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Economy

Labour ministry to launch revamped Shram Suvidha portal by year-end

The labour ministry is set to launch a revamped, user-friendly version of the Shram Suvidha portal by the end of the year to aid in improving the ease of doing business. The upgraded portal will leverage artificial intelligence (AI) and machine learning (ML) to make it easier for businesses to file all kinds of registrations and submit returns that are required under different labour laws, people aware of the matter told Business Standard.

https://www.business-standard.com/economy/news/labour-ministry-to-soon-launch-revamped-portal-for-ease-of-doing-business-124090100452_1.html

Centre seeks larger role for states in FDI drive

To foster competition among states to attract foreign investments, the Centre will ask them to ease access, minimise compliance, reform land and building norms, and improve power supply, and law and order, as better governance is seen vital for attracting investors, sources said. These parameters are likely to feature in an 'investment-friendly charter' being prepared by NITI Aayog. States may be monitored on the achievement of these parameters and ranked accordingly.

<https://www.financialexpress.com/policy/economy-centre-seeks-larger-role-for-states-in-fdi-drive-3598354/>

Over 1,300 units operational under PLI scheme, generating 7-8 lakh jobs

An estimated 1,300 units have been set up so far under the ambitious Production Linked Incentive (PLI) scheme, largely in sectors such as food processing, large-scale electronics, pharmaceuticals and medical devices, telecom, and drones. More than half of the units are already operational. Official sources have said that these units produced goods worth about ₹10 lakh crore and generated 7-8 lakh jobs.

<https://www.thehindubusinessline.com/economy/over-1300-units-operational-under-pli-scheme-generating-7-8-lakh-jobs/article68593059.ece>

Finance

Large offshore investment write-offs trigger RBI alert

Large write-offs of overseas investments are raising the hackles of the regulator. About half a dozen companies have drawn the Reserve Bank of India's attention in the past few months for significantly-and, sometimes abruptly-reducing the value of their offshore investments.

<https://economictimes.indiatimes.com/news/economy/finance/large-offshore-investment-write-offs-trigger-rbi-alert/articleshow/112974481.cms>

India's net GST mopup growth slows to 6.5% in August, shows govt data

Net goods and services tax (GST) collection fell 9.2 per cent to Rs 1.5 trillion in August from Rs 1.65 trillion in the previous month, particularly due to increased refunds. Even compared to the same month last year, net receipts growth slowed to 6.5 per cent in August compared to 14.4 per cent in July, according to provisional data released by the government on Sunday.

https://www.business-standard.com/economy/news/india-s-gst-collections-increase-10-to-rs-1-75-trillion-in-august-124090100462_1.html

Pressure rising on fintechs as RBI amps up compliance norms

Payments services providers and fintechs are facing the heat from heightened compliance requirements as the Reserve Bank of India intensifies scrutiny of their processes and security management. This move aims to prevent potential disruptions and maintain stability in the financial sector. The central bank is not only delaying the granting of licenses, but is also conducting audits of companies after they receive their licenses to ensure they adhere to compliance requirements.

<https://www.thehindubusinessline.com/money-and-banking/rbi-amps-up-scrutiny-on-fintechs-with-more-audits/article68593514.ece>

New MSME credit assessment model for PSBs may see March 2025 launch

The new micro, small and medium enterprise (MSME) credit assessment model, based on digital footprints for public sector banks (PSBs), is expected to be launched by the end of March next year, sources in the know said. "Almost half of the work has been completed, and we expect a launch by the end of this financial year (2024-25/FY25)," said a PSB official.

https://www.business-standard.com/finance/news/new-msme-credit-assessment-model-for-psbs-to-launch-by-march-end-124090100567_1.html

Industry

Sub-10 nm chips likely to steer 60% of India's semicon market by 2032

The demand for semiconductor chips in India is set to undergo a dramatic shift, with 60 per cent of it, in value terms, expected to come from chips smaller than 10 nano-metre (nm) by 2032. This insight comes from a forthcoming report by the Indian Electronics & Semi-conductor Association (IESA), which will be released soon in collaboration with the government. Currently, 10 nm chips represent only 24-25 per cent of India's \$40 billion semiconductor market. By 2030, the semiconductor chip demand in India is projected to exceed \$100 billion, says the report.

https://www.business-standard.com/industry/news/sub-10-nm-chips-to-dominate-60-of-india-s-semicon-market-by-2032-report-124090100548_1.html

Auto sales decline in August for second straight month

Sales of passenger vehicles in the local market declined for the second straight month in August, on a high base, and with carmakers reducing dispatches to rationalise stocks at dealerships. According to industry estimates around 350,000-355,000 cars, sedans and utility vehicles were dispatched from factories to dealerships last month, which is a decline of 1.7-3% over 361,123 vehicles sold in August 2023. Automakers in India mostly report wholesale dispatches to dealers and not retail sales to customers.

<https://economictimes.indiatimes.com/industry/auto/auto-news/auto-sales-decline-for-second-straight-month-in-august/articleshow/112969945.cms>

To clear stocks, car majors 'calibrate' dispatches in August

To align with retail demands, passenger vehicle (PV) manufacturers, in August, reported a decline in wholesale dispatches to dealers. This decline was consistent across major car makers such as Maruti Suzuki India (MSIL), Hyundai Motor India (HMIL) and Tata Motors, all of whom adjust their dispatches to manage inventory levels.

<https://www.thehindubusinessline.com/companies/major-car-makers-report-decline-in-their-dispatches-in-august/article68593846.ece>

Shift in focus: Indian IT companies targeting LATAM and Africa for business expansion

While developed countries like the US and Europe continue to be the core markets for both Indian and global IT outsourcing companies, Indian IT firms are now increasingly focusing on other regions to reduce their dependence on North America and Europe while also targeting untapped territories like Latin America (LATAM), according to analysts.

<https://www.thehindubusinessline.com/info-tech/shift-in-focus-indian-it-companies-targeting-latam-and-africa-for-business-expansion/article68593318.ece>

Agriculture

Consumption, high food inflation concern for tea industry: FAITTA chief

Sluggish growth in domestic consumption, rising food inflation and slow recovery of exports post the Covid pandemic are some of the challenges faced by the tea industry, a senior official said. Tea producer associations and the Tea Board India have been concerned over the muted demand growth in the country, he said. The remarks came from Sanjay Shah, chairman of the Federation of All India Tea Traders Association (FAITTA), during its 10th annual general meeting here on Saturday evening.

https://www.business-standard.com/industry/news/consumption-high-food-inflation-concern-for-tea-industry-faitta-chief-124090100231_1.html

Infrastructure

Kavach will be implemented in mission mode in country: Railway Minister Ashwini Vaishnaw

Modern technology like Kavach that was developed in the country will now be implemented in a mission mode, Railway Minister Ashwini Vaishnaw has said. The minister stated this in his welcome address before the flagging-off of three Vande Bharat trains by Prime Minister Narendra Modi on Saturday. Vaishnaw that India has elected the leadership of PM Modi for the third time that is decisive, visionary and forward-looking and its impact is visible in every aspect of life including in Railways.

<https://economictimes.indiatimes.com/industry/transportation/railways/kavach-will-be-implemented-in-mission-mode-in-country-railway-minister-ashwini-vaishnaw/articleshow/112971461.cms>

Energy

India's power consumption declines 4.7% to 144.2 billion units in Aug

India's power consumption declined 4.7 per cent to 144.21 billion units (BU) in August compared to the year-ago period, mainly due to the above normal rainfall across the country which reduced the use of cooling appliances like air conditioners and desert coolers. According to the Indian Meteorological Department, the country recorded 287.1 mm of rainfall in August, which is about 16 per cent higher than the normal 248.1 mm.

https://www.business-standard.com/industry/news/india-s-power-consumption-declines-4-7-to-144-2-billion-units-in-aug-124090100425_1.html

Telecom

Enforce traceability, privacy norms on internet call, messaging apps: COAI

The government should enforce traceability and user privacy rules on WhatsApp, Telegram, Google Meet as well as other calling and messaging apps along with telecom operators as such platforms provide similar services using internet network, industry body COAI said. Telecom operators want the government and regulator to enforce message traceability and user privacy rule on these apps to curb spam and illegal activities as majority of messaging traffic has moved to data networks from SMS, COAI said.

https://www.business-standard.com/industry/news/enforce-traceability-privacy-norms-on-internet-call-messaging-apps-coai-124090100518_1.html

States

Tamil Nadu CM M K Stalin secures Rs 400 cr investment in San Francisco visit

The Chief Minister of Tamil Nadu, M K Stalin said on Sunday that he secured Rs 400 crore investment from Ohmium in Chengalpattu district, creating 500 jobs. Stalin said that the deal marked an important step in nurturing the ecosystem for green energy production and fuelling a sustainable future.

https://economictimes.indiatimes.com/news/india/tamil-nadu-cm-m-k-stalin-secures-rs-400cr-investment-in-san-francisco-visit/articleshow/112964840.cms?utm_source=ETTopNews&utm_medium=HPTN&utm_campaign=AL1&utm_content=23

External

Russian crude flow to India declines in Aug, Iraq improves market share

Shipments of Russian oil to India declined by 14 per cent in August from July, after a prolific run of three months of near record purchases by Indian refiners, as savings on the crude declined to record lows after Russian traders refused to offer higher discounts, according to industry sources and ship tracking data. Iraq, India's biggest oil supplier prior to Russia's inroads, improved its market share in India at the expense of Russia on the back of lower rates.

https://www.business-standard.com/economy/news/russian-crude-flow-to-india-declines-in-aug-iraq-improves-market-share-124090100163_1.html

Chinese import of goods like umbrellas, toys hurting Indian MSMEs: GTRI

Increasing imports of goods such as umbrellas, toys, certain fabrics, and musical instruments are severely hurting MSMEs as many of these products are also made by domestic businesses, according to think tank GTRI. The report said that during January to June 2024, India exported goods worth only \$8.5 billion, while imports stood at \$50.4 billion, resulting in a trade deficit of \$41.9 billion.

https://www.business-standard.com/economy/news/chinese-import-of-goods-like-umbrellas-toys-hurting-indian-msmes-gtri-124090100486_1.html

Mauritius invites Indian SMEs to get duty-free export benefit under AGOA

Mauritius is inviting Indian Small and Medium Enterprises (SMEs) to set up their units in the island country to capitalise on duty-free export benefit under the African Growth and Opportunity Act (AGOA), an envoy said here. This AGOA offers duty-free shipments to the US market, presenting significant opportunities for Indian businesses, he said. Replying to a question, High Commissioner of Mauritius to India Haymandoyal Dillum said, "Indian industries should make the most of the AGOA agreement with African countries and the US."

https://www.business-standard.com/economy/news/mauritius-invites-indian-smes-to-get-duty-free-export-benefit-under-agoa-124090100490_1.html