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Business News Update

“Education is the only way to write your future & Teachers are the ones who make it possible.”

World Bank’s view India must join RCEP flawed: GTRI

The World Bank’s suggestion that India should re-consider joining Regional Comprehensive Economic Partnership (RCEP) for potential boosts in trade, investment and growth is a flawed one as other members of the grouping have seen their trade deficits with China zoom after the agreement became operational, according to trade policy think tank Global Trade Research Initiative (GTRI). The World Bank made the suggestion in its latest India Development Update released on Tuesday. The report’s assumption that India would gain significantly from joining RCEP, based on the study by Petri and Plummer (2020), is flawed. The study projected income gains of USD 60 billion by 2030 but neglected to highlight a crucial detail: the majority of these hypothetical gains would come from a rise in imports rather than exports, GTRI said.

Source: [Financial Express , Sept 05, 2024](#)

India needs 10-20 chip fabs over next 10 years, says SEMI president

India will need 10-20 semiconductor fabrication plants over the next 10 years and there is a lot of interest from global semiconductor companies to invest in the country, Ajit Manocha, president and CEO of global semiconductor industry body SEMI, said on Wednesday. Comments from Manocha assume significance as the government is focussing on growing the semiconductor ecosystem in the country backed by the Rs 76,000 crore incentive scheme. The government’s plan is also to increase the corpus for incentivising more projects as part of India Semiconductor Mission 2.0, for which the guidelines are in the works. “This is a rough estimate...if we want to make India a powerhouse for the industry, there is no ceiling on the number. The challenge is to show the companies the potential for growth, business and opportunities in India,” Manocha said.

Source: [Financial Express, Sept 05, 2024](#)

Steel firms may ward off import threat with higher tariffs; Minister says will ask finance ministry to raise duties to 10-12%

India’s primary steel manufacturers including Tata Steel, JSW, AM/NS and state-run SAIL may get a reprieve from the prospect of “unsustainable prices’ wiping off their margins, in the form of higher import tariffs on their key products like hot rolled coil (HRC). Union Steel Minister H D Kumaraswamy said on Wednesday “he will try to convince the finance ministry to raise duties on steel imports to 10-12% from the current 7.5%.” The minister also expressed concerns on the manner in which China was dumping steel into India, while speaking at the Fifth Steel Conclave organised by the Indian Steel Association here. Domestic steel prices have fallen to their lowest levels in over three years, largely due to shifts in the global markets. Data compiled by rating agency ICRA show that at Rs 51,200 a tonne, the August (ex-works) price of the benchmark HRC in the Mumbai market was at its lowest since November 2020, when it was Rs 45,975 a tonne.

Source: [Financial Express, September 05, 2024](#)

Govt conducting feasibility study to transport green hydrogen through pipelines

The Central Electricity Authority in collaboration with state-owned energy and power companies including GAIL, IOCL, and NTPC is conducting a feasibility study to explore possibilities and cost dynamics of transporting green hydrogen through pipelines from renewable energy zones to ports to meet domestic demand as well as exports. “In green hydrogen, we are thinking that there is a huge requirement of power. There are two options – Can I really transfer power from Rajasthan to port areas or can we go for a pipeline as well? We have already formed a team with GAIL, IOCL, CEA, NTPC, etc to explore possibilities because there will be a challenge of having a huge number of transmission lines. So as an alternative, can we have a green hydrogen pipeline so that it can meet the domestic and export requirements in a cheaper manner,” said Ghanshyam Prasad, Chairperson, CEA.

Source: [Financial Express, September 05, 2024](#)