

A-45011/03/2024-Coord.II
Government of India
Ministry of Finance
(Department of Economic Affairs)

New Delhi, 01st October, 2024

OFFICE MEMORANDUM

The undersigned is directed to circulate herewith the unclassified portion of Monthly Summary on important policy decisions in respect of Department of Economic Affairs for the Month of August, 2024.


(Susruta Samanta)

Deputy Secretary to the Government of India
Tel No. 2309- 5244

To

1. All Members of the Union Council of Ministers, Government of India, New Delhi.
2. Vice Chairman, Niti Aayog, Yojna Bhawan, New Delhi.
3. Cabinet Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
4. Secretary to the President of India, Rashtrapati Bhavan, New Delhi.
5. Secretary to the Vice-President of India, 6, Maulana Azad Road, New Delhi.
6. Principal Secretary to the Prime Minister, PMO, South Block, New Delhi
7. Chairman, Union Public Service Commission, Dholpur House, New Delhi.
8. All Members of Niti Aayog, Yojna Bhawan, New Delhi.
9. Secretaries to all the Ministries/Departments, Government of India, New Delhi.
10. PS to MOS (F), PPS to Finance Secretary, PPS to Secretary (EA), PPS to Secretary (Revenue), PPS to Secretary (Expenditure), PPS to Secretary (DIPAM).
11. Shri V. Anantha Nageswaran, Chief Economic Adviser, DEA.
12. Additional Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
13. Shri Manoj Sahay, AS&FA(Finance).
14. Ms. Aparna Bhatia, Advisor(Admn./Coord./ C&C)
15. Ms. Manisha Sinha, AS(OMI/Crypto assets and Fund Bank)
16. All Heads of Divisions in Department of Economic Affairs.
JS(IPP/JS(ISD)/JS(Inv)/JS(Budget)JS(FM)/All Advisers/CAAA
17. Shri Rajesh Malhotra, DG (M&C), M/o Finance, North Block, New Delhi.
18. Guard File – 2024.

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Subject: Monthly Summary on important policy decisions pertaining to Department of Economic Affairs (DEA) for the month of August, 2024.

1. Important policy decisions taken and major achievements during the month:

Macroeconomic Overview:

According to the estimates of gross domestic product (GDP) for the first quarter (April – June) of 2024-25, released by the National Statistical Office, real GDP is estimated to have grown by 6.7 per cent in Q1 2024-25. The real gross value added (GVA) is estimated to have registered a 6.8 per cent year-on-year (YoY) growth in Q1 of 2024-25. On a high base achieved in Q1 of the previous year, this reflects continuing growth momentum in the economy and is on expected lines.

The real GVA growth of the agriculture, industry and services sector for Q1 2024-25 is estimated to be 2.0 per cent, 8.3 per cent and 7.2 per cent, respectively. Among the sub-sectors in the economy, manufacturing, electricity, construction, finance, real estate & professional services, as well as public administration, defence and social services, catalysed the growth.

From the angle of aggregate demand in the economy, key components like private final consumption, fixed capital formation and exports bolstered real GDP growth. Private final consumption and gross fixed capital formation achieved growth rates of 7.4 per cent and 7.5 per cent, respectively, while exports grew by 8.7 per cent in Q1 2024-25.

The Reserve Bank of India (RBI) has projected India's real GDP growth to be 7.2 per cent for 2024-25, with projected growth for Q1, Q2, Q3 and Q4 of 2024-25, at 7.1 per cent, 7.2 per cent, 7.3 per cent and 7.2 per cent, respectively. As per the Survey of Professional Forecasters on Macroeconomic Indicators released by RBI, real GDP is expected to grow by 7.0 per cent in 2024-25.

2. Important Developments:

- (i) Hon'ble Finance Minister of India addressed the Central Board of RBI in the **609th Central Board Meeting** which was held on 10th August, 2024 in Delhi. The Hon'ble Finance Minister in her address outlined the vision of the Union Budget 2024-25, its focus areas and the expectations from the financial sector. The Finance Minister also underlined the priorities for 'Viksit Bharat'. Secretary (EA) being a board member also attended the meeting.
- (ii) India hosted the **3rd Voice of Global South Summit** on 17th August, 2024 wherein Hon'ble Finance Minister chaired the Finance Ministers' Session on 'People-Centric Approach to Global Finance'. Issues discussed included mobilizing affordable financing to accelerate SDGs, MDB reforms, debt vulnerabilities, climate financing, enhancing financial inclusion and South-South Cooperation for tackling shared challenges.
- (iii) Hon'ble Finance Minister met Minister of Economy, Finance and Forecasting, Burkina Faso, Mr. Aboubakar Nacanabo was held on 20th August, 2024 in New Delhi.
- (iv) Hon'ble Finance Minister met U. S. Delegation led by Senior Advisor to the President for International Climate Policy Mr. John Podesta on 23rd August, 2024. During the meeting, discussions were held to strengthen India-U.S. bilateral partnership for accelerating clean energy transition and climate action by enhancing cooperation for financing in clean energy.
- (v) The Finance Minister, External Affairs Minister, Commerce and Industry Minister as well as Minister of Railways, Information and Broadcasting, and Electronics and Information Technology visited Singapore for the **2nd round of India-Singapore Ministerial Roundtable (ISMR)**, which was held on 26th August, 2024. The Ministers reviewed the progress of India – Singapore Strategic Partnership, particularly under the pillars of Digitalization, Skills Development, Sustainability, Healthcare & Medicine, identified during the 1st meeting of ISMR (held in New Delhi on 17th September, 2022). They deliberated on ideas to expand bilateral cooperation and decided to add two new pillars, Advanced Manufacturing and Connectivity for further strengthening bilateral cooperation. The visit reaffirmed the commitment of both sides to further strengthen their multifaceted partnership.

- (vi) Hon'ble Finance Minister's vote/ballot for 2024 regular **elections of Executive Directors at International Monetary Fund (IMF)** was conveyed to IMF.
- (vii) Department of Economic Affairs has amended **Securities Contracts regulation Rules (SCRR) 1956**, facilitating direct listing of securities by public Indian companies on International Exchanges of GIFTS IFSC. The amendments prescribe the minimum offer and allotment to the public as per the offer document shall be at 10% of the post-issue capital, for public Indian companies desiring to list solely on international exchanges in IFSC. The continuous listing requirement for such companies has also been set at 10% at par with global standards. The new amendments facilitate easier access to global capital for Indian start-ups and companies in sunrise and technology sectors. Further the amendments underscore Government commitment to providing an agile and world-class regulatory and business environment at IFSC's thereby strengthening India's position in global financial system.
- (viii) The following important meetings were attended at the official level:
- a) **India-European Union Investment Protection Agreement (IPA) negotiations** were held on 01st, 02nd, 06th & 07th August, 2024 through video conferencing;
 - b) **Bilateral Investment Treaties (BIT) Negotiations** were held through VC between **India-Israel** on 08th August, 2024; **India – Cambodia** on 13th August, 2024; **India-Uruguay** on 23rd August, 2024 and **India-Qatar** on 01st August (and 31st July), 2024 in Doha, Qatar;
 - c) A meeting was held between Secretary (EA) and World Bank Group on 19th and 23rd August, 2024 to discuss the World Bank missions;
 - d) The **149th Screening Committee Meeting** for externally aided projects was held on 23rd August, 2024;
 - e) The **Budget and Human Resources and Compliance (BHRC) Committee, Audit and Risk Committee (ARC) and the Board of Directors meetings** were held 28th -29th August, 2024 in Cape Town, South Africa;
 - f) **NDB Annual Meetings of the Board of Governors** was held on 30th - 31st August, 2024 in Cape Town, South Africa;

g) Consolidated comments of DEA on the IMF Working paper titled: "Growth Convergence and Public Finances of India and its States" and IMF Fintech note titled: "Positioning Central bank Digital Currency (CBDC) in the Payments Landscape" were conveyed to OEDIN for onward communication to IMF.

(ix) A **loan agreement** was signed with Asian Development Bank (ADB) for USD 500 million to improve access to quality and affordable tertiary health care and medical education in Maharashtra.

3. Minimum Government, Maximum Governance

The use of ICT in submission of information is being encouraged.

4. Non-Compliance of ACC directions/orders: NIL

5. Number of Externally Aided Projects cleared by the DEA's Screening Committee during August, 2024: 03

6. Details of FDI proposals cleared during the month and status of FDI proposals awaiting approval in the Department:

Number of proposals cleared : 02

Awaiting Approval in the Department : 09