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Economy

Govt may opt for staggered roll-out of social security code

The government may not roll out all provisions of the Code on Social Security (CSS) in one go, given the industry's concerns of the "financial burden" from the implementation of a few provisions designed to help platform and gig workers, official sources said. The CSS, one of the four labour codes which the Centre is keen to implement throughout the country, was passed by Parliament in 2020.

<https://www.financialexpress.com/policy/economy-govt-may-opt-for-staggered-roll-out-of-social-security-code-3678683/>

Draft ready, Skill India's new avatar awaits Cabinet nod

The skill development and entrepreneurship ministry said it is awaiting cabinet approval for a draft note on the Skill India Programme. The Department of Expenditure has not made any allocation for the scheme pending approval. "A draft note for approval of the cabinet for central sector scheme 'Skill India Programme' based on expenditure finance committee recommendation, is awaited, pending which no allocations have been made by the department of expenditure," the ministry said in its October brief to the Union cabinet.

<https://economictimes.indiatimes.com/news/economy/policy/draft-ready-skill-indias-new-avatar-awaits-cabinet-nod/articleshow/115779870.cms>

Manufacturing underperformed amid rise in multi-plants: Arvind Subramanian

Former chief economic advisor (CEA) Arvind Subramanian in his latest paper on Thursday highlighted the underperformance of the Indian manufacturing sector due to the rise in multi-plants, where a firm sets up multiple production facilities within a state. Presenting his findings at a seminar organised by the policy think tank Centre for Social and Economic Progress (CSEP), Subramanian argued that multi-plants have grown dramatically over time. The share of multi-plants increased to 30 per cent in 2022 from 15 per cent in 2001 of the total large plants that employ more than 200 employees. On the employment front, they constituted 43 per cent of total non-managerial employees in 2022, up from 17 per cent in 2001.

https://www.business-standard.com/economy/news/rise-in-multi-plants-led-to-underperformance-of-manufacturing-sector-124112801157_1.html

India's gig economy could add 90 mn jobs enabled by large multinationals

The gig economy market is expected to grow at a compound annual growth rate (CAGR) of 17 per cent to reach a gross volume of \$455 billion by 2024, according to a white paper by the Forum for Progressive Gig Workers. Its contribution to India's gross domestic product (GDP) is substantial, with estimates suggesting its potential to create 90 million jobs and add 1.25 per cent to the country's GDP over time. The gig economy supports sectors such as e-commerce, transportation, and delivery services, among others.

https://www.business-standard.com/economy/news/india-s-gig-economy-could-add-90-mn-jobs-enabled-by-large-multinationals-124112800721_1.html

Finance

Finance ministry weighs removing windfall tax amid falling crude prices

The Finance Ministry would review the efficacy of windfall tax on the export of petrol, diesel and Aviation Turbine Fuel (ATF) as global crude oil prices have stabilised, sources said. Phenomenal profits made by some oil refiners on exporting fuel at the expense of domestic supplies had prompted the government to introduce an export tax on petrol, diesel and ATF in July 2022. The finance ministry is going to review the windfall tax and tax being mobilised out of this, sources said.

https://www.business-standard.com/economy/news/finance-ministry-weighs-removing-windfall-tax-amid-falling-crude-prices-124112800372_1.html

FinMin proposes to raise insurance FDI to 100%, composite licence provision

The finance ministry has proposed to amend various provisions of the Insurance Act, 1938, including raising foreign direct investment (FDI) in insurance sector to 100 per cent, reduction in paid-up capital, and provision for composite licence. The Department of Financial Services (DFS) has sought public comments on the proposed amendments by December 10. As per the proposal, the FDI limit in Indian insurance companies will be raised from 74 per cent to 100 per cent. This is the second public consultation that the DFS has sought on the proposed amendments to the Insurance Act 1938, the Life Insurance Corporation Act 1956, and Insurance Regulatory and Development Authority Act, 1999.

https://www.business-standard.com/finance/news/finmin-proposes-to-raise-insurance-fdi-to-100-composite-licence-provision-124112801186_1.html

SEBI pushes for interoperability between NSE and BSE during outages from April 1

In a bid to provide continuity of trading for investors, market regulator SEBI has asked the National Stock Exchange and Bombay Stock Exchange to act as a backup to each other, in the event of an outage. This would come into effect from April 1, 2025.

<https://www.thehindubusinessline.com/markets/sebi-pushes-for-interoperability-between-nse-and-bse-during-outages-from-april-1/article68923647.ece>

PSBs get green flag to raise Rs 25,200 cr through equity dilution in FY25

Public sector banks (PSBs) have secured approval from the finance ministry to raise Rs 25,200 crore in the current financial year (2024-25) from the equity market, according to an internal document reviewed by the Business Standard. The move will help PSBs fund their growth and meet the regulatory requirement of 25 per cent minimum public shareholding (MPS). So far, the PSBs have raised Rs 8,500 crore through Qualified Institutional Placement (QIP) in FY25, according to data from Prime Database.

https://www.business-standard.com/economy/news/psbs-get-green-flag-to-raise-rs-25-200-cr-through-equity-dilution-in-fy25-124112701008_1.html

PSBs gear up to scan digital play for MSME loans

State-run banks are preparing to offer loans up to Rs 25 lakh for micro and small enterprises based on the new credit assessment model, which will consider digital transactions and cash flows such as salaries paid to employees, electricity bills, municipal taxes and contributions towards employee provident funds rather than traditional parameters such as tax returns and other collateral. "The scheme is expected to be launched by the first week of December. Banks have already prepared a credit assessment model, which will also have goods and services tax (GST)-based MSME (micro, small and medium enterprises) financing products," said an official, who did not wish to be identified.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/psbs-gear-up-to-scan-digital-play-for-msme-loans/articleshow/115779671.cms>

GST fitment committee set to review 18% tax on co-lending services

The Fitment Committee of the Goods and Services Tax (GST) Council is set to review the 18 per cent GST on co-lending services, following a report submitted by the State Bank of India (SBI)-led committee on co-lending. The

Department of Financial Services (DFS), which had commissioned the report, had submitted a request to the Department of Revenue for a review of the GST on co-lending services, sources said. "The Fitment Committee will determine the extent to which the GST rate should be reduced. There are two possible options: one is a reduction for co-lending activities related to commercial vehicle loans, which could be cut by a few percentage points, and the other is for priority sector-related activities, which could potentially be slashed to zero. However, this decision lies entirely with the committee. Afterward, it will be forwarded to the GST Council," one of the sources added.

https://www.business-standard.com/economy/news/gst-fitment-panel-to-reviews-18-gst-on-co-lending-activities-124112801048_1.html

Deposit growth slightly outpaces credit growth at 11.21%: RBI data

Credit growth in the fortnight ending November 15 slowed to 11.15 per cent year-on-year (Y-o-Y), while deposit growth slightly outpaced credit growth, reaching 11.21 per cent Y-o-Y, according to the latest data from the Reserve Bank of India (RBI). Data shows that outstanding deposits in the fortnight ending November 15 stood at Rs 218.54 trillion, while outstanding credit stood at Rs 173.62 trillion. In the previous fortnight (November 1), outstanding deposits were Rs 220.27 trillion, while outstanding credit was Rs 174.37 trillion. Both credit disbursement and deposit mobilisation saw a decline in the reporting fortnight.

https://www.business-standard.com/finance/news/deposit-growth-slightly-outpaces-credit-growth-at-11-21-rbi-data-124112800985_1.html

Holistic new tax code needed for Viksit Bharat, say experts ahead of Budget

There is a need for a holistic new Tax Code with a focus on lower rates, widening base, improved collections and compliance for a Viksit Bharat, experts said ahead of Budget. A new philosophy of keeping it FLAT, with Fewer and lower tax rates, Litigation reduction, an All-inclusive wider tax base, and Tax collection without withholding it, is urgently needed to increase net tax revenues while energising the economy and realising the vision of a Viksit Bharat by 2047, they said. Budget 2025-26 is expected to be tabled in Parliament on February 1.

https://www.business-standard.com/finance/news/holistic-new-tax-code-needed-for-viksit-bharat-says-expert-ahead-of-budget-124112800645_1.html

IRDAI seeks road maps to Dalal Street from large insurers

The Insurance Regulatory and Development Authority of India (IRDAI) is pushing as many as 10-12 large life and general insurance companies to pursue public listings in the next four to six quarters, people close to the development said. In a meeting recently, the sector regulator asked some insurers to draft road maps for launching initial public offerings (IPOs), involving their respective boards and shareholders. IRDAI held talks with a group of insurers who are believed to be preparing for IPOs. The regulator is offering time to the insurers to prepare a plan, and it intends to be more persuasive in subsequent discussions, the people said.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-seeks-road-maps-to-dalal-street-from-large-insurers/articleshow/115779746.cms>

Industry

India's iron ore production rises 4% to 158.4 mn tonnes in Apr-Oct

Iron ore production in the country rose 4.1 per cent to 158.4 million tonnes (MT) in the April-October period of the ongoing fiscal year, the government said on Thursday. As per provisional data, iron ore production was 152.1 MT in the year-ago period. Continued growth in production of iron ore in the current financial year shows the robust demand conditions in the user industry. Coupled with growth in aluminium and copper, these growth trends point towards continued strong economic activity in user sectors such as energy, infrastructure, construction, automotive and machinery.

https://www.business-standard.com/industry/news/india-s-iron-ore-production-rises-4-to-158-4-mn-tonnes-in-apr-oct-124112800882_1.html

India plans global pacts for processing offshore minerals

India is eyeing global partnerships for processing of minerals as it launched its first round of auctions for offshore mineral blocks Thursday. An official statement said this first tranche of auction includes 13 mineral blocks spanning

across the Arabian Sea and Andaman Sea, featuring a mix of minerals, such as construction sand, lime-mud and polymetallic nodules and crusts. This launch of auction was attended by representatives from South Korea, Indonesia, Netherlands, United Kingdom and Australia, besides State governments and private companies that may bid for these mines. Officials aware of the development said international cooperation for processing these offshore minerals is being sought.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-plans-global-pacts-for-processing-offshore-minerals/articleshow/115779328.cms>

Fall in steel prices may impact profitability of domestic producers: CRISIL

The drop in the prices of steel will impact the operating profitability of primary steel producers in the domestic market, Crisil Ratings said on Thursday. Early-stage steel produced from iron ore is referred as primary steel. Despite an increase in sales volume and lower cost pressures, mainly due to reduced coking coal prices, the operating profit margin will remain at 15-16 per cent in the current financial year, it said. "Lower realisations and flat operating margin will likely drag absolute Ebitda for primary steelmakers 5-7 per cent lower this fiscal, at a time of substantial growth capex," Crisil Ratings Director Ankit Hakhu said.

https://www.business-standard.com/industry/news/fall-in-steel-prices-may-impact-profitability-of-domestic-producers-crisil-124112800793_1.html

Edible oil prices likely to drop 9% by mid-December

Relief is in sight for consumers with edible oil prices set to fall, after a gap of four months, from mid-December by up to 9% following a drop in international prices of soybean, sunflower and palm oil by \$100 dollars per tonne in the last fortnight. Abundant global production of soybean has pushed down prices of soybean oil. Sunflower oil prices are also cooling off while palm oil prices have fallen since Indonesia, the world's biggest palm oil producer, is yet to frame its biodiesel policy.

<https://economictimes.indiatimes.com/industry/cons-products/food/edible-oil-prices-likely-to-drop-9-by-mid-december/articleshow/115778741.cms>

60% FMCG companies say e-commerce is critical platform for sales

More than half of FMCG companies (60%) have indicated that ecommerce is their most critical sales platform with almost three-fourth of mid-sized companies favouring ecommerce as their top sales channel, as per a latest study by NielsenIQ. The study notes that emerging manufacturers are achieving 1.5 times higher growth in e-commerce compared to category averages in noodles, refined oil, biscuits, coffee, and packaged atta. "Indian businesses are recognizing the growing importance of digital as a significant operational channel and are now crafting targeted strategies to win in this space. Consumers are embracing the unique benefits of e-commerce, driving increased traction for brands from emerging manufacturers across key FMCG categories," said Pallavi Suresh, executive director - emerging brands at NIQ India.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/60-fmcg-companies-say-e-commerce-is-critical-platform-for-sales/articleshow/115765611.cms>

Agriculture

Export demand, rainfall delay, damage keep onion prices firm

Onion prices are staying firm at a five-year high as a combination of strong export demand and delayed and damaged kharif crop due to prolonged monsoon rainfall has impacted an expected fall in prices post Diwali season. Onion prices are expected to return to comfortable levels by mid-December, trade insiders said.

<https://economictimes.indiatimes.com/news/economy/agriculture/export-demand-rainfall-delay-damage-keep-onion-prices-firm/articleshow/115758318.cms>

FCI to offer 25 LMT of wheat in the open market sale till March 25

The government will offload 25 LMT of wheat in the open market to bulk buyers like flour millers from its buffer stock with the Food Corporation of India (FCI) next till March 31 2025, said the food ministry in a statement. The move is aimed at curbing any possibility of a rise in prices in the next few days. Last year, the FCI had commenced open market sale operations from June and had offloaded a record 10 MT for bulk purchasers.

<https://economictimes.indiatimes.com/news/economy/agriculture/fci-to-offer-25-lmt-of-wheat-in-the-open-market-sale-till-march-25/articleshow/115774831.cms>

Infrastructure

'Govt collected Rs 1.44 trn toll at highway plazas under PPP since 2000'

The government has collected Rs 1.44 trillion as toll tax at fee plazas presently operational under Public Private Partnerships (PPP) model on National Highways since December 2000, Parliament was informed on Thursday. In a written reply to a question in the Lok Sabha, road transport and highways minister Nitin Gadkari said all user fee plazas on National Highways are established as per the provision of National Highways Fee (Determination of Rates and Collection) Rules, 2008 and the respective Concession Agreement. "Amount of 1.44 trillion rupees have been collected as user fee at fee plazas presently operational under Public Private Partnerships (PPP) model on National Highways since December, 2000," he said.

https://www.business-standard.com/economy/news/govt-collected-rs-1-44-trn-toll-at-highway-plazas-under-ppp-since-2000-124112800730_1.html

Energy

Testing of energy storage systems needed for transition: NITI Aayog member

India must establish nationally accredited testing facilities for battery energy storage systems to support its ambitious clean energy transition goal, suggested NITI Aayog member V K Saraswat on Thursday. According to a statement, speaking at FICCI's Energy Storage Conference 2024, he highlighted the significant gap in testing and certification infrastructure as India aims to deploy over 238 gigawatt hours of battery storage capacity by 2030 to balance its expanding renewable energy network. He called for authorising third-party testing and certification till the time the government sets up storage certification agencies.

https://www.business-standard.com/economy/news/testing-of-energy-storage-systems-needed-for-transition-niti-aayog-member-124112800989_1.html

City gas cos feel the heat as domestic gas share shrinks

The share of cheaper domestic gas in the city gas companies' portfolio will reduce further, after having fallen sharply in the past two months, as the availability of such gas is shrinking, according to people familiar with the matter. The government has cut the allocation of so-called administered price mechanism (APM) gas for sale as compressed natural gas (CNG) by about 35% in the past two months. As a result, the share of APM gas has fallen to 35-40% of the CNG sales of most operators, compared to about 65-70% in early October, and about 85-90% a year ago.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/city-gas-cos-feel-the-heat-as-domestic-gas-share-shrinks/articleshow/115780393.cms>

Telecom

Telcos call for prompt notification of guidelines to curb spam calls

Telecom operators have urged the Department of Consumer Affairs (DoCA) to promptly notify the draft guidelines aimed at preventing spam calls and messages. In a letter to DoCA Secretary Nidhi Khare, the Cellular Operators Association of India (COAI) has pointed out that the norms can plug gaps in the current regulatory regime. A DoCA committee had earlier this year come out with the draft guidelines, which recommended action against the source of spam calls and messages. This proposal has been supported by COAI, which represents private sector operators Reliance Jio, Bharti Airtel, and Vodafone Idea.

https://www.business-standard.com/industry/news/telecom-operators-ask-consumer-affairs-department-to-notify-spam-guidelines-124112801066_1.html

States

Madhya Pradesh receives investment proposals worth Rs 60,000 crore in UK

The central Indian state of Madhya Pradesh has secured investment proposals worth Rs 60,000 crore from the United Kingdom during Chief Minister Mohan Yadav's recent visit to that country. Yadav, at the conclusion of his UK tour, stated that substantial investments were secured across sectors, including healthcare, industry, mining, services, and agriculture, where significant interest was shown. "To be honest, I was not expecting such a positive response," Yadav told the media there. "I am delighted to know that people working here in the UK have a lot of interest in Madhya Pradesh, and we are hoping for good investment. They are fully aware of our investment-friendly schemes and attitude."

https://www.business-standard.com/economy/news/madhya-pradesh-receives-investment-proposals-worth-rs-60-000-crore-in-uk-124112800650_1.html

Goa govt eyeing Rs 500 cr revenue via e-auction of unclaimed iron ore dumps

With the approval for a revised policy, the Goa government is eyeing a revenue of about Rs 500 crore from e-auction of unclaimed iron ore heaps lying on private lands, Chief Minister Pramod Sawant said on Thursday. The state government on Thursday approved the revised Goa Iron Ore Mining Dump Handling Policy, 2023, which allows it to e-auction unclaimed ore lying in the form of dumps at various private locations in the state. The iron ore mining, a major source of revenue, has been halted in the coastal state since 2012 following a Supreme Court order. The state has now begun e-auctioning of the mining blocks.

https://www.business-standard.com/industry/news/goa-govt-eyeing-rs-500-cr-revenue-via-e-auction-of-unclaimed-iron-ore-dumps-124112800711_1.html

Healthcare

Charitable hospitals to cover ESIC beneficiaries

Charitable hospitals across the country will be empanelled to provide healthcare services to beneficiaries of the Employees' State Insurance Corporation (ESIC) as the government moves to converge it with Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/charitable-hospitals-to-cover-esic-beneficiaries/articleshow/115779257.cms>

External

Expressed 'deep disappointment' at EU's unilateral green regulations: Goyal

Union Minister Piyush Goyal on Thursday expressed India's "deep disappointment" with the European Union's "unilateral" green economy regulations, stating they are unfair and violate the principle of "common but differentiated responsibilities". Under the proposed EUDR, operators or traders placing specified commodities on the EU market or exporting them must prove their products do not come from recently deforested land or contribute to forest degradation.

https://www.business-standard.com/industry/news/expressed-deep-disappointment-at-eu-s-unilateral-green-regulations-goyal-124112800742_1.html

New guidelines on laptop import policy still under deliberation: Goyal

Union Minister Piyush Goyal on Thursday said the new guidelines on India's laptop import policy are still under deliberation by the Ministry of Electronics and Information Technology. Asked about the import authorisation system for IT hardware products and what kind of guidelines the government is looking at, Goyal said, "I think, this is still under deliberation. It is handled by the Ministry of Electronics and Information Technology. I am not privy to what is in their mind for the future". It is pertinent to mention here that in September this year, the government extended the approval system for the import of certain IT hardware products, including laptops and tablets, for three months till December 31.

https://www.business-standard.com/economy/news/new-guidelines-on-laptop-import-policy-still-under-deliberation-goyal-124112801009_1.html

Govt in talks with Mongolia to set up pact focusing mineral shipments

India is in talks with Mongolia to set up a preliminary pact that will focus on mineral shipments between the two Asian nations, an Indian government source with direct knowledge of the developments said on Thursday. "The pact with Mongolia will focus on transit of minerals" such as coal and copper, said the source, who did not want to be identified as the deliberations are not public. The federal mines ministry did not immediately respond to a request for comments.

https://www.business-standard.com/industry/news/govt-in-talks-with-mongolia-to-set-up-pact-focusing-mineral-shipments-124112801287_1.html

India actively engaged with 30 nations for mutual recognition agreements: CBIC Chairman

Central Board of Indirect Taxes and Customs chairman Sanjay Kumar Agarwal on Thursday said India is actively pursuing negotiation for signing of mutual recognition agreements (MRAs) with customs authorities of about 30 countries. Mutual recognition agreements help ease overseas trade by avoiding dual certifications. It thus reduces compliance cost, simplifying compliance requirements by adhering to only one regulation and enhancing trade opportunities.

<https://economictimes.indiatimes.com/news/economy/policy/india-actively-engaged-with-30-nations-for-mutual-recognition-agreements-cbic-chairman/articleshow/115760480.cms>