



May 07, 2024 – Tuesday

Economy

India Ratings raises sovereign GDP growth estimate for FY25 to 7.1%

India Ratings and Research on Monday revised upward the country's GDP growth estimate for FY25 to 7.1 per cent from 6.5 per cent earlier. The projection is marginally higher than the Reserve Bank's estimate of 7 per cent. In a statement, the domestic rating agency said strong support from the sustained government capex, deleveraged balance sheets of corporate and banking sector, and the incipient private corporate capex cycle make it revise its estimate.

https://www.business-standard.com/economy/news/india-ratings-raises-sovereign-gdp-growth-estimate-for-fy25-to-7-1-124050601198_1.html

India's services PMI slides in April, remains robust due to strong demand

Growth in India's dominant services sector slowed marginally in April, but remained robust due to strong demand, a private business survey released on Monday said. The headline Purchasing Managers' Index (PMI) figure, released by HSBC, slid to 60.8 in April from 61.2 recorded in March. The survey noted that in addition to buoyant domestic demand, firms saw new business gains from several parts of the world, which collectively underpinned the second-quickest upturn in international sales since the series started in September 2014.

https://www.business-standard.com/economy/news/india-s-services-pmi-slides-in-april-remains-robust-due-to-strong-demand-124050600371_1.html

Finance

FPSB India, IFSCA sign pact to promote GIFT IFSC as 'global finance hub'

Financial Planning Standards Board India on Monday announced that it has signed a pact with the International Financial Services Centres Authority (IFSCA), GIFT City, Gandhinagar, to promote GIFT IFSC as a 'Global Finance Hub'. FPSB India and IFSCA aim to enhance the financial market ecosystem and nurture skilled professionals for GIFT City's expanding financial workforce, the company said in a statement.

https://www.business-standard.com/finance/news/fpsb-india-ifsc-sign-pact-to-promote-gift-ifsc-as-global-finance-hub-124050600512_1.html

CBDC pilot programmes for CPs, CDs likely: RBI governor Shaktikanta Das

The Reserve Bank of India (RBI) may start a pilot programme for the wholesale segment of Central Bank Digital Currency (CBDC) in commercial papers (CPs) and certificates of deposits (CDs), said Governor Shaktikanta Das on Monday. Das said the daily retail transaction volume of CBDC through interoperability with the United Payments Interface (UPI) has reached one million a day but retail users continue to show a strong preference for the UPI.

https://www.business-standard.com/finance/news/cbdc-pilot-programme-in-cps-cds-likely-rbi-governor-shaktikanta-das-124050601147_1.html

Industry

Central PSUs' buys from GeM rise by 36%, exceed target

India's Central Public Sector Enterprises (CPSEs) continued to drive economic activities as their procurement from MSMEs was 36.34% against the mandated 25% for the Financial Year 2024. In absolute terms the procurement through Government e-marketplace (GeM) by 54 CPSEs and five departmental arms of government including Railways Board and National Highways Authority of India stood at ₹2.62 lakh crore by March 31, 2024, against ₹1.06 lakh crore in the same period last year, which helped them to push their combined capex at all-time high of 108.54% at ₹8.05 lakh crore, ET has learnt.

<https://economictimes.indiatimes.com/news/economy/policy/central-psus-buys-from-gem-rise-by-36-exceed-target/articleshow/109894979.cms>

Season of down rounds gets longer for Indian startups

The season of down rounds in the startup space is getting longer. Nearly 20% of the large venture capital deals in 2023 and till April this year saw steep reduction in valuations. This is the highest since 2015, according to data sourced from Pitchbook. Prior to 2023, the highest share of down rounds was in 2017, when 17% of the VC deals were made with valuation cuts, after the funding exuberance seen in 2015-16. Analysts say the trend is likely to continue through the year. That's bad news for startups ranging from large unicorns to growth and early-stage.

<https://www.financialexpress.com/business/sme-season-of-down-rounds-gets-longer-for-indian-startups-3477924/>

Lab grown diamonds export may grow by 7-9% to reach \$1,500-1,530 mn in FY25

Exports of lab-grown diamonds are expected to rise by 7-9 per cent to USD 1,500-1,530 million in 2024-25 as demand for naturally mined diamonds remains sluggish, a report by CareEdge Advisory said on Monday. Both domestic consumption and exports of man-made diamonds are expected to increase this fiscal due to their low cost, the report said.

https://www.business-standard.com/industry/news/lab-grown-diamonds-export-may-grow-by-7-9-to-reach-1-500-1-530-mn-in-fy25-124050600976_1.html

Infrastructure

REIT to invest Rs 3,800 cr to construct of 6.1 mn sq ft office space

Bullish on demand for premium workspace, Embassy Office Parks REIT will invest Rs 3,800 crore over the next four years to complete its ongoing office complexes as part of its strategy to expand rental portfolio. Embassy REIT, which is India's first publicly listed Real Estate Investment Trust (REIT), currently has 36.5 million (365 lakh) square feet of completed office space across Bengaluru, Mumbai, Pune and Delhi-NCR.

https://www.business-standard.com/industry/news/reit-to-invest-rs-3-800-cr-to-construct-of-6-1-mn-sq-ft-office-space-124050600276_1.html

Energy

Norms eased to draw in more suppliers for power equipment

India's apex planning and advisory body for the power sector has eased a key condition for power equipment supplies for public sector projects, a move that is expected to let utilities to issue tenders allowing larger private vendor participation, people familiar with the development said. This change was advised after some recent tenders from companies such as NTPC and Damodar Valley Corporation to build thermal projects under engineering-procurement-construction (EPC) contracts received muted response. Some of these projects saw single bids.

<https://economictimes.indiatimes.com/industry/energy/power/norms-eased-to-draw-in-more-suppliers-for-power-equipment/articleshow/109894871.cms>

Telecom

Telecom subscriber base rises by 5.6 mn in March 2024, led by Jio, Airtel

The Indian telecom sector saw a significant surge in active subscribers in March 2024, with the total base rising by 5.6 million, marking the highest monthly additions in a year, according to an analysis by Jefferies. Leading the charge were telecom giants Reliance Jio and Bharti Airtel, contributing 3.6 million and 2.8 million new active subscribers, respectively.

https://www.business-standard.com/industry/news/telecom-subscriber-base-rises-by-5-6-mn-in-march-2024-led-by-jio-airtel-124050600840_1.html

Trai may give telcos time for upgrading their IT systems

The telecom sector regulator is open to granting more time to telecom operators for upgrading their IT systems to comply with the new and tighter reporting rules on base tower stations, officials aware of the matter told ET. Telecom operators are holding consultations with officials from the Telecom Regulatory Authority of India (Trai) regarding the new rules that have come into effect. Since a large amount of data has to be submitted and the format is also different, the industry needs some time to upgrade their systems.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/trai-may-give-telcos-time-for-upgrading-their-it-systems/articleshow/109894966.cms>

External

DGTR recommends anti-dumping duty on water treatment chemical from China, Japan

The commerce ministry's arm DGTR has recommended the imposition of anti-dumping duty on imports of a chemical, used for water treatment, from China and Japan to protect the domestic industry from cheap inbound shipments. The Directorate General of Trade Remedies (DGTR) has recommended the duty on 'Trichloro isocyanuric acid' after conducting an investigation on the dumped imports of the chemical from these two countries.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/dgtr-recommends-anti-dumping-duty-on-water-treatment-chemical-from-china-japan/articleshow/109882301.cms>

Govt should allow 2 MT of sugar exports in 2023-24 mkt yr ending Sep: ISMA

Sugar industry body ISMA has urged the government to allow 20 lakh tonnes of sugar exports in the current marketing year ending September as shipments of surplus sweetener would boost liquidity of millers enabling them to make cane payments to farmers on time. For the current 2023-24 marketing year (October- September), the government has not allowed sugar exports to boost domestic supply and control retail prices.

https://www.business-standard.com/industry/news/govt-should-allow-2-mt-of-sugar-exports-in-2023-24-mkt-yr-ending-sep-isma-124050600858_1.html

Govt allows export of 14,000 tn of non-basmati white rice to Mauritius

The government on Monday permitted exports of 14,000 tonnes of non-basmati white rice to Mauritius. The export is permitted through National Cooperative Exports Limited (NCEL), the Directorate General of Foreign Trade (DGFT) said in a notification. Though exports of non-basmati white rice have been banned since July 20, 2023 to boost domestic supply, exports are allowed on the basis of permission granted by the government to certain countries to meet their food security needs on request.

https://www.business-standard.com/industry/news/govt-allows-export-of-14-000-tn-of-non-basmati-white-rice-to-mauritius-124050601236_1.html