



September 24, 2024 – Tuesday

Economy

Unemployment rate remains unchanged in 2023-24 at 3.2%: PLFS

India's unemployment rate in 2023-24 (July 2023 – June 2024) remained unchanged at 3.2% as in 2022-23, the Periodic Labour Force Survey (PLFS) released Monday showed even as in rural areas, it rose to 2.5% from 2.4% in the same period but declined in urban areas to 5.1% from 5.4%. The overall joblessness rate in females was 3.2% as against 2.9% in 2022-23. The overall unemployment rate in males, in both rural and urban areas, was a tad lower at 3.2% in 2023-24 from 3.3% a year ago.

<https://economictimes.indiatimes.com/news/economy/indicators/unemployment-rate-remains-unchanged-in-2023-24-at-3-2-plfs/articleshow/113605854.cms>

Fresh formal hirings increase in July by 2.5% to 1.05 million: EPFO data

The number of monthly fresh formal hirings increased in July, signalling a recovery in the formal labour market. In July, the number of new monthly subscribers under the Employees' Provident Fund (EPF) increased by 2.6 per cent to 1.05 million from 1.02 in June, according to the latest monthly payroll data released by the Employees' Provident Fund Organisation (EPFO) on Monday.

https://www.business-standard.com/economy/news/fresh-formal-hirings-increase-in-july-by-2-5-to-1-05-million-epfo-data-124092300514_1.html

Slowdown in business activity pulls flash PMI to its lowest levels in 2024

A slowdown in business activity of both the manufacturing and services sector pulled down the expansion of India's private sector economy in September, according to a survey by HSBC on Monday. According to the survey carried out by the global banker, the headline flash composite Purchasing Managers' Index (PMI) figure declined to 59.3 in September, lowest in 2024, from an upward revised figure of 60.7 in August.

https://www.business-standard.com/economy/news/slowdown-in-business-activity-pulls-flash-pmi-to-its-lowest-levels-in-2024-124092300228_1.html

Centre to integrate EPFO, e-Shram database to track workforce formalization

The Union labour ministry is set to integrate the databases of the e-Shram portal and the Employees Provident Fund Organisation (EPFO) to map and measure the formalisation trends of the workforce in the country, said a senior government official. "The integration of these two databases will help us in observing the real-time to and fro movement of unorganised sector workers to the formal sector and vice versa, which will then aid us in designing targeted welfare policies," the official told Business Standard.

https://www.business-standard.com/economy/news/centre-to-integrate-epfo-e-shram-database-to-track-workforce-formalisation-124092200288_1.html

AI will spur jobs but repetitive roles to be impacted: Deloitte top leader

Amid concerns over the impact of artificial intelligence (AI) in the job market, Deloitte South Asia CEO Romal Shetty said on Monday that the tool has the potential to create new jobs but some of the current functions involving

repetitive tasks may be hit. "...Where something is repetitive and commoditised, those jobs could be lost but will there be new jobs created, new roles created? Hundred per cent and absolutely," he said.

https://www.business-standard.com/economy/news/ai-will-spur-jobs-but-repetitive-roles-to-be-impacted-deloitte-top-leader-124092300600_1.html

Finance

Share of borrowers rated Prime+ on rise, shows TransUnion CIBIL data

In an indication that the credit culture is improving, the share of borrowers rated prime and above is on the rise, data provided by credit bureau TransUnion CIBIL showed. But at the same time, retail credit growth and the number of new borrowers climbed at a moderate pace. The share of prime and higher rated borrowers-those with credit score above 731-has increased from 51% in June 2022 to 55% in June 2024, while that of subprime borrowers with credit score between 300 and 681 has decreased from 0.22% to 21% in the same period, the data released by the bureau said. A recent report by the bureau indicated that self monitoring by individual borrowers rose more than 50% in FY24.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/share-of-borrowers-rated-prime-on-rise-shows-transunion-cibil-data/articleshow/113608787.cms>

Industry

Mid-range smartphone users outpace high-end in premium product searches

'Premium phone users drive engagement with premium products' has been widely accepted knowledge for some time now. However, a new report has challenged this conventional wisdom, revealing that mid-range smartphone users are driving engagement with premium products, dispelling the myth that luxury consumption is primarily associated with high-end devices. The study, conducted by media platform Bobble AI's market intelligence division, highlighted that users with devices priced between Rs 9,000 and Rs 20,000 lead in searches and interactions for premium products, accounting for 63.71 per cent of digital footprints.

https://www.business-standard.com/industry/news/mid-range-smartphone-users-outpace-high-end-in-premium-product-searches-124092300811_1.html

FMCG eyeing big bite of festive sales; say rural revival to boost sales

While companies in the FMCG sector have been struggling to improve their volume growth and posted mid to high single-digit revenue growth in the last couple of years due to severe heat waves in the northern region, heightened competitive intensity, and the general election impact, the industry is betting on recovery this festive season.

<https://www.financialexpress.com/business/industry-betting-on-festive-season-for-demand-surge-fm-cg-cos-line-up-product-launches-festive-campaigns-with-focus-on-rural-market-3618964/>

Re-opening of white goods PLI scheme likely to see muted response

Government's re-opening of the production linked incentive (PLI) scheme for white goods such as AC and LED lights is likely to see muted response as several large manufacturers are not going to file fresh investment proposals under it, industry executives said. This third round was opened on July 15 and will close on October 12 to attract additional investment for production of components. Chief executives of five large manufacturers, who are exiting beneficiaries of this PLI scheme, said the tenure of the scheme for availing incentives remains same till 2028-29 for the third round applicants as those in the earlier two rounds, which does not make it worthwhile since it takes almost two years to start a factory after approval.

<https://economictimes.indiatimes.com/industry/cons-products/durables/re-opening-of-white-goods-pli-scheme-likely-to-see-muted-response/articleshow/113603058.cms>

Hallmarked gold coins, bars see 35-80% sales surge on the e-commerce platforms

Hallmarked gold coins and bars of 22K and 24K are getting a boost from India's thriving ecommerce industry, with sales surging 35-80% in the last financial year. To be sure, the sales spurt across online marketplaces such as Amazon, Flipkart, Ajo and Tata Cliq is on a low base, but it marks a shift in customer preference for a category traditionally dominated by retail stores, said industry executives.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/hallmarked-gold-coins-bars-see-35-80-sales-surge-on-the-e-commerce-platforms/articleshow/113609538.cms>

Agriculture

Govt steps up buffer stock sale to control onion prices after duty removal

The government has intensified its efforts to check onion prices by stepping up the sale of buffer stock in wholesale markets, following a spike in retail prices after the recent removal of export duty. Consumer Affairs Secretary Nidhi Khare on Monday said the Centre has begun offloading onions from its buffer stock in wholesale markets of Delhi and other key cities, with plans to expand subsidised retail sales nationwide.

https://www.business-standard.com/economy/news/govt-steps-up-buffer-stock-sale-to-control-onion-prices-after-duty-removal-124092300516_1.html

Potatoes may soon quench thirst of your car

The Central Potato Research Institute (CPRI) has proposed to set up a pilot plant to test its technology to convert potato waste and peels into ethanol, people in the know said. The Shimla-based institute recently completed lab studies on how potato waste can be repurposed for producing the bio fuel. India is the world's second-largest producer of potatoes after China. Since the quantity of discarded potatoes in the country is high -10-15% of the total production - it is being seen as potential feedstock for ethanol after sugarcane and maize. The National Policy on Biofuels mentions rotten potatoes in the list of feedstocks for ethanol.

<https://economictimes.indiatimes.com/news/economy/agriculture/from-peels-to-fuel-potatoes-may-soon-quench-thirst-of-your-car/articleshow/113608918.cms>

Infrastructure

Indian real estate mkt to jump manifold by 2047, to touch \$10 trn: Report

Indian real estate market size is estimated to jump multi-fold to \$5-7 trillion by 2047 and may even touch \$ 10 trillion driven by rising economic growth and rapid urbanisation, according to a report by CREDAI and Colliers. Realtors' apex body CREDAI and real estate consultant Colliers India on Monday released a joint report 'Indian Real estate: The Quantum Leap' here at CREDAI-NATCON conference.

https://www.business-standard.com/industry/news/demand-for-housing-evergreen-in-india-no-signs-of-slowdown-credai-124092300305_1.html

Biz potential worth Rs 2 lakh cr for completion of interlinking river projects: ICRA

Business opportunities worth Rs 2 lakh crore are expected to open up for engineering, procurement, and construction (EPC) players over the next decade for the completion of four priority interlinking river (ILR) projects, said a study by rating agency ICRA. Around a third of these (about Rs 80,000 crore) are estimated to be awarded in the next four years for companies involved in the construction of large irrigation projects, it added.

<https://economictimes.indiatimes.com/news/economy/infrastructure/biz-potential-worth-rs-2-lakh-cr-for-completion-of-interlinking-river-projects-icra/articleshow/113607010.cms>

Shipping Industry to Drive Demand for Green Ammonia: Avaada Chairman

The shipping industry is expected to drive the largest demand for green ammonia and green methanol, both derivatives of green hydrogen, in the coming years, Avaada Group chairperson Vineet Mittal told ET. The implementation of the Carbon Border Adjustment Mechanism in the European Union is expected to bring a surge in the green hydrogen derivatives offtake agreements, Mittal said.

<https://economictimes.indiatimes.com/industry/renewables/shipping-industry-to-drive-demand-for-green-ammonia-avaada-chairman/articleshow/113609268.cms>

Energy

Rising power consumption to boost recoveries for ARCs from stressed operational thermal plants

The cumulative recovery rate for stressed operational thermal power plants (TPPs) for asset reconstruction companies (ARCs) is expected to improve by 700-900 bps on-year to 83-85 per cent next fiscal, stated a report by CRISIL Ratings. The growth it added, will be driven by robust growth in power consumption on the back of adequate coal availability, timely payment by distribution companies (discoms) and expected healthy merchant power prices. These industry tailwinds are not only supporting faster resolutions but may also aid resolution of approximately 5 GW of stressed TPPs over next 2 fiscals.

<https://www.financialexpress.com/business/industry-rising-power-consumption-to-boost-recovery-for-arcs-from-stressed-operational-thermal-plants-3619259/>

Thermal capacities needed till RE supply matches demand: Power Minister

There is a need to continue with installation of new thermal capacities as the supply of green power is not in line with demand, Union Minister Manohar Lal said on Monday. He also said that any call on reducing installation of thermal capacities can only be taken after 2030. The union power minister made the remarks at an event to brief 100-day achievements of the Modi-3.0 government in the national capital.

<https://economictimes.indiatimes.com/industry/energy/power/thermal-capacities-needed-till-re-supply-matches-demand-power-minister/articleshow/113608630.cms>

Telecom

Mobile tariffs came down by 95 per cent in last 10 years: Telecom Minister Scindia

In the last 10 years, mobile tariff rates have come down by 95 per cent in terms of voice calls and 97 per cent in terms of data, Minister of Telecommunications, Jyotiraditya Scindia said here on Monday.

<https://www.thehindubusinessline.com/news/mobile-tariffs-rates-have-come-down-by-95-per-cent-in-last-10-years-telecom-minister-scindia/article68674579.ece>

Healthcare

Expert Committee to discuss package rate revisions, expansion of insurance coverage under Ayushman Bharat

The Expert Committee headed by Dr VK Paul, Member (Health), Niti Aayog, will discuss recommendations for revising Ayushman Bharat package rates and also explore a possible increase in insurance coverage beyond the ₹500,000 limit, senior Health Ministry officials said.

<https://www.thehindubusinessline.com/money-and-banking/expert-committee-to-discuss-package-rate-revisions-expansion-of-insurance-coverage-under-ayushman-bharat/article68674150.ece>

Govt considers random testing of imported medical devices

The government is contemplating monitoring the quality of medical devices entering the country by mandating a risk-based approach wherein random samples will be picked up and tested for quality, while in case of critical diagnostic kits, the whole cargo will be tested. The government has come out with a document to provide guidance to port officers to take appropriate decisions for monitoring quality at the port of import based on a risk-based approach.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/govt-considers-random-testing-of-imported-medical-devices/articleshow/113609485.cms>

Pharma sector expects 10% revenue growth in FY25 says CRISIL

The pharma sector is expected to grow 10 per cent in FY 25 due to better exports in the regulated markets, recovery of exports in the semi-regulated markets and a steady in domestic demand according to a report by CRISIL. The revenue in FY25 is also expected to grow 8 to 10 per cent more than the previous fiscal year. The India pharmaceutical sector is the 3rd largest by volume of production and plays a significant role globally. The annual turnover for the past 5 years has been growing at a healthy growth of 10 per cent approximately.

<https://www.financialexpress.com/business/healthcare-sweet-pill-pharma-sector-expects-10-revenue-growth-in-fy25-says-crisil-3619141/>

External

Domestic med-devices lobby opposes zero-duty imports under EU-FTA

The medical devices lobby has written to the Department of Pharmaceuticals (DoP) opposing the import of medical devices at zero duty under the EU-FTA. The trade talks are underway. At the moment, India is 70 per cent import-dependent, and Germany and the Netherlands are among the top five countries from where we import. The main reason for the opposition from the local industry is their claim that the EU regulatory system permits organisations to label themselves as legal manufacturers even if they are not making the product themselves, which has led to 'pseudo manufacturing' in the EU, as the country of origin is not listed on the labelling of med-devices in the EU and UK (unlike in the US and India).

https://www.business-standard.com/industry/news/domestic-med-devices-lobby-opposes-zero-duty-imports-under-eu-fta-124092300694_1.html

India's finished steel imports from China hit 7-year high in April-August

India's finished steel imports from China hit a seven-year high during the first five months of the 2024/25 financial year, provisional government data reviewed by Reuters showed. India's overall finished steel imports also reached a six-year high at 3.7 million metric tons in the April-August period of this year, and the country was a net importer.

https://www.business-standard.com/industry/news/india-s-finished-steel-imports-from-china-hit-7-year-high-in-april-august-124092300642_1.html

As India joins IPEF pacts, concerns remain: GTRI

The negotiations in the Indo-Pacific Economic Framework for Prosperity (IPEF) have been conducted "in secrecy" with limited public inputs and concerns emerge on whether India has retained enough flexibility and policy space to meet its economic goals, according to trade policy think-tank Global Trade Research Initiative (GTRI).

<https://www.financialexpress.com/business/industry-as-india-joins-ipef-pacts-concerns-remain-gtri-3618467/>

Agri exports fall 4% in Apr-Aug, on slump in rice trade

India's exports of agricultural and processed food products in the first five months of FY25 declined by 4% to \$ 9.69 billion on year primarily because of fall in rice shipments due to restrictions imposed last year. Of items under the Agricultural and Processed Food Products Export Development Authority (APEDA) basket, shipments of meat, dairy and poultry products, fresh fruits and vegetables and cereals preparations saw a spike during April-August, 2024-25 compared to FY24.

<https://www.financialexpress.com/policy/economy-agri-exports-fall-4-in-apr-aug-on-slump-in-rice-trade-3618481/>

Piyush Goyal seeks more investments from Australian pension funds for renewable energy, fintech, agritech

Commerce and industry minister Piyush Goyal has sought greater investments from Australian pension funds in India's emerging sectors of renewable energy, manufacturing, education, fintech, and agritech. Goyal also discussed India's digitalisation growth and the significant potential for collaboration in the data infrastructure sector between the two countries and opportunities for enhancing coastal tourism in India, on the first day of his visit to Australia, commerce and industry ministry said Monday.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/piyush-goyal-seeks-more-investments-from-australian-pension-funds-for-renewable-energy-fintech-agritech/articleshow/113607621.cms>

IT goods import authorisation deadline may be extended

India is contemplating extending the import authorisation system for laptops and other IT hardware products for some more time as the September 30 deadline for the system approaches. While the ministry of electronics and IT has suggested an extension, officials said a final call is yet to be taken as talks are still on with the commerce and industry ministry.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/it-goods-import-authorisation-deadline-may-be-extended/articleshow/113608883.cms>