



April 01, 2024 – Monday

Economy

Key indicators suggest economy remains buoyant at end of FY24: NCAER

Key markers point to the buoyancy of the Indian economy at the end of FY 2023-24. The Purchasing Manager's Index (PMI) for manufacturing has increased, while that of services maintained a robust trend, according to the Monthly Economic Review for March released by the National Council of Applied Economic Research (NCAER) on Sunday. The PMI for manufacturing activity increased to 56.9 in February, reflecting a strong expansionary momentum. Growth in the output of eight key infrastructure sectors rose to a three-month high of 6.7 per cent in February from 4.1 per cent in January 2024.

https://www.business-standard.com/economy/news/key-indicators-suggest-economy-remains-buoyant-at-end-of-fy24-ncaer-124033100347_1.html

Now, artificial intelligence to help spread access to govt schemes

The government is planning to deploy artificial intelligence (AI) to spread the reach of government schemes. It has prepared a blueprint for the next phase of accelerated digitisation of public services by powering it with AI to help citizens find government schemes they are entitled to. Currently, citizens can access details of only the schemes they have signed up for. "The vision now is to enable citizens to discover what other schemes they are entitled to," said a senior official of the Ministry of Electronics and Information Technology (MeitY), adding that this was consistent with the "overall idea to have a saturation of government schemes".

https://www.business-standard.com/economy/news/now-artificial-intelligence-to-help-spread-access-to-govt-schemes-124033100719_1.html

Overseas Indians book a returns trip, send home a record \$29 billion in Q3

Overseas Indians sent home a record \$29 billion by way of remittances in the December quarter as steadily climbing returns from FCNR (foreign currency - non resident) instruments have made such savings plans more lucrative than bank deposits in the West. To be sure, remittances are a source of permanent flows, unlike repatriable NRI deposits, and these help in narrowing the current account deficit (CAD), which has steadily shrunk as a percentage of India's gross domestic product (GDP). Net inward remittances, as reflected in the private transfers in the current account of the balance of payments, amounted to \$29 billion during the quarter ended December 2023, showed the preliminary data published by the Reserve Bank of India (RBI). An ET analysis of the data since 1991, the year of economic liberalization, showed this is the highest for remittances by the Indian diaspora in any quarter.

<https://economictimes.indiatimes.com/news/economy/indicators/overseas-indians-book-a-returns-trip-send-home-a-record-29-billion-in-q3/articleshow/108924685.cms>

Finance

RBI to set up Digital India Trust Agency to check illegal lending apps

As part of its efforts to curb growing cyber fraud, the Reserve Bank is considering establishing a Digital India Trust Agency (DIGITA) to stop the mushrooming of illegal lending apps. The proposed agency will enable verification of digital lending apps and maintain a public register of verified apps, sources said. Apps not carrying the 'verified' signature of DIGITA should be considered unauthorised for the purpose of law enforcement,

sources said, adding that this will serve as a pivotal checkpoint in the fight against financial crimes in the digital realm. DIGITA, once in place, would be entrusted with the responsibility of vetting digital lending apps, they noted.

https://www.business-standard.com/finance/news/rbi-to-set-up-digital-india-trust-agency-to-check-illegal-lending-apps-124033100152_1.html

Lenders seek anonymity for officers tagging wilful defaulter accounts

Lenders will seek advice from the Reserve Bank of India (RBI) on shielding the identities of officers who spot wilful defaulters and build cases against errant borrowers, said bankers aware of the development. A recent High Court order has directed banks to name the employees on committees identifying a borrower as a wilful defaulter. The division bench order about Milind Patel, director of IFIN versus Union Bank of India, also asked the bank to provide the petitioner full access to the relevant documents and material on record. This is yet another contentious issue between lenders and the borrower. The Union Bank had argued that it is not obliged to provide evidence to the borrower as per the RBI guidelines. Lenders will seek RBI's guidance on this issue, too, the bankers cited above said. The bank management lobby, the Indian Banks Association (IBA), will soon seek advice on ways to address this issue.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/lenders-seek-anonymity-for-officers-tagging-wilful-defaulter-accounts/articleshow/108924569.cms>

MPC may keep repo rate, stance unchanged at FY25's 1st meet: BS Poll

The six-member Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) is expected to keep both the policy repo rate and the stance unchanged in the first policy review of 2024-25, all the 10 respondents said in a Business Standard poll. The RBI will announce the review of the policy on April 5. After increasing the repo rate by 250 basis points (bps) to 6.5 per cent between May 2022 and February 2023, the domestic rate-setting panel kept the repo rate unchanged in all the six policy review meetings in 2023-24.

https://www.business-standard.com/economy/news/monetary-policy-rbi-may-keep-rate-and-stance-unchanged-says-bs-poll-124033100333_1.html

Ministry of Finance debunks falsehoods: New tax regime clarified, no changes on horizon

In response to widespread misinformation circulating on various social media platforms, the Ministry of Finance issued a clarification regarding the applicability of the new tax regime versus the existing one. The statement, posted on X, addressed misconceptions surrounding changes purportedly taking effect from April 1, 2024. Ministry of Finance posted, "Ministry of Finance posted on X, "It has come to notice that misleading information related to new tax regime is being spread on some social media platforms. It is therefore clarified that: There is no new change which is coming in from 01.04.2024....."

<https://economictimes.indiatimes.com/news/economy/policy/ministry-of-finance-debunks-falsehoods-new-tax-regime-clarified-no-changes-on-horizon/articleshow/108929757.cms>

Finance Ministry releases additional ₹3.4kcr for rural jobs guarantee scheme

The finance ministry released an additional ₹3,400 crore in urgent assistance for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), over and above the revised estimate of ₹86,000 crore for 2023-24, as work demand beat initial projections, a senior official told ET. This pushed up the actual MGNREGS allocation for the financial year to ₹89,400 crore, against ₹90,806 crore a year before but almost 50% higher than the budget estimate of ₹60,000 crore. As many as 3.05 billion person-days were generated under the MGNREGS - a demand-driven scheme - in 2023-24, against the revised target of 2.95 billion, showed the preliminary data compiled by the rural development ministry.

<https://economictimes.indiatimes.com/news/economy/finance/finance-ministry-releases-additional-3-4kcr-for-rural-jobs-guarantee-scheme/articleshow/108924736.cms>

Centre gets a dividend boost as receipts from state-run undertakings surpass revised estimates by 26% to Rs 63,000 cr

The Centre's kitty got a boost as dividend receipts from state-run undertakings exceeded the revised budget estimate by 26 per cent to about Rs 63,000 crore. Finance Minister Nirmala Sitharaman had revised dividend receipts in the Interim Budget to Rs 50,000 crore for the current fiscal. Among the PSUs, Coal India, ONGC, Powergrid and GAIL were the top dividend payers to the government. In March, the government received hefty dividend tranches from ONGC (Rs 2,964 crore), Coal India (Rs 2,043 crore), Power Grid Corporation of India (Rs 2,149 crore), NMDC (Rs 1,024 crore), HAL (Rs 1,054 crore) and GAIL (Rs 1,863 crore).

<https://economictimes.indiatimes.com/news/economy/finance/dividend-receipts-from-cpses-exceed-revised-estimates-by-26-pc-to-rs-63k-cr/articleshow/108912317.cms>

CBIC notifies guidelines for GST investigation, prior approval for big cos

GST field officers will now have to seek the approval of their zonal principal chief commissioners to initiate an investigation against any big industrial houses or major MNCs and levy duty on goods/services for the first time. The Central Board of Indirect Taxes and Customs (CBIC) has issued guidelines for Central GST (CGST) officers. According to the guidelines, when a taxpayer is simultaneously being investigated by the state GST and DGGI officers on different subject matters, the principal commissioner will "consider the feasibility" of only one of the offices pursuing all the cases with respect to the taxpayer.

https://www.business-standard.com/economy/news/cbic-notifies-guidelines-for-gst-investigation-prior-approval-for-big-cos-124033100182_1.html

Industry

Govt forms 14th task force to explore use of biochar in steel production

The government has set up a task force to explore the use of biochar in steel production as part of its efforts to reduce carbon emissions in the steel industry. According to official data, the domestic steel sector accounts for 12 per cent of India's greenhouse gas emissions with an emission intensity of 2.55 tonnes CO₂ per tonne of crude steel compared to the global average of 1.9 tonnes CO₂. In March 2023, Union Steel Minister Jyotiraditya Scindia approved the formation of 13 task forces to identify action points for each aspect of green steel production and the adoption of sustainable manufacturing processes. The 13 task forces were formed with a focus on various aspects of green steel production, including raw materials, technology, and policy frameworks, the minister said earlier. The 14th task force has been constituted to further aid the carbon reduction practises in the domestic steel industry by the usage of biochar, according to a steel ministry document.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/govt-forms-14th-task-force-to-explore-use-of-biochar-in-steel-production/articleshow/108914156.cms>

Phone companies press the crackdown button on deep online discounts

Smartphone brands such as Xiaomi and Realme are cracking down against scalper retailers looking to make a quick buck by selling devices cheaper on online platforms as the companies bet big on the offline channel to boost growth in the world's second largest smartphone market. After complaints from retailer associations, brands including Xiaomi and Realme are repurchasing stocks selling at lower prices to trace back the retailer and distributor and penalise them, according to correspondence between the two parties ET has seen.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/phone-companies-press-the-crackdown-button-on-deep-online-discounts/articleshow/108924036.cms>

Recently notified regulations applicable to cases under probe: CCI chief

The recently notified competition regulations on settlement, commitment, leniency plus and global turnover will be applicable to cases that are under investigation by the Competition Commission, according to the watchdog's chief Ravneet Kaur. In an interview with PTI, she also said the new regulations related to settlement and commitment framework will help in providing quick market correction. Last year, Parliament cleared various amendments to the Competition Act, and in recent times, the Competition Commission of India (CCI) has notified the regulations pertaining to the changes.

https://www.business-standard.com/industry/news/recently-notified-regulations-applicable-to-cases-under-probe-cci-chief-124033100119_1.html

PLI schemes attract over Rs 1.06 trn investment; pharma gets major chunk

Production-linked incentive (PLI) schemes for 14 sectors have attracted over Rs 1.06 trillion investments till December 2023 with pharma and solar modules accounting for nearly half of the total, according to government data. The response to the schemes was tepid in sectors like IT hardware, auto, and auto components, textiles, and ACC battery storage till December last year.

https://www.business-standard.com/industry/news/pli-schemes-attract-over-rs-1-06-trn-investment-pharma-gets-major-chunk-124033100116_1.html

Luxury car sales could breach 50,000 units mark for first time ever in 2024: Audi India head

Luxury car sales in India could cross the milestone of 50,000 units for the first time in a year in 2024 amid growing demand for such models, according to Audi India head Balbir Singh Dhillon. The overall domestic luxury car segment grew by 28 per cent annually last year to record sales volume of around 48,500 units. Luxury car volumes in India currently account for less than 2 per cent of the overall passenger vehicle sales annually and the sector has been more or less at the same level for the past decade. "Even if the sales grow by around 10 per cent and we do not face issues like disruptions like issues with global supply chain, we (industry) could cross the 50,000 volume mark in a year for the first time ever in 2024," Dhillon told PTI in an interaction.

<https://economictimes.indiatimes.com/industry/auto/cars-uvs/luxury-car-sales-could-breach-50000-units-mark-for-first-time-ever-in-2024-audi-india-head/articleshow/108912796.cms>

AC industry expects double-digit growth, 11.5 mn unit sales this season

Sale of air conditioners has seen a relatively slow start, contrary to expectations, but manufacturers remain confident of registering double-digit growth to cross the 11.5 million unit sales-mark this year. Leading players in the AC industry said "favourable weather forecast of a scorching summer" and increase in disposable income are likely to push up sales. Top manufacturers such as Daikin, Panasonic, LG Electronics, Blue Star, Godrej Appliances and Lloyd, expect up to 25 per cent growth this year, along with a substantial contribution from tier-III towns and smaller centres, which are emerging as promising markets for the category.

https://www.business-standard.com/industry/news/ac-industry-expects-double-digit-growth-11-5-mn-unit-sales-this-season-124033100304_1.html

Soon, Govt to enter e-tailing via GeM portal

E-retailers like Amazon and Flipkart may soon have a new competitor in the government e-Marketplace (GeM). The public procurement portal has doubled the business it facilitated in a year by processing orders worth over Rs 4 trillion in 2023-24, and is now preparing to make itself available to the general public for purchase of various goods and services. "That (consumer orders on GeM) is a very different ecosystem. We are preparing for that.. We will do a small pilot in this area in the coming year if all the approvals are in place," GeM chief executive officer P K Singh said. The idea is develop GeM as "unified procurement portal" for the country.

<https://www.financialexpress.com/policy/economy-soon-govt-to-enter-e-tailing-via-gem-portal-3440908/>

Hotel investments in India touched \$ 401 million last year: JLL

India's hospitality sector witnessed a record \$ 401 million worth of investment activity in 2023, a nearly fourfold rise compared to 2022, as per data cited in JLL India's 'Hotel Investment Trends - India 2023' report shared exclusively with ET. JLL said 2023 saw 22 hotel transactions, which is the largest number of assets traded in the last decade, with high net worth individuals and institutional investors contributing the most to transaction activity. The report mentions that January to March, the first quarter of calendar year 2024 has seen a significant 80% year-on-year increase in hotel transaction volumes, reaching \$ 78 million.

<https://economictimes.indiatimes.com/industry/services/hotels/-/restaurants/hotel-investments-in-india-touched-401-million-last-year-jll/articleshow/108928269.cms>

Agriculture

Food subsidy for FY25 may be revised upward by over Rs 35,000-cr

The government's food subsidy expenses for FY24 were around Rs 2.2 trillion, Rs 8,000 crore more than the revised estimate (RE), and the outgo for FY25 would need to be revised upward by more than Rs 35,000 crore from the budget estimate (BE), an official source told FE. The initial projection of the subsidy outgo by the ministry of food and public distribution for 2024-25 is Rs 2.42 trillion, the source said, citing the likely rise in MSPs of wheat and rice. In the interim budget for 2024-25, the government had provisioned Rs 2.05 trillion under the food subsidy head.

<https://www.financialexpress.com/policy/economy-food-subsidy-for-fy25-may-be-revised-upward-by-over-rs-35000-cr-3442219/>

Maize prices surge, procurement for ethanol may be hit

As the government gears up to procure maize for ethanol production, its prices have shot up in the main producing regions, leading to fears of reduced state procurement. The increased prices can reduce the procurement by government agencies which have already made commitments to distilleries for ethanol production, said a senior government official, adding that the central agencies have already signed memorandum of understanding (MoUs) with over 40 distilleries that produce the clean fuel. As market price

stays elevated, farmers may prefer to sell to private traders over government channels which procures at a minimum support price (MSP) of ₹2,090 per quintal for kharif season (2023-24).

<https://economictimes.indiatimes.com/news/economy/agriculture/maize-prices-surge-procurement-for-ethanol-may-be-hit/articleshow/108924674.cms>

Infrastructure

443 infrastructure projects hit by cost overrun of Rs 4.92 trillion in Feb

As many as 443 infrastructure projects, each entailing an investment of Rs 150 crore or above, were hit by a cost overrun of more than Rs 4.92 trillion in February 2024, an official report stated. According to the Ministry of Statistics and Programme Implementation (MoSPI), which monitors infrastructure projects worth Rs 150 crore and above, out of 1,902 projects, 443 reported cost overruns and 764 projects were delayed.

https://www.business-standard.com/economy/news/443-infrastructure-projects-hit-by-cost-overrun-of-rs-4-92-trillion-in-feb-124033100136_1.html

Mumbai property market record performance spree continues in March

Mumbai, the country's largest and most expensive property market, has continued its record-setting momentum, marking its second-best March performance ever, led by brisk sales activity and robust demand despite higher mortgage rates and escalating property prices. The significance of performance is underscored by its second-place ranking, closely following March 2021, when the market received substantial support through a halving of stamp duty rates, intended to bolster business activity in the backdrop of the COVID-19 pandemic.

<https://economictimes.indiatimes.com/industry/services/property/-/construction/mumbai-property-market-record-performance-sprees-continues-in-march/articleshow/108922990.cms>

Energy

Govt reduces gas price for Reliance to \$9.87; rate for CNG, PNG unchanged

The government on Sunday cut the price of natural gas produced from difficult areas like deep sea KG-D6 block of Reliance Industries, marginally to \$9.87 per million British thermal unit in line with softening of benchmark international gas prices, an official notification said. However, the price of gas that is used for making CNG for fuelling automobiles or piping to household kitchens for cooking purposes will remain unchanged due to a price cap that is set at 30 per cent less than market rates such as that paid to Reliance.

https://www.business-standard.com/industry/news/govt-reduces-gas-price-for-reliance-to-9-87-rate-for-cng-png-unchanged-124033100393_1.html

India reaches out to critical mineral producers for processing technology

India has reached out to key critical mineral producers to bring in processing technology into the country, officials said. The move comes close on the back of the government rolling out auctions of critical mineral mines. "Talks are on with the United States (US), Australia, and United Kingdom (UK), South Korea, and Japan for processing technology. Brazil and Argentina are also positive about collaborating with India," a senior mines ministry official told ET. According to another official aware of the plan, agreements with countries are being lined up and will soon be signed. While India is going ahead with auction of mines holding critical minerals, there are no facilities for their beneficiation. "We want to target India's first critical mineral beneficiation and processing plant in the next 3-5 years," the official quoted above said. "We want to ensure that development of critical mineral processing and extraction happen in parallel.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/india-reaches-out-to-critical-mineral-producers-for-processing-technology/articleshow/108924719.cms>

States

Maharashtra govt maintains status quo on property ready reckoner rates

The government of Maharashtra has decided not to make any changes to ready reckoner rates for the financial year 2024-25. The rates--minimum per sq ft value set by the government used for calculation of taxes, premiums, etc--were last changed in 2022. The government of Maharashtra has fetched revenue worth nearly Rs 36,000 crore through stamp duty collection and registration charges in the financial year 2023-24. Realty developers expect the state government's decision to maintain status quo on ready reckoner rates will support the sector,

especially the affordable housing segment. "This is a positive step taken by the government which will help improve market sentiments and boost the property market. We had requested the state government to not increase the ready reckoner rates and we thank them for keeping the rates unchanged. This will be a great step to sustain the growth momentum," said Prashant Sharma, president, NAREDCO Maharashtra.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/maharashtra-govt-maintains-status-quo-on-property-ready-reckoner-rates/articleshow/108923114.cms>

Healthcare

NPPA revises ceiling prices of 923 scheduled drug formulations from April 1

The Department of Pharmaceuticals on Sunday issued its annual list of revised ceiling prices for 923 scheduled drug formulations and revised retail prices of 65 formulations. The revised ceiling rates are scheduled to come into effect from April 1. The revision in ceiling and retail prices comes after the National Pharmaceutical Pricing Authority (NPPA) announced a 0.00551 per cent increase in prices of drugs included in the National List of Essential Drugs (NLEM), on the basis of changes in the wholesale price index (WPI).

https://www.business-standard.com/industry/news/nppa-revises-ceiling-prices-of-923-scheduled-drug-formulations-from-april-1-124033100404_1.html

External

Alcoholic beverages, jam among 12 items to get export push

India is looking to increase the export of agricultural value added products by forging partnerships with retail chains and supermarkets of countries like the United Arab Emirates. The commerce department has identified 12 value added food items, including jams, jellies and marmalades, alcoholic beverages, fruit pulp products, dehydrated vegetables and ready to eat products for the purpose. "We plan to concentrate on a few products and push their exports. These are some value-added goods which we are sure would give results," said an official, who did not wish to be identified. Biscuits, confectionery, mango pulp and value-added products of mangoes, and preserved gherkins and cucumbers are also part of the list. "There's no target set for the export of these 12 categories. We expect a push from the free trade agreements signed recently," the official said, adding that the plan entails promotions, stakeholder consultations and state tie-ups with supermarkets and retail chains, especially in the UAE, the EU and the US.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/alcoholic-beverages-jam-among-12-items-to-get-export-push/articleshow/108924717.cms>

Exporters urge exemption from 45-day payment rule for supplies from MSEs

Indian exporters have urged the government to exempt them from the 45-day payment rule for goods bought from micro and small enterprises (MSEs) as it will impact their businesses. In a letter to Prime Minister Narendra Modi, chiefs of major export promotion councils and federation of Indian export organisations have appealed to waive the export companies from section 43B(h) of the Income Tax law.

https://www.business-standard.com/industry/news/exporters-urge-exemption-from-45-day-payment-rule-for-supplies-from-mses-124033100128_1.html

Govt to resume curbs on solar modules imports to boost local producers

India will reimpose limits on imported solar energy modules, after relaxing curbs for a year, in a relief to domestic manufacturers that had complained of cheaper shipments from overseas. The eased rules will end on March 31 and an approved list of domestic models and manufacturers will come back into effect the next day, the renewable energy ministry said in a statement on its website. The list bars imported modules from being used in the country.

https://www.business-standard.com/industry/news/govt-to-resume-curbs-on-solar-modules-imports-to-boost-local-producers-124033000689_1.html

Import dependence for oil rises further to 88%

For the country's energy sector, the just-concluded fiscal year 2023-24 was marked by several challenges – rising crude oil prices amid geopolitical tensions, demand and supply disruptions, and stagnant domestic production. As the year was about to draw to a close, the upcoming general elections, impelled the government to take a

few steps that aren't market-friendly. First came the cut in prices of LPG (liquefied petroleum gas) cylinders and then the reduction prices of auto fuels.

<https://www.financialexpress.com/policy/economy-import-dependence-for-oil-rises-further-to-88-3442212/>

At \$445 billion, FY24 goods exports a tad below FY23 level

The last-quarter spurt would see India's merchandise exports to be around \$445 billion in the financial year 2023-24, about 1.3% lower than previous year's level of \$451 billion. The new year is challenging and growth from hereon will depend on inflation-interest rate dynamics in the key markets of the US and Europe, trade experts said, "The merchandise exports in March are expected to be around \$ 40 billion, as \$ 5-6 billion will be added to the monthly shipments number. This should take the overall exports for this year to \$440-445 billion,"

director general and chief executive officer of Federation of Indian Export Organisations (FIEO) Ajay Sahai said.
<https://www.financialexpress.com/policy/economy-at-445-billion-fy24-goods-exports-a-tad-below-fy23-level-3442286/>

Silk goods exports jumped 20% to ₹1534 crore during April-January 2023-24

India's exports of silk products have risen by about a fifth during the April-January period of financial year 2023-24 on rise in overseas demand for fabrics, made-ups and readymade garments from markets such as the United States and Europe..

<https://www.thehindubusinessline.com/economy/agri-business/silk-goods-exports-jumped-20-to-1534-crore-during-april-january-2023-24/article68012784.ece>