



January 02, 2025 – Thursday

Economy

New projects unveiled down 22 per cent in Q3: CMIE

New project starts saw a disappointing 22.1% year-on-year fall in the December, 2024 quarter reversing the trend in the September, 2024 quarter when they had recorded a smart 43% y-o-y increase. Data from the Centre for Monitoring Indian Economy (CMIE) reveals that the total value new projects announced in the December, 2024 quarter was Rs 6 lakh crore. This is much smaller than the Rs 7.7 lakh crore worth of investments announced in the December, 2023 quarter and the Rs 7.2 lakh crore worth of projects announced in the September, 2023 quarter.

<https://www.financialexpress.com/policy/economy-new-projects-unveiled-down-22-per-cent-in-q3-cmie-3705254/>

GST collection rises 7.3 pc to Rs 1.77 lakh crore in December

India's gross Goods and Services Tax (GST) collection grew 7.3% year-on-year in December, reaching ₹1.77 lakh crore, as per data released by the government on Wednesday. This marks an increase from ₹1.65 lakh crore collected in the same month last year. The revenue distribution for December includes ₹32,836 crore from Central GST, ₹40,499 crore from State GST, ₹47,783 crore from Integrated GST, and ₹11,471 crore from cess.

<https://economictimes.indiatimes.com/news/economy/finance/gst-collection-rises-7-3-pc-to-rs-1-77-lakh-crore-in-december/articleshow/116854682.cms>

Finance

Sebi mandates compliance for listed entities with integrated filing

Capital markets regulator Sebi has rolled out a new compliance framework for listed entities, introducing integrated filing for governance and financial disclosures, which will be applicable for filings to be done for the quarter ending December 31, 2024. The latest move aims to reduce compliance burdens by unifying multiple periodic filing requirements into a single system. "In order to facilitate ease of filing and compliance for listed entities, it has been decided to introduce Integrated Filing, in terms of...the LODR Regulations, for the following governance and financial related periodic filings required under the LODR, which shall be applicable for the filings to be done for the quarter ending December 31, 2024 and thereafter," the regulator said.

https://www.business-standard.com/markets/news/sebi-mandates-compliance-for-listed-entities-with-integrated-filing-125010100386_1.html

CBIC clarifies rules, says no GST to apply on pre-paid gift vouchers, cards

In a recent clarification, the Central Board of Indirect Taxes and Customs (CBIC) provided insights into the goods and services tax (GST) treatment of transactions involving vouchers. According to the CBIC, vouchers can be categorised into two types. The first category includes prepaid instruments, such as gift cards and digital wallets, which are recognised by the Reserve Bank of India (RBI). These vouchers are treated as 'money' under the GST framework, meaning transactions involving them will not be classified as either the supply of goods or services.

https://www.business-standard.com/economy/news/cbic-clarifies-rules-says-no-gst-applicable-on-pre-paid-gift-vouchers-125010100967_1.html

FinMin asks banks, insurance firms to expedite public grievances resolution

The Finance Ministry on Wednesday urged public sector banks (PSBs) and insurance companies to expedite the resolution of public grievances. A meeting chaired by Financial Services Secretary M Nagaraju was held in which complainants, PSBs, public sector insurance companies (PSICs) and regulators participated. The meeting, aimed to assess the quality of grievance redressal, reviewed 20 randomly selected public grievances resolved by PSBs and insurance companies to assess resolution quality, the finance ministry said in a statement.

https://www.business-standard.com/industry/banking/finmin-asks-banks-insurance-cos-to-expedite-public-grievances-resolution-125010100761_1.html

Banks unlikely to face shocks, but tech can't fix all the cost worries

Indian banks are preparing to deal with rising compliance costs, compression in margin and intense competition for fee business, which could impact their earnings, banking analysts said. In addition, this year, it would be challenging to lower operating costs, which may not fall despite the use of technology, as was expected earlier, while other income, such as guarantees and commissions, may remain stagnant if economic activity slows, they said.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-unlikely-to-face-shocks-but-tech-cant-fix-all-the-cost-worries/articleshow/116863264.cms>

UPI transactions surge to record 16.73 bn in Dec; value at Rs 23.25 trn

Unified Payments Interface (UPI) transactions saw an 8 per cent month-on-month increase in volume to 16.73 billion in December, the highest volume for the digital system since it became operational in April 2016. The value also increased by 8 per cent to Rs 23.25 trillion, up from Rs 21.55 trillion in November. According to data from the National Payments Corporation of India (NPCI), for the year 2024, the volume increased by 46 per cent to around 172 billion transactions against 118 billion in 2023. In value terms, transactions increased by 35 per cent to around Rs 247 trillion during the entire year compared with Rs 183 trillion in 2023.

https://www.business-standard.com/finance/news/upi-transactions-surge-to-record-16-73-bn-in-dec-value-at-rs-23-25-trn-125010100457_1.html

Despite CRR cut, liquidity deficit in banking system crosses Rs 2 trillion

The liquidity deficit in the banking system crossed Rs 2 trillion again on Monday, despite the second instalment of cash reserve ratio (CRR) reduction coming into effect from December 28. According to the latest data, the Reserve Bank of India (RBI) infused Rs 2.05 trillion in the system on Monday. Liquidity deficit crossed Rs 2 trillion on two occasions last week. "The deficit is mainly because of three reasons — one, advance tax outflow, festive spending and probably intervention by the central bank in the foreign exchange market to curb volatility," said Gopal Tripathi, head — treasury and capital markets, Jana Small Finance Bank.

https://www.business-standard.com/industry/banking/despite-crr-cut-liquidity-deficit-in-banking-system-crosses-rs-2-trillion-124123100941_1.html

Rs 2000 notes withdrawal: Rs 6,691 cr worth such notes still with public

The Reserve Bank on Wednesday said 98.12 per cent of the Rs 2000 banknotes have been returned to the banking system, and only Rs 6,691 crore worth such notes are still with the public. On May 19, 2023, the Reserve Bank of India (RBI) announced the withdrawal of Rs 2000 denomination banknotes from circulation. The total value of Rs 2000 banknotes in circulation, which was Rs 3.56 lakh crore at the close of business on May 19, 2023, declined to Rs 6,691 crore at the close of business on December 31, 2024, RBI said. "Thus, 98.12 per cent of the Rs 2000 banknotes in circulation as on May 19, 2023, has since been returned," it said in a statement.

<https://economictimes.indiatimes.com/news/economy/finance/rs-2000-notes-withdrawal-rs-6691-cr-worth-such-notes-still-with-public/articleshow/116858090.cms>

Industry

2025 to be year of reforms, aim is to boost modernisation: Defence ministry

The Defence Ministry on Wednesday declared 2025 as the year of reforms and that the aim will be to facilitate establishment of integrated theatre commands to bolster jointness among the three services. The reform measures would be rolled out to transform the armed forces into a technologically-advanced combat-ready force capable of multi-domain integrated operations. The ministry said the focus in 2025 will be on new domains such as cyber and space, emerging technologies like artificial intelligence, machine learning, hypersonic and robotics.

https://www.business-standard.com/external-affairs-defence-security/news/2025-to-be-year-of-reforms-aim-is-to-boost-modernisation-defence-ministry-125010100360_1.html

ICEA seeks simplification of India's electronics duty structure ahead of Union Budget 2025-26

Simplify the tariff structure for electronics parts and components to boost competitiveness and attract investment, said the India Cellular and Electronics Association in its recommendation letter to the government for the Union Budget 2025-26. In anticipation of the new Budget, the electronics body asked the government replace the current duty structure with a simplified 3+1 slab system.

<https://www.thehindubusinessline.com/economy/icea-seeks-simplification-of-indias-electronics-duty-structure-ahead-of-union-budget-2025-26/article69050622.ece>

Iron ore production rises 3% in Apr-Nov period to 182.6 mn tonnes

The country's iron ore production rose by 3 per cent to 182.6 million tonnes (MT) in the April-November period of the current fiscal. India's iron ore output was 177.2 MT in the year-ago period, according to the provisional data. The mines ministry in a statement said that the country's manganese ore output rose by 9.5 per cent to 2.3 MT in April-November period over 2.1 MT during the corresponding period of the previous fiscal year. Production of chromite rose to 2 MT over 1.8 MT in the year-ago period. The production of bauxite also rose by 8.9 per cent to 15.9 MT in April-November period over 14.6 MT in the corresponding month of the previous fiscal.

https://www.business-standard.com/industry/news/iron-ore-production-rises-3-in-apr-nov-period-to-182-6-mn-tonnes-125010100899_1.html

Domestic PV wholesales increase by 11% in December to 320,000 units

The domestic passenger vehicle (PV) wholesales in the Indian automobile industry rose by 11 per cent year-on-year (Y-o-Y) in December to 320,000 units, driven by strong demand for SUVs (sports utility vehicles), a robust recovery in the urban market, year-end discounts, and solid sales of CNG-powered cars. In the calendar year 2024 (CY24), domestic PV wholesales of the industry stood at 4.3 million units, recording a Y-o-Y growth of about 4.7 per cent. "At the beginning of the year, SIAM (Society of Indian Automobile Manufacturers) had forecast that the PV volume growth in 2025 would be 4-5 per cent due to high base effect. The final numbers are in line with the forecast," Partho Banerjee, senior executive officer, marketing & sales, Maruti Suzuki India Limited (MSIL), told Business Standard.

https://www.business-standard.com/industry/auto/domestic-pv-wholesales-increase-by-11-in-december-to-320-000-units-125010100904_1.html

India's GHG emissions fell 7.93% in 2020 compared to 2019: Govt to UNFCCC

India's total greenhouse gas emissions in 2020 declined by 7.93 per cent compared to 2019, while its GDP emission intensity fell 36 per cent between 2005 and 2020, according to new data submitted to the UN climate change office. In its fourth Biennial Update Report (BUR-4) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) on December 30, India said its total greenhouse gas emissions -- excluding land use, land-use change, and forestry (LULUCF) -- amounted to 2,959 million tonnes of carbon dioxide equivalent (MtCO₂e) and 2,437 MtCO₂e including LULUCF.

https://www.business-standard.com/india-news/india-s-ghg-emissions-fell-7-93-in-2020-compared-to-2019-govt-to-unfccc-125010100873_1.html

Small towns' growing desires drove D2C and e-commerce growth in 2024

In 2024, India's Tier-II and Tier-III towns and other rural regions emerged as key growth drivers for e-commerce companies and direct-to-consumer brands, with strong demand for their products and services. E-commerce firm Meesho concluded 2024 with a 35 per cent year-on-year increase in orders, more than half of which were placed by buyers in small towns. The firm recently reached approximately 175 million annual transacting users this year despite

challenging market conditions. Interestingly, about 50 per cent of its user base comes from Tier-4+ towns, among them Naidupeta in Andhra Pradesh, Sherghati in Bihar, and Harapanahalli in Karnataka.

https://www.business-standard.com/companies/news/small-towns-growing-desires-drove-d2c-and-e-commerce-growth-in-2024-125010100660_1.html

Agriculture

Agritech sector to create 60-80K new jobs in next 5 years: TeamLease CSO

The agri-tech sector is expected to create 60,000-80,000 new employment opportunities over the next five years, a senior executive of TeamLease Services said. Agritech addresses every aspect of farming, from water irrigation advancements for seeds, fertilisers, and pesticides to offering access to advanced farm machinery and market linkages for selling produce, TeamLease Services Chief Strategy Officer Subburathinam P told PTI. The sector also empowers farmers with real-time advisory services, such as climatic forecasts, pest and disease predictions, and irrigation alerts, helping them make informed decisions in addition to bridging financial gaps by offering credit, insurance, and digital payment solutions as well, he noted.

https://www.business-standard.com/industry/agriculture/agritech-sector-to-create-60-80k-new-jobs-in-next-5-years-teamlease-cso-125010100548_1.html

Cabinet approves Rs 69,515 crore boost for PM Fasal Bima Yojana

The Union Cabinet approved the continuation of the Pradhan Mantri Fasal Bima Yojana (PMFBY) and the Restructured Weather Based Crop Insurance Scheme (RWBCIS) until 2025-26 on Wednesday. The decision was made with a total outlay of Rs 69,515.71 crore. This extension ensures that farmers will continue to receive coverage for crop losses due to non-preventable natural calamities, noted the official government press release.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-approves-rs-69515-crore-boost-for-pm-fasal-bima-yojana/articleshow/116854128.cms>

Cabinet extends One-Time Special Package for DAP fertilisers to farmers

The Union Cabinet, chaired by Prime Minister Narendra Modi, approved the extension of the One-time Special Package for Di-Ammonium Phosphate (DAP) beyond the existing Nutrient Based Subsidy (NBS) scheme on Wednesday. The extension, set at Rs 3,500 per metric ton, will be effective from January 1, 2025, and will continue until further orders, ensuring the sustainable availability of DAP at affordable prices for farmers.

<https://economictimes.indiatimes.com/news/economy/agriculture/cabinet-extends-one-time-special-package-for-dap-fertilisers-to-farmers/articleshow/116854280.cms>

Centre to launch revised standards for organic agricultural products

The government will introduce new standards for organic agricultural products, aligning them with the latest European Union (EU) grades. This initiative aims to enhance clarity and transparency in the processes involved, as well as strengthen regulatory oversight using data analytics. According to Abhishek Dev, chairman of the Agricultural and Processed Food Products Export Development Authority (Apeda), the National Programme for Organic Production (NPOP) 2014 is being updated to reflect the changes in the international organic landscape and global organic markets over the past decade since its last revision.

https://www.business-standard.com/industry/agriculture/centre-to-launch-revised-standards-for-organic-agricultural-products-125010100789_1.html

Wheat-silos capacity to triple in 3 years

The government is aiming to build 9 million tonne (MT) of wheat silos capacities over the next three years, from a current level of 2.8 MT of state-of-the-art grain storage facilities. The Food Corporation of India (FCI) has invited bids for the construction of 2.5 MT of modern wheat storage facilities under through the public-private partnership (PPP) model. Sources told FE that by February 2025, contracts for building this state-of-the-art grain storage facility would be awarded while 35 silos with a cumulative capacity of over 2.8 MT have been in operation.

<https://www.financialexpress.com/policy/economy-wheat-silos-capacity-to-triple-in-3-years-3704592/>

1.25 lakh hectares of rubber plantation done under project INROAD

Over 1.25 lakh hectares of rubber plantation have been completed in Northeast and West Bengal as part of a project by four leading tyre manufacturers of the country, an industry body said on Wednesday. As part of the project INROAD (Indian Natural Rubber Operations for Assisted Development), the Automotive Tyre Manufacturers' Association (ATMA) had planned to develop two lakh hectares of rubber plantation in Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and West Bengal at a cost of Rs 1,100 crore in five years.

https://www.business-standard.com/industry/agriculture/1-25-lakh-hectares-of-rubber-plantation-done-under-project-inroad-125010100473_1.html

Infrastructure

New Act: Bharatiya Vayuyan Adhinyam replaces Aircraft Act of 1934

India on Wednesday replaced the outdated 90-year-old 'Aircraft Act of 1934' with the 'Bharatiya Vayuyan Adhinyam 2024,' establishing new regulations to protect passenger rights, as well as ease the policy environment to promote investment in the sector.

<https://www.thehindubusinessline.com/economy/logistics/new-act-bharatiya-vayuyan-adhinyam-replaces-aircraft-act-of-1934/article69049173.ece>

Housing prices may see modest growth in 2025, says property experts

India's primary housing market may register a modest single-digit price rise in 2025 after appreciating by an average 21 per cent last year as developers are expected to boost new supply to match up demand, according to industry experts. Real estate developers and property consultants are expecting that the RBI will cut the repo rate this year, enabling banks to lower interest rates on home loans. They also hope for some fiscal incentives in the upcoming Budget to boost supply and demand for the affordable housing segment, which has lost sheen in the past few years. New home sales across seven major cities declined for the first time since the pandemic, as a sharp rise in housing prices and still elevated borrowing costs ruined the appetite of buyers in 2024.

<https://economictimes.indiatimes.com/industry/services/property/-construction/housing-prices-may-see-modest-growth-in-2025-says-property-experts/articleshow/116850473.cms>

Energy

Nuclear power industry opens doors to private companies, with caveats

After years of lull, the nuclear power industry will open its door to private investment but with caveats. State-owned Nuclear Power Corporation of India Ltd (NPCIL) on Tuesday issued a public notice inviting interests from the private sector to set up "Bharat Small Reactors (BSRs)", which are small-size nuclear reactors with a capacity of up to 220 megawatt (Mw). However, the stringent terms laid down in the "request for proposal" (RfP), by NPCIL, would make the industry more apprehensive than excited, according to experts. In the Union Budget 2024-25, Finance Minister Nirmala Sitharaman announced BSRs would be set up with private capex. The move is in line with India's efforts to increase the share of non-fossil fuel in its energy basket. The current nuclear power generation capacity —of 7.4 gigawatt (Gw)—has been built by government-owned entities.

https://www.business-standard.com/industry/news/nuclear-power-industry-opens-doors-to-private-companies-with-caveats-125010100779_1.html

India's power consumption up nearly 6 pc to 130.40 bn units in December

India's power consumption rose nearly 6 per cent to 130.40 billion units (BU) in December as compared to the year-ago month. In December 2023, power consumption was 123.17 BU, as per government data. The highest supply in a day (peak power demand met) also rose to 224.16 GW in December 2024 from 213.62 GW in the year-ago period. The peak power demand touched an all-time high of about 250 GW in May 2024. The previous all-time high peak power demand of 243.27 GW was recorded in September 2023.

<https://economictimes.indiatimes.com/industry/energy/power/indias-power-consumption-up-nearly-6-pc-to-130-40-bn-units-in-december/articleshow/116857213.cms>

Telecom

States

Maharashtra govt to draft its AI policy soon

Maharashtra will soon draft its independent artificial intelligence (AI) policy to position the state as a major player in the sector and a leader in technological advancements, a minister has said. State Information and Technology minister Ashish Shelar gave the direction to authorities during a meeting with IT Department officials at the Sahyadri Guest House on Tuesday. The meeting was attended by IT Department secretary Parrag Jaiin Nainutia, MahalT managing director Jayshree Bhoj, and senior officials from the departments concerned.

<https://economictimes.indiatimes.com/tech/artificial-intelligence/maharashtra-govt-to-draft-its-ai-policy-soon/articleshow/116856194.cms>

External

Commerce ministry planning to expand food testing infrastructure to boost exports: Official

The commerce ministry's arm Export Inspection Council (EIC) is planning to expand the country's food testing infrastructure in a holistic way to boost outbound shipments, a senior government official said. To prepare a plan for this, the EIC has initiated a detailed study on gap assessment on food testing infrastructure for exports. "Though we have taken a number of measures, we are doing a more deeper analysis commodity and area-wise. We are trying to find out gaps in our food testing infrastructure. We hope that the study will be over in 2-3 months and after that we will come up with a full plan of how to expand our infrastructure in a more holistic way," Joint Secretary in the Department of Commerce Nitin Kumar Yadav told reporters here.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/commerce-ministry-planning-to-expand-food-testing-infrastructure-to-boost-exports-official/articleshow/116856013.cms>

Tobacco exports to cross Rs 13,000 cr this yr: Official

The country's tobacco exports are likely to register an over 8 per cent growth and cross Rs 13,000 crore this year, a senior government official said on Wednesday. Additional Secretary in the Department of Commerce Rajesh Agrawal also said the Tobacco Board has taken a number of steps to help farmers increase their income. India is the second largest producer of tobacco in the world after China. It is also the fourth largest producer of Flue-Cured Virginia (FCV) tobacco in the world after China, Brazil and Zimbabwe.

<https://economictimes.indiatimes.com/industry/cons-products/tobacco/tobacco-exports-to-cross-rs-13000-cr-this-yr-official/articleshow/116855503.cms>

Norms for registration of holding companies in GIFT City in 4-5 months: IFSCA

Foreseeing that many Indian companies could acquire foreign entities in future, the International Financial Centres Authority (IFSCA) is working on developing norms that will allow Indian companies to register holding companies in GIFT City in Gujarat. The framework is expected to be made public in the next 4-5 months.

<https://www.thehindubusinessline.com/news/national/norms-for-registration-of-holding-companies-in-gift-city-in-4-5-months-ifsc/article69049040.ece>

Trade, tariff and Trump: How India can beat the big likely disruption in making

India should have comprehensive engagement with the US, as new administration led by President-elect Trump takes over. India should explore a comprehensive new institutional framework to address the multiple issues that arise from trade, investment, technology and finance linkages. India should urgently consider appointing a Task Force or create other institutional mechanisms that bring in domestic policy coherence on these lines. The Trump 2.0 administration, with its America First policy priority, is likely to identify countries and sectors that can provide the best recourse for reducing imports. They may also like to focus on steps that bring in manufacturing from their partners in the current value chains, which may mean a greater emphasis on Mexico, Canada, and China with whom US trade deficit is more than 40 per cent. India, with trade surplus of US\$ 33.8 billion, is at the 9th position.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/trade-tariff-and-trump-how-india-can-beat-the-big-likely-disruption-in-making/articleshow/116846017.cms>

US power bank maker sourcing lithium cells from India amidst US-China trade war

The US-China tariff war is already proving to be beneficial to India's electronics manufacturing industry. Following Apple's shift away from China to turn India into the second-largest iPhone producer, lithium-ion cells will be sourced from India. US-based Anker has signed a pact with Chennai-based Munouth group to source lithium-ion cells from India, after the Biden administration imposed a 25% duty on lithium cells imported for consumer electronics from 2026.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/us-power-bank-maker-sourcing-lithium-cells-from-india-amidst-us-china-trade-war/articleshow/116844218.cms>

Taiwan introduces new visa programs to attract skilled Indian workers

Taiwan is introducing two new visa programmes to attract skilled Indian workers to fill positions in key sectors such as technology, engineering, and more. The Taiwanese government's initiative aims to address the growing demand for skilled professionals and enhance its workforce to support economic development. The first programme, the Employment Seeking Visa, allows Indian nationals to enter Taiwan and look for employment opportunities in their area of expertise. This visa provides an opportunity to explore the local job market before committing to a long-term position. It is an attractive option for those who wish to evaluate the employment landscape in Taiwan while considering potential career moves.

<https://economictimes.indiatimes.com/nri/work/taiwan-introduces-new-visa-programs-to-attract-skilled-indian-workers/articleshow/116851602.cms>

China extends reduced visa fees for Indians: Rs 2900 until Dec 2025

The Chinese Embassy in India has announced an extension of reduced visa fees for travelers, effective until December 31, 2025. This initiative aims to simplify travel procedures for foreigners visiting China, making it more accessible for Indian nationals and promoting tourism between the two nations. Under the extended scheme, the fees remain significantly lower than previous rates.

https://www.business-standard.com/finance/personal-finance/china-extends-reduced-visa-fees-for-indians-rs-2900-until-dec-2025-125010100280_1.html