



September 20, 2023 – Wednesday

Economy

OECD raises India's growth forecast for FY24 to 6.3 per cent; inflation outlook revised upward

The Indian economy is likely to grow faster than earlier projected, with growth averaging 6.3% in the FY24 compared to 6% earlier, even as it faces prospects of higher inflation, according to the latest economic outlook of the Organisation for Economic Co-operation and Development. "Amongst the G20 emerging-market economies, growth surprises have mostly been positive so far this year, especially in Brazil, helped by favourable weather-related agricultural outcomes, India and South Africa," OECD noted in its report released Tuesday.

<https://economictimes.indiatimes.com/news/economy/indicators/oecd-raises-indias-growth-forecast-for-fy24-to-6-3-per-cent-inflation-outlook-revised-upward/articleshow/103785626.cms>

Gender budgeting revamp on the cards to better log spends on women schemes

India is considering a major change in the annual budget to better capture spending on gender equality and women's empowerment. This will entail a revamp in the gender budget statement that's part of the annual exercise. The focus is likely to be on ex-ante gender budgeting, based on forecasts, while linking the spending with outcomes under various heads to make it more impactful. This comes amid the introduction of the women's reservation bill aimed at increasing female representation in the legislature. A panel set up by the Ministry of Women and Child Development (MoWCD) and headed by Dakshita Das, former bureaucrat and National Housing Bank managing director, suggested a number of changes in its report submitted in August. It has suggested the government consider a gender budget statement (GBS) comprising cross-sectoral allocations for women across thematic areas.

<https://economictimes.indiatimes.com/news/economy/finance/gender-budgeting-revamp-on-the-cards-to-better-log-spends-on-women-schemes/articleshow/103794847.cms>

Government turns focus on skilling for small businesses

The skill development and entrepreneurship ministry has turned its focus on enhancing employability and productivity of small, informal enterprises by incentivising skills training for micro, small and medium enterprises (MSMEs) and providing tailor-made courses to meet the demand for skilled workers from small enterprises. The initiatives, which mark a major shift from the earlier approach of skilling candidates as per the requirement of big enterprises, form part of the strategic priorities outlined by the ministry under its Vision 2025. This will serve the twin purposes of enhancing productivity of MSMEs and generating millions of job opportunities with growth in manufacturing and exports, said the official.

<https://economictimes.indiatimes.com/news/economy/policy/government-turns-focus-on-skilling-for-small-businesses/articleshow/103790680.cms>

Banking and Finance

Insolvency & Bankruptcy Code cannot be used as a tool for recovery; says NCLT

Insolvency & Bankruptcy Code (IBC) cannot be used as a "tool for recovery", the NCLT observed on Tuesday while dismissing a plea by two unit buyers of a commercial complex. The Principal Bench of the National Company Law Tribunal (NCLT) was hearing the plea for initiating insolvency against Orris Infrastructure over an alleged default of Rs 3.60 lakh.

<https://economictimes.indiatimes.com/news/economy/policy/insolvency-bankruptcy-code-cannot-be-used-as-a-tool-for-recovery-says-nclt/articleshow/103789618.cms>

Industry

Government rolls out mandatory quality norms for solder wires

The government has issued mandatory quality norms for solder wires, used in electronics and engineering industry, to curb the import of sub-standard goods and boost domestic manufacturing of these goods. A notification in this regard was issued by the Department for Promotion of Industry and Internal Trade (DPIIT) on September 18. Items under Flux Cored Solder Wire (Quality Control) Order, 2023 cannot be produced, sold, traded, imported and stocked unless they bear the Bureau of Indian Standards (BIS) mark. These orders will come into force with effect from six months from the date of publication of this notification, the DPIIT said on Tuesday.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-rolls-out-mandatory-quality-norms-for-solder-wires/articleshow/103785067.cms>

Govt may soon tweak PLI schemes for pharma, textiles to boost investment

The government may soon tweak the production-linked incentive scheme for pharmaceuticals, drones and textiles sectors to encourage investment and boost manufacturing, an official said. These sectors have been identified after inter-ministerial consultations on the performance of the scheme for various products.

https://www.business-standard.com/economy/news/govt-may-soon-tweak-pli-schemes-for-pharma-textiles-to-boost-investment-123091900700_1.html

India's electric vehicle sales zoom past 1 million in 2023, shows data

Electric vehicle (EV) sales in India topped the 1 million mark in less than nine months in 2023, a milestone that took an entire year in 2022. According to data from the Ministry of Road Transport and Highways' Vahan Dashboard, 1,037,011 EVs were registered with regional transport offices till September 19, accounting for 6.4 per cent of the total automobile sales in the country this year.

https://www.business-standard.com/companies/news/india-s-electric-vehicle-sales-top-1-million-in-first-nine-months-of-2023-123091900783_1.html

MSMEs not integrated with e-commerce platforms face survival threat: ICRIER

The micro, small and medium enterprises (MSMEs) that are unable to integrate with e-commerce platforms may find it increasingly difficult to access the market as the technology represents a 'survival threat' to them, says a latest study by the Indian Council for Research on International Economic Relations (ICRIER).

https://www.business-standard.com/economy/news/msmes-not-integrated-with-e-commerce-platforms-face-survival-threat-icrier-123091900988_1.html

Agriculture

Govt to link 28 more mandis to eNAM: Agri Secretary

The government will integrate 28 new wholesale mandis (market yards) with the online trading platform eNAM, taking the total count to 1,389 in the country, Agriculture Secretary Manoj Ahuja said on Tuesday. At present, 1,361 regulated mandis in 23 states and four Union Territories are linked with the electronic National Agriculture Market (eNAM), launched on April 26. "To further strengthen e-NAM, 28 new mandis were approved recently for integration to take the total count of mandis to 1389," Ahuja said at a workshop here on eNAM 2.0. He also emphasised on the importance of providing key information to the stakeholders of e-NAM at the right time. "It is important to remove information asymmetry," he said.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-to-link-28-more-mandis-to-enam-agri-secretary/articleshow/103788788.cms>

Wheat farmers lost Rs 40,000 crore due to govt policy: Icrier report

Farmers in India lost roughly Rs 40,000 crore due to the dumping of wheat in the market by the government in an effort to rein in rising food inflation, a report released by the Indian Council for Research on International Economic Relations (ICRIER) on Tuesday showed. Paddy farmers are also expected to suffer similar losses in the approaching procurement season just as wheat farmers have, thus showing the economic impact of the government's restrictive policies on farmers, it said.

https://www.business-standard.com/economy/news/wheat-farmers-lost-rs-40-000-cr-due-to-government-s-trade-policy-icrier-123091901211_1.html

Govt to spend Rs 20,000 cr on KCC loans, says Union agriculture minister

The government will spend approximately Rs 20,000 crore on KCC (Kisan Credit Card) loans, said Union agriculture minister Narendra Singh Tomar during the launch of Kisan Rin Portal and Ghar Ghar KCC Abhiyan on Tuesday. The Centre will be re-launching KCC initiatives to provide loans upto Rs 3 lakh. The minister also stated that nearly Rs 1.41 lakh crore has been disbursed against premium of Rs 29,000 crore under PM Fasal Bima Yojana, reported ET Now.

<https://economictimes.indiatimes.com/news/economy/policy/govt-to-spend-rs-20000-cr-on-kcc-loans-says-union-agriculture-minister/articleshow/103786161.cms>

Infrastructure

NHAI arm to develop logistics park in Bengaluru at Rs 1,770 crore

National Highways Logistics Management Ltd (NHLML), an NHAI subsidiary, has signed an agreement for the development of Multi Modal Logistics Park (MMLP) in Bengaluru at an estimated cost of Rs 1,770 crore. The project -- to be developed under the public private partnership model -- is poised to become the first and largest MMLP to be implemented in the country under the PM Gati Shakti National Master Plan, according to an official statement on Monday.

https://www.business-standard.com/economy/news/nhai-arm-to-develop-logistics-park-in-bengaluru-at-rs-1-770-crore-123091800905_1.html

Cost overruns of central government projects decline in August to 19.08%

Cost overruns of central government projects worth Rs 150 crore and above declined for a fourth consecutive month to 19.1% in August compared with 19.5% in the previous month. Of the 1,762 projects listed the anticipated cost at Rs 29.8 lakh crore exceeded the original cost by Rs 4.8 lakh crore, the report released Tuesday pointed out.

<https://economictimes.indiatimes.com/news/economy/indicators/cost-overruns-of-central-government-projects-decline-in-august-to-19-08/articleshow/103790307.cms>

Energy

India to burn 38% more coal every year with new plans for thermal power

India is set to burn 292 million tonnes (MT) more coal yearly as the country will add 25-30 gigawatt (GW) thermal power on top of 49 GW coal-based units under construction. About 3.5-4 MT of coal generates 1,000 megawatt (MW) power at 65-75 per cent plant load factor (PLF). With the new plan, total coal usage will increase by 38 per cent, according to a report in the Financial Express (FE).

https://www.business-standard.com/industry/news/india-to-burn-38-more-coal-every-year-with-new-plans-for-thermal-power-123091900478_1.html

Oil imports fall for third month in row in Aug on lower Russian shipments

India's crude oil imports fell for a third month in a row in August, government data showed on Tuesday, as refiners in the world's third biggest importer carried out maintenance and reduced shipments from Russia. Crude imports fell 3.9% month-on-month to 18.73 million metric tons in August, Petroleum Planning and Analysis Cell (PPAC) data showed.

https://www.business-standard.com/economy/news/oil-imports-fall-for-third-month-in-row-in-aug-on-lower-russian-shipments-123091901275_1.html

External

Switzerland's gold exports up in August due to higher shipments to India

Swiss gold exports rose by 7.3% in August from July as higher deliveries to India and China offset lower supplies to Turkey, customs data showed on Tuesday. Switzerland is the world's biggest bullion refining and transit hub, while China and India are the largest consumer markets with local demand sensitive to high prices and time of the season.

https://www.business-standard.com/economy/news/switzerland-s-gold-exports-up-in-august-due-to-higher-shipments-to-india-123091900651_1.html

Outward remittances dropped about 40% in July to \$2.36 bn: RBI data

Outward remittances under the Reserve Bank of India's (RBI's) liberalised remittance scheme (LRS) for resident individuals declined by 39.36 per cent in July 2023 compared to the previous month. This month-on-month (M-o-M) fall was due to a steep decline in funds sent for maintenance of close relatives. According to data released by the Reserve Bank of India (RBI), in its monthly bulletin for July, outward remittances under the scheme were \$2.36 billion during the month as compared to \$3.89 billion in June.

https://www.business-standard.com/economy/news/outward-remittances-under-lrs-down-by-39-36-in-july-2023-rbi-data-123091801026_1.html

ECB registration declines for the first time in FY24: RBI monthly bulletin

The amount of External Commercial Borrowing (ECB) agreement registrations declined for the first time in the financial year 2023-24 (FY24). According to the Reserve Bank of India's (RBI) monthly bulletin, ECB registrations dropped to \$2.56 billion. External commercial borrowing (ECB) refers to the borrowing of funds by Indian companies from foreign sources in the form of loans, bonds, or other financial instruments. ECB can be used to finance a variety of purposes, including the expansion of business, the acquisition of assets, and the repayment of existing debt.

https://www.business-standard.com/finance/news/ecb-registration-declines-for-the-first-time-in-fy24-rbi-monthly-bulletin-123091901404_1.html

UK says India trade talks 'continue as before' amid Canada allegations

The UK government said on Tuesday that the "serious allegations" over the murder of a Sikh separatist leader in Canada will not impact its own ongoing trade negotiations with India. Prime Minister Rishi Sunak's spokesperson at 10 Downing Street in London was asked about the impact the India-Canada diplomatic row may have on India-UK bilateral relations, after a government spokesperson said the UK remains in "close touch" with the Canadian authorities over the issue.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/britain-says-to-continue-trade-talks-with-india-despite-canada-allegations/articleshow/103783865.cms>