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Economy

World needs India; Indian biz leading in investments in social causes: UN

The world needs India as the businesses in the country have been leading in terms of investing in social causes, a senior UN official said on Thursday and stressed that business is the key driver that will deliver the sustainable development goals. The United Nations Resident Coordinator in India Shombi Sharp also said that Corporate Social Responsibility (CSR) is indispensable in India's journey, where businesses are at the forefront in the efforts of the country to become a USD 5 trillion economy.

https://www.business-standard.com/india-news/world-needs-india-indian-biz-leading-in-investments-in-social-causes-un-124011100841_1.html

Banking and Finance

Financial creditor claims should have primacy: RBI Guv Shaktikanta Das

Financial creditors' claims over the bankrupt firms should have the primacy relative to other forms of creditors as they take more risks, central bank governor Shaktikanta Das said Thursday, adding that any amendments to the Insolvency and Bankruptcy Code (IBC) should continue to recognise the interests of financial creditors as paramount. "It has to be recognised that the financial creditors take the maximum risk and hence their risk needs to be commensurately compensated and with priority," Governor Das said at a conference in Mumbai.

<https://economictimes.indiatimes.com/news/economy/policy/financial-creditor-claims-should-have-primacy-rbi-guv-shaktikanta-das/articleshow/106739942.cms>

Road to listing may get easier: Sebi expert panel for relaxing IPO norms

India Inc's road to going public could get easier as a Securities and Exchange Board of India (Sebi) expert committee has suggested giving companies more flexibility to alter the issue size post the submission of an offer document. The panel also recommended more avenues for maintaining the mandatory 20 per cent minimum promoters' contribution post-listing.

https://www.business-standard.com/markets/ipo/market-regulator-sebi-expert-committee-bats-for-relaxing-ipo-norms-124011100812_1.html

Net direct tax mop-up rises 19% to Rs 14.7 trillion till January 10

The Revised Estimate (RE) for direct tax collection in the Interim Budget is set to be higher than the Budget Estimate (BE) this financial year, with the government meeting 80.61 per cent of the BE till January 10. The Interim Budget is slated to be tabled in the Lok Sabha on February 1. Direct tax collection, net of refunds, rose 19.41 per cent at Rs 14.70 trillion till January 10 year-on-year (Y-o-Y). Refunds amounting to Rs 2.48 trillion were issued during this period -- April to January 10. If the refunds are added, direct tax revenues were up 16.77 per cent at Rs 17.18 trillion.

https://www.business-standard.com/economy/news/ahead-of-interim-budget-direct-tax-collections-rise-19-5-till-january-10-124011100654_1.html

Interim Budget 2024: Government may simplify withholding tax math

India is reviewing the entire gamut of withholding tax provisions in line with the country's overall thrust to simplify the tax structure to make it easier for businesses and reduce disputes. There are several tax deducted at source (TDS) provisions with different thresholds and multiple rates. This has created a TDS maze that leads to frequent disputes as well as the blocking of working capital at businesses.

<https://economictimes.indiatimes.com/news/economy/finance/interim-budget-2024-government-may-simplify-withholding-tax-math/articleshow/106739789.cms>

India faces \$10 trillion funding gap in bid to meet net zero pledge: FM Nirmala Sitharaman

India stares at a "funding gap" of \$10.1 trillion to honour its net zero emissions commitment by 2070, finance minister Nirmala Sitharaman said on Thursday, as she called for a carbon credit market at the International Financial Services Centre (IFSC) in Gujarat's GIFT City to address resource constraints for the green transition. Indian companies will soon be able to access global capital by directly listing on exchanges at the IFSC, a deemed foreign jurisdiction, she said. "We are going through the process in a systematic manner and I am confident that it will happen at the earliest," Sitharaman said.

<https://economictimes.indiatimes.com/news/economy/finance/india-faces-10-trillion-funding-gap-in-bid-to-meet-net-zero-pledge-fm-nirmala-sitharaman/articleshow/106739207.cms>

Industry

Price push: Domestic pharma market grew by 6.8% in 2023, shows data

The Indian pharmaceutical market (IPM) grew 6.8 per cent to touch a turnover of Rs 1.93 trillion in calendar year 2023, despite volumes going down marginally by 0.9 per cent. This indicates the price increase has been the major growth driver. Growth in the moving annual turnover (the previous 12 months' turnover) in December was 5.1 per cent and that in new product introduction 2.6 per cent, while volumes dipped 0.9 per cent, leading to an overall growth rate of 6.8 per cent, according to the data from market research firm Pharmatrac.

https://www.business-standard.com/industry/news/domestic-pharmaceutical-market-grew-by-6-8-in-2023-shows-data-124011100758_1.html

Price tags for most daily essentials will fall in next few months

Price-tags for most daily household, personal and food products will fall in the next few months with consumer companies rolling out products with increased grammage or pack weight especially for small packs priced at Rs 5-20. Electronic companies are also postponing price hikes for refrigerators and air-conditioners despite a 3-4% increase in commodity costs such as steel, aluminum and polypropylene in the last 2-3 months, while mobile phone manufacturers are going to launch 5G smartphones in the sub-Rs 10,000 segment, industry executives said.

"We continue to pass on the cost benefits to the consumer either through reduced pricing or through increased grammage. We believe that this will lead to an increase in volume demand. In lower price packs, grammages have been increased by 5 to 10%," said Neeraj Khatri, chief executive, India and Saarc business, at Wipro Consumer Care.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/price-tags-for-most-daily-essentials-will-fall-in-next-few-months/articleshow/106735974.cms>

Private sector urges massive capex booster dose in Interim Budget as well

India's industries are counting on the government to target larger capex outlay of at least ₹12-lakh crore in the upcoming interim Budget (2024-25) to support higher GDP growth in a year when global economic slowdown is expected to be pronounced.

<https://www.thehindubusinessline.com/economy/private-sector-urges-massive-capex-booster-dose-in-interim-budget-as-well/article67730602.ece>

Agriculture

Non-GM mustard yield only a little higher than GM mustard: Coalition

The Coalition for a GM-Free India today claimed that the Government of India has presented data in the Supreme Court showing that the oil yield of non-GM (Genetically Modified) hybrid is on par, or marginally higher than the oil yield of GM HT mustard hybrid DMH-11. In a press statement issued today, the Coalition said that in the results of

the trials conducted by the Indian Council of Agricultural Research (ICAR) in six locations in 2022-23 (without the Supreme Court's clearance despite an earlier undertaking in court), the Government presented data showing that the oil yield of non-GM hybrid is on par, or marginally higher than the oil yield of GM HT mustard hybrid DMH-11. https://www.business-standard.com/industry/agriculture/yield-of-non-gm-mustard-tad-higher-than-gm-mustard-claims-coalition-124011100868_1.html

Infrastructure

Vibrant Gujarat Summit: Shipping min signs pacts for Rs 30k cr investments

The Ministry of Ports, Shipping, and Waterways (MoPSW) on Thursday said it has signed initial agreements for investments worth Rs 30,000 crore during the Vibrant Gujarat Global Summit 2024. In a statement, the ministry said during the event APM Terminals and Jawaharlal Nehru Port Authority (JNPA) signed Memorandum of Understanding (MoUs) worth Rs 20,000 crore, expressing their intent to invest in the Vadnavan Port Project.

https://www.business-standard.com/industry/news/vibrant-gujarat-summit-shipping-min-signs-pacts-for-rs-30k-cr-investments-124011101009_1.html

Telecom

DoT's machine-to-machine and internet of things open registration to help standardisation, say experts

The telecom department's decision to expand the scope of machine-to-machine and internet of things (M2M/IoT) registration to all entities across segments will enable standardisation of IoT services as everyone will follow a single standard that will address key issues around know your customer (KYC), security and encryption, say experts. Going forward, artificial intelligence (AI) will also play a crucial role in amplifying capabilities of M2M systems, including prediction of security breaches. Currently, the M2M/IoT industry is operating with several separate standards and with growing types of devices, interoperability is becoming an issue.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/dots-machine-to-machine-and-internet-of-things-open-registration-to-help-standardisation-say-experts/articleshow/106739597.cms>

States

Uttar Pradesh to invest Rs 8,000 crore in 1,400-acre bulk drug park

With the domestic pharmaceutical industry projected to touch \$130 billion by 2030, the Uttar Pradesh government is looking to invest around Rs 8,000 crore in a proposed bulk drug park in Lalitpur district. The mega enclave, spanning 1,472 acres across five villages in the arid Bundelkhand region, will help the state emerge as a leading pharmaceutical, generic medicines and medical devices hub in South Asia.

https://www.business-standard.com/industry/news/uttar-pradesh-to-invest-rs-8-000-crore-in-1-400-acre-bulk-drug-park-124011100605_1.html

Tamil Nadu Coastal Restoration Mission launched

The Tamil Nadu government on Wednesday issued orders for the launch of the Tamil Nadu Coastal Restoration Mission, which is the fourth mission mode project of the State Government after Climate Change Mission, Green Tamil Nadu Mission & Wetland Mission. A release stated that the mission focussing on 14 coastal districts in the State covering 1,076 km, will be implemented with assistance of the World Bank for a period of five years.

<https://www.thehindubusinessline.com/news/tamil-nadu-coastal-restoration-mission-launched/article67731478.ece>

External

India's outward FDI nosedives to \$2.25 billion in December: RBI data

India's outward foreign direct investment (FDI) commitments fell sharply to \$2.25 billion in December 2023, compared to over \$4.12 billion in December 2022. Sequentially, they were also down from \$4.0 billion in November 2023, according to Reserve Bank of India (RBI) data. Outbound FDI, expressed as a financial commitment, comprises three components: equity, loans, and guarantees. The equity commitments declined to \$646.7 million in December

2023 from \$1.38 billion in December 2022. It was also significantly lower than the \$1.09 billion recorded in November 2023.

https://www.business-standard.com/finance/news/india-s-outward-fdi-nosedives-to-2-25-billion-in-december-rbi-data-124011100902_1.html

Import duty cut may boost India's phone exports to \$39 billion by 2027: ICEA

Reiterating the demand for a reduction in tariffs and duties on components and subassemblies imported for making smartphones in India, the India Cellular and Electronics Association (ICEA) on Wednesday said such a reduction in input tariffs could increase the country's smartphone exports by nearly four times to \$39 billion (around Rs 3.2 trillion) by FY27, from \$11 billion (Rs 90,000 crore) in FY23.

<https://www.financialexpress.com/business/industry-import-duty-cut-may-boost-indias-phone-exports-to-39-billion-by-2027-icea-3361352/>

India shares social security data with US

India has shared with the US data related to its various social security schemes such as Employee Provident Fund Organisation, National Pension Scheme and Employee State Insurance Corporation, eyeing a totalisation agreement with Washington. New Delhi, will this week, push for a totalisation pact to do away with dual social security taxation for its workers, with US trade representative Katherine Tai under the India-US Trade Policy Forum. "They wanted data on social security. We have given them data on EPFO, NPS and ESIC schemes. There are issues around totalisation," said an official. This assumes significance as India has already refused a Double Contribution Treaty with the UK in case of intra-corporate transfers.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-shares-social-security-data-with-us/articleshow/106739997.cms>

Meet next week to assess impact of Red Sea crisis on India's trade

An inter-ministerial group comprising senior officials from the departments of commerce and financial services, and ministries of defence, external affairs, and ports, shipping and waterways will meet next week to assess the impact of the Red Sea crisis on India's trade and thrash out a strategy to minimise impact. Officials are looking at the possibility of diverting some inventories to Australia and other countries to minimise this impact. The commerce and industry ministry has already had consultations with stakeholders on the issue on January 4 when traders, shippers, container firms and freight forwarders said that freight and insurance costs had increased because of the longer route leading to higher turnaround time.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/meet-next-week-to-assess-impact-of-red-sea-crisis-on-indias-trade/articleshow/106739936.cms>