



November 10, 2023 – Friday

Economy

Domestic demand to sustain India growth in the near term, says Moody's

Strong domestic demand is likely to sustain India's economy in the near term, said Moody's on Thursday as it kept the country's growth forecast for 2023 and 2024 unchanged at 6.7 and 6.1 per cent. "Robust goods and services tax collections, surging auto sales, rising consumer optimism and double-digit credit growth suggest urban consumption demand will likely remain resilient amid the ongoing festive season," said the rating agency's 'Global Macro Outlook 2024' report.

https://www.business-standard.com/economy/news/domestic-demand-to-sustain-india-growth-in-the-near-term-says-moody-s-123110900577_1.html

India inflation likely eased to four-month low in October- Reuters poll

The pace of India's consumer price inflation likely eased further to a four-month low of 4.80% in October, closer to the Reserve Bank of India's 4% medium-term target, according to a Reuters poll. Volatile food prices, which make up about half of the consumer price index (CPI) basket, have probably moderated, following a spike in July and August.

<https://economictimes.indiatimes.com/news/economy/indicators/india-inflation-likely-eased-to-four-month-low-in-october-reuters-poll/articleshow/105094233.cms>

Banking and Finance

India vulnerable to recurring food price shocks, says RBI Governor Das

Reserve Bank of India (RBI) Governor Shaktikanta Das on Thursday said India remains vulnerable to "recurring and overlapping" food price shocks despite the recent moderation in inflation. In these circumstances, monetary policy remains watchful and actively disinflationary to progressively align inflation to the target, while supporting growth, Das said at a symposium on the Indian economy organised by the Institute of Indian Economic Studies in Tokyo in Japan.

https://www.business-standard.com/economy/news/india-vulnerable-to-recurring-overlapping-food-price-shocks-rbi-guv-das-123110900983_1.html

Industry

Start warranty period from date of installation: Govt to white goods firms

The Department of Consumer Affairs has urged manufacturers and sellers of white goods to revise their warranty or guarantee policies to reflect its commencement from the date of installation rather than the date of purchase.

In a letter to industry and retail associations and manufacturers of white goods, Rohit Kumar Singh, secretary to the government, has advised them to revise the policy of warranty to reflect its commencement from the date of installation rather than the date of purchase.

https://www.business-standard.com/economy/news/start-warranty-period-from-date-of-installation-govt-to-white-goods-firms-123110901156_1.html

India weighs changes to improve production incentive schemes: Report

India is planning to ease and expand some norms for five sectors to help them better utilise its \$24 billion industrial incentives aimed at boosting local manufacturing, two government officials said on Thursday. The 1.97-trillion rupees production-linked incentive scheme (PLI), launched in 2020, covers 14 sectors ranging from electronic products to drones but has been successful only in a handful of them, triggering reviews. The changes are being planned in the textiles, pharmaceuticals, drones, solar and food processing industries, which together form nearly a third of the PLI scheme. The government plans to include more products in the textile sector such as man-made fibre and give firms an additional year to meet the manufacturing targets required to claim incentives for the scheme, the officials said.

https://www.business-standard.com/economy/news/india-weighs-changes-to-improve-production-incentive-schemes-report-123110900639_1.html

FMCG sales pick up on festival boost in October, shows Bizom data

Sales of fast-moving consumer goods (FMCG) saw an uptick in October as kiranas, or mom-and-pop stores, stocked up ahead of Diwali, according to the data by retail intelligence firm Bizom. Rural growth, which had been muted until recently, witnessed a strong revival last month. "There was a strong double-digit growth in rural sales across FMCG categories excluding branded commodities. This was driven by high growth in confectionery, beverage, and packaged foods as gift packs saw greater traction," Akshay D'Souza, chief of growth and insights at Bizom, told Business Standard.

https://www.business-standard.com/industry/news/fmkg-sales-show-signs-of-pick-up-in-oct-on-festive-demand-shows-data-123110901223_1.html

E-commerce order volumes up 37% this festival season: Unicommerce

E-commerce order volumes grew handsomely this festive season, increasing by approximately 37 per cent during the festive season sale of 2023 as compared to the festive sale period in 2022, according to the analysis of orders processed through Unicommerce, the online retail enablement tech platform. "The festive season determines the growing scale of e-commerce in India," said Kapil Makhija, chief executive officer, Unicommerce. "As industry sectors continue to embrace the country's e-commerce ecosystem, shoppers from across India's length and breadth are willingly opting for online shopping."

https://www.business-standard.com/industry/news/e-commerce-festive-sale-volumes-up-37-over-last-year-unicommerce-123110901182_1.html

Jewellers cautiously optimistic about gold demand this Dhanteras; expect 10pc rise in sale

New Delhi: Jewellers are cautiously optimistic about gold demand on the Dhanteras day on Friday and expect a 10 per cent increase in gold jewellery and bullion sales amid a sharp rise in gold prices in view of geopolitical developments. Gold prices have shot up by more than 20 per cent since last Dhanteras to nearly Rs 61,000 per ten grams. Gold prices in Delhi were ruling at Rs 50,139 per ten grams, excluding taxes, on last year's Dhanteras, while at Rs 47,644 on 2021 Dhanteras festival. "There is an 8-10 per cent annual rise in gold prices. And people have accepted the base price of gold at Rs 58,000 per ten grams. We are expecting 10 per cent increase in sales volume this Dhanteras from over the last year," All India Gems and Jewellery Domestic Council Chairman Saiyam Mehra told PTI.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/jewellers-cautiously-optimistic-about-gold-demand-this-dhanteras-expect-10pc-rise-in-sale/articleshow/105099596.cms>

Energy

India's fuel consumption rises 9.3% in October to 19.2 million tonne

Fuel consumption in India, a proxy for oil demand, rose 3.4 per cent on an annual basis in October, data released by the Petroleum Planning and Analysis Cell (PPAC) has shown. On a sequential basis, consumption increased by 5.4 per cent. Consumption of fuel hit 19.2 million tonnes (mt) in October, up from 18.2 mt in the same month last year. Sales of diesel, the most used fuel in the country, rose 9.3 per cent to 7.63 mt in October. Sales had reached an all-time high of 8.21 mt in May.

https://www.business-standard.com/india-news/india-s-fuel-consumption-rises-9-3-in-october-to-19-2-million-tonne-123110901078_1.html

Import of cheaper solar modules on rise as China exploits loopholes

Indian solar panel manufacturers are grappling with the influx of cheaper Chinese imports funnelled through intermediary countries such as Vietnam, Malaysia, and Singapore as Chinese companies exploit Free Trade Agreement (FTA) loopholes to export to India. Despite New Delhi's imposition of a 40% customs duty on solar modules and 25% on solar cells in April 2022 to boost domestic production and reduce Chinese imports, companies in China are finding ways to bypass these high tariffs and continue supplies to Indian solar farm developers.

<https://economictimes.indiatimes.com/industry/renewables/import-of-cheaper-solar-modules-on-rise-as-china-exploits-loopholes/articleshow/105104240.cms>

Work commitments of city gas companies may be regularised

The Petroleum and Natural Gas Regulatory Board (PNGRB) may rationalise the minimum work programme (MWP) commitments city gas companies made in the previous years, which would push companies with lower commitments to raise household gas connection targets while bringing relief to firms that promised high targets but are now facing penalties for missing those. "PNGRB over the last 15 years has had an ever-evolving regime for the minimum work programme commitments," PNGRB chairman Anil Kumar Jain told ET. In the first and second city gas licensing rounds, MWP commitments were 20-30% of total households in a licences area with an understanding that if so many households were connected by the distributor, others would automatically follow, he said. "In the rounds that followed, MWP commitments got extremely diluted to less than even 10% of the nu ..

<https://economictimes.indiatimes.com/industry/energy/oil-gas/work-commitments-of-city-gas-companies-may-be-regularised/articleshow/105104233.cms>

Improvements in trade receivables of power utilities expected: Fitch

Fitch Ratings on Thursday said it expects improvement in trade receivables of power utilities, particularly from weaker state-owned distribution companies (discoms), and the pace of capital expenditure (capex) to be the key credit drivers for rated power utilities in the near to medium term. Indian power utilities have seen improvements in their receivables over the past two years, especially since the implementation of the late payment surcharge rules in June 2022. The average receivable days of seven Indian power utilities have fallen to 85 in FY23 from 142 days in FY21, as per the ratings agency.

<https://economictimes.indiatimes.com/industry/energy/power/improvements-in-trade-receivables-of-power-utilities-expected-fitch/articleshow/105104189.cms>

Power units with fuel linkage under Shakti plan get sales flexibility

Power plants that are given coal linkages under the Scheme for Harnessing and Allocating Koyala Transparently in India (SHAKTI) policy, can now sell electricity on segments other than day-ahead market (DAM) of the power exchanges. The government has made a change in the SHAKTI policy enabling plants that don't have power purchase agreements and get fuel through the scheme to sell electricity in any segment on the electricity exchanges. Through the policy change, such electricity can now also be sold in the term-ahead market (TAM) and the real-time market apart from DAM or through the Discovery of Efficient Energy Price (DEEP) portal. A methodology in this regard will be formulated by the power ministry in consultation with the coal ministry, as per the coal ministry's document.

<https://economictimes.indiatimes.com/industry/energy/power/power-units-with-fuel-linkage-under-shakti-plan-get-sales-flexibility/articleshow/105104157.cms>

Telecom

Tech body slams telcos for enterprise messaging stance

The Broadband India Forum (BIF), a lobby for tech companies, has slammed the telcos' stand against the use of OTT platforms such as WhatsApp, for enterprise communications, saying operators are only trying to thrust a technologically inferior and user-unfriendly product like SMS through regulatory/administrative intervention. The Broadband India Forum (BIF) said the SMS route is often unreliable due to lapses in network coverage, which is why telco customers prefer app-based messaging platforms like WhatsApp over SMS.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/tech-body-slams-telcos-for-enterprise-messaging-stance/articleshow/105103373.cms>

States

Karnataka govt holds discussions on high-speed corridor between Bengaluru and Mangaluru

Bengaluru: Construction of the proposed Bengaluru-Mangaluru Integrated Green Field High Speed Corridor will be very helpful for the development of Mangaluru as well as other cities along the route, Karnataka Minister Dinesh Gundu Rao said on Thursday. Rao, who is in-charge Minister of Dakshina Kannada district, held discussions here with top executives of European Business and Technology Centre (EBTC), a project advisory and facilitation organisation. Udupi district in-charge minister Laxmi Hebbalkar too was present. The project proposes construction of a six to eight-lane high-speed corridor.

<https://economictimes.indiatimes.com/news/india/karnataka-govt-holds-discussions-on-high-speed-corridor-between-bengaluru-and-mangaluru/articleshow/105100684.cms>

Odisha investing over Rs 2,500 cr for providing income, livelihood support to millet farmers

Odisha Chief Minister Naveen Patnaik on Thursday said his government is investing over Rs 2,500 crore for providing income and livelihood support to millet farmers of the state. The state government recently launched the Odisha Millets Mission in 2017 with a focus on reviving an ecosystem of the cereal. For the government, the promotion of millets is about justice and equity to rain-fed farmers of Odisha, Patnaik said.

<https://economictimes.indiatimes.com/news/economy/agriculture/odisha-investing-over-rs-2500-cr-for-providing-income-livelihood-support-to-millet-farmers/articleshow/105096490.cms>

Healthcare

Govt to evaluate health & wellness centres under Ayushman Bharat

The government plans to evaluate the health and wellness centres under its flagship health insurance scheme the Ayushman Bharat to assess the effectiveness of the policy instrument for ensuring the comprehensive primary health care to the citizens. Besides, the evaluation will also measure the programme's performance against the inputs and outputs and assess the processes involved in the effective service delivery by the health and wellness centres set under the scheme.

<https://economictimes.indiatimes.com/news/india/govt-to-evaluate-health-wellness-centres-under-ayushman-bharat/articleshow/105100815.cms>

AIIMS hospitals across India to have Ayush departments: Sarbananda Sonowal

AIIMS hospitals across the country will have dedicated Ayush departments, Union Ayush Minister Sarbananda Sonowal said on Thursday. Sonowal was addressing the inaugural session of a two-day conference on Ayurveda and the regional review meeting of Ayush in Haryana's Panchkula. "All the AIIMS hospitals in the country, besides state hospitals, district level hospitals, Community Health Centres, Primary Health Centres and sub-centres, Health and Wellness Centres, will have a dedicated Ayush department," he said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/aiims-hospitals-across-india-to-have-ayush-departments-sarbananda-sonowal/articleshow/105101909.cms>

External

DPIIT to engage consultancy agency to draw reservation list for FTA talks

The department for promotion of industry and internal trade (DPIIT) has proposed to engage a consultancy agency to draw a reservation list to be used during negotiations of a free trade agreement (FTA). The list deals with items which do not qualify for commitments under a trade agreement. The DPIIT, being the nodal department for formulation of FDI policy and investment screening, leads the negotiations on investment chapters within FTAs on non-services sectors. The chapter on investment liberalization is accompanied by a 'reservation list' which allows host countries to restrict the commitments to specific sectors/activities.

https://www.business-standard.com/economy/news/dpiit-to-engage-consultancy-agency-to-draw-reservation-list-for-fta-talks-123110901158_1.html

Commerce ministry panel reviewing guidelines for elections of EPCs, FIEO to submit report by month end

The commerce ministry's committee, which is reviewing the eligibility criteria for the election of office bearers of export promotion councils (EPCs) and apex exporters body FIEO, is expected to submit its report by end of this month, an official said. Exporters have urged the ministry for early release of the report so that elections can be conducted in the councils and Federation of Indian Export Organisations (FIEO) as per the new criteria. The official said that a draft report was circulated to the councils and suggestions have been sought. "We have received the feedback. The committee will review that and the report would be submitted to the higher authorities of the ministry," the official added.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/commerce-ministry-panel-reviewing-guidelines-for-elections-of-epcs-fieo-to-submit-report-by-month-end/articleshow/105093286.cms>

India, Russia plan mega business meet in Moscow on Nov 19

India and Russia are planning a mega business meet on November 19 in Moscow amid unprecedented surge in trade volume and growing interests in investments. The meet will focus on several tracks -- 'Financial Cooperation', 'Cooperation in Pharmaceuticals and Healthcare', 'Support for Innovation and Entrepreneurship', 'Trade and Logistics', 'Tourism and Cultural Relations', and 'Digital Transformation and E-commerce', ET has learnt. In addition, forum will discuss ways to strengthen and develop business cooperation in key sectors, including energy, technology, manufacturing, and agriculture. The dialogue will be attended by businessmen and the heads of federal ministries, agencies, and the regions of the Russian Federation, development institutions, and public organizations.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-russia-plan-mega-business-meet-in-moscow-on-nov-19/articleshow/105102542.cms>

Pulses trade body to Centre: Revoke tur MoU with Mozambique

India's pulses trade body has urged the government to revoke the memorandum of understanding with Mozambique that commits India to import 200,000 tonnes of tur dal from the country every year till 2025-26. The Indian Pulses and Grains Association (IPGA) said that one influential exporter in Mozambique has not been allowing other exporters to ship tur to India, thereby driving up the prices.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/pulses-trade-body-to-centre-revoke-tur-mou-with-mozambique/articleshow/105103845.cms>

India-US 2+2 Ministerial Dialogue to address defence, tech, and global conflicts

The India-US 2+2 Ministerial Dialogue on Friday is set to focus on bilateral cooperation in areas such as defence & security and technology value chain as well as pressing global matters, including the ongoing Russia-Ukraine war and the Israel-Palestine conflict. Minister of External Affairs S Jaishankar and Defence Minister Rajnath Singh will co-chair the dialogue with their counterparts, US Secretary of State Antony J. Blinken and Secretary of Defence Lloyd J. Austin III, according to the Ministry of External Affairs.

<https://www.thehindubusinessline.com/economy/india-us-22-ministerial-dialogue-to-address-defence-tech-and-global-conflicts/article67518991.ece>

Forex reserves' import cover stood at 10.2 months as at June-end 2023: RBI report

India's foreign exchange reserves cover of imports (on balance of payments basis) increased to 10.2 months as at June-end 2023 from 9.6 months at end-March 2023. Import cover is a trade-based indicator of adequacy of reserves. This cover improved in sync with rise in forex reserves, which stood at \$595.051 billion as at June-end 2023 against \$578.449 billion as at March-end 2023.

<https://www.thehindubusinessline.com/economy/forex-reserves-import-cover-stood-at-102-months-as-at-june-end-2023-rbi-report/article67518243.ece>