



October 05, 2023 – Thursday

### Key Developments

#### **Cabinet okays tenancy regulations to provide transparent ecosystem for renting premises**

The Union Cabinet on Wednesday approved the proposal for promulgation of tenancy regulations, information and broadcasting minister Anurag Thakur said, while briefing media on decisions taken by the government. The regulations include Andaman and Nicobar Islands Tenancy Regulation, 2023, The Dadra and Nagar Haveli and Daman and Diu Tenancy Regulation, 2023, and The Lakshadweep Tenancy Regulation, 2023. According to the Cabinet, the regulations will provide a legal framework for creating an accountable and transparent ecosystem for renting premises in the Union territories by balancing the interests and rights of both the landlord and the tenant, the statement said. "The regulations will give a fillip to private investment and entrepreneurship in the rental market, create adequate rental housing stock for various income segments of the society, including migrants, formal and informal sector workers, professionals, students etc.," it added.

<https://economictimes.indiatimes.com/news/economy/policy/cabinet-okays-tenancy-regulations-to-provide-transparent-ecosystem-for-renting-premises/articleshow/104158212.cms>

### Economy

#### **39,000 Compliances removed to boost ease of business: FM Sitharaman**

The NDA government has scrapped 39,000 unnecessary compliances and 1,500 archaic laws, finance minister Nirmala Sitharaman said Wednesday, highlighting a raft of steps taken by authorities to ensure ease of doing business in the country. Speaking on the occasion of the 55th foundation day of the Institute of Company Secretaries of India (ICSI), the minister said the introduction of the Insolvency and Bankruptcy Code, simplification of regulatory framework, decriminalisation of minor offences and tax changes are among the reforms that have also bolstered the country's business climate. India received a record \$230 billion in foreign direct investment (FDI) over the last three financial years, which clearly suggests the growing interest of foreign companies to do business in India, she added. As India prepares to be a developed nation by 2047, company secretaries should also aim to be the global standard bearer of corporate governance, she suggested.

<https://economictimes.indiatimes.com/news/economy/policy/39000-compliances-removed-to-boost-ease-of-business-fm-sitharaman/articleshow/104168314.cms>

#### **India's retail inflation likely to ease by December: Finance Secretary**

India's retail inflation is likely to ease by December as seasonal factors become more favourable, Finance Secretary T V Somanathan told Reuters late on Tuesday. India's retail inflation remained above the upper end of the central bank's 2%-6% tolerance band for a second consecutive month in August, though it eased from a 15-month high of 7.44% in July. "Seasonal factors in inflation rate are beginning to become favourable and hence a reduction in inflation by December is very likely," Somanathan said.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-retail-inflation-likely-to-ease-by-december-finance-secretary/articleshow/104155346.cms>

## Banking and Finance

### RBI's rate-setting panel starts deliberations amid expectation of status quo

RBI Governor Shaktikanta Das-headed Monetary Policy Committee (MPC) started its three-day meeting on Wednesday amid expectations of a status quo on the rate front in its bi-monthly monetary policy review. The policy review will be announced on Friday morning. In case of a status quo, interest rates for retail, as well as corporate borrowers, would remain stable. Experts believe that the Reserve Bank will retain the benchmark rate at 6.5 per cent in view of the elevated inflation and global factors.

<https://economictimes.indiatimes.com/news/economy/policy/rbis-rate-setting-panel-starts-deliberations-amid-expectation-of-status-quo/articleshow/104159870.cms>

### GST Council meet to focus on nuts & bolts to clear air on key issues

The Goods and Services Tax (GST) Council is set to meet on October 7 to consider extending the concessional tax rate of 18% on vehicles purchased by visually impaired persons, exemption on millets sold in powdered form, and clarify levy of tax on bank and corporate guarantees provided by directors and promoters to a company and its subsidiaries. The fitment committee under the council, which looks at tax rates, has not recommended any significant tweaks in rates and rejected over dozen proposals by industry or left the decision to the Group of Ministers on rate rationalization, people privy to the matter told ET.

<https://economictimes.indiatimes.com/news/economy/policy/gst-council-meet-to-clear-air-on-key-issues/articleshow/104168141.cms>

## Industry

### PLI good for telecom, need to adjust for others: NITI Member Virmani

The Centre's production-linked incentive (PLI) scheme has been fruitful for sectors like telecom and electronics, but may need adjustments and adaptation in several other sectors, NITI Aayog member and veteran economist Arvind Virmani said on Wednesday. "The idea was good for electronics, telecom, etc. (where China accounts for over 40 per cent of the global market.) Maybe it's not so good for others, so we need to adjust and adapt it," Virmani said during his address at the National Conference on India's Industrial Transformation, organised by the Institute for Studies in Industrial Development in New Delhi.

[https://www.business-standard.com/economy/news/pli-good-for-telecom-need-to-adjust-for-others-niti-member-virmani-123100401201\\_1.html](https://www.business-standard.com/economy/news/pli-good-for-telecom-need-to-adjust-for-others-niti-member-virmani-123100401201_1.html)

### Companies may sacrifice profit margins amid festive sales push

Margins of consumer goods, white goods and fashion retailers are expected to remain under strain as they put sales growth ahead of profit during this festive season. Most companies have started seeing green shoots in demand and hiking prices may derail the recovery. For instance, electronics companies said despite elevated prices in raw materials, they will not hike prices and instead offer promotions to mop up higher demand. Input costs have gone up in components such as plastic due to increase in crude oil prices, television panels, and the appreciating dollar has worsened the impact, too. As a result, the 2-3% reduction in input cost in July-August from April-June has been neutralised again.

<https://economictimes.indiatimes.com/industry/services/retail/companies-may-sacrifice-profit-margins-amid-festive-sales-push/articleshow/104168521.cms>

### Lab-grown diamonds set to catch festive sparkle

Lab-grown diamonds are set to acquire a new sparkle this festive season, amid growing acceptance among customers, according to industry executives. With the introduction of buyback schemes by manufacturers and expansion of the store network, up to 60% year-on-year growth is expected during this period, they said. Even high-net-worth individuals (HNIs) have taken a shine to lab-grown diamonds, which earlier attracted mainly the 18-35

age group that could not afford natural diamonds, said people in the know. This, they said, has prompted listed players like Senco Gold & Diamonds to enter the market in this financial year to tap into the growing demand.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/lab-grown-diamonds-set-to-catch-festive-sparkle/articleshow/104167585.cms>

### **India's automotive industry to be worth \$1 trillion by 2035: Report**

The Indian automotive industry, the world's fourth largest, is expected to be worth \$1 trillion by 2035, according to a report. This includes an additional \$400-billion-plus from design, development and other technology areas as the country transforms itself into a global automotive hub, it said. To achieve this, players across the industry must upgrade their capabilities for reliable and competitive global manufacturing, said the report released by management consulting firm Arthur D Little.

<https://economictimes.indiatimes.com/industry/auto/auto-news/indias-automotive-industry-to-be-worth-1-trillion-by-2035-report/articleshow/104168476.cms>

### **Domestic demand for non-ferrous metals to grow 9% over two fiscals: ICRA**

The domestic demand growth rate for non-ferrous metals is expected to remain healthy at 9 per cent in the next two financial years, according to Icria. The ratings agency also informed that the non-ferrous metal industry's profit margins to remain under pressure amid weak global environment. Aluminium, copper and zinc are some of the non ferrous metals. "The domestic demand growth rate is expected to remain healthy at 9 per cent in the next two fiscals and would sharply outpace the expected rate of global demand growth. Thus, Icria has maintained stable outlook on the sector," the agency said.

[https://www.business-standard.com/economy/news/domestic-demand-for-non-ferrous-metals-to-grow-9-over-two-fiscals-icra-123100400859\\_1.html](https://www.business-standard.com/economy/news/domestic-demand-for-non-ferrous-metals-to-grow-9-over-two-fiscals-icra-123100400859_1.html)

## **Agriculture**

### **Govt forms National Turmeric Board, aims to boost sector's global dominance**

The Centre announced on Wednesday the formation of the National Turmeric Board, aiming to bolster the development and growth of turmeric and its related products in India. According to an official statement, "The National Turmeric Board will lead on turmeric-related matters, enhancing efforts and ensuring better coordination with the Spices Board and other government agencies for the prosperity of the turmeric sector."

[https://www.business-standard.com/industry/news/govt-forms-national-turmeric-board-aims-to-boost-sector-s-global-dominance-123100400884\\_1.html](https://www.business-standard.com/industry/news/govt-forms-national-turmeric-board-aims-to-boost-sector-s-global-dominance-123100400884_1.html)

### **Govt aims to triple palm oil production by 2030**

The government is aiming to increase domestic palm oil production from current level of 0.35 million tonne (MT) to a MT by 2030 under the national oil palm mission through adding at least 0.1 million hectare (MH) of new plantation annually in the five to six years, according to a leading industry official. "While in FY23, 42,000 hectare of new palm plantation was added while in the current fiscal atleast 70,000 hectare of plantation is likely to be added," Sougata Niyogi, head, Godrej Agrovet, palm oil division, which owns a third of total palm plantation in the country told FE. He said that in FY25, the country is expected to add 0.1 MH of additional plantation.

<https://www.financialexpress.com/policy/economy-govt-aims-to-triple-palm-oil-production-by-2030-3261953/>

### **Competition among sugar mills for cane to get fierce as drought shrinks crop in Maharashtra, Karnataka**

Sugar mills of Maharashtra and Karnataka, which together account for more than half of the country's production of the sweetener, are gearing up for a fierce battle among themselves to get every stalk of sugarcane possible. For the first time ever, Karnataka has fixed an official date to begin sugar production and take legal action against mills that do not obey. Meanwhile, just before a crucial government meeting, the sugar industry of Maharashtra is divided over the right time to begin this year's sugar production so as to maximise the chances of getting a larger share of the shrunken availability of the raw material.

<https://economictimes.indiatimes.com/news/economy/agriculture/competition-among-sugar-mills-for-cane-to-get-fierce-as-drought-shrinks-crop-in-maharashtra-karnataka/articleshow/104150520.cms>

## Infrastructure

### **With focus on environment, NIIF launches USD 600m India-Japan fund**

The National Investment and Infrastructure Fund (NIIF) has launched a USD 600 million fund with the Indian government and the Japan Bank for International Cooperation (JBIC) as anchor investors, the finance ministry said on Wednesday. The fund will focus on investing in environmentally sustainable and low-carbon emission strategies besides further boosting Japanese investments into India, the ministry said in a statement. "This joint initiative signals a key dimension of collaboration between the two countries in an area that is a shared priority viz. climate and environment," the ministry said.

<https://economictimes.indiatimes.com/news/economy/infrastructure/with-focus-on-environment-niif-launches-usd-600m-india-japan-fund/articleshow/104168295.cms>

### **Govt aims to complete about 85 pc of road projects on time this fiscal: Highways secretary Anurag Jain**

Around 85 per cent of road projects are likely to be completed by the end of this fiscal, as the steps taken by the government to ensure faster clearances like monitoring and quicker resolution of issues have started showing results, Road Transport and Highways secretary Anurag Jain said on Wednesday. Jain said, the Road ministry is getting environment and forest clearance quickly and monitoring mechanisms of delayed projects have been improved. "We took up completion of projects on time as a challenge, and in cases where the project is already delayed, a revised schedule was taken as the target. I have a feeling that by the end of this financial year (March), we will complete about 85 per cent of projects on time," he told PTI in an interview.

<https://economictimes.indiatimes.com/news/economy/infrastructure/govt-aims-to-complete-about-85-pc-of-road-projects-on-time-this-fiscal-highways-secretary-anurag-jain/articleshow/104156054.cms>

## Energy

### **Cabinet hikes LPG subsidy to Rs 300, cylinder to cost Rs 603 in Delhi**

The Union Cabinet on Wednesday approved a hike of Rs 100 in cooking gas subsidy under the Pradhan Mantri Ujjwala Yojana (PMUY). The scheme currently provides poor households a targeted subsidy of Rs 200 per cylinder of liquified petroleum gas (LPG). The PMUY beneficiaries will now get a subsidy of Rs 300 per LPG cylinder on market price.

As a result, PMUY beneficiaries in Delhi will now pay Rs 603 for every 14.2-kg LPG cylinder against the market price of Rs 903.

[https://www.business-standard.com/economy/news/cabinet-hikes-lpg-subsidy-to-rs-300-cylinder-to-cost-rs-603-in-delhi-123100401377\\_1.html](https://www.business-standard.com/economy/news/cabinet-hikes-lpg-subsidy-to-rs-300-cylinder-to-cost-rs-603-in-delhi-123100401377_1.html)

### **Crude prices beyond \$100 per barrel to create large, organised chaos: Puri**

Petroleum and Natural Gas Minister Hardeep Singh Puri on Wednesday warned of "organised chaos" if crude oil starts selling at over \$100 per barrel. Saudi Arabia and Russia announced they will continue existing production cuts till the end of the year hours after Puri made the comments at the ongoing ADIPEC oil and gas conference in Abu Dhabi.

[https://www.business-standard.com/industry/news/crude-prices-beyond-100-per-barrel-to-create-large-organised-chaos-puri-123100401224\\_1.html](https://www.business-standard.com/industry/news/crude-prices-beyond-100-per-barrel-to-create-large-organised-chaos-puri-123100401224_1.html)

### **India's coal production up 15.81% to 67.21 MT in September 2023**

India's cumulative coal production has risen by 15.81 per cent during the month of September 2023, attaining 67.21million tonne (MT) production, surpassing the figures of 58.04 MT of the corresponding month in previous year, the Ministry of Coal said in a statement. Meanwhile, the production of Coal India Limited (CIL) has risen to 51.44 MT in the month of September 2023 as compared to 45.67 MT in September 2022 with a growth of 12.63 per cent. The cumulative coal production (up to September 2023) has seen a quantum jump to 428.25 MT in FY 2023-24 as compared to 382.16 MT during the same period in FY 2022-23, with a growth of 12.06 per cent

<https://www.financialexpress.com/business/industry-indias-coal-production-up-15-81-to-6721-mt-in-september-2023-3262142/>

## State oil companies see output rebound in fields abroad

Output from Indian state firms' oil and gas fields overseas is rising again after falling for four straight years as ONGC Videsh's (OVL) projects in Russia and South Sudan have nearly normalised after severe disruptions last year. The oil and gas output has risen to 8.3 million metric tonnes of oil equivalent (mtoe) in the April-August period from 8.1 mtoe in the same period last fiscal year. The annual output had reached a peak of 24.7 mtoe in 2018-19 following the purchase of stakes in Russia's Vankor field by Indian state-run firms in 2015 and 2016. The output started declining in 2019-20 and had dropped 21% by 2022-23 as fields matured, producer cartel OPEC+ took voluntary production cuts, and geopolitics throttled output in a Russian field last year.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/state-oil-companies-see-output-rebound-in-fields-abroad/articleshow/104168004.cms>

## States

### Gujarat government's new policy aims to generate half the power through renewable sources by 2030

The Gujarat government on Wednesday rolled out the renewable energy policy with an aim to generate 50 per cent of power through renewable energy sources by 2030. The Gujarat Renewable Energy Policy-2023 was unveiled by Chief Minister Bhupendra Patel in the presence of Energy Minister Kanubhai Desai in Gandhinagar, according to a state government release. It will remain in effect till 2028. The state government expects to attract investment of nearly Rs 5 lakh crore in the renewable energy sector with the help of this policy, said the release, adding that an estimated 36 GW of solar and 143 GW of wind capacity will be harnessed.

<https://economictimes.indiatimes.com/industry/renewables/gujarat-governments-new-policy-aims-to-generate-half-the-power-through-renewable-sources-by-2030/articleshow/104166927.cms>

## Healthcare

### India signs two MoUs in medical product regulation with Dominican Republic

India on Wednesday signed two Memorandum of Understandings (MoUs) in ocean sciences and medical product regulation with Dominican Republic. The MoUs were signed during a meeting between Raquel Pena Rodriguez, the Vice President of Dominican Republic, and India's Vice-President Jagdeep Dhankhar here in the national capital. The two leaders also held discussions focused on enhancing cooperation in diverse sectors including trade, pharmaceuticals, Information and Communications Technology (ICT), agriculture, food processing, space, higher education, capacity building, Ayurveda and Yoga.

[https://www.business-standard.com/india-news/india-signs-two-mous-in-medical-product-regulation-with-dominican-republic-123100400959\\_1.html](https://www.business-standard.com/india-news/india-signs-two-mous-in-medical-product-regulation-with-dominican-republic-123100400959_1.html)

### Medical device makers may get more time to secure licences

The government may allow manufacturers of high-risk medical devices such as ventilators, nebulisers, and x-ray equipment to continue production for "a limited period" amid a delay in issuing new regulatory licences, a senior official said. With the Central Drugs Standard Organisation (CDSCO) missing the October 1 deadline to provide licences to them, it is likely that those manufacturers that have already applied may get an extension for a limited period, the official said. "Those who have not applied (for licence) will not get any extension," he added.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/medical-device-makers-may-get-more-time-to-secure-licences/articleshow/104168634.cms>

## External

### India's palm imports fall more than a quarter in September as stocks surge -dealers

India's imports of edible oil fell 19% in September from August's record as refiners curtailed purchases of palm oil by 26% after inventories jumped to a record, five dealers told Reuters. Lower purchases by the world's biggest importer of vegetable oils could lead to higher stocks of palm oil in key producers Indonesia and Malaysia, weighing on benchmark futures. India's total edible oil imports in September fell to 1.5 million metric tons, including 830,000 tons of palm oil, average estimates from dealers show. "Edible oil inventories have gone up to all-time high levels because of record imports in July and August," said Rajesh Patel, managing partner at edible oil trader and broker GGN Research.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-palm-imports-fall-more-than-a-quarter-in-september-as-stocks-surge-dealers/articleshow/104153230.cms>

#### **India, UAE to discuss investment related challenges as FDI decline in India**

India and the United Arab Emirates (UAE) are set to discuss challenges related to investments by companies from both nations in the upcoming days. Piyush Goyal, India's Commerce and Industry Minister, will commence a two-day visit to the UAE on Thursday. He will co-chair the 11th India-UAE High Level Task Force on Investments (HLTFI) and interact with key industry figures. The dialogue will also involve the UAE delegation, led by Sheikh Hamed bin Zayed Al Nahyan, a member of the Executive Council of the Emirate of Abu Dhabi.

[https://www.business-standard.com/economy/news/india-uae-to-discuss-investment-related-challenges-as-fdi-decline-in-india-123100401301\\_1.html](https://www.business-standard.com/economy/news/india-uae-to-discuss-investment-related-challenges-as-fdi-decline-in-india-123100401301_1.html)

#### **India aims to safeguard steel trade interests from EU carbon levy**

India's government has assured domestic steelmakers that it is looking at ways to address their concerns about the EU's planned tariffs on imports of high-carbon goods and is discussing the issue with its European counterparts, a government official said. "We are discussing with stakeholders and continuing to look at ways in which India's trade interests in steel could be safeguarded," Nagendra Nath Sinha, the most senior civil servant at the federal Ministry of Steel, told Reuters in an interview on Tuesday. "(India's) government has raised its concerns at both bilateral and multilateral levels with the EU," he said, adding the tariffs would impact India's steel exports. The European Union this year approved the world's first plan to impose tariffs on imports of high-carbon goods including steel and cement as part of its aim to reach net zero greenhouse emissions by 2050.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-aims-to-safeguard-steel-trade-interests-from-eu-carbon-levy/articleshow/104154660.cms>