamentals. The Indian market is ranked 31 in the index, which features 89 countries and has four categories: highly transparent, transparent, semi-transparent, low transparency, and opaque. In the sub-index for governance of listed vehicles, India's rank stood at 36.

https://www.business-standard.com/industry/news/india-s-tier-1-real-estate-market-becomes-transparent-for-the-first-time-124082700933_1.html

IRF urges govt to form strict rules to reduce pollution from HCVs

The International Roads Federation (IRF), a Geneva-based global road safety body, has urged the Bureau of Energy Efficiency (BEE) to establish strict regulations to reduce carbon emissions from heavy commercial vehicles (HCVs). "Currently, there are practically no regulations to reduce carbon emissions or to improve fuel efficiency for HCVs," IRF India chapter President Emeritus K K Kapila stated in a letter written to the BEE on August 6.

https://www.business-standard.com/industry/auto/irf-urges-bee-to-establish-strict-norms-to-curb-carbon-emissions-by-hcvs-124082600874_1.html

Road EPC companies to report slower revenue growth of 5-7% next fiscal, says CRISIL

Road engineering, procurement and construction (EPC) companies are expected to report a moderation in revenue growth to 5-7 per cent next fiscal, as lower national highway awarding weighs on their order books, stated a report by CRISIL Ratings. That said, it added, the credit profiles of these companies will remain stable, supported by steady operating profitability and strong balance sheets.

<https://www.financialexpress.com/business/industry-road-epc-companies-to-report-slower-revenue-growth-of-5-7-next-fiscal-says-crisil-3593681/>

Railways links DigiLocker with its hiring portal

The Indian Railways has integrated DigiLocker with its recruitment portal, allowing aspirants to link their digital documents, a move that could help reduce the recruitment time frame for railways jobs to less than six months from 18-24 months. "Being the biggest recruiter in the country, the number of applicants can run into a few crores. This DigiLocker step will reduce the time taken to vet documents and plug instances of fake ones being uploaded to claim eligibility for a government job," a senior official told ET on condition of anonymity.

<https://economictimes.indiatimes.com/industry/transportation/railways/railways-links-digilocker-with-its-hiring-portal/articleshow/112846368.cms>

Energy

Coal production increases by 7% to 370.67 mn tonne in April-August

The country's coal production rose by 7.12 per cent to 370.67 million tonne from April to August 25, an official statement said on Tuesday. Coal production was 346.02 MT in the year-ago period. "Ministry of Coal has achieved upswing in overall coal production up to 25th August 2024. The cumulative coal production for 2024-25, as on August 25, 2024, has significantly increased to 370.67 MT, compared to 346.02 MT during the same period in FY 2023-24," it said.

https://www.business-standard.com/industry/news/coal-production-increases-by-7-to-370-67-mn-tonne-in-april-august-124082701102_1.html

India adds record 15 GW solar capacity during H1 2024: Mercom

India added record solar installations at 15 gigawatt (GW) in the first half of the calendar year 2024, an increase of over 282% compared to the first half of 2023, according to Mercom Capital's latest report on the Indian solar market. In the second quarter of 2024 ending June 30, the country commissioned 5 GW of solar capacity, up 170% from 1.8 GW commissioned in the same period last year. Installations however dropped over 49% on a sequential basis from 9.9 GW in the first quarter of 2024.

<https://www.financialexpress.com/business/industry-india-adds-record-15-gw-solar-capacity-during-h12024-mercom-3593073/>

Natural gas imports up 7% in Apr-Jul on high demand

India's import bill for natural gas surged by 7% to \$4.6 billion during the first four months of the current fiscal year, compared with \$4.3 billion in the same period a year ago, due to a rise in consumption particularly by the city gas distribution (CGD) companies and the power sector, data from the Petroleum Planning and Analysis Cell showed. The import bill for the month of July stood at \$1.1 billion registering an increase of 22% from the same period in last fiscal.

<https://www.financialexpress.com/policy/economy-natural-gas-imports-up-7-in-apr-jul-on-high-demand-3593002/>

86% of North East Gas Grid project complete: Indradhanush Gas Grid

The sixth Annual General Meeting of Indradhanush Gas Grid Limited, a Joint Venture Company of five major petroleum PSUs viz. IOCL, ONGC, GAIL, OIL & NRL was held here in its Corporate Office at Guwahati on 27th August 2024. The meeting was attended by its Chairman, Shareholders of the Company, Directors of the Board, and the KMPs of the organisation. Anfor Ali Haque, Chairman, IGGL in his address to the shareholders, thanked the investors and the shareholders for their continuous trust & support to the company in implementing the North East Gas Grid Project (NEGG) for ushering a gas-based economy in the North Eastern Region of India.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/86-of-1656-km-gas-pipeline-complete-indradhanush-gas-grid/articleshow/112845307.cms>

Telecom

Nationwide 5G radio count crosses the 450,000 mark, shows DoT data

The number of 5G radios or base transceiver stations (BTS) installed nationwide has crossed the 450,000 mark, Department of Telecommunications (DoT) data shows. A BTS is a fixed radio transceiver in any mobile network, most often in the form of a tower. However, new 5G radios are often installed on existing tower infrastructure. This milestone was reached at the end of July, 22 months after 5G services began in October 2022. DoT officials said the 500,000 mark is currently considered optimal for nationwide 5G coverage but will need to increase going forward. The pace of BTS deployment has fluctuated in recent months but has been on a declining path. In July, 3,346 deployments took place, down from a high of 9,733 in March.

https://www.business-standard.com/industry/news/nationwide-5g-radio-count-crosses-the-450-000-mark-shows-dot-data-124082700853_1.html

There is no need for voice or SMS-only packs, say telecom companies

Reliance Jio, Bharti Airtel and Vodafone Idea (Vi) told the telecom sector regulator that the current tariff plans have been designed to cater to the needs of all spectrums of users and that there is no need to introduce separate voice or SMS-only packs. Data has become the central element to modern communications, the three private telecom operators said. Unlimited data and voice allowances in bundled offerings have in fact caused an exponential rise in usage against the pay-as-you-go model which existed earlier.

<https://economictimes.indiatimes.com/telecom/there-is-no-need-for-voice-or-sms-only-packs-say-telecom-companies/articleshow/112846143.cms>

External

Govt notifies 160 tons of gold import from UAE at concessional rate

The government has notified the import of up to 160 tonnes of gold by manufacturers and traders from the UAE at a concessional rate for 2024-25 under the India-UAE free trade agreement, an official said on Tuesday. The agreement, officially dubbed as Comprehensive Economic Partnership Agreement (CEPA) came into force on May 1, 2022. Under the agreement, India agreed to import up to 200 metric tonnes of gold annually from the UAE with a one per cent tariff concession under Tariff Rate Quota (TRQ).

https://www.business-standard.com/industry/news/govt-notifies-160-tons-of-gold-import-from-uae-at-concessional-rate-124082700941_1.html

India-Oman free trade pact talks at advanced stage: Official

Discussions for the proposed free trade agreement (FTA) between India and Oman are at an advanced stage and both sides hope to conclude the pact early, Indian Ambassador to Oman Amit Narang said on Tuesday. The pact will give a significant push to bilateral trade and investment ties between the two countries, he said. The pact, officially known as the Comprehensive Economic Partnership Agreement (CEPA), is expected to boost Indian exports to the west Asian country by eliminating duties, especially on petroleum products, textiles, electronics, pharmaceuticals, machinery, and iron and steel.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-oman-free-trade-pact-talks-at-advanced-stage-official/articleshow/112836555.cms>

Argentina emerges as key source for India's quest for lithium, gold and copper

Argentina, one the key countries in Latin America, is hosting Indian firms that are not only exploring lithium but also copper and gold, Argentine Ambassador to India Mariano A. Caucino has informed. "It is in the economical field that I am pleased to highlight the remarkable progress in our bilateral trade over the past year. With a total trade volume reaching 4.6 billion US dollars, Argentina has solidified its position as the leading supplier of soybean oil to the Indian market and the third-largest provider of sunflower oil, significantly contributing to the food security of the Indian consumer. Furthermore, 2023 marked a significant milestone for Indian mining companies.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/argentina-emerges-as-key-source-for-indias-quest-for-lithium-gold-and-copper/articleshow/112844592.cms>