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Economy

Niti Aayog to identify a dozen sectors for global manufacturing hub status

India will soon identify about a dozen sectors in which the country can emerge as a global manufacturing hub, said officials. The Niti Aayog is undertaking an exercise to identify these sectors and their export potential and recommend strategies accordingly, they said. The government will tweak policies and provide infrastructure support to help these sectors become global champions in manufacturing. The focus will be on handholding these sectors and providing them outcome-oriented support to scale up production and match global requirements, said officials. The Niti Aayog will commission a study in this regard, they said.

<https://economictimes.indiatimes.com/news/economy/policy/niti-aayog-to-identify-a-dozen-sectors-for-global-manufacturing-hub-status/articleshow/104833898.cms>

India's long-term growth prospects remain strong, says MF CIO panel

The money managers in India are unanimous that though the equity market may see higher volatility in the near term due to the upcoming general elections, higher valuations, and global risks, the long-term view on India remains favourable. "In India, we are seeing a steady recovery. From here on, the economy should be able to chug along pretty well. There are enough levers for the Indian economy to grow in the range of 6.5 per cent," said Mahesh Patil, chief investment officer (CIO) at Aditya Birla Sun Life Mutual Fund.

https://www.business-standard.com/specials/bs-events/india-s-growth-story-remains-on-strong-footing-mf-cios-at-bfsi-summit-123103001056_1.html

Banking and Finance

RBI prescribe norms for closure of DCCB branches

The RBI on Monday said District Central Co-operative Banks are allowed to close their un-remunerative branches without prior permission of the central bank, though a nod will be needed from the Registrar of Cooperative Societies of the respective state. The decision to close down branches should be taken by the Board after taking into account all the relevant factors and should be properly recorded/minuted in the proceedings of the Board meeting, the Reserve Bank of India said in a circular. "The bank should give two months notice in advance to all existing depositors/ clients of the branch through press release in local leading newspapers as well as communicate to each constituent of the branch, well in advance of the closure of the branch," it said.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-prescribe-norms-for-closure-of-dccb-branches/articleshow/104831975.cms>

Finance Minister Nirmala Sitharaman bats for stricter customs enforcement at GCCEM 2023

Union Minister of Finance and Corporate Affairs, Nirmala Sitharaman, delivered a keynote address at the Global Conference on Cooperation in Enforcement Matters (GCCEM) 2023, where she stressed the importance of making substantial advancements in the realm of customs enforcement. In her address, Sitharaman emphasized the need to distinguish between two critical facets of customs enforcement, focusing on facilitation and prevention. "We are

not going to see considerable achievement or progress in the customs area, and when I say customs area, I clearly look at two different silos, not necessarily silos, but I put them in two different compartments," Sitharaman noted.
<https://economictimes.indiatimes.com/news/economy/policy/finance-minister-nirmala-sitharaman-bats-for-strictor-customs-enforcement-at-gccem-2023/articleshow/104820365.cms>

Insolvency resolution high for manufacturing sector, lags for real estate

This is a tale of two sectors--manufacturing and real estate. Together, the two industries account for three out of five insolvency cases admitted in India but have thus far yielded vastly contrasting outcomes. Manufacturing made up 38% of all such cases admitted until September 2023 since the Insolvency and Bankruptcy Code (IBC) came into force late 2016, but its share in the resolved cases was as much as 48%. Real estate, meanwhile, accounted for 21% of the admitted cases but only 15% of the resolved ones, according to the latest Insolvency and Bankruptcy Board of India (IBBI) data.

<https://economictimes.indiatimes.com/news/economy/indicators/insolvency-resolution-high-for-manufacturing-lags-for-realty/articleshow/104833856.cms>

Insurers to provide details of basic features of policy to customers from Jan 1, 2024

Insurance companies will have to provide basic features of a policy like sum assured, what the policy covers as well as exclusions, and claim procedure, to policyholders in a prescribed format from January 1, for easy understanding of terms and conditions. The Insurance Regulatory and Development Authority of India (Irdai) has revised the existing customer information sheet so as to convey basic information about the policy purchased in a manner that is easily understood. "The revised customer information sheet (CIS) shall be implemented with effect from January 1, 2024," the regulators said in a circular to all insurance companies.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/insurers-to-provide-details-of-basic-features-of-policy-to-customers-from-jan-1-2024/articleshow/104828723.cms>

Industry

Domestic tractor sales likely to pick up in the second half of 2023-24

Tractor wholesales in the first half (H1) of 2023–24 (FY24) amounted to 4,69,383 units, representing a 3.7 per cent year-on-year (Y-o-Y) decline. This decrease is attributed to the effects of El Niño, fluctuations in rural cash flow, and the high base set in the previous year. The industry remains optimistic, anticipating that normal rains in September have positively impacted rabi sowing in the central, northern, and western regions of the country.

https://www.business-standard.com/industry/agriculture/domestic-tractor-sales-likely-to-pick-up-in-the-second-half-of-2023-24-123102900520_1.html

Start-ups make up for freshers hiring amid slowdown by IT firms

Amid the slowdown in the hiring of IT professionals by the big tech giants, the start-ups in the e-commerce and technology sectors are expected to increase hiring by over 7 per cent compared to the January-June hiring cycle. The sectors depicting the highest hiring intent include the healthcare sector, emerging tech sector for AI/ML/deep tech and fintech, according to data by research firm TeamLease Edtech.

<https://www.thehindubusinessline.com/companies/start-ups-make-up-for-freshers-hiring-amid-slowdown-by-it-firms/article67476987.ece>

Indian start-ups may generate 2 million jobs for women by 2030: Report

Start-ups in India have the potential to create two million new jobs for women by 2030, with the ecosystem being uniquely positioned to attract female talent, according to Women in India's Start-up Ecosystem Report (WISER). The report, led by ACT For Women in collaboration with The Udaiti Foundation, finds that women made up 35 percent of the start-up workforce in 2022, in contrast to 19 per cent in the corporate sector. This indicates that with careful introspection within the start-up community which enables timely and targeted action, that number can rise to 50 percent by 2030, said the report.

<https://www.thehindubusinessline.com/news/indian-start-ups-may-generate-2-million-jobs-for-women-by-2030-report/article67476732.ece>

Agriculture

Petronas, GIC to invest in 5 mn MT project of green ammonia in India

Malaysian energy giant Petroliam Nasional (Petronas) and Singapore's sovereign wealth fund GIC will invest in a project to produce five million tonnes of green ammonia a year in India by 2030. Gentari, the renewable energy arm of Petronas, and an affiliate of GIC will invest in the project being developed by AM Green, which has been set up by the founders of clean energy company Greenko Group, the companies said in a statement.

https://www.business-standard.com/companies/news/petronas-gic-to-invest-in-5-mn-mt-project-of-green-ammonia-in-india-123103000904_1.html

Infrastructure

High interest rates shrink affordable housing demand

Housing sales were at six-year high in the September quarter, however, the sale of affordable housing units declined 10%, as buyers in the segment continued to be troubled by the high interest rates. Sale of units priced lesser than Rs 50 lakh across the top 8 cities fell from 26,831 units in Q3CY22 to 24,143 units in Q3CY23. The share of this segment in overall sales shrank to 29% in from 36% in same period last year, as per data by Knight Frank India.

<https://www.financialexpress.com/business/industry/high-interest-rates-shrink-affordable-housing-demand/3290546/>

Rs 1,132-cr road connecting Mizoram with Myanmar under Kaladan project to be completed by Nov: Gadkari

Union Minister Nitin Gadkari on Monday said a cross-border road under the ambitious Kaladan Multi-Modal Transit Transport Project (KMTTP) to link south Mizoram's Lawngtlai district with Myanmar's Sittwe port will be completed by November this year. Addressing a rally at West Phaileng in Dampa assembly constituency in west Mizoram's Mamit district bordering Bangladesh, Gadkari said the 26-km road project costs Rs 1,132 crore. "The road under the Kaladan project will be completed by November and it will be helpful to connect Myanmar's Sittwe port," he said. Gadkari, the union road transport and highways minister, said that infrastructure and communication have to be developed to bring all-round development.

<https://economictimes.indiatimes.com/news/economy/infrastructure/rs-1132-cr-road-connecting-mizoram-with-myanmar-under-kaladan-project-to-be-completed-by-nov-gadkari/articleshow/104833985.cms>

Energy

Solar cushion helps India's renewable energy firms to offset wind shortfall: Moody's

Indian renewable energy companies with diversified portfolios in solar projects are able to tolerate generation shortfalls in wind projects, according to a report by Moody's. The report states that rated issuers have sufficient financial flexibility to absorb moderate project underperformance. The credit quality of these companies is further strengthened by strong sponsors, including sovereign wealth funds, which have a history of providing capital and support during challenging times. However, significant underperformance of individual projects may require parental support to meet commitments, Moody's said in the report.

<https://economictimes.indiatimes.com/industry/renewables/solar-cushion-helps-indias-renewable-energy-firms-to-offset-wind-shortfall-moodys/articleshow/104826686.cms>

Coal output picks up momentum in last 15 days after heavy rainfall: Govt

The country's coal production has picked up momentum in the last 15 days after unprecedented rains in early October in coal producing states, the government said on Monday. Total production of coal from all sources during the last 15 days is over 26.40 lakh tonnes per day. "Coal production in the country, during current FY (till 28.10.23) has shown a growth of 12.81 per cent compared to same period last year," the coal ministry said in a statement.

https://www.business-standard.com/industry/news/coal-output-picks-up-momentum-in-last-15-days-after-heavy-rainfall-govt-123103001091_1.html

Telecom

Demand for telecom gear to zoom in '24-25: Nokia

While Indian telecom operators have completed the rollout of 5G network across the country, Nokia sees demand for equipment to be substantial in 2024-25, a senior company official said. The proliferation of fixed wireless access network will usher the Indian telecom sector into the second phase of 5G network deployment, Nokia India head of mobile networks business Tarun Chhabra said at the India Mobile Congress. "India's requirement is still going to be substantial in 2024-25, then our factories will be fully loaded with India plus some exports," Chhabra said.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/demand-for-telecom-gear-to-zoom-in-24-25-nokia/articleshow/104835001.cms>

Healthcare

Govt gets multiple preliminary bids for strategic sale of IMPCL: DIPAM

The Indian government has received several expressions of interest for the strategic sale of Indian Medicines Pharmaceutical Corporation Limited (IMPCL). This development was confirmed by Tuhin Kanta Pandey, the Secretary of the Department of Investment and Public Asset Management (DIPAM). "Multiple Expressions of Interest (EOIs) received for the strategic disinvestment of Indian Medicines Pharmaceutical Corporation Limited (IMPCL). The transaction will now move to the second stage," Pandey posted on X (formerly Twitter).

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/govt-gets-multiple-preliminary-bids-for-strategic-sale-of-impcl/articleshow/104828610.cms>

Healthcare and pharma sector sees surge in high-value deals: Report

The pharma and healthcare sector witnessed a decline in deal volumes in Q3 2023, with 26 deals totalling \$2.7 billion, down 32 per cent from the same period in 2022 according to the Grant Thornton Bharat Pharma and Healthcare Dealtracker Report. However, deal values increased by 298 per cent year-on-year, due to two high-value deals valued over \$650 million each and four deals valued over \$100 million each.

https://www.business-standard.com/industry/news/healthcare-and-pharma-sector-sees-surge-in-high-value-deals-report-123103000971_1.html

External

India, UK see free-trade deal possibly in December after poll results

India and the UK don't expect a free trade agreement to be announced until after state elections in the South Asian nation are completed in December, according to people with knowledge of the matter. There are still some differences around whether taxation will be included in a proposed investment protection pact, as well as the UK's demand that tariffs be cut on electric vehicle exports to India, one of the people said, asking not to be identified as the deliberations are private.

https://www.business-standard.com/economy/news/india-uk-see-free-trade-deal-possibly-in-december-after-poll-results-123103001414_1.html

India seeks to tax goods part of cross-border digital trade

India has proposed that the World Trade Organisation (WTO) clearly define what constitutes goods and services in relation to cross-border electronic transmissions such as content streaming. The suggestion, made by senior Indian officials at a meeting of WTO member countries in Geneva last week, is aimed at reaching a multilateral agreement to put import duties on at least the "goods" component of such cross-border trade, a senior official said on the condition of anonymity.

<https://www.financialexpress.com/policy/economy-india-seeks-to-tax-goods-part-of-cross-border-digital-trade-3290564/>

India's rice export restrictions are pushing global south towards a crisis

Step by step, New Delhi has tightened a noose around the global rice market. Some varieties now face a 20 per cent export duty, others are subject to a minimum export price, and still others cannot be exported at all. Every rice eater

in the wider world has felt the pinch. The UN's Food and Agriculture Organization estimates that rice prices were 28 per cent higher in September this year than they were in 2022. Prices hit a 15-year high early that month.

https://www.business-standard.com/economy/news/india-s-rice-export-restrictions-are-pushing-global-south-towards-a-crisis-123103000091_1.html