



December 03, 2024 – Tuesday

## Economy

### **Stymied by fierce competition, manufacturing PMI slips to 56.5 in Nov**

Stymied by fierce competition and price pressures, growth in India's manufacturing sector slipped to 56.5 in November, according to a private business survey released on Monday. Compiled by S&P Global, the HSBC final India manufacturing Purchasing Managers' Index's (PMI) fall in November was a joint 11-month low from 57.5 in October. Earlier, in January, the figure had stood at 56.5. A figure above 50 in the index denotes expansion in activity and below that signifies contraction.

[https://www.business-standard.com/economy/news/stymied-by-fierce-competition-manufacturing-pmi-slips-to-56-5-in-nov-124120200261\\_1.html](https://www.business-standard.com/economy/news/stymied-by-fierce-competition-manufacturing-pmi-slips-to-56-5-in-nov-124120200261_1.html)

### **Base year for GDP calculation to be changed to FY23: Govt tells Parliament**

India is set to update the base year for calculating gross domestic product (GDP) to fiscal 2023 from fiscal 2012, Minister for Statistics Rao Inderjit Singh told Parliament on Monday. An advisory committee on national accounts statistics has been formed to identify new data sources and advise on the methodology for the revised series, the minister informed lawmakers. The committee will comprise representatives from the federal and state governments as well as the central bank, he added. Several private economists have said that the current GDP estimates, which rely on a base year over a decade old fail to fully capture the structural shifts in the economy, particularly the rise of digital platforms and impact of the pandemic.

[https://www.business-standard.com/economy/news/base-year-for-gdp-calculation-to-be-changed-to-fy23-govt-tells-parliament-124120200784\\_1.html](https://www.business-standard.com/economy/news/base-year-for-gdp-calculation-to-be-changed-to-fy23-govt-tells-parliament-124120200784_1.html)

### **India's potential GDP growth is in range of 6.5-7%, says CEA Nageswaran**

India's potential GDP growth is in the range of 6.5-7 per cent and the country should be able to achieve it on the back of things that done already in the last 10 years, Chief Economic Advisor V Anantha Nageswaran said on Monday. The Economic Survey projected India's GDP to grow at 6.5-7 per cent in 2024-25, down from a high of 8.2 per cent in the preceding financial year. Addressing IVCA's GreenReturns Summit, he said, "India's potential GDP growth is in the range of 6.5-7 per cent and we should be able to achieve it on the back of things that we have done already in the last 10 years whether it is in terms of augmenting the physical infrastructure or achieving financial inclusion."

[https://www.business-standard.com/economy/news/india-s-potential-gdp-growth-is-in-range-of-6-5-7-says-cea-nageswaran-124120200525\\_1.html](https://www.business-standard.com/economy/news/india-s-potential-gdp-growth-is-in-range-of-6-5-7-says-cea-nageswaran-124120200525_1.html)

### **Second half GDP number expected to be much better: DEA secretary**

Economic Affairs Secretary Ajay Seth on Monday said second quarter GDP growth at 5.4 per cent is lower than the potential but exuded confidence that the second half to be better. Several high-frequency indicators in the month of October are pointing towards that, he told reporter here. Seth also said that quarterly estimates have been revised upwards in the past when full GDP numbers are available. "Numbers are lower than what our potential is but not alarming...GDP growth will be much higher in the third and fourth quarter," he said.

<https://economictimes.indiatimes.com/news/economy/indicators/second-half-gdp-number-expected-to-be-much-better-dea-secretary/articleshow/115902006.cms>

## Finance

### **RBI asks banks to bring down inoperative accounts urgently, report their numbers quarterly**

The RBI on Monday asked banks to "urgently" reduce the number of inoperative or frozen accounts by taking necessary steps and also report their numbers quarterly. Expressing concern over the rising sums of money lying in such accounts, the RBI said its supervisory inspections have revealed a slew of problems due to which accounts are becoming inoperative or get frozen. The Department of Supervision, RBI, recently conducted an analysis, which revealed that the number of inoperative accounts/unclaimed deposits in several banks was on the higher side vis-a-vis their total deposits as well as in absolute terms, it said. "The banks are ...advised to take necessary steps urgently to bring down the number of inoperative/frozen accounts and make the process of activation of such accounts smoother and hassle free," a notification to chiefs of all the banks said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-asks-banks-to-bring-down-inoperative-accounts-urgently-report-their-numbers-quarterly/articleshow/115907598.cms>

### **Weak Q2 GDP may prompt RBI to go for a CRR cut: Experts**

Lower-than-expected second-quarter GDP expansion has shortened the odds the central bank will reduce the cash reserve ratio (CRR) requirements for banks, providing the market the liquidity cushion it needs to support growth without actually reducing benchmark rates. Economists from the Bank of Baroda, ICICI Bank, HSBC and Standard Chartered now expect a CRR cut later this week as the Reserve Bank of India (RBI) would rely on the CRR lever, instead of the policy rates, to support growth through liquidity injection.

<https://economictimes.indiatimes.com/news/economy/indicators/weak-q2-gdp-may-prompt-rbi-to-go-for-a-crr-cut-experts/articleshow/115910531.cms>

### **Corporation tax paid by listed companies at 4-year low in Q2 FY25**

The recent decline in corporate earnings is likely to cast a shadow on the government's direct-tax receipts and its fiscal position. Tax payment by listed companies was down 7 per cent year-on-year (Y-o-Y) in Q2FY25, their worst showing in the last four years and the first decline in corporate tax in seven quarters. The last decline was reported in Q3FY23, when tax payment had shrunk 0.7 per cent Y-o-Y. The combined corporate tax outgo of 3,515 companies in the Business Standard sample declined to around Rs 1.09 trillion in July-September 2024 (Q2FY25) from around Rs 1.18 trillion during the same quarter last financial year. It was down 3 per cent quarter-on-quarter from Rs 1.13 trillion during Q1FY25.

[https://www.business-standard.com/economy/news/corporation-tax-paid-by-listed-companies-at-4-year-low-in-q2-fy25-124120201053\\_1.html](https://www.business-standard.com/economy/news/corporation-tax-paid-by-listed-companies-at-4-year-low-in-q2-fy25-124120201053_1.html)

### **Centre accelerates capex loan releases to states**

Facing the prospect of missing its target for capex loans to states due to delays in launching the programme, the Centre has fast-tracked disbursements under the Rs 1.5 lakh crore, 50-year interest-free capex loan scheme to stimulate economic activity and job creation. A senior official told FE that, so far in FY25, the Centre has sanctioned Rs 85,000 crore in loans for various projects, of which Rs 60,000 crore have been released. This marks an increase of Rs 20,000 crore from the Rs 40,000 crore disbursed by October this year.

<https://www.financialexpress.com/business/industry/centre-accelerates-capex-loan-releases-to-states/3681424/>

### **Insurers may get to diversify operations beyond core business**

The finance ministry has proposed allowing insurers to diversify operations beyond insurance business. A draft proposal inviting public comments talks about diversification, giving insurers the ability to offer guarantee and indemnity services, manage and sell repossessed properties, and establish employee welfare funds for staff and retirees. The draft proposal talks about letting insurers engage in activities incidental to promoting insurance. However, another proposal from the Insurance Amendment Bill 2022, which specifically talked about permitting insurers to distribute financial products like mutual funds, was dropped in the current draft.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/insurers-may-get-to-diversify-operations-beyond-core-business/articleshow/115910450.cms>

### **IBBI extends deadline to file liquidation forms to December 31**

The Insolvency and Bankruptcy Board of India (IBBI) on Monday extended the deadline for filing forms to monitor liquidations by a month to December 31. The extension follows a request by liquidators and Insolvency Professional Agencies, citing technicalities and issues involved in the submission of the forms, the regulator said in a communication to stakeholders.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/ibbi-extends-deadline-to-file-liquidation-forms-to-december-31/articleshow/115907584.cms>

### **GoM proposes fresh band: 35% GST slab likely for tobacco, aerated drinks**

The Group of Ministers (GoM) on Goods and Services Tax (GST) rate rationalisation, led by Deputy Chief Minister of Bihar Samrat Chaudhary, on Monday recommended a new slab of 35 per cent for tobacco, tobacco products and aerated drinks, according to sources. At present, such products are taxed at 28 per cent. The upcoming GST Council meeting, to be chaired by Finance Minister Nirmala Sitharaman, on December 21, is expected to take up this matter. The meeting, to be held in Jaisalmer, would deliberate on a host of other issues that the GoM has recommended including an increase in GST rate on several luxury items such as leather bags, cosmetics, watches and shoes to 28 per cent from 18 per cent now, it is learnt.

[https://www.business-standard.com/economy/news/gom-proposes-fresh-band-35-gst-slab-likely-for-tobacco-aerated-drinks-124120201194\\_1.html](https://www.business-standard.com/economy/news/gom-proposes-fresh-band-35-gst-slab-likely-for-tobacco-aerated-drinks-124120201194_1.html)

## **Industry**

### **India plans PLI 2.0 to establish self-sustaining drone ecosystem**

The Centre is contemplating launching a PLI (Production-Linked Incentive) 2.0 scheme to develop a self-sustaining drone ecosystem in the country, sources told businessline.

<https://www.thehindubusinessline.com/economy/policy/india-plans-pli-20-to-establish-self-sustaining-drone-ecosystem/article68938123.ece>

### **Electric vehicle sales down 12% in November after festival-driven rush**

Electric vehicle (EV) sales in India fell 12 per cent in November 2024 to 191,554 units, down from 219,021 units recorded in October, as the festival-driven surge subsided. However, on a year-on-year (Y-o-Y) basis, sales surged 31 per cent, compared to 145,197 units in November 2023, according to Vahan data from the Ministry of Road Transport and Highways (MoRTH). The decline was evident across all EV segments, with two-wheelers (e2Ws), three-wheelers (e3Ws), and four-wheelers (e4Ws) witnessing month-on-month contractions ranging from 5 per cent to 25 per cent. The e4W segment experienced the sharpest drop, with sales plunging 25 per cent to 8,782 units in November from 11,587 units in October.

[https://www.business-standard.com/industry/auto/electric-vehicle-sales-in-india-dip-12-to-1-91-554-units-in-november-124120201057\\_1.html](https://www.business-standard.com/industry/auto/electric-vehicle-sales-in-india-dip-12-to-1-91-554-units-in-november-124120201057_1.html)

### **Steel ministry proposes 25 pc safeguard duty on steel imports**

Taking up the concerns of domestic steel industry, the steel ministry on Monday proposed for a 25 per cent safeguard duty on import of certain steel items into the country. The proposal came at a meeting between Union Minister of Steel H D Kumaraswamy and Commerce and Industry Minister Piyush Goyal in the national capital, sources said. Senior officials from both the ministries and executives of top steel making companies like SAIL, Tata Steel, JSW Steel and AMNS India also attended the meeting, they said. "Held a meeting with stakeholders from the steel and metallurgical coke industries along with my colleague & Minister of Heavy Industries and Steel @HD\_Kumaraswamy ji," Goyal said in a post on X.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/steel-ministry-proposes-25-pc-safeguard-duty-on-steel-imports/articleshow/115904300.cms>

### **Most Indian corporates lagging in reducing carbon emissions: ICRA ESG Ratings**

Indian companies may be high on talking about ESG and reducing carbon footprint but only a handful of corporates have managed to reduce their absolute emissions in the last six years, a new study by ICRA ESG Ratings.

<https://www.thehindubusinessline.com/companies/most-indian-corporates-lagging-in-reducing-carbon-emissions-icra-esg-ratings/article68938857.ece>

## Agriculture

### Smallholder agriculture key to achieving Viksit Bharat goal by 2047: Mishra

P K Mishra, Principal Secretary to Prime Minister Narendra Modi, stated that addressing the issue of smallholder agriculture is crucial to achieving the goal of Viksit Bharat (a developed India) by 2047. Speaking at the 19th C D Deshmukh Memorial Lecture on November 28, which was uploaded on the Reserve Bank of India's (RBI's) website on Monday, Mishra said, "I would like to argue that the issue of smallholder agriculture needs to be addressed in order to realise our goal of a Viksit Bharat or a developed India by 2047."

[https://www.business-standard.com/economy/news/smallholder-agriculture-key-to-achieving-viksit-bharat-goal-by-2047-mishra-124120201139\\_1.html](https://www.business-standard.com/economy/news/smallholder-agriculture-key-to-achieving-viksit-bharat-goal-by-2047-mishra-124120201139_1.html)

### India's winter expected to be warmer, threatening wheat yields

India is likely to see above-average temperatures during the winter season, the state-run weather office said on Monday, raising concerns about the yields of crops such as wheat and rapeseed. India is expected to experience above-normal minimum and maximum temperatures from December to February, with fewer "cold wave days expected", the India Meteorological Department said in a statement. Winter-sown crops such as wheat, rapeseed, and chickpea are planted from October to December and need cold weather during their growth and maturity stages for optimal yields.

<https://economictimes.indiatimes.com/news/economy/agriculture/indias-winter-expected-to-be-warmer-threatening-wheat-yields/articleshow/115907701.cms>

### India's sugar industry off to a slow start, October-November output falls

Indian mills have produced 2.79 million metric tons of sugar since the current season began on Oct. 1, down 35.4% year on year, as mills in two key states started operations later than usual, a leading industry body said on Monday. Lower sugar production could lead the world's second-largest producer to refrain from allocating export quotas and support global prices. The start of sugar cane crushing in the western state of Maharashtra and neighbouring Karnataka was delayed, but soon crushing will pick up momentum, said Prakash Naiknavare, managing director of the National Federation of Cooperative Sugar Factories Ltd (NFCSF).

<https://economictimes.indiatimes.com/news/economy/agriculture/indias-sugar-industry-off-to-a-slow-start-october-november-output-falls/articleshow/115899930.cms>

### Tea planters demand climate-smart solutions to combat changing weather patterns

Tea planters sought climate change mitigation measures. They sought climate smart cultivars, proper shade status, irrigation (sprinkler/drip), rainwater harvesting etc. North Eastern Tea Association (NETA) in a memorandum to Union Minister for Commerce & Industry, Piyush Goyal sought these measures. Goyal who was in Guwahati recently held a pivotal dialogue with a diverse array of stakeholders from Assam's tea industry, including representatives from producer associations, labour unions, and consumer associations.

<https://economictimes.indiatimes.com/news/economy/agriculture/tea-planters-demand-climate-smart-solutions-to-combat-changing-weather-patterns/articleshow/115906121.cms>

## Infrastructure

### Govt introduces Coastal Shipping Bill in Lok Sabha amid noisy protests

A Bill that seeks to promote coastal trade and encourage the participation of Indian-flagged vessels owned and operated by Indian citizens for national security and commercial needs was introduced in the Lok Sabha on Monday. Union minister Sarbananda Sonowal introduced the Bill amid noisy protests by opposition members over the recent violence in Uttar Pradesh's Sambhal and the Adani issue. Sandhya Ray, who was chairing the proceedings, asked Congress members Manish Tewari and Gaurav Gogoi to speak but they refused, saying that the House was not in order.

[https://www.business-standard.com/industry/news/govt-introduces-coastal-shipping-bill-in-lok-sabha-amid-noisy-protests-124120200413\\_1.html](https://www.business-standard.com/industry/news/govt-introduces-coastal-shipping-bill-in-lok-sabha-amid-noisy-protests-124120200413_1.html)

### **Flex office segment on realty cos' radar as demand surges**

Property developers and institutional investors are strategically entering and expanding their investments in the managed office space sector, driven by the increasing demand among corporations prioritising agility and the necessity for scalable, customised office solutions. The trend has prompted real estate developers and institutional funds-including CapitaLand, Prestige, Bagmane, RMZ, Embassy Group, and Brigade Group-to enhance their offerings in the managed office segment. Such a move aligns with the evolving workplace dynamics and the shift toward more adaptable workspace solutions.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/flex-office-segment-on-realty-cos-radar-as-demand-surges/articleshow/115909914.cms>

## **Energy**

### **Windfall tax on domestic oil, fuel exports scrapped with immediate effect**

The Centre on Monday scrapped the windfall tax on domestically produced crude oil, and the export of diesel, petrol, and aviation turbine fuel, with immediate effect. The road and infrastructure cess (RIC) on exporting petrol and diesel too has been removed, the finance ministry said in a notification. Falling global crude oil prices, and the subsequent shrinking of profits of domestic oil producers, has led to the tax being withdrawn, petroleum ministry officials said. "The ministry had backed the review of the windfall tax to provide relief to state-owned upstream oil companies, considering their net profits had reduced in the past few quarters," an official said.

[https://www.business-standard.com/economy/news/windfall-tax-on-domestic-crude-fuel-exports-scrapped-after-29-months-124120200876\\_1.html](https://www.business-standard.com/economy/news/windfall-tax-on-domestic-crude-fuel-exports-scrapped-after-29-months-124120200876_1.html)

### **Coal India's total production up by 2% to 471 million tonnes in Apr-Nov**

State-owned CIL's coal production rose by 2.4 per cent to 471 million tonnes (MT) in the April-November period of the current financial year. Coal India Ltd (CIL) produced 460 MT of coal in the year-ago period. CIL accounts for over 80 per cent of the domestic coal production. The company's production also rose by 1.7 per cent to 67.2 MT in November against 66 MT in the corresponding month a year ago, CIL said in a regulatory filing to BSE. Coal offtake by CIL, which is the amount of dry fuel supplied from coal pitheads, rose by 1.5 per cent to 492.6 MT in the April-November period of the current fiscal, compared to 485.2 MT in the year-ago period.

[https://www.business-standard.com/economy/news/coal-india-s-total-production-up-by-2-to-471-million-tonnes-in-apr-nov-124120200471\\_1.html](https://www.business-standard.com/economy/news/coal-india-s-total-production-up-by-2-to-471-million-tonnes-in-apr-nov-124120200471_1.html)

### **India's power consumption rises 5% to 125.44 billion units in Nov**

India's power consumption rose 5.14 per cent to 125.44 billion units (BU) in November as compared to the year-ago month. In November 2023, power consumption was 119.30 GW, as per the government data. The highest supply in a day (peak power demand met) also rose marginally to 207.42 GW in November 2024 from 204.56 GW in the year-ago period. The peak power demand touched an all-time high of about 250 GW in May this year. The previous all-time high peak power demand of 243.27 GW was recorded in September 2023.

[https://www.business-standard.com/industry/news/india-s-power-consumption-rises-5-to-125-44-billion-units-in-nov-124120200666\\_1.html](https://www.business-standard.com/industry/news/india-s-power-consumption-rises-5-to-125-44-billion-units-in-nov-124120200666_1.html)

## **Healthcare**

### **Indigenous E-beam technology sterilises 50 lakh medical devices**

India achieved a major milestone on Monday when the electron beam (E-beam) radiation technology developed by a premier institute of the Department of Atomic Energy completed sterilisation of 50 lakh medical devices. Dr Ajit Kumar Mohanty, Secretary, Department of Atomic Energy and Chairman, Atomic Energy Commission, witnessed this achievement at the electron beam facility adjacent to Choithram Mandi in Madhya Pradesh's Indore, an official of Raja Ramanna Centre for Advanced Technology (RR-CAT) of the department said. This achievement has put India in the select group of countries that use state-of-the-art indigenous radiation technology on a large scale, he said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/milestone-for-india-indigenous-e-beam-technology-sterilises-50-lakh-medical-devices/articleshow/115907531.cms>

#### **Parents challenge Covid vaccine safety in Supreme Court, cite adverse effects**

The parents of the children who died after getting administered with Covid vaccine have filed an additional affidavit in the Supreme Court stating many new studies exposing the "poor safety" of Covid vaccines, and the excess mortality post vaccination. The testimonies from 40 vaccine victims (some of them still alive and suffering serious adverse events) have been included in this affidavit. The case has been listed for today in the apex court. The affidavit also mentions the likely mechanism of vaccination causing the sudden deaths due to myocarditis.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/parents-challenge-covid-vaccine-safety-in-supreme-court-cite-adverse-effects/articleshow/115916269.cms>

#### **External**

#### **Commerce ministry reviewing India-US trade relations amid Trump statements**

The commerce ministry is reviewing various aspects of India-US trade relations focusing on implications of statements made by US President-elect Donald Trump during his election campaign and after the results, an official said. The official added that there are no irritants in the relations between the two countries that can lead to discriminatory tariffs against India. Trump, during his election campaign, has called India an "abuser" of import tariffs, a claim that echoed his October 2020 statement labelling India the "Tariff King".

[https://www.business-standard.com/economy/news/commerce-ministry-reviewing-india-us-trade-relations-amid-trump-statements-124120200724\\_1.html](https://www.business-standard.com/economy/news/commerce-ministry-reviewing-india-us-trade-relations-amid-trump-statements-124120200724_1.html)

#### **New route for INSTC gets activated for Indo-Russian trade**

India has used a new Transcaspien leg of the International North South Transportation Corridor or INSTC for the first time to transport goods to Russia. The first pilot container from India carrying agricultural goods and food items recently arrived at the Makhachkala Sea checkpoint on the Caspian Sea's western coast, ET has learnt.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/new-route-for-instc-gets-activated-for-indo-russian-trade/articleshow/115904168.cms>

#### **Steel ministry proposes 25% safeguard duty on import of certain steel items**

Taking up the concerns of domestic steel industry, the steel ministry on Monday proposed for a 25 per cent safeguard duty on import of certain steel items into the country. The proposal came at a meeting between Union Minister of Steel H D Kumaraswamy and Commerce and Industry Minister Piyush Goyal in the national capital, sources said. Senior officials from both the ministries and executives of top steel making companies like SAIL, Tata Steel, JSW Steel and AMNS India also attended the meeting, they said. "Held a meeting with stakeholders from the steel and metallurgical coke industries along with my colleague & Minister of Heavy Industries and Steel @HD\_Kumaraswamy ji," Goyal said in a post on X.

[https://www.business-standard.com/industry/news/steel-ministry-proposes-25-safeguard-duty-on-import-of-certain-steel-items-124120200963\\_1.html](https://www.business-standard.com/industry/news/steel-ministry-proposes-25-safeguard-duty-on-import-of-certain-steel-items-124120200963_1.html)

#### **India's import of Russian oil falls marginally in Nov**

Russia remained the largest crude supplier to India in November, accounting for 38% of India's total crude oil imports. However, imports from the country registered a marginal decline of 4% to 1.60 million barrels per day, against 1.67 million barrels per day in October, data from Vortexa showed. The country imported 4.2 million barrels of crude oil per day in November, largely unchanged from last month, with Russia, Iraq, Saudi Arabia, United Arab Emirates, and United States, being the top five suppliers.

<https://www.financialexpress.com/market/commodities/indias-import-of-russian-oil-falls-marginally-in-nov/3681437/>