



September 30, 2024 – Monday

Economy

Govt considering foreign investment regulatory mechanism for FDI supervision

The government is considering setting up a foreign investment regulatory mechanism for post-investment review and monitoring in the country, according to sources. At present, the consideration is at the discussion level only, they added. "It has been observed that all countries do oversight on the FDI (foreign direct investment), which is coming into their country. People suggest that in India also, there should be an oversight mechanism. It's a kind of oversight on money, which is coming up in the country as FDI," one of the sources said.

<https://economictimes.indiatimes.com/news/economy/policy/govt-considering-foreign-investment-regulatory-mechanism-for-fdi-supervision/articleshow/113785163.cms>

Govt needs to promote labour-intensive industries for jobs: Raghuram Rajan

With 7 per cent economic growth, India is not creating enough jobs as reflected by the number of applicants for vacant posts in some states, Reserve Bank's former governor Raghuram Rajan said and suggested the government needs to focus on promoting labour-intensive industries to generate employment. Rajan further said some Indians, especially those at upper level, are comfortable and have high incomes, but consumption growth from the lower half of the country has still not recovered to pre-pandemic level.

https://www.business-standard.com/economy/news/govt-needs-to-promote-labour-intensive-industries-for-jobs-raghuram-rajana-124092900140_1.html

Refund provision likely to be removed under ELI schemes

The government could remove onerous provision such as refund of subsidy proposed on employers if the beneficiary employee quits the job within one year of joining. Instead, it may simply discontinue the incentive to employer, officials said. "The idea is to come up with a scheme structure that can be easily implemented and outcome oriented for which the sense of ownership is needed both by the employers and the employees," said a senior government official, who did not wish to be identified. Besides, the government may introduce certain conditions to the continuation clause in the benefits if the employees move from one eligible organisation to another. The labour and employment ministry is holding stakeholder consultations before it firms up the three employment-linked incentive schemes, announced in the budget, to be implemented by the Employees' Provident Fund Organisation (EPFO).

<https://economictimes.indiatimes.com/news/economy/policy/refund-provision-likely-to-be-removed-under-eli-schemes/articleshow/113792117.cms>

Finance

Banks look for a way out of UBO tangle

Banks, which serve as the gateway for money flowing in and out of the country, are finding themselves in the crosshairs of investors' ownership rules that differ from nation to nation. Banks handling foreign direct investments (FDI) into local companies and overseas direct investments (ODI) by Indian investors venturing abroad, vet the last natural persons behind the larger shareholders of the investing entities.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-look-for-a-way-out-of-ubotangle/articleshow/113793076.cms>

State-owned banks on apprenticeship spree to strengthen customer services

Several public sector banks are hiring apprentices for the first time through their apprenticeship programmes to improve customer relations in semi-urban and rural areas, amid a gradual decline in the workforce over the years. Recently, Union Bank of India, Canara Bank, and Indian Overseas Bank announced that they would recruit 500, 3000 and 550 graduates, respectively under a year-long apprenticeship programme for a stipend of up to Rs 15,000. According to executives from these banks, they are hiring apprentices for the first time.

https://www.business-standard.com/industry/banking/psbs-hire-apprentices-to-bolster-customer-relations-in-rural-areas-124092900228_1.html

Consumers keep a strict watch on credit card spends

Indian banks expect growth in festive period spending through credit cards to be in high single-digits as consumer demand remains subdued, several card issuers and merchants said. "Right now, it's not like the mood is bullish for a big festive season, it seems like wait and watch," said Sanjeev Moghe, head-cards & payments, Axis Bank. "It's a different market when the economy is growing at 12-15% and it's not growing at that pace. In my own discussion with merchants, I am not sensing a bullish mood. But we are hoping that consumers could positively surprise us."

<https://economictimes.indiatimes.com/industry/banking/finance/banking/consumers-keep-a-strict-watch-on-credit-card-spends/articleshow/113793210.cms>

CBDT extends deadline to file tax audit report to Oct 7

All taxpayers who are required by law to file tax audit report can now file by October 7. The Central Board of Direct Taxes (CBDT) has extended the due date for filing various reports of audit including Tax Audit for the Previous Year 2023-24.

<https://economictimes.indiatimes.com/news/economy/finance/cbdt-extends-deadline-to-file-tax-audit-report-to-oct-7/articleshow/113799013.cms>

Mechanism to control GST fraud in ITC claims expected in November

The Union Ministry of Finance is working to develop a mechanism to check fraudulent input tax credit (ITC) claims for goods and services tax (GST) paid under the reverse charge mechanism (RCM), according to a senior government official familiar with the matter. "The Central Board of Indirect Taxes and Customs (CBIC) and the Goods and Services Tax Network (GSTN) are collaborating to create an ITC ledger for this purpose. The ledger is expected to be operational in November," said the official.

https://www.business-standard.com/economy/news/govt-plans-mechanism-to-monitor-reverse-charge-gst-credits-by-nov-end-124092900557_1.html

Industry

Goyal holds discussions with 140 firms getting production-linked incentives

Commerce and Industry Minister Piyush Goyal on Sunday held a detailed discussions with companies that are getting fiscal benefits under the production linked incentive (PLI) scheme. The minister engaged with 140 companies out of the 1,300 manufacturing units across 14 sectors, which have been the beneficiaries of the scheme. "We had estimated that in the 14 sectors, about Rs 1.46 lakh crore would be invested...Our estimate is that we could look at an investment of upward of Rs 2 lakh crores being seeded through the production linked incentive scheme (throughout the scheme period)," Goyal told reporters here after the meeting.

https://www.business-standard.com/economy/news/goyal-holds-discussions-with-140-firms-getting-production-linked-incentives-124092900482_1.html

India leads on world AI stage in talent and domain skills: Nasscom chief

India leads on world AI stage in talent and domain skills, placing it on a strong footing in transformative era of Artificial Intelligence, Nasscom's new chairperson Sindhu Gangadharan has said, asserting this is "the best time to be in India" particularly for those in the technology sector. In a wide-ranging interview to PTI, Gangadharan touched

upon several key issues -- from the importance of mental and social well-being at workplace to economic impact of AI and GenAI -- and sought to assuage concerns around artificial intelligence (AI) displacing jobs.

https://www.business-standard.com/industry/news/india-leads-on-world-ai-stage-in-talent-and-domain-skills-nasscom-chief-124092900294_1.html

Biggest online sales fail to boost demand in first two days; marketers eye Navratri rebound

The first two days of the largest online discounting sales this year failed to deliver a major demand spike, prompting some marketers to raise discounts in hope of a rebound next week as salaries come in and Navratri begins. Smartphone sales declined by 2-3% by the number of units sold as compared to the first two days of last year's sales, four industry executives said. Sales of televisions, refrigerators and washing machines did not grow either. Even Apple's older generation iPhones, which have always been a top grosser for ecommerce during sales, did not meet the target on some platforms, they said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/biggest-online-sales-fail-to-boost-demand-in-first-two-days-marketers-eye-navratri-rebound/articleshow/113771910.cms>

Packaged food companies ramp up supply chains, offerings for festival season

Packaged food and beverage companies are expecting to see an uptick in demand in both urban and rural regions in the upcoming festival season on the back of positive sentiment and normal monsoons. Companies said they have ramped up capacities and distribution along with new launches to garner double-digit growth.

<https://www.thehindubusinessline.com/companies/packaged-food-companies-ramp-up-supply-chains-offerings-for-festival-season/article68697641.ece>

CCI's latest merger overhaul may push deal timelines, increase filings

The latest combination regulations have brought within their purview a deal value threshold (DVT) and criteria for substantial business operations in India in what experts have termed the "single largest overhaul of the Indian merger control regime". Combination regulations refer to merger or amalgamation among enterprises, or acquisition of control, shares, voting rights or assets of one enterprise by another.

https://www.business-standard.com/economy/news/cci-s-latest-merger-overhaul-may-push-deal-timelines-increase-filings-124092400773_1.html

Infrastructure

Rising incomes, aspirations, consumption draw mall developers to tier II cities

The combination of rising income levels, increasing aspirations, and a surge in consumption levels has turned India's tier II cities into attractive investment destinations for mall developers and institutional investors. With expanding middle-class populations eager to engage with premium brands and modern retail formats, cities like Nagpur, Chandigarh, Lucknow, Jaipur, Udaipur, Ahmedabad, Surat, Coimbatore, Kochi, Bhubaneswar, and Indore are evolving into consumption hubs. This trend is attracting interest from mall developers, brands, and investors alike.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/rising-incomes-aspirations-consumption-draw-mall-developers-to-tier-ii-cities/articleshow/113791640.cms>

Energy

IBA expects to attract Rs 1,600 cr investment for biogas sector at REI 2024

Indian Biogas Association (IBA) is expecting around Rs 1,600 crore investment in the sector during Renewable Energy India Expo (REI) 2024, beginning on Thursday. IBA, the country's leading body representing biogas operators, manufacturers, and plant planners, is optimistic about the opportunities the high-profile event will bring. Talking to PTI, IBA Chairman Gaurav Kedia said, "REI 2024 is expected to see investment announcements of around Rs 1,600 crore in the biogas sector". He stated that the REI Expo 2024 is expected to attract 20 per cent more participation compared to last year.

https://www.business-standard.com/industry/news/iba-expects-to-attract-rs-1-600-cr-investment-for-biogas-sector-at-rei-2024-124092900205_1.html

India to boost crude oil refining capacity by 35-40 MT by Fiscal 2030: Crisil Ratings

India's oil marketing companies (OMCs) are expected to increase the country's crude oil refining capacity by 35-40 million tonnes (MT) by the end of fiscal 2030, the Crisil Ratings said. This will take the total installed capacity of the country for crude refining capacity to 295 MT by 2030, as per the rating agency.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-to-boost-crude-oil-refining-capacity-by-35-40-mt-by-fiscal-2030-crisil-ratings/articleshow/113783337.cms>

Telecom

Security hurdle: Global gear companies' clash with DoT may hit broadband expansion

A spat between top global telecom equipment makers, such as Cisco, Nokia, Ericsson and HPE, and the Department of Telecommunications (DoT) threatens to hit India's broadband expansion. The DoT is sticking to the October 1 date for implementation of a new security mandate which allows selling of only those Wi-Fi customer premises equipment (CPEs) and Internet Protocol (IP) routers that have got the security certification from the government.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/global-gear-companies-clash-with-dot-may-hit-broadband-expansion/articleshow/113792729.cms>

States

Maharashtra still tops in attracting FDI

Maharashtra continues to attract more FDI though it is losing out on project investments. According to the data released by the ministry of commerce and industry the state was successful in attracting foreign direct investments worth \$8.5 billion in the June quarter. While Karnataka was a distant third in attracting investments worth \$ 2.3 billion and Gujarat was third with inflows worth \$1.02 billion during the quarter.

<https://economictimes.indiatimes.com/news/economy/indicators/maharashtra-still-tops-in-attracting-fdi/articleshow/113791166.cms>

UP to cut pollution with fleet of electric buses

The Uttar Pradesh government is set to roll out a fleet of electric buses, including several double-decker ones, for enhanced commuting experience while reducing pollution. The double decker buses, which will be able to accommodate 65 passengers at a time, will start operating in capital city Lucknow during the upcoming Navratri festival. In an interview with PTI, Daya Shankar Singh, the state's transport minister, said, "We will launch double-decker buses in Lucknow during Navratri. We have already completed the process for tendering around 100 buses, including double-decker buses that can accommodate 65 passengers. After the initial fleet of 100 buses, we would launch as many more buses."

<https://economictimes.indiatimes.com/industry/renewables/up-to-cut-pollution-with-fleet-of-electric-buses/articleshow/113787265.cms>

Healthcare

Linking spurious drugs with legitimate manufacturers has severe reputational, financial impact: IPA

There is a need for a clear distinction between spurious and sub-standard drugs as linking counterfeit products with legitimate manufacturers has severe reputational and financial impact, the Indian Pharmaceutical Alliance (IPA) has stated. The industry body's statement comes in the wake of a recent report by the Central Drugs Standard Control Organisation (CDSCO), which cited more than 50 products as "not of standard quality (NSQ)". Various drug firms, including Sun Pharma Torrent Pharma, Alkem Laboratories and Glenmark, however, termed the medicines flagged in the central drug regulatory authority's report as "counterfeits" and not manufactured by them while asserting that their products conform to quality standards.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/linking-spurious-drugs-with-legitimate-manufacturers-has-severe-reputational-financial-impact-ipa/articleshow/113786177.cms>

External

Export remission scheme may continue beyond Sept

Amid a slowdown in India's goods exports, the government has decided to continue with a crucial remission benefits scheme for exporters that was due to lapse on September 30. The benefits under Remission of Duties and Taxes on Exported Products (RoDTEP) will continue beyond September and the government will review the scheme in December, officials said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/export-remission-scheme-may-continue-beyond-sept/articleshow/113792174.cms>

Smartphones overtake diamonds in India's exports to US, shows data

Smartphones, led by global technology major Apple Inc's iPhones, have quietly surged to become India's largest product export — based on HS (harmonised system) code classification — to the US by value over the past three quarters, overtaking non-industrial diamonds. In the June quarter of 2024-25, smartphone exports hit \$2 billion, well ahead of non-industrial diamond (cut or otherwise but not mounted) exports, which stood at \$1.44 billion, according to the latest data from the Department of Commerce.

https://www.business-standard.com/economy/news/smartphones-overtake-diamonds-in-india-s-exports-to-us-shows-data-124092900773_1.html

Govt delegation to leave for Mongolia next month to discuss coking coal imports

An Indian delegation, including senior government officials, will leave for Mongolia next month to discuss importing coking coal from the landlocked nation. The move aims at diversifying raw materials sources, and will not only increase the availability of the key steel making material but also help in cost optimisation of producing the commodity. "We are looking at the possibility of import of coking coal from Mongolia. An Industry delegation went (to Mongolia some time back) and a government delegation is going next month," Steel Secretary Sandeep Poundrik told PTI.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/govt-delegation-to-leave-for-mongolia-next-month-to-discuss-coking-coal-imports/articleshow/113781259.cms>