



February 13, 2024 – Tuesday

Economy

India's industrial production growth rises to 3.8% in Dec from 2.4% in Nov

India's industrial production rose to 3.8 per cent in December 2023 as against 2.4 per cent in November 2023, revealed the data provided by the Ministry of Statistics and Programme Implementation (MoSPI) on Monday. IIP in October was recorded at 11.7 per cent in October 2023. The factory output growth measured in terms of the Index of Industrial Production (IIP) had stood at 5.1 per cent in December 2022, the Ministry said in a press release. During April-December 2023-24, the IIP growth works out to be 6.1 per cent, up from 5.5 per cent in the corresponding period a year ago.

<https://economictimes.indiatimes.com/news/economy/indicators/indias-industrial-production-growth-rises-to-3-8-in-dec-from-2-4-in-nov/articleshow/107629736.cms>

India's urban jobless rate eases to 6.5% in Q3FY24, shows PLFS data

The jobless rate in urban India marginally declined further in Q3 (October-December) of FY24 to 6.5 per cent from 6.6 per cent in the preceding quarter, thus reflecting continued improvement in the labour markets, the Periodic Labour Force Survey (PLFS) data, released by the National Statistical Office, on Monday showed. The jobless rate in urban areas has been steadily declining since the high of 12.6 per cent recorded in the Covid-affected April-June quarter of FY22.

https://www.business-standard.com/economy/news/india-s-urban-jobless-rate-marginally-declines-6-5-in-q3fy24-plfs-124021201462_1.html

Retail inflation cools to 3-mth low of 5.1% in Jan, IIP grows 3.8% in Dec

Inflation in retail prices has been reported to be low in January compared to the same month last year while the index of industrial production (IIP) was up in December year-on-year (Y-o-Y). Led by broad-based moderation and a favourable base effect, the retail inflation rate, based on the consumer price index (CPI), decelerated to a three-month low of 5.10 per cent Y-o-Y in the first month of calendar year 2024. The growth rate in the IIP slightly increased to 3.8 per cent in December from 2.4 per cent in November on the back of improvement in the performance of the manufacturing sector (3.9 per cent).

https://www.business-standard.com/economy/news/retail-inflation-falls-to-3-month-low-at-5-1-in-jan-iip-up-3-8-in-dec-124021201428_1.html

"Our economy has grown by 7.6 per cent in the last three quarters", says Union Minister Hardeep S Puri

Union Minister Hardeep Singh Puri lauded the economic growth of India, citing a robust expansion of 7.6 per cent in the last three quarters. Speaking at the Rozgar Mela where over a lakh appointment letters were distributed to newly recruited individuals, Puri highlighted the significant strides made in employment across government, public, private, and informal sectors. "Our economy has grown by 7.6 per cent in the last three quarters," stated Union Minister Puri. He expressed optimism about India's economic trajectory, referencing projections from international analysts and rating agencies forecasting India's economy to rank among the top three globally within the next five years.

<https://economictimes.indiatimes.com/news/economy/indicators/our-economy-has-grown-by-7-6-per-cent-in-the-last-three-quarters-says-union-minister-hardeep-s-puri/articleshow/107624814.cms>

Banking and Finance

RBI conducts 2 VRR auctions to infuse liquidity into banking system

The Reserve Bank of India (RB) on Monday conducted two four-day variable rate repo (VRR) auctions to infuse liquidity into the banking system. The liquidity deficit in the system widened to Rs 1.93 trillion on Sunday. The central bank conducted two VRR auctions in a day for the first time on Friday, following six fine-tuning variable rate reverse repo (VRRR) auctions between February 2 and 7. This included two one-day VRRR auctions on February 6 and 7.

https://www.business-standard.com/industry/banking/rbi-conducts-two-vrr-auctions-to-infuse-liquidity-into-the-banking-system-124021201202_1.html

NPCI in talks to link Indian and US banks for real-time payment service

The National Payments Corporation of India (NPCI) and banks in the US and India are in advanced stages of discussions to flesh out a real-time payment linkage between the US and India, said people aware of the developments. The plan seeks to build on the domestic payments body's inroads in setting up cross-country systems. Within the ecosystem of the unified payments interface (UPI), the NPCI is working with Indian banks that have experience with the system as well as foreign banks to develop use-case models and testing pilots, the people cited above told ET.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/npci-in-talks-to-link-indian-and-us-banks-for-real-time-payment-service/articleshow/107638863.cms>

Banks' current account deposits take a hit on just-in-time fund release by govt

With the government's efficiency in managing funds going up manifold due to the adoption of the JIT (just-in-time) principle, banks are scrambling for alternatives to grow their current account (CA) deposit portfolio.

<https://www.thehindubusinessline.com/money-and-banking/banks-current-account-deposits-take-a-hit-on-just-in-time-fund-release-by-govt/article67837883.ece>

Vehicle loan demand continues to surge in Q3, boosting retail portfolio of banks

Demand for vehicle loans continues to surge in the current financial year, pushing up significantly the overall retail portfolio of banks in the third quarter. As per the numbers of major banks for the quarter ended December 31, 2023, there was a strong double-digit growth in vehicle advances, also indicated by the Reserve Bank of India (RBI) data. "This festive season, especially in the third quarter during October - November 2023, witnessed sustained interest among new vehicle buyers, which actually began from the first quarter of the current fiscal year itself," a senior SBI official told businessline. "The repayments have been healthy which is also encouraging bankers to lend aggressively as they are secured loans," he added.

<https://www.thehindubusinessline.com/money-and-banking/vehicle-loan-demand-continues-to-surge-in-q3-boosting-retail-portfolio-of-banks/article67839025.ece>

Industry

Manufacturing sentiment remains upbeat in Q3, Q4 for FY24: FICCI survey

Federation of Indian Chambers of Commerce & Industry's (Ficci) latest quarterly survey on manufacturing for Q4 FY24 projected future investment outlook as steady but industry respondents have flagged the availability of raw materials and their escalating prices, uncertainty in global demand, shortage of skilled labour, market volatility, increased power costs, unutilised capacities, and high bank interest rates, as some of the major constraints going forward.

https://www.business-standard.com/industry/news/manufacturing-sentiment-remains-upbeat-in-q3-q4-for-fy24-ficci-survey-124021200893_1.html

Fresh quality control order issued on steel products

The centre has issued a fresh quality control regime for 145 steel products. According to a gazette notification, the new notification supersedes the existing quality control regime (QCO) which covered 111 products from stainless steel pipes and tubes to primary cells and primary battery parts. Most of the quality control order, such as specification for Steel Wire for Staples, Pins and Clips is applicable from immediate effect. It has been stated that any sub-standard or defective steel and steel product, which do not conform to the specified standard, shall be disposed as scrap. The QCO covers products such as Steel Chequered Plates, Mild steel for metal arc welding electrodes, and Mild steel wire rods for general engineering purposes, among others.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/fresh-quality-control-order-issued-on-steel-products/articleshow/107636368.cms>

Tourism, hospitality industry likely to create 50 mn jobs in 5-7 yrs: HAI

Hotels' Association of India (HAI) on Monday said the hospitality and tourism sector expects to create 50 million direct and indirect jobs in the next 5-7 years but government support is required for getting the full industry and infrastructure status in states to tap the employment potential. The infrastructure status for the hospitality sector can push up investments not only to create accommodation, but also in the process boost income and employment generation, HAI President Puneet Chhatwal said while speaking here at the 6th HAI Hoteliers' Conclave.

https://www.business-standard.com/industry/news/tourism-hospitality-industry-likely-to-create-50-mn-jobs-in-5-7-yrs-hai-124021201010_1.html

Headcount at IT biggies falls for four quarters

Headcount at the top companies in India's information technology sector fell for the fourth consecutive quarter, as they cut down on recruitment at the entry level and were slow in hiring to offset attrition amid an uncertain demand environment in their biggest markets. The collective headcount of the top eight IT companies fell 17,534 in the quarter ended December 31 compared with the previous three months, according to data compiled by Xpheno, a specialist staffing firm. Compared with a year earlier, the staff count at these companies - Tata Consultancy Services, Infosys, Wipro, HCLTech, LTI Mindtree, L&T Technology Services, Tech Mahindra and Cognizant's India business - were down by 75,000, the sharpest fall in at least six years.

<https://economictimes.indiatimes.com/jobs/fresher/headcount-at-it-biggies-falls-for-four-quarters/articleshow/107638329.cms>

Companies step up background checks on logistics, delivery staff

Companies are increasing and tightening background checks on delivery and warehouse staff, drivers, logistics partners and even temporary workers as they look to keep out candidates who have a history of fraud or crime and could hurt their brand reputation. OnGrid, AuthBridge, IDfy and BetterPlace are among the background check service providers that said there has been a sharp increase in mandates as background checks and employee verification - once confined to conventional sectors like IT and banking - extends its reach across e-commerce, transportation, logistics, retail and healthcare, among others.

<https://economictimes.indiatimes.com/news/company/corporate-trends/companies-step-up-background-checks-on-logistics-delivery-staff/articleshow/107638217.cms>

Agriculture

Govt asks states to prepare early for MSP purchase of wheat; wheat stock to fall close to buffer by Apr 1

To bolster central pool grain stocks, the government has asked key wheat-growing states including Uttar Pradesh, Punjab, Haryana, Madhya Pradesh and Rajasthan to commence registration of farmers and setting targets for procurement under the Minimum Support Price (MSP) operations early. Sources said although wheat purchase from the farmers by the Food Corporation of India (FCI) and state agencies for rabi marketing season (2024-25) officially commences from April 1, states have been asked to start preparations and commence purchase under MSP operation next month.

<https://www.financialexpress.com/policy/economy-govt-asks-states-to-prepare-early-for-msp-purchase-of-wheat-wheat-stock-to-fall-close-to-buffer-by-apr-1nbsp-3390923/>

Infrastructure

Distance from Delhi to Jaipur will be covered in two hours: Gadkari

Union Road Transport and Highways Minister Nitin Gadkari on Monday said electric bus will be started by laying electric cable on the Delhi-Mumbai Express National Highway and the distance from Delhi to Jaipur will be covered in two hours and its fare will be 30 per cent less than a diesel bus. Addressing the inauguration and foundation stone laying ceremony of 17 road projects with an investment of more than Rs 2,500 crore in Udaipur to accelerate Mewar's development, Gadkari said, "I believe that from Bandikui to Jaipur for Rs 1,370 crore, we are constructing a 67-kilometer four-lane expressway."

<https://economictimes.indiatimes.com/news/economy/infrastructure/distance-from-delhi-to-jaipur-will-be-covered-in-two-hours-gadkari/articleshow/107636224.cms>

6 out of 9 airports in Maharashtra operational under UDAN

The Ministry of Civil Aviation had identified nine airports namely, Kolhapur, Jalgaon, Solapur, Amravati, Nanded, Nasik, Ratnagiri, Gondia and Sindhudurg for revival and operation of RCS flights under UDAN scheme in Maharashtra, out of which 6 airports have been operationalised.

<https://www.thehindubusinessline.com/economy/logistics/six-out-of-nine-airports-in-maharashtra-operational-under-udan/article67837422.ece>

Energy

Capex on developing oilfields to drop below \$3.5 billion in 2030

India's annual capital spending on developing oilfields will fall from next year, shrinking by about a fifth by 2030 in the absence of major discoveries, which will lead to a drop in domestic oil production and expand dependence on imports, according to the International Energy Agency (IEA). Capital expenditure on developing oil projects is estimated to drop below \$3.5 billion in 2030 from around \$4.3 billion in 2024. The estimates are based on the current pipeline of upstream projects, said Toril Bosoni, the head of oil markets at IEA. "It's possible that there will be finds, and new project developments will come online, but most of the time, the lag between discovery and production is beyond this time frame," said Bosoni, referring to the IEA study which factors in capacity till 2030.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/capex-on-developing-oilfields-to-drop-below-3-5-billion-in-2030/articleshow/107638886.cms>

MNRE brings back ALMM for solar modules; to be in effect from 1 April 2024

The Ministry of New and Renewable Energy has reimposed the Approved List of Models & Manufacturers (ALMM) for solar modules with effect from 1 April, 2024. The earlier Order, dated 10 March 2023, stated that projects commissioned by 31 March 2024 will be exempted from the requirement of procuring solar modules from ALMM. However, it has been decided that the relaxation in ALMM will apply to all cases where the projects are in the advanced stage of construction and the order for the modules has been placed before 31 March 2024.

<https://economictimes.indiatimes.com/industry/renewables/mnre-brings-back-alm-for-solar-modules-to-be-in-effect-from-1-april-2024/articleshow/107629200.cms>

Draft guidelines for notification of private agencies to be discussed at workshop on offshore mining

The formulation of draft guidelines for the notification of private agencies and their participation in offshore exploration will be discussed at a workshop to be held this week, the government said on Monday. The Marine and Coastal Survey Division (MCSD) of the Geological Survey of India (GSI) is organising a workshop titled 'Offshore Exploration: Synergies and Opportunities (OESO)' in Mangalore. Amendments in the Offshore Areas Mineral (Development & Regulation) Act, 2002 and the recent handover of 35 offshore blocks by Geological Survey of India (GSI) to mines ministry for auction will also come up for discussion during the workshop, the mines ministry said in a statement.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/draft-guidelines-for-notification-of-private-agencies-to-be-discussed-at-workshop-on-offshore-mining/articleshow/107626314.cms>

Telecom

DoT to link startups, venture capital funds for Shark Tank-like funding

The telecom department is facilitating a Shark Tank India-like funding mechanism for startups, particularly in next-gen technologies, as part of the country's efforts to create domestic technology majors. As per officials aware of the details, the DoT is acting as a mediator to introduce startups with the venture capitalists (VCs). "We want to provide exposure and funding opportunities to the MSMEs and startups to scale up. If the idea is good, the VCs will provide the requisite support," an official privy to the details told ET.

<https://economictimes.indiatimes.com/industry/telecom/dot-to-link-startups-venture-capital-funds-for-shark-tank-like-funding/articleshow/107642434.cms>

Rural Internet users overtake urban in ten states

With mobile operators aggressively rolling 4G services, now there are at least 10 states, where the number of internet users in rural areas is higher than the internet users in urban areas. Rural connectivity has been a long standing issue in India. For the most part, despite being largely connected with the 4G network, a large portion of rural subscribers are still on 2G networks in Vodafone Idea and Airtel networks. However according to the TRAI report, in ten states, the number of rural internet subscribers is higher than the urban subscribers. Even as subscribers on broadband internet, ballooned to 885 million and Indian telcos enable 5G connectivity across the nation, in most states, urban subscribers of broadband internet, still outnumber the rural subscribers.

<https://www.thehindubusinessline.com/news/rural-internet-users-overtake-urban-in-ten-states/article67837311.ece>

States

Chhattisgarh government restores e-permits for coal transportation

The Chhattisgarh government will end the controversial coal transportation system requiring manual generation of no-objection certificate (NOC) that had landed two Indian Administrative Service (IAS) officers in jail on extortion charges. In the previous Congress regime, clearance norms for coal transportation from mines to users were changed. In July 2020, then geology and mining department director Sameer Bishnoi had notified the implementation of manual NOC for coal transportation, ending the earlier online process. However, no procedure was circulated in this regard, the Enforcement Directorate (ED) that probed the Chhattisgarh coal scam revealed in its investigation.

https://www.business-standard.com/industry/news/chhattisgarh-government-restores-e-permits-for-coal-transportation-124021200902_1.html

Uttar Pradesh govt to launch over 14,000 projects worth Rs 10 trillion

The Yogi Adityanath government will launch more than 14,000 projects worth over Rs 10 trillion at the groundbreaking ceremony (GBC) that Prime Minister Narendra Modi is expected to attend in Lucknow on February 19. Domestic and international companies will develop most of these projects across industrial, services, and infrastructure domains.

https://www.business-standard.com/india-news/uttar-pradesh-govt-to-launch-over-14-000-projects-worth-rs-10-trillion-124021201111_1.html

Assam govt tables Rs 2.9 lakh crore budget, proposes no new tax

The Assam government on Monday presented a Rs 2.9 lakh crore budget for the 2024-2025 financial year with a deficit of Rs 774.47 crore and proposed no new tax. Presenting the annual financial statement for the next fiscal, Assam Finance Minister Ajanta Neog also said the government will support the education of 10 lakh girls up to post graduation level in order to eliminate child marriage from society. "The Budget Estimates of 2024-25 show a receipt of Rs 1,43,605.56 crore under the Consolidated Fund of the state. After adding the receipt of Rs 1,44,550.08 crore under Public Account and Rs 2,000 crore under Contingency Fund, the aggregate Receipts amount to Rs 2,90,155.65 crore," she added.

<https://economictimes.indiatimes.com/news/economy/finance/assam-govt-tables-rs-2-9-lakh-crore-budget-proposes-no-new-tax/articleshow/107627074.cms>

Kerala emerges as frontrunner in EV adoption race in India

Demand trend in Kerala has baffled automakers like Tata Motors and MG Motor India that are reporting high demand for electric cars from this tiny southern state that accounts for only about 4% of all passenger vehicles sold in India. Kerala has emerged a frontrunner in adoption of the technology, trailing only Maharashtra in lapping up electric cars like Tata Tiago EV to MG Comet, launched at affordable price points in the mass market in the past 12-18 months. It is followed by Karnataka and Gujarat. Together, the three states accounted for about 35% of the 82,000-odd electric cars sold in the country in CY2023. Greater consumer awareness, lower cost of operations and wider spread of charging infrastructure have been driving up sales in these states, senior industry executives told ET.

<https://economictimes.indiatimes.com/industry/renewables/kerala-emerges-as-frontrunner-in-ev-adoption-race-in-india/articleshow/107636446.cms>

Healthcare

India witnesses decline in vector-borne tropical diseases in last 2 years

India has seen a decline in major vector-borne diseases like lymphatic filariasis (elephantiasis, haathipaon), leishmaniasis (kala-azar), dengue and chikungunya in the last two years, according to data from the National Centre for Vector-Borne Diseases Control (NCVBDC). The drop is despite the global challenges posed by neglected tropical diseases (NTDs) which impact over 1 billion people globally. NTDs are a diverse group of tropical infections that typically affect the marginally low-income groups. NCVBDC numbers reveal a downward trend in these diseases over the past few years, indicating successful control efforts.

https://www.business-standard.com/health/india-witnesses-decline-in-vector-borne-tropical-diseases-in-last-2-years-124021100075_1.html

Publish monthly list of spurious drugs, DCGI tells state bodies

In a bid to protect consumers from the risks due to poor quality of medicines, cosmetics and medical devices, the Drug Controller General of India (DCGI) has asked the state drug inspectors to maintain a spurious drug list and publish it on monthly basis to avoid its further use. The DCGI has come out with a document for sampling of drugs, cosmetics and medical devices to ensure their better quality. The list of spurious drug or drugs which are not of standard quality (NSQ) have to be published on the drug regulatory authority's website every month, the document said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/publish-monthly-list-of-spurious-drugs-dcgi-tells-state-bodies/articleshow/107642917.cms>

External

India sees 28% fall in vegetable oil imports to 1.2 mn tonnes in Jan: SEA

The country's vegetable oil imports declined by 28 per cent to 1.2 million tonnes in January from a year-ago period, industry body SEA said on Monday. Vegetable oil imports stood at 1.661 million tonnes in January 2023. India is a leading vegetable oil buyer in the world. In the first quarter (November-January) of the current oil year, total imports dropped 23 per cent to 3.67 million tonnes as against 4.773 million tonnes in the same quarter of previous year. According to the Solvent Extractors Association of India (SEA), about 782,983 tonnes of palm oil and 408,938 tonnes of soft oil were imported in January this year out of total vegetables oils.

https://www.business-standard.com/industry/news/india-sees-28-fall-in-vegetable-oil-imports-to-1-2-mn-tonnes-in-jan-sea-124021200799_1.html

Modi, UAE President to discuss energy, ports, digital infra, capital flows in bilateral meet

Prime Minister Narendra Modi and UAE President Sheikh Mohamed bin Zayed Al Nahyan, in their bilateral meeting on Tuesday, are expected to take up strengthening of ties in a number of economic areas including energy security, energy trade, ports, railways and maritime logistics, digital infrastructure, capital flows and fintech connectivity, according to the Ministry of External Affairs (MEA).

<https://www.thehindubusinessline.com/economy/modi-uae-president-to-discuss-energy-ports-digital-infra-capital-flows-in-bilateral-meet/article67838387.ece>