



December 31, 2024 – Tuesday

## Economy

### India's manufacturing sector's contribution to GVA will surge to 21% by 2032 from 14% now: Report

The manufacturing sector in the country is poised for significant growth, with its contribution to the Gross Value Added (GVA) expected to rise from the current 14 per cent (USD 459 billion) to 21 per cent (USD 1,557 billion) by 2032. According to a report by Sharekhan, the manufacturing sector's incremental contribution to the economy is projected to exceed 32 per cent, highlighting its critical role in driving India's economic transformation. The report said, "Manufacturing set to get a higher slice of GVA." The surge in manufacturing is backed by robust capital expenditure (capex) by both the government and corporations.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-manufacturing-sectors-contribution-to-gva-will-surge-to-21-by-2032-from-14-now-report/articleshow/116793951.cms>

### Labour reforms, focus on informal workers, other policies on cards in 2025

Speedy implementation of labour codes, providing social security to informal workers, especially gig and platform, and bringing transformative policies would be the government's priority in 2025 to empower all and boost the economy.

[https://www.business-standard.com/india-news/labour-reforms-focus-on-informal-workers-other-policies-on-cards-in-2025-124123000173\\_1.html](https://www.business-standard.com/india-news/labour-reforms-focus-on-informal-workers-other-policies-on-cards-in-2025-124123000173_1.html)

### External debt rises to \$711.8 billion as of Sep, 4.3% up from June: FinMin

India's external debt rose to \$ 711.8 billion as of September this year, up 4.3 per cent over June 2024, as per the data released by the Finance Ministry. At the end of September 2023, the external debt stood at \$ 637.1 billion. In September 2024, India's external debt was placed at \$711.8 billion, recording an increase of \$29.6 billion over its level at June-end 2024, India's Quarterly External Debt Report said. The external debt to GDP ratio stood at 19.4 per cent in September 2024 against 18.8 per cent as of June 2024, it added.

[https://www.business-standard.com/economy/news/india-s-external-debt-rises-to-711-8-billion-at-sep-end-finmin-data-124123000913\\_1.html](https://www.business-standard.com/economy/news/india-s-external-debt-rises-to-711-8-billion-at-sep-end-finmin-data-124123000913_1.html)

### Food subsidy may surpass BE by Rs 20,000-crore

The Centre's food subsidy expenses for FY25 may cross Rs 2.25 lakh crore, Rs 13,000 crore more than revised estimate (RE) for 2023-24, and up Rs 20,000 crore from the budget estimate (BE) for the current year, according to official sources. The higher subsidy requirement is on account of the rising costs of holding on to a huge stockpiles of rice, and increase in minimum support price (MSP) of wheat and rice. The finance ministry has released more than 75% of BE of Rs 2.04 lakh crore for current fiscal, to the Food Corporation of India (FCI) and the states which followed decentralised procurement systems, and function as intermediaries for the subsidy programme.

<https://www.financialexpress.com/policy/economy-food-subsidy-may-surpass-be-by-rs-20000-crore-3702784/>

## Finance

### **Government extends deadline for direct tax Vivad Se Vishwas Scheme**

The Central Board of Direct Taxes (CBDT) on Monday announced an extension of the deadline for taxpayers participating in the Vivad Se Vishwas scheme. Initially set for December 31, 2024, the new deadline is now January 31, 2025. The CBDT stated that the extension allows taxpayers additional time to determine the amount payable as specified in column (3) of the relevant table in the scheme. In her Budget 2024 speech, Union Finance Minister Nirmala Sitharaman announced the Vivad Se Vishwas scheme, aimed at helping taxpayers resolve disputes with the income tax department.

[https://www.business-standard.com/finance/news/government-extends-deadline-for-direct-tax-vivad-se-vishwas-scheme-124123001030\\_1.html](https://www.business-standard.com/finance/news/government-extends-deadline-for-direct-tax-vivad-se-vishwas-scheme-124123001030_1.html)

### **RBI proposes lookup facility for NEFT, RTGS; banks to comply by April 1**

The Reserve Bank of India (RBI) on Monday proposed the introduction of a lookup facility for beneficiary accounts in the Real-Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) systems to prevent fraud. This facility will allow users to view and verify the name of the beneficiary before initiating a transaction, similar to the existing feature on India's real-time payment systems, Unified Payments Interface (UPI) and Immediate Payments Service (IMPS).

[https://www.business-standard.com/economy/news/rbi-proposes-lookup-facility-for-neft-rtgs-banks-to-comply-by-april-1-124123000984\\_1.html](https://www.business-standard.com/economy/news/rbi-proposes-lookup-facility-for-neft-rtgs-banks-to-comply-by-april-1-124123000984_1.html)

### **Sebi allows subscription to NCS during trading window closure period**

Capital markets regulator Sebi on Monday permitted subscription to non-convertible securities (NCS) during the trading window closure period, marking a significant update to its insider trading norms. This latest move enables the market participants to subscribe to non-convertible securities without being constrained by the trading window restrictions. However, the trading window restrictions will not apply with respect to transactions, such as acquisition by conversion of warrants or debentures, subscribing to rights issues, further public issues, preferential allotment or buy-back and open offers.

[https://www.business-standard.com/markets/news/sebi-allows-subscription-to-ncs-during-trading-window-closure-period-124123001058\\_1.html](https://www.business-standard.com/markets/news/sebi-allows-subscription-to-ncs-during-trading-window-closure-period-124123001058_1.html)

### **Indian banks' gross bad loan ratio may edge up by March 2026, central bank report says**

Indian banks' gross bad loan ratio may rise from a 12-year low if risks emanating from credit quality, interest rates and geopolitics play out, a report published by the central bank on Monday showed. Gross bad loan ratio is the proportion of bad assets to total loans. This key measure could rise to 3% by the end of March 2026 from a 12-year low of 2.6% in September 2024 for 46 banks under the so-called baseline scenario, the Reserve Bank of India (RBI) said in the Financial Stability Report.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/indian-banks-gross-bad-loan-ratio-may-edge-up-by-march-2026-central-bank-report-says/articleshow/116799787.cms>

### **RBI to rethink its forex strategy, loosen stranglehold on rupee in 2025**

The rupee's overvaluation relative to its trading partners makes India's exports more expensive. The rupee's 40-currency trade-weighted real effective exchange rate (REER) stood at 108.14 in November, indicating the currency was overvalued by around 8 per cent. This is the most overvalued the rupee has been since 2004, RBI data showed. India's central bank will need to rethink its foreign exchange strategy and loosen its hold on the rupee in 2025, economists said.

[https://www.business-standard.com/finance/news/rbi-to-rethink-its-forex-strategy-loose-stranglehold-on-rupee-in-2025-124123000371\\_1.html](https://www.business-standard.com/finance/news/rbi-to-rethink-its-forex-strategy-loose-stranglehold-on-rupee-in-2025-124123000371_1.html)

## **Industry**

### **Textile industry body seeks schemes to help achieve \$100 billion export target by 2030**

The Confederation of Indian Textile Industry (CITI) has urged the government to introduce schemes to drive investment and scale in the textile and apparel (T&A) industry to boost exports towards the US\$100 billion target by 2030. Ministry of Textiles has set an ambitious target of achieving US\$ 100 billion in textile and apparel exports by

2030. Markets like USA and EU will play a key role in achieving this ambitious target. Hence, there is a dire need for the government to develop various export promotion initiatives to boost textile and apparel exports in these markets.

[https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/textile-industry-body-seeks-schemes-to-help-achieve-100-billion-export-target-by-2030/articleshow/116797123.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/textile-industry-body-seeks-schemes-to-help-achieve-100-billion-export-target-by-2030/articleshow/116797123.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

#### **Retailers report 7% growth during the festive season**

Retailers have reported mere 7% growth during the festive season in 2024 compared to last year's festive season, according to Retailers Association of India (RAI). "RAI's survey indicates a moderate growth of 7% during the October-November festive season, falling short of the anticipated 10%. Consumption growth has been subdued throughout the year, prompting retailers to boost business through promotional offers and encouraging festive purchases," said Kumar Rajagopalan, CEO, Retailers Association of India (RAI).

<https://economictimes.indiatimes.com/industry/services/retail/retailers-report-7-growth-during-the-festive-season/articleshow/116794900.cms>

#### **Emerging technologies to add \$150 billion to India's economy by 2030, says report**

India's IT sector will add up to 2 million jobs by 2030, with technologies like Generative AI and Blockchain leading the charge, said a Qness IT Staffing report. Emerging technologies are expected to contribute over \$150 billion to India's economy by 2030, it also said. According to the "Technology Skills Report-2024" which analyses trends shaping the Indian technology workforce, emphasising the country's critical role in the global digital economy, emerging skills like AI/ML, cybersecurity, cloud computing, data science, and blockchain are transforming industries with innovative applications. Blockchain hiring experienced significant growth, with global demand increasing by over 76 per cent YoY in 2023. These roles saw a 60 per cent rise in demand in India between 2021 and 2023, driven by sectors like BFSI, supply chain, healthcare, and IT services.

<https://www.thehindubusinessline.com/info-tech/emerging-technologies-to-add-150-billion-to-indias-economy-by-2030-says-report/article69043049.ece>

#### **Startup funding may see a surge in 2025**

Startup experts foresee a steady rebound in startup funding, driven by strong economic fundamentals and a focus on sustainable growth in 2025. Founders who showcased operational resilience, sustainable metrics, and clear value-creation paths through the recent funding correction are poised to attract greater investor interest. According to Bloomberg data, venture capital (VC) activity in India between January and November 2024 recorded \$16.77 billion across 888 deals, up from \$14.69 billion across 729 deals during the same period in 2023. This upward momentum is expected to accelerate in 2025.

[https://www.financialexpress.com/sme-2/startup-funding-may-see-a-surge-in-2025/3702889/?ref=business\\_hp](https://www.financialexpress.com/sme-2/startup-funding-may-see-a-surge-in-2025/3702889/?ref=business_hp)

### **Agriculture**

#### **Strong demand, high production cheer up Indian pepper growers despite rising imports**

Strong demand, high production and a steady rise in prices brought cheer to the Indian pepper sector in 2024 despite rising imports. However, erratic weather is impacting the output for next year.

<https://www.thehindubusinessline.com/economy/agri-business/strong-demand-high-production-cheer-up-indian-pepper-growers-despite-rising-imports/article69042326.ece>

#### **Tea industry witnesses overall production fall, rise in exports in 2024**

The tea industry is likely to witness a fall in total production by over 100 million kg till the end of this year due to erratic weather conditions coupled with early annual closure of gardens, resulting in an increase in cost per kg for planters, stakeholders said on Monday. However, the silver lining this year was better price realisation and growing exports.

[https://www.business-standard.com/industry/news/tea-industry-witnesses-overall-production-fall-rise-in-exports-in-2024-124123000313\\_1.html](https://www.business-standard.com/industry/news/tea-industry-witnesses-overall-production-fall-rise-in-exports-in-2024-124123000313_1.html)

### **Sowing in pulses improves as India's rabi crops coverage up marginally**

The coverage under rabi crops was down to 24 lakh hectares (lh) last week from 32 lh the previous week with the area under pulses showing some improvement. With the sowing window set to close by mid-January, lower acreage under oilseeds continues to be a concern.

<https://www.thehindubusinessline.com/economy/agri-business/sowing-in-pulses-improves-as-indias-rabi-crops-coverage-up-marginally/article69043934.ece>

## **Infrastructure**

### **Ministry issues draft guidelines on establishing EV charging infrastructure under PM E-DRIVE**

The Ministry of Heavy Industries (MHI) has issued draft guidelines for setting up electric vehicle (EV) charging infrastructure under the Prime Minister Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme. Sources in the Ministry told businessline that the draft guidelines have been shared with the stakeholders for their inputs/ comments. The scheme envisages installation of ample public charging infrastructure for various vehicle categories, including over 22,000 EV chargers for electric four wheelers (e-4Ws) and 1,800 chargers for e-buses. Besides this, the scheme has made a provision to set up charging infrastructure for light EVs, including electric two-wheelers (e-2Ws) and electric three-wheelers (e-3Ws).

<https://www.thehindubusinessline.com/economy/policy/ministry-issues-draft-guidelines-for-setting-up-ev-charging-infrastructure-under-pm-e-drive/article69042550.ece>

### **Revamped infra monitoring system to be unveiled in January**

The Centre's infrastructure project monitoring system is undergoing a revamp to enhance milestone tracking in the pre-construction stage and provide information on every step of the project, according to sources. The updated system, set for launch next month, will identify potential slippages so that costs and timelines remain within approved limits, people aware of the development said. It will also capture project start and tender award dates compared with the board approval date recorded previously. Additionally, project completion date will be derived based on the start date.

<https://economictimes.indiatimes.com/news/economy/infrastructure/revamped-infra-monitoring-system-to-be-unveiled-in-january/articleshow/116808973.cms>

### **Indian Railways to accelerate deployment of Kavach 4.0 for enhanced safety across key routes**

As per a recent press release, all locomotives equipped with the previous version of Kavach will be upgraded to the latest 4.0 version. The North Frontier Railway (NF Railway) network, spanning 1,966 route kilometers from Malda Town to Dibrugarh, has been identified for the first phase of Kavach 4.0 implementation.

<https://www.financialexpress.com/business/railways-indian-railways-to-accelerate-deployment-of-kavach-4-0-for-enhanced-safety-across-key-routes-3703305/>

### **India's housing market in de-growth phase, pins hopes on upcoming Budget**

New home sales in India declined for the first time since the pandemic, as a sharp rise in housing prices and elevated borrowing costs ruined buyers' appetite in 2024 and the real estate industry is now eyeing the upcoming Budget for favourable economic conditions -- a key to reviving demand conditions.

[https://www.business-standard.com/industry/news/india-s-housing-market-in-de-growth-phase-pins-hopes-on-upcoming-budget-124123000476\\_1.html](https://www.business-standard.com/industry/news/india-s-housing-market-in-de-growth-phase-pins-hopes-on-upcoming-budget-124123000476_1.html)

### **Homebuyers' body FPCE urges govt to act against misleading realty advertisements**

The Forum for People's Collective Efforts (FPCE), a pan-India homebuyers' body, has approached the Ministry of Consumer Affairs, raising concerns about the prevalence of misleading advertisements in the real estate sector and calling for the issuance of targeted guidelines to address the issue and safeguard homebuyers' interests. In its letter to the ministry, the homebuyers' body has cited findings from a recent report of the Advertising Standards Council of India (ASCI) that reveals around 34% of the advertisements analysed between April to September this year from Maharashtra's property sector were found to be in direct violation of the law.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/homebuyers-body-fpce-urges-govt-to-act-against-misleading-realty-advertisements/articleshow/116798422.cms>

## Energy

### Critical mineral push: Exploration up 53%, but auction hurdles persist

The Geological Survey of India (GSI) has undertaken 195 mineral exploration projects for critical and strategic minerals in the financial year 2024-25, a significant leap from the previous year. This represents a 53 per cent increase compared to the 127 projects seen in 2023-24, according to the mines ministry's year-end report. This year, the ministry not only accelerated exploration activities but also made strides in auctions. It concluded 2024 with the auctioning of 24 — 48.98 per cent — critical mineral blocks out of the 49 it has offered for bidding so far. These include key resources like lithium, graphite, phosphorite, and glauconite, spread across various regions of India.

[https://www.business-standard.com/industry/news/critical-mineral-push-exploration-up-53-but-auction-hurdles-persist-124123000885\\_1.html](https://www.business-standard.com/industry/news/critical-mineral-push-exploration-up-53-but-auction-hurdles-persist-124123000885_1.html)

## States

### Haryana government approves extension of warehousing policy

The Haryana government's approval for the extension of the Haryana Logistics, Warehousing & Retail Policy, 2019, is expected to further boost investment in the sector, experts said. The Haryana Logistics, Warehousing & Retail Policy, 2019, offers various fiscal incentives to reduce the cost of doing business and promote investments in the logistics, warehousing, and retail sectors in the state. "Haryana's government has always been proactive in supporting the warehousing industry, which is why the majority of warehousing in the NCR is concentrated in Gurgaon and surrounding areas.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/haryana-government-approves-extension-of-warehousing-policy/articleshow/116800227.cms>

## Healthcare

### Health insurers disallowed claims worth Rs 15,100 crore during FY24

Health insurers disallowed claims worth Rs 15,100 crore or 12.9 per cent of the total claims filed during fiscal 2023-24, according to data released by regulator Irdai. Of the total Rs 1.17 lakh crore claims under health insurance of general as well as standalone health insurers, only Rs 83,493.17 crore or 71.29 per cent were paid during the year ending March 2024. Further, insurers repudiated claims amounting to Rs 10,937.18 crore (9.34 per cent) while outstanding claims totalled Rs 7,584.57 crore (6.48 per cent), said the annual report 2023-24 of Insurance Regulatory and Development Authority of India (Irdai).

<https://economictimes.indiatimes.com/industry/banking/finance/insure/health-insurers-disallowed-claims-worth-rs-15100-crore-during-fy24/articleshow/116799063.cms>

## External

### Govt starts countervailing duty probe on Vietnamese chemical

India has initiated a countervailing duty probe into increased imports of a chemical - Calcium Carbonate Filler Masterbatch - used in the plastic industry, from Vietnam following a complaint from domestic players. The move is aimed at guarding domestic manufacturers from the increase in imports that are subsidised by Vietnam. The investigation has been initiated by the Directorate General of Trade Remedies (DGTR), an arm of the commerce ministry. Compounds and Masterbatch Manufacturers Association of India and Masterbatch Manufacturers Association have filed a petition before the directorate on behalf of the domestic industry for initiation of the probe on the chemical exported from Vietnam into India.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-starts-countervailing-duty-probe-on-vietnamese-chemical/articleshow/116795369.cms>

### Centre approves laptop and tablet imports for 2025 with mid-year review

The Indian government has adopted a liberal approach to the import of laptops and tablets for the entire year 2025. The move is aimed at preventing supply shortages for the widely used gadgets, with a provision for a mid-year review

to adjust import levels as needed. The review will allow for additional import approvals if demand exceeds the current supply, ensuring that local production targets are met without disruptions, the report said.

[https://www.business-standard.com/industry/news/india-import-regulations-laptops-tablets-2025-local-manufacturing-strategy-124123000474\\_1.html](https://www.business-standard.com/industry/news/india-import-regulations-laptops-tablets-2025-local-manufacturing-strategy-124123000474_1.html)

#### **Govt extends MEP on honey, imposes minimum import price on soda ash**

The government on Monday extended the minimum export price (MEP) of \$2,000 per tonne on natural honey for one more year till December next year. Exports below this MEP value are not permitted. "Minimum export price on natural honey is extended beyond December 31, 2024, till December 31, 2025," the directorate general of foreign trade (DGFT) said in a notification.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-extends-mep-on-honey-imposes-minimum-import-price-on-soda-ash/articleshow/116803669.cms>

#### **India targeting Russia to boost banana exports to \$1 bn: APEDA chairman**

After successfully exporting trial shipments of fresh bananas to countries like the Netherlands through sea route, India is now targeting to increase exports of the fruit to Russia, an official said on Monday. India has set a target of \$1 billion banana exports in the coming years. At present, exports of most of the fruits, including banana, from India are happening by air route because of lower volumes and different ripening periods.

[https://www.business-standard.com/industry/news/india-targeting-russia-to-boost-banana-exports-to-1-bn-apeda-chairman-124123000758\\_1.html](https://www.business-standard.com/industry/news/india-targeting-russia-to-boost-banana-exports-to-1-bn-apeda-chairman-124123000758_1.html)

#### **Brazil offers expertise to boost India's dairy cattle productivity**

Brazil, a major global producer of dairy products, has offered its expertise in the genetic improvement of dairy cattle through several technologies such as insemination and embryo transfer aimed at boosting the productivity of India's cattle.

<https://www.financialexpress.com/business/industry-brazil-offers-expertise-to-boost-indias-dairy-cattle-productivity-3702875/>

#### **GCC region 2024: India deepens ties with first PM visit to Kuwait in 40 yrs**

As 2024 unfolded, a renewed focus on strategic partnerships in the region took centre stage, with Abu Dhabi serving as the pivotal gateway to this robust alliance. India has deepened its diplomatic and economic ties with the Gulf Cooperation Council region this year with Prime Minister Narendra Modi visiting three of the six GCC countries including Kuwait where no Indian PM had been after Indira Gandhi.

[https://www.business-standard.com/external-affairs-defence-security/news/gcc-region-2024-india-deepens-ties-with-first-pm-visit-to-kuwait-in-40-yrs-124123000433\\_1.html](https://www.business-standard.com/external-affairs-defence-security/news/gcc-region-2024-india-deepens-ties-with-first-pm-visit-to-kuwait-in-40-yrs-124123000433_1.html)