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Economy

World Bank maintains India's FY25 GDP growth forecast at 7% amid strong agricultural production, employment growth

Propelled by higher agricultural production and robust employment growth from policy initiatives, spurring private consumption, the World Bank retained India's gross domestic product (GDP) growth forecast for FY25 at 7%, as projected last month. According to the multilateral lender, India's growth rate in FY25 will be the second highest among South Asian nations after Bhutan but it would regain the fastest growing economy tag in the next fiscal year with 6.7% growth.

<https://economictimes.indiatimes.com/news/economy/indicators/world-bank-maintains-indias-fy25-gdp-growth-forecast-at-7-amid-strong-agricultural-production-employment-growth/articleshow/114128552.cms>

Economists caution on RBI's growth optimism, project FY25 growth below 7.2%

While changing its monetary policy stance to neutral, the Monetary Policy Committee of the Reserve Bank of India (RBI) outlined a list of upside risks to its inflation projection, including unexpected weather events, geopolitical conflicts, volatile international crude oil prices, and a recent uptick in food and metal prices. The inflation projection was retained at 4.5 per cent for FY25. On the other hand, the RBI expressed a more positive outlook on growth. RBI Governor Shaktikanta Das said India's growth story remains intact, as its fundamental drivers — consumption and investment demand — are gaining momentum.

https://www.business-standard.com/economy/news/economists-caution-rbi-s-growth-optimism-most-project-fy25-gdp-below-7-2-124101001225_1.html

Finance

NBFCs raise Rs 3.23 trn in H1FY25 from domestic debt capital market

Funds raised by non-banking financial companies (NBFCs), including state-owned finance companies and refinance institutions, from the domestic debt capital market exceeded Rs 3.2 trillion in the April to September period of financial year 2025 (H1FY25). Out of the total funds, over Rs 74,507 crore were raised in September alone, marking the highest amount in the current financial year and second highest in the calendar year.

https://www.business-standard.com/industry/banking/nbfc-raise-rs-3-23-trn-in-h1fy25-from-domestic-debt-capital-market-124101001163_1.html

PSBs share in incremental credit dips to 51% in September: Report

Public sector banks' (PSBs) share in incremental credit declined by three percentage points to 51 per cent in September 2024 from 54 per cent a year ago as they moderated the pace of disbursements to non-banking finance companies and unsecured credit. The Monetary Policy Report released along with a policy review September 2004 said PSBs continued to account for the largest share of incremental credit, although their share declined vis-à-vis private sector banks and foreign banks.

https://www.business-standard.com/industry/banking/psbs-share-in-incremental-credit-dips-to-51-in-september-report-124101001035_1.html

RBI asks REs to conduct internal risk assessments for terror financing

The Reserve Bank of India on Thursday asked regulated entities (REs) to carry out internal risk assessment (IRA) of their business models and business relationship with customers to detect threats from money laundering (ML) and terror financing (TF) and proliferation financing. There is always a likely exposure to the elevated money laundering ML, TF and PF risks in an ever changing business environment and the increasing level of complexities in the banking and financial products. The risks are further multiplied as use of emergent technologies and newer methods of payments enter the scene, RBI said in a guidance note to REs.

https://www.business-standard.com/finance/news/rbi-asks-res-to-conduct-internal-risk-assessments-for-terror-financing-124101001190_1.html

15 per cent minimum corporate tax rule likely part of I-T Act review

India may end its ambivalence on the minimum 15% corporate tax rule for multinational corporations, and include an enabling provision to comply with the relevant multilateral mechanism in the Income Tax Act, according to an official source. The provisions of the I-T Act, 1961 are currently under a comprehensive review, with a view to making it simpler and more lucid, by removing redundant sections. The proposed "Pillar-2 under the OECD/G20 Inclusive Framework, which aims to stymie profit shifting among tax jurisdictions by MNCs to minimise their tax outgo, would be ushered in by India as part of the I-T Act review, which is under way, the source added.

<https://www.financialexpress.com/business/industry-15-per-cent-minimum-corporate-tax-rule-likely-part-of-i-t-act-review-3636723/>

SGST collections in first half: Karnataka, TN & Gujarat race together as Maha retains its lead

Tamil Nadu and Gujarat have had a decent run in state GST collections in the six-month period from April 2024 with each netting above Rs 22,000 crore. Maharashtra, however, has been miles ahead. In the South, Karnataka and Tamil Nadu both did well in the first half of the current fiscal year. When it comes to growth over the same period last year, Karnataka registered 9.7% growth as against Tamil Nadu's 4.3% as the latter did well in collections in the same period, last fiscal year.

<https://economictimes.indiatimes.com/news/economy/policy/sgst-collections-in-first-half-karnataka-tn-gujarat-race-together-as-maha-retains-its-lead/articleshow/114122904.cms>

Industry

Manufacturing output to jump 9% if more women join workforce: World Bank

India's manufacturing output would increase by 9 per cent if more women joined the workforce, the World Bank said in its South Asia Development Update on Thursday. The global financier also maintained its gross domestic product (GDP) growth projection for India at 7 per cent in FY25 and 6.7 per cent in FY26. It forecast growth in South Asia at 6.4 per cent in 2024 on the back of India's strong domestic demand and quicker recoveries in Sri Lanka and Pakistan.

https://www.business-standard.com/economy/news/india-s-manufacturing-output-may-rise-9-with-more-female-workers-wb-124101000919_1.html

Textile at 2030: \$350 bln industry, Rs 90,000 cr investment, says govt

India's textiles sector is expected to grow to \$350 billion by 2030 and over Rs 90,000 crore of investment is expected to flow through PM Mega Integrated Textile Region and Apparel (PM MITRA) Park and Production Linked Incentive (PLI) scheme in the next 3-5 years, textiles ministry said Thursday. "India's textiles sector is set for significant expansion, with an 11% year-on-year growth in readymade garments of all textiles exports...signaling a bright future," the said, referring to the export numbers of August.

<https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/textile-at-2030-350-bln-industry-rs-90000-cr-investment-says-govt/articleshow/114125891.cms>

Construction equipment sector to see revenue growth decelerate to 4-6% this fiscal on decline in road contracts

The construction equipment sector is expected to witness a revenue growth deceleration to 4-6 per cent this fiscal, stated a report by CRISIL Ratings. This is because of a decline in road construction contracts that curbed sales volume.

The deceleration is in comparison to 27 per cent growth last fiscal when sales volume peaked to around 1.35 lakh units on strong demand from roads, railways and mining. Despite tepid sales, CRISIL said, revenue will grow this fiscal because of better realisations, with product prices likely to surge after the implementation of the construction equipment vehicles (CEV) Stage-V emission norms in the last quarter. Benign input prices will also keep operating margin stable at 10.0-10.5 per cent.

<https://www.financialexpress.com/business/industry-construction-equipment-sector-to-see-revenue-growth-decelerate-to-4-6-this-fiscal-on-decline-in-road-contracts-3636432/>

Smartphone sales fall 3% as apparel grows 6-8% during festive season

India's smartphone market struggled during the first 12 days of the long festive season, with sales volumes dipping by 3 per cent compared to the previous year. Entry-level smartphones faced low demand, dragging down overall performance. According to Counterpoint Research, while sales volume declined, revenue grew by 8 per cent, driven by a 7 per cent rise in premium handset sales priced above Rs 30,000, as reported by The Economic Times.

https://www.business-standard.com/industry/news/smartphone-sales-fall-3-as-apparel-grows-6-8-during-festive-season-124101000542_1.html

Users say most q-comm apps flouting expiry date norms

Most e-commerce and quick commerce apps, including Meesho, Blinkit, Instamart and Zepto, are not adequately displaying expiry dates for products, say 57% of the users surveyed by LocalCircles. The Central Consumer Protection Authority (CCPA) has been looking into these complaints. Mostly, these platforms display only the standard shelf life of products listed on their apps. The FSSAI requires that a product must have at least 30% shelf life available for it to be listed for sale, while the Legal Metrology Packaged Commodity Rules (2017 amendment) says the 'best before' date be displayed online.

<https://www.financialexpress.com/business/industry-users-say-most-q-comm-apps-flouting-expiry-date-norms-3636744/#:~:text=Most%20e%2Dcommerce,be%20displayed%20online.>

Online marketplaces see \$6.5 billion in sales during festive week

Online marketplaces sold goods worth \$6.5 billion, or almost `55,000 crore, in one week of festive sales, marking a 26% increase from last year, with mobile phones, electronics, consumer durables, home, and general merchandise accounting for three-fourths of the total sales. Sales in the week starting September 26 made up for about 55% of the total ecommerce sales expected in the festive period this year, ecommerce consultancy Datum Intelligence said.

<https://economictimes.indiatimes.com/industry/services/retail/online-marketplaces-see-6-5-billion-in-sales-during-festive-week/articleshow/114128695.cms>

In a season of big fat weddings hotels double up as planners

This year promises to be a bumper wedding season for hotels with key properties already sold out or close to getting sold out for key dates. Global hotel chains are also launching unique offerings specifically targeted at Indian weddings. Between its two hotels in Delhi and Bengaluru in India, the Shangri-La Group is expecting to host 250-300 weddings this season, said Chris McFall, VP, sales for Middle East, Europe, India and Americas at the chain. "Weddings contribute over 50% to our banqueting business in India and the share is growing year on year," said McFall.

<https://economictimes.indiatimes.com/industry/services/hotels-/restaurants/in-a-season-of-big-fat-weddings-hotels-double-up-as-planners/articleshow/114129133.cms>

Infrastructure

Centre considers seed funding to establish a shipping insurance entity

With little progress in establishing a protection and indemnity (P&I) entity to insure cargo vessels, the Centre is considering deploying its own funds as preliminary investment. This approach would involve private insurers and shippers contributing at a secondary stage, according to multiple officials familiar with the development. More than a year after Union Finance Minister Nirmala Sitharaman's unexpected announcement calling for a P&I entity, the lack of regulatory clarity and the nascency of the Indian shipping sector have slowed progress on this key initiative.

https://www.business-standard.com/economy/news/amid-slow-progress-govt-mulls-financial-push-for-marine-p-i-entity-124101001227_1.html

Ship recycling industry likely to grow to 3.8-4.2 mn GT in 2025: Report

India's ship recycling industry is expected to grow to 3.8-4.2-million GT (gross tonnage) in 2025, as against an estimated 2.3-2.6-million GT in 2024, according to a report. According to CareEdge, India accounts for 33 per cent of the global gross tonnage dismantled in 2023, second only to Bangladesh, which handled 46 per cent. "India's ship recycling Industry is poised for major growth in CY25 and is expected to witness similar recycling level in CY24 with an estimate of 2.3 to 2.6 million GT, thereafter a jump to over 3.8 to 4.2 million GT in CY25," said Sajani Shah, Assistant Director at CareEdge.

https://www.business-standard.com/industry/news/ship-recycling-industry-likely-to-grow-to-3-8-4-2-mn-gt-in-2025-report-124101001260_1.html

Listed property developers halve net debt to ₹20,808 crore

Listed property developers have more than halved their net debt to ₹20,808 crore as of June-end from a year earlier when it reached a peak of more than ₹44,817 crore, real estate consultancy Anarock said in a report. The sharp fall in debt was fuelled by record-high residential property sales in the top seven cities over the past year. Branded developers such as DLF, Sobha, Lodha Developers, and Godrej Properties benefited strongly from this buoyant market. Analysis by Anarock showed the lowering of net debt is fuelled by a more than threefold surge in collective bookings to ₹90,573 crore by FY24 from ₹27,144 crore in FY19. This June quarter alone, the eight top listed developers garnered ₹26,832 crore worth of bookings.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/listed-property-developers-halve-net-debt-to-20808-crore/articleshow/114129128.cms>

Energy

Oil use falls for second straight month in September

India's oil consumption fell for a second straight month in September, which would weigh on global crude prices that are already under pressure from ailing Chinese demand. If India's oil demand growth also falters after China, it would further pressure oil prices, said an industry executive. Lower crude prices would bring down import bills and boost refiners' margins.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/oil-use-falls-for-second-straight-month-in-september/articleshow/114127937.cms>

States

AP Govt may consider cash for rice for ration card holders to cut costs: Directorate of Revenue Intelligence

As part of the measures to cut down expenditure, the Andhra Pradesh Government may consider cash disbursements to the ration card beneficiaries of Public Distribution System (PDS), according to a recommendation of Andhra Pradesh State Directorate of Revenue Intelligence (APSDRI).

<https://www.thehindubusinessline.com/news/national/ap-govt-may-consider-cash-for-rice-for-ration-card-holders-to-cut-costs-directorate-of-revenue-intelligence/article68740933.ece>

Healthcare

Indian pharma market registers over 5% growth in Sept 2024: Pharmarack

The Indian pharmaceutical market (IPM) grew by 5.3 per cent in September this year, driven by major therapies showing positive value growth, according to market research firm Pharmarack. Among them, urology, cardiac, and dermatology therapies saw nearly double-digit value growth of 11.8 per cent, 9.7 per cent, and 9.5 per cent, respectively, driving the overall IPM growth.

https://www.business-standard.com/industry/news/indian-pharma-market-registers-over-5-growth-in-sept-2024-pharmarack-124101001064_1.html

External

Global trade could climb 3% in 2025 if MidEast conflicts contained, WTO says

The World Trade Organization on Thursday nudged up its forecast for global trade volumes this year and said a further pick up to 3% growth was likely in 2025, assuming Middle East conflicts are kept in check.

Global trade recovered this year from a 2023 slump driven by high inflation and rising interest rates, the WTO report said. In April, the global trade watchdog forecast a 2.6% increase in volumes, which it revised up on Thursday to 2.7%.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/global-trade-could-climb-3-in-2025-if-mideast-conflicts-contained-wto-says/articleshow/114124577.cms>