



August 29, 2024 – Thursday

Economy

Union Cabinet approves 12 industrial smart cities worth Rs 28,602 cr

The Cabinet Committee on Economic Affairs (CCEA) chaired by Prime Minister Narendra Modi on Wednesday approved 12 industrial cities along six major industrial corridors spanning 10 states with an investment of Rs 28,602 crore. These projects are expected to attract investment from both large anchor industries and micro, small and medium enterprises to the tune of around Rs 1.52 trillion, and have an employment potential of 10 lakh direct jobs and 30 lakh indirect jobs.

https://www.business-standard.com/economy/news/union-cabinet-approves-12-industrial-smart-cities-worth-rs-28-602-cr-124082801018_1.html

Indian economy remains resilient amid global uncertainties: NCAER

Amid global geo-political uncertainties, the Indian economy has remained resilient but the outlook seems softer due to moderation in a couple of high-frequency indicators, according to the Monthly Economic Review for August. The review was released by the National Council of Applied Economic Research (NCAER). The report said bank credit growth of scheduled commercial banks (both food and non-food) moderated in June 2024.

<https://economictimes.indiatimes.com/news/economy/indicators/indian-economy-remains-resilient-amid-global-uncertainties-ncaer/articleshow/112874480.cms>

Finance

RBI recognises FACE as self-regulatory organisation in FinTech sector

The Reserve Bank of India has recognised Fintech Association for Consumer Empowerment (FACE) as a Self-Regulatory Organisation in FinTech Sector (SRO-FT), it said on Wednesday. The RBI received three applications, including FACE, for SRO-FT. Of the remaining two applications, one application has been returned with a provision for resubmission after meeting certain requirements. The third application is under examination.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-recognises-face-as-self-regulatory-organisation-in-fintech-sector/articleshow/112871697.cms>

RBI Governor Shaktikanta Das' 5-point agenda for India's financial future at GFF 2024

At the Global Fintech Festival (GFF) 2024 in Mumbai, Reserve Bank of India (RBI) Governor Shaktikanta Das delivered a compelling address highlighting India's transformation into a fast-growing economic powerhouse. Das attributed this growth to the country's tech-savvy population and an increasingly dynamic fintech ecosystem. In his speech, he outlined five strategic priorities that are essential for shaping the future of India's financial landscape.

<https://economictimes.indiatimes.com/news/economy/finance/rbi-governor-shaktikanta-das-5-point-agenda-for-indias-financial-future-at-gff-2024/articleshow/112870052.cms>

India to play prominent role in rule-making for fintech, DPI, says official

India has always been a "rule-taker" but it has a prominent role to play in rule-making in the fin-tech solutions and DPI area given that most of these technologies are made in the country, a senior diplomat said on Wednesday.

Dammu Ravi, Secretary (Economic Relations), Ministry of External Affairs, said India wants to collaborate with the World Bank and the International Monetary Fund to help set standards for digital payments, blockchain technologies, and cyber securities.

https://www.business-standard.com/industry/news/india-to-play-prominent-role-in-rule-making-for-fintech-dpi-says-official-124082801147_1.html

SEBI proposes overhaul of merchant bankers' norms

The Securities and Exchange Board of India (SEBI) on Wednesday proposed an overhaul of merchant bankers' regulations amid a boom in the equity capital market. In a consultation paper floated on Wednesday, the regulator suggested a sharp hike in the net worth and provided more clarity on the roles and responsibilities of investment bankers — known as merchant bankers in regulatory parlance. "Merchant bankers play an imperative role in the primary market and have been entrusted with the responsibility to ensure appropriate due diligence, maintain integrity of the primary market and ensure compliance with the relevant laws on their own account and on behalf of the issuers. As a result of evolution of the securities markets and overall increased compliance requirements, the roles and responsibilities and business undertaken by them in the primary market have increased significantly," the regulator said.

<https://www.thehindubusinessline.com/markets/sebi-proposes-overhaul-of-investment-banking-norms/article68578033.ece>

Digital transactions in India to grow threefold by 2028-29: Report

Digital financial transactions will increase from 159 billion in 2023-24 to 481 billion by 2028-29 to mark a threefold growth, according to a report by PwC India. The value of digital payments will double: From Rs 265 trillion to Rs 593 trillion, said the consultancy in its 'The Indian Payments Handbook 2024-29' on Wednesday. "The innovation in technology spreads over issuance and distribution strategies to penetrate deeper in the domestic market for various payments solutions, promotion and regulation by the government and regulators, and the emergence of innovative technologies to enhance user experience and risk measures to safeguard customers," the report said.

https://www.business-standard.com/industry/news/number-of-digital-transactions-in-india-to-grow-3x-by-2028-29-pwc-india-124082800563_1.html

Alternative debt platforms expand pool for consumer firms this festive season

Alternative debt platforms are expected to expand their loan pool for digital native consumer companies as they gear up for a surge in sales in this festive season. Debt platforms -- Velocity, GetVantage, and others -- are expected to write bigger cheque sizes to help these consumer companies manage inventory and fulfil faster deliveries.

<https://www.thehindubusinessline.com/companies/alternative-debt-platforms-expand-pool-for-consumer-firms-this-festive-season/article68577242.ece>

GST slabs recast very much on the table, says FM

Rationalisation of the Goods and Service Tax (GST) rates and change in slabs are "on the discussion table," finance minister Nirmala Sitharaman said on Tuesday, adding that a fresh process will be initiated in this regard at the GST Council meeting on September 9. The minister's statement indicates the Narendra Modi 3.0 government will accord high priority to the much-awaited structural overhaul of the comprehensive indirect tax.

<https://www.financialexpress.com/policy/economy-gst-slabs-recast-very-much-on-the-table-says-fm-3594211/>

Industry

Firms seek expansion of speciality steel products covered under PLI 1.1

Speciality steel manufacturers have sought inclusion of value-added products such as wires, bright bars, and stainless-steel components for defence under the next version of the production-linked incentive (PLI) scheme for speciality steel, multiple people aware of the development said. The government has begun discussions on widening the PLI for speciality steel, they said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/firms-seek-expansion-of-speciality-steel-products-covered-under-pli-1-1/articleshow/112874995.cms>

Two-wheeler industry to grow by 8 pc, tractors by 4pc annually: Report

The two-wheeler (2W) industry is anticipated to grow in high single digits, with an estimated 8 per cent year-on-year (YoY) increase whereas the tractor industry is anticipated to see marginal growth of approximately 4 per cent YoY in the domestic market, according to a report by Nuvama, a wealth and investment firm. The growth of the 2W market is primarily driven by strong rural demand coupled with sustained urban sales. The favourable monsoon has improved rural sentiments, leading to an uptick in sales. Additionally, wholesale volumes are expected to outpace retail sales as dealers build up inventory ahead of the upcoming festive period.

<https://economictimes.indiatimes.com/industry/auto/auto-news/two-wheeler-industry-to-grow-by-8-pc-tractors-by-4pc-annually-nuvama/articleshow/112857279.cms>

Agriculture

In a boost to farmers, Cabinet approves expansion of Agri Infra Fund

Union Cabinet chaired by Prime Minister Narendra Modi on Wednesday approved the expansion of Agricultural Infrastructure Fund (AIF). To enhance and strengthen the agricultural infrastructure in the country and support the farming community, the Government has announced a series of measures to expand the scope of Agricultural Infrastructure Fund (AIF) scheme, said Centre in a press release.

<https://economictimes.indiatimes.com/news/economy/agriculture/cabinet-approves-expansion-of-agri-infra-fund/articleshow/112863955.cms>

Infrastructure

Cabinet nod to 3 railway projects worth Rs 6,456 cr

The Union Cabinet, chaired by the Prime Minister Narendra Modi on Wednesday approved 3 railway projects worth Rs 6,456 crore. The three projects covering 7 Districts in 4 States i.e., Odisha, Jharkhand, West Bengal and Chhattisgarh will increase the existing network of Indian Railways by about 300 Kms, said Minister of Information & Broadcasting, Ashwini Vaishnaw.

<https://economictimes.indiatimes.com/industry/transportation/railways/cabinet-gives-nod-to-3-railway-projects-worth-rs-6456-cr/articleshow/112863828.cms>

Energy

India to benefit from the global gas supply glut: ICRA

The global liquefied natural gas market is expected to see a significant supply glut, adding around 193 million metric tonnes (MMT) of the liquefied natural gas (LNG) production and liquefaction capacity over the course of the next four years. This would increase the current global LNG production capacity by 41%, benefiting availability of LNG for India at reasonable price, according to rating agency ICRA Ltd.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-to-benefit-from-the-global-gas-supply-glut-icra/articleshow/112866920.cms>

Cabinet clears ₹4,136 crore for North East Hydropower expansion

The union cabinet Wednesday approved equity support of ₹4,136 crore to North Eastern states for developing hydropower projects, totalling 15,000 MW capacity over the next eight years. The cabinet gave its go-ahead to a power ministry proposal for a central financial assistance to the northeastern states for up to 24% equity stake in hydro power projects to be developed through a joint venture with the Centre. The scheme would be implemented between FY25-32, an official statement said.

<https://economictimes.indiatimes.com/industry/energy/power/cabinet-clears-4136-crore-for-north-east-hydropower-expansion/articleshow/112875295.cms>

Telecom

Telecom regulator calls for thorough review of existing rules on spam

Doubling down on curbing the deluge of spam calls and messages, the Telecom Regulatory Authority of India (Trai) on Wednesday announced a review of the existing rules, including the definition of 'commercial communication'. The move is aimed at finding ways to curb the use of autodialers or robocalls, filter pre-recorded messages, bulk texts, and reduce the minimum time taken to redress consumer complaints. The telecom regulator has issued a consultation paper on reviewing the Telecom Commercial Communications Customer Preference Regulations, 2018 (TCCCPR-2018), the government's main legal arsenal to battle the menace.

https://www.business-standard.com/industry/news/telecom-regulatory-body-calls-for-thorough-review-of-existing-rules-on-spam-124082801270_1.html

States

Madhya Pradesh committed to driving industrial growth with supportive policies, says CM Mohan Yadav

Madhya Pradesh is committed to fostering a supportive environment and implementing favorable policies to drive industrial growth and nurture entrepreneurship in the State, its Chief Minister Mohan Yadav said on Wednesday. At the Regional Industry Conclave at Gwalior today, Yadav encouraged industrialists to see the State's unique features for themselves and urged them to play a catalytic role in its industrial progress and development in the coming days.

<https://www.thehindubusinessline.com/news/national/madhya-pradesh-committed-to-driving-industrial-growth-with-supportive-policies-says-cm-mohan-yadav/article68578302.ece>

Centre sanctions ₹12,000 crore for Polavaram: AP CM

Andhra Pradesh Chief Minister N Chandrababu Naidu has announced that the Union Cabinet sanctioned ₹12,127 crore for taking up Phase-1 works of the Polavaram project. The Phase-1 will be completed by March 2027, he said.

<https://www.thehindubusinessline.com/news/centre-sanctions-12000-crore-for-polavaram-ap-cm/article68577402.ece>

Karnataka to pave path for India's semiconductor industry; incubates 43 start-ups in 5 years through SFAL initiative

The Semiconductor Fabless Accelerator Lab (SFAL), a Centre of Excellence (CoE) for fabless semiconductors, which is an initiative towards developing the fabless semiconductor and electronic systems ecosystem in India, has benefited over 90 companies and incubated 43 companies in the last five years, said Karnataka IT/BT Minister Priyank Kharge.

<https://www.thehindubusinessline.com/news/karnataka-to-pave-path-for-indias-semiconductor-industry-incubates-43-start-ups-in-5-years-through-sfal-initiative/article68577630.ece>

Healthcare

Indian pharma exporters feel pain on Bangladesh crisis

The political unrest and related violence in Bangladesh have led to significant losses for the Indian pharmaceuticals industry as many exporters of drugs and ingredients have their money stuck in the neighbouring country, industry insiders said. Pharma companies are now hesitant to supply to Bangladesh as outstanding payments have become significant and they are concerned about their financial stability, in a development that could impact availability of medicines in the neighbouring country.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/indian-pharma-exporters-feel-pain-on-bangladesh-crisis/articleshow/112875306.cms>

External

India to hold more talks over import curbs on steelmaking raw material

India will hold wider consultations with steel companies before imposing curbs on imports of low ash metallurgical coke, used in steelmaking, a source with direct knowledge of the matter told Reuters. India, the world's second-biggest producer of crude steel, in April proposed a country-specific import quota to cap annual imports of low ash metallurgical coke, also known as met coke, at 2.85 million metric tons for one year.

https://www.business-standard.com/industry/news/india-to-hold-more-talks-over-import-curbs-on-steelmaking-raw-material-124082800549_1.html

India, Chile discuss strengthening cooperation in trade, investment, critical minerals

Minister of External Affairs S Jaishankar and his Chilean counterpart Alberto Van Klaveren, who is on an official visit to India, discussed various areas of bilateral cooperation including trade and investment, critical minerals, agriculture and defence at a joint commission meeting on Wednesday.

<https://www.thehindubusinessline.com/economy/india-chile-discuss-strengthening-cooperation-in-trade-investment-critical-minerals/article68577945.ece>