



December 11, 2024 – Wednesday

Economy

NSO to kickstart next edition of 'Debt and Investment Survey' in 2026

The National Statistical Office (NSO) is slated to kickstart the next round of “All India Debt and Investment Survey (AIDIS)” in 2026, after the surveys on health, travel and tourism expenditure are completed as part of the 80th National Sample Survey (NSS) round next year, official sources said. “We will soon have discussions regarding the survey in 2025 and a decision on the schedules is expected to be made. Thereafter, the survey may be started in 2026. However, it is all at a very primary stage, and the process will take some time before the final results are made available,” one of the sources said. AIDIS is important because it collects data on the average value of assets, the incidence of indebtedness, the average amount of debt, and debt-asset ratio across urban and rural households. It will be an important source to gauge the impact of the Covid pandemic on the debt burden of Indian households, or whether the proposition that India’s consumption is being fuelled by borrowings is true.

https://www.business-standard.com/economy/news/nso-to-kickstart-next-edition-of-debt-and-investment-survey-in-2026-124121001245_1.html

Budget 2025 may take a conservative path, peg nominal growth at 9.5%

The Centre may pencil in a conservative nominal gross domestic product (GDP) growth estimate of 9.5% or thereabouts in the budget for 2025-26, as it expects inflation to slow down next fiscal although economic activity would remain strong, people aware of early deliberations on the matter said. The nominal GDP, computed at current market prices and captures the effect of inflation in the economy, assumes significance as key indicators, including fiscal deficit and debt-to-GDP ratios, and tax buoyancy, are tied to it. Higher nominal GDP growth makes it a tad easier for the government to realise its deficit targets and vice versa.

<https://economictimes.indiatimes.com/news/economy/policy/budget-2025-may-take-a-conservative-path-peg-nominal-growth-at-9-5/articleshow/116183645.cms>

Centre Working on Several Initiatives to Empower Youth for Global and Domestic Opportunities: Mandaviya

Centre is working on several initiatives including skilling to ensure that youth of the country can avail both domestic and international opportunities thrown open by India’s fast growing economy, Labour Minister Mansukh Mandaviya said on Tuesday.

<https://www.thehindubusinessline.com/economy/centre-working-on-several-initiatives-to-empower-youth-for-global-and-domestic-opportunities-mandavia/article68970147.ece>

India set for resilient growth in 2025 driven by urban consumption: S&P

The Indian economy is set for resilient growth in 2025 on the back of strong urban consumption, steady services sector growth, and ongoing investment in infrastructure, S&P Global Ratings has said in its latest India Outlook. The global ratings agency kept the FY25 gross domestic product (GDP) growth outlook unchanged at 6.8 per cent amid slower fiscal impulse tempering urban demand. The ratings agency said that higher labour force participation, infrastructure and technology improvement, and stronger public and household balance sheets can support economic growth in India.

https://www.business-standard.com/economy/news/india-set-for-resilient-growth-in-2025-driven-by-urban-consumption-s-p-124121000776_1.html

Finance

Gross NPAs of public sector banks at Rs 3.16 trn, 3.1% of outstanding loans

The gross non-performing assets of public sector banks (PSBs) stood at Rs 3.16 trillion as of September 30, which is 3.09 per cent of the outstanding loans, Parliament was informed on Tuesday. Minister of State for Finance Pankaj Chaudhary said in the Rajya Sabha that as per provisional data of the Reserve Bank of India (RBI), gross NPAs of PSBs and private sector banks as on September 30, 2024 were Rs 3,16,331 crore and Rs 1,34,339 crore, respectively. Further, gross NPAs as percentage of outstanding loan was 3.09 per cent in public sector banks and 1.86 per cent in private sector banks.

https://www.business-standard.com/industry/banking/gross-npas-of-public-sector-banks-at-rs-3-16-trn-3-1-of-outstanding-loans-124121000763_1.html

113 mn inoperative Jan Dhan accounts hold Rs 14,750 cr as of Nov 20: Govt

A total of 54.03 crore accounts have been opened under Pradhan Mantri Jan Dhan Yojana (PMJDY), of which 11.30 crore accounts are inoperative, Parliament was informed on Tuesday. In a written reply to a question in the Rajya Sabha, Minister of State for Finance Pankaj Chaudhary said the inoperative banks have a balance of Rs 14,750 crore as of November 20, 2024. The percentage of inoperative PMJDY accounts for public sector banks (PSBs) declined from 39.62 per cent in March 2017 to 20.91 per cent in November 2024.

https://www.business-standard.com/industry/banking/113-mn-inoperative-jan-dhan-accounts-hold-rs-14-750-cr-as-of-nov-20-govt-124121000874_1.html

LIC drags life insurers' November premiums by 4.5%

The life insurance industry recorded a 4.5% year-on-year (YoY) decline in premiums in November 2024, driven by a significant drop in market leader Life Insurance Corp's (LIC) revenue. Life Insurance Council data showed the industry collected ₹25,306 crore in November this year, against ₹26,494 crore in November last year. The private sector, however, reported a 31% YoY surge in premiums for the month, against a 27% YoY decline in premiums for the state-owned LIC.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/lic-drags-life-insurers-november-premiums-by-4-5/articleshow/116184605.cms>

MFIs in no mood to buy cover despite rising asset quality stress, seek lower charges

Elaborate scrutiny and costs are keeping several microfinance lenders from buying the Centre's credit guarantee cover, although stress is mounting in this lending pocket. Bandhan Bank, which took the guarantee cover for the loans disbursed during the pandemic, saw rigorous audit on its claims. That's one of the reasons behind the industry's apathy toward the insurance offer, said a senior executive with a leading microfinance company.

<https://economictimes.indiatimes.com/industry/banking/finance/mfis-in-no-mood-to-buy-cover-despite-rising-asset-quality-stress-seek-lower-charges/articleshow/116179343.cms>

Industry

India's electronics ambition faces hurdles, but there is a plan of action

The government wants to achieve \$500 billion in electronics production in value by 2030. To put this in perspective, this is more than the size of Vietnam's gross domestic product (GDP) in 2023. Looking at it from another perspective, NITI Aayog, the government's think tank, says India now has less than 1 per cent share of the global electronics trade flow (exports) of \$3 trillion which takes place through global value chains (GVCs). GVCs control 90 per cent of the global electronics production.

https://www.business-standard.com/economy/news/india-s-electronics-ambition-faces-hurdles-but-there-is-a-plan-of-action-124121001364_1.html

Govt announces ALMM for PV cells to push India's green energy transition

The government on Tuesday announced an Approved List of Models and Manufacturers (ALMM) for solar cells on the lines of module manufacturing to boost India's transition towards green energy. The government is aiming to make the second list (List II) under the ALMM for solar PV cells effective June 1, 2026, the Ministry of New and Renewable Energy (MNRE) said in a statement. From June 2026, all solar PV modules used in projects including government-backed schemes, net-metering projects, and open-access renewable energy initiatives will be required to source their solar cells from ALMM List-II, ensuring quality and reliability in solar PV cells used in India's energy infrastructure, the MNRE said in a statement.

https://www.business-standard.com/industry/news/govt-announces-alm-for-pv-cells-to-push-india-s-green-energy-transition-124121001141_1.html

Industry body ISSDA seeks separate policy for stainless steel industry

Industry body Indian Stainless Steel Development Association (ISSDA) is pushing for a separate policy for the stainless steel industry. "We have requested the Ministry of Steel for an exclusive stainless steel policy because every time, we come under the garb of carbon steel," Rajamani Krishnamurti, president ISSDA, said during a media interaction. Raw material securitisation would be one of the major components of the policy. The scope of the policy would also include aspects like how to increase demand and build capacities.

https://www.business-standard.com/industry/news/industry-body-issda-seeks-separate-policy-for-stainless-steel-industry-124121000949_1.html

3,000 MW electrolyser manufacturing capacity coming up in India, says govt

India is in the process of providing viability gap funding for electrolyser manufacturing capacity of about 3,000 MW per annum to boost green hydrogen production in the country, Parliament was informed on Tuesday. This assumes significance as India had launched the National Green Hydrogen Mission with an initial outlay of Rs 19,744 crore in January 2023. The Mission aims to develop green hydrogen production capacity of at least 5 MMT (Million Metric Tonne) per annum with an associated renewable energy capacity addition of about 125 GW in the country.

https://www.business-standard.com/industry/news/3-000-mw-electrolyser-manufacturing-capacity-coming-up-in-india-says-govt-124121000804_1.html

India's battery electric vehicle market to grow threefold next year: S&P

Battery electric vehicles (BEVs) are projected to see nearly a threefold increase in production in calendar year (CY) 2025, driven by major electric car launches. This marks a rebound after muted demand in India in CY 2024. According to S&P Global Mobility estimates, BEV production in CY 2024 is expected to reach 130,000 vehicles, capturing a market share of only 2.6 per cent of overall light vehicle (LV) production (including internal combustion engine, electric, and other types), up from 2.1 per cent in CY 2023, when BEV production stood at just over 100,000.

https://www.business-standard.com/industry/auto/india-s-battery-electric-vehicle-market-to-grow-threefold-next-year-s-p-124121001112_1.html

GCCs may receive sops to set up units in tier-2 and 3 towns

The government is working on a new policy to provide incentives for setting up global capability centres, especially in tier-2 and tier-3 towns and cities, sources told ET. The policy, being prepared by the ministry of electronics and information technology, is likely to provide incentives over and above those currently being provided by respective state governments where the GCCs are located, the sources said.

<https://economictimes.indiatimes.com/news/economy/policy/gccs-may-receive-sops-to-set-up-units-in-tier-2-and-3-towns/articleshow/116184214.cms>

Agriculture

Centre's draft farm policy looks to restore state autonomy in agri-markets

After backing down in the face of farmers' protests over the now-repealed farm acts, the Centre's new draft policy framework on agriculture marketing is looking to put the onus of freeing agriculture markets back onto states. It has also called for a more collaborative approach between the Centre and states in reforming farm markets. The draft, released a few days back for public comments, also talks of setting up a GST-like body for building consensus with states on various outstanding issues vis-a-vis farm marketing, including a unified national market for agricultural

produce with single licensing and single fees, a holy grail of sorts for years. This time, the Central government has taken cognisance of the pivotal role that states play in agriculture marketing upfront, experts said.

https://www.business-standard.com/economy/news/centre-s-draft-farm-policy-looks-to-restore-state-autonomy-in-agri-markets-124121000785_1.html

No proposal to hike benefit amount under PM-KISAN: Govt

The government has no proposal at present to increase the annual benefit amount of Rs 6,000 under the PM-KISAN scheme, Parliament was informed on Tuesday. Launched in February 2019, the PM-KISAN scheme provides financial benefit of Rs 6,000 per year in three equal instalments of Rs 2,000 directly into the bank account of beneficiary farmers. "Presently, there is no proposal under consideration to increase the benefit amount under the PM-KISAN," Minister of State for Agriculture Ramnath Thakur said in a written reply to the Lok Sabha.

<https://economictimes.indiatimes.com/news/economy/agriculture/no-proposal-to-hike-benefit-amount-under-pm-kisan-govt/articleshow/116178680.cms>

Egg prices surge amid winter demand, export to countries like Bangladesh

Egg prices have surged by around 25 per cent in the Kolkata market, rising from Rs 6.5 to Rs 8 per piece within a fortnight, amid winter demand and recent exports to countries like Bangladesh, officials said on Tuesday. The poultry industry body, however, asserted that exports to Bangladesh are not the primary reason for the spike, since the country is not among India's traditional export markets. Egg prices have surged by around 25 per cent in the Kolkata market, rising from Rs 6.5 to Rs 8 per piece within a fortnight, amid winter demand and recent exports to countries like Bangladesh, officials said on Tuesday. The poultry industry body, however, asserted that exports to Bangladesh are not the primary reason for the spike, since the country is not among India's traditional export markets.

<https://economictimes.indiatimes.com/news/economy/agriculture/egg-prices-surge-amid-winter-demand-export-to-countries-like-bangladesh/articleshow/116179338.cms>

Infrastructure

Govt developing industrial corridor projects to compete with world's top manufacturing and investment destinations

The government is developing industrial corridor projects as part of the National Industrial Corridor Development Programme (NICDP) for the development of greenfield industrial areas, regions, and nodes in order to compete with the world's top manufacturing and investment destinations, stated Minister of State (MoS) in the Ministry of Commerce and Industry Jitin Prasada. These projects are part of the National Industrial Corridor Development Programme (NICDP), as per the written reply provided by the minister in Lok Sabha on Tuesday. The minister added that under NICDP in the state of Maharashtra, Shendra-Bidkin Industrial Area (SBIA) and Dighi Port Industrial Area (DPIA) are being undertaken for development.

<https://economictimes.indiatimes.com/news/economy/infrastructure/govt-developing-industrial-corridor-projects-to-compete-with-worlds-top-manufacturing-and-investment-destinations/articleshow/116169903.cms>

Telecom

Trai issues 'definition' of overseas SMS traffic

The Telecom Regulatory Authority of India (Trai) has set a clear definition of "international traffic" as SMSes either originating or terminating from computer servers and applications from outside India. Trai's introduction of the definition of international SMSes under the unified licence has put an end to a decade long debate between telecom operators and multinational corporations (MNCs). Until now, MNCs were processing international transactions from servers outside of India but sending SMSs from domestic systems. India's telcos said this was a way for MNCs to avoid paying almost a 20 times higher cost for delivering messages which were originating overseas.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-issues-definition-of-overseas-sms-traffic/articleshow/116184523.cms>

States

Tamil Nadu's contribution to Indian economy better, GSDP up by 14 per cent: CAG

With its per capita income far exceeding the national average, Tamil Nadu was faring better in its contribution to national economy and the state's industries and services sectors played a pivotal role in increasing the Gross State Domestic Product (GSDP) by 14 per cent in 2022-2023 amounting to Rs 23,64,514 crore, Principal Accountant General (Audit-I), Tamil Nadu, D Jaishankar said on Tuesday. As regards the resources of the state government, he said the revenue receipts increased by 17.47 per cent during 2022-2023 when compared to the previous year because of an increase in both tax revenue and non-tax revenue. Briefing reporters on the State Finances Audit report of the Comptroller and Auditor General of India for the year ended March 2023, tabled in the Assembly earlier in the day, he said the state GDP in 2022-2023 was Rs 23,64,514 crore, an increase by 14 per cent over the previous year.

<https://economictimes.indiatimes.com/news/economy/indicators/tamil-nadus-contribution-to-indian-economy-better-gsdp-up-by-14-per-cent-cag/articleshow/116182425.cms>

Healthcare

Govt prescribes faster access to medicines for rare diseases

The government has proposed doing away with local clinical trials for drugs used to treat rare diseases to speed up their availability. India's drug regulator has asked the state drug regulators that a fast-track approval process be adopted, including post approval changes in the application while approving the sale of such drugs. The drug regulator has also asked state drug regulators to facilitate import of rare drugs in the interest of patients.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/govt-prescribes-faster-access-to-medicines-for-rare-diseases/articleshow/116184599.cms>

External

Packing and labelling imported goods don't confer Indian-origin status

No. Para 2.93(a)(ii) of the HBP lists certain activities that include repacking and labelling, which alone will not be adequate to confer the status of 'Indian origin' for the export goods. Therefore, you cannot treat the imported goods that are subject only to repacking or labelling as of Indian origin and ask for non-preferential certificate of origin.

https://www.business-standard.com/opinion/columns/packing-and-labelling-imported-goods-don-t-confer-indian-origin-status-124121001475_1.html

Commerce department examining steel ministry request on safeguard duty

The commerce department is taking a close look at the steel ministry's request to impose safeguard duty on certain steel products to tackle a sudden sharp rise in the import of the alloy from China, South Korea, Vietnam, and Japan, among other nations. Safeguard duty is a temporary tariff barrier imposed by a country to protect its domestic industry from surge in imports. However, any such duty may raise steel prices, hurting the micro, small and medium enterprises (MSME) sector, a point also being considered by the department, a senior government official said.

https://www.business-standard.com/industry/news/commerce-department-examining-steel-ministry-request-on-safeguard-duty-124120901032_1.html

DGTR initiated 43 anti-dumping investigations in 2024 so far

The Directorate General of Trade Remedies (DGTR), under the commerce ministry, has initiated as many as 43 anti-dumping investigations in 2024 so far on different products, Parliament was informed on Tuesday. The Directorate is an attached office of the Department of Commerce, which conducts trade remedy investigations to counter the dumping activities by foreign industries. The countries against which these probes have been initiated included China, Russia, Taiwan and Japan, according to the information provided by Minister of State for Commerce and Industry Jitin Prasada in a written reply to the Lok Sabha.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgtr-initiated-43-anti-dumping-investigations-in-2024-so-far/articleshow/116175016.cms>

India's tea exports rise 8.67% in H1 on UAE, Iraq demand

India's tea exports increased by 8.67 per cent in volume and by 13.18 per cent in value during the first half of the current financial year on demand from countries such as UAE and Iraq.

<https://www.thehindubusinessline.com/economy/agri-business/indias-tea-exports-rise-867-in-h1-on-uae-iraq-demand/article68969702.ece>

WTO: India for 'per capita distribution of subsidies' criteria for fishers

India is pushing for the use of a “per capita distribution of subsidies” criteria in order to discipline subsidies that result in overfishing and overcapacity under a World Trade Organisation (WTO) framework. Last week, India submitted a paper at the WTO — Designing Disciplines for the Overcapacity and Overfishing Pillar: A Case for Intensity-based Subsidies Approach — which will be discussed at the global trade organisation's general council meeting in Geneva on December 16-17, a senior government official said on Tuesday.

https://www.business-standard.com/economy/news/wto-india-for-per-capita-distribution-of-subsidies-criteria-for-fishers-124121001142_1.html

India, 3 others oppose China-led investment pact at WTO

India along with three other nations are opposing the China-led plurilateral Investment Facilitation for Development (IFD) agreement which seeks to put in place a pre-investment review or appeal system through an independent body to screen all investments.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-3-others-oppose-china-led-investment-pact-at-wto/articleshow/116179347.cms>