



January 18, 2024 – Thursday

## Economy

### **PLI scheme spurs Rs 1.03 trillion investment; boosts exports, jobs**

The government's production linked incentive (PLI) scheme has led to an investment of Rs 1.03 trillion till November, with exports surpassing Rs 3.20 trillion since the scheme's implementation. This investment resulted in production worth Rs 8.61 trillion and direct and indirect employment generation of over 678,000, according to Rajeev Singh Thakur, additional secretary, Department for Promotion of Industry and Internal Trade (DPIIT). While the incentive disbursement to companies participating in the scheme was Rs 4,415 crore as of now, the payout as of September was Rs 1,541 crore. The incentive has been disbursed under eight PLI schemes—Large-Scale Electronics Manufacturing (LSEM), IT Hardware, Bulk Drugs, Medical Devices, Pharmaceuticals, Telecom & Networking Products, Food Processing, and Drones.

[https://www.business-standard.com/economy/news/pli-scheme-spurs-rs-1-03-trillion-investment-boosts-exports-jobs-124011700826\\_1.html](https://www.business-standard.com/economy/news/pli-scheme-spurs-rs-1-03-trillion-investment-boosts-exports-jobs-124011700826_1.html)

### **ESIC considers to extend medical benefits to unorganised, gig workers**

In a bid to broaden the reach of social security, the government is considering extending medical benefits under its primary social security scheme for the organised sector — Employee State Insurance (ESI) — also to unorganised and gig sector workers. "The ESIC has held talks with various stakeholders on drawing plans to extend the coverage. Typically, the focus would have been on enhancing compliance to bolster the scheme's subscriber base. But, now the ESIC wants to include both unorganised sector and gig/platform workers,"

[https://www.business-standard.com/economy/news/esic-considers-to-extend-medical-benefits-to-unorganised-gig-workers-124011700798\\_1.html](https://www.business-standard.com/economy/news/esic-considers-to-extend-medical-benefits-to-unorganised-gig-workers-124011700798_1.html)

### **India eyes \$100 bn annual FDI in coming years: IT minister Vaishnav**

India is eyeing \$100 billion in annual foreign direct investment (FDI) "in the next few years", its IT minister said on Wednesday, as Prime Minister Narendra Modi seeks to attract investors ahead of a reelection bid. "We see 6-8% consistent growth rate over the next full decade, and this is based on a very clearly thought-out strategy. This strategy has four major engines," Information Technology Minister Ashwini Vaishnav also told Reuters in an interview at the World Economic Forum in Davos. He listed the four engines as investment in infrastructure, - both physical and digital, lifting up those at the bottom pyramid of the population, boosting manufacturing, and simplifying processes underlying ease of doing business.

[https://www.business-standard.com/economy/news/india-eyes-100-bn-annual-fdi-in-coming-years-it-minister-vaishnav-124011700904\\_1.html](https://www.business-standard.com/economy/news/india-eyes-100-bn-annual-fdi-in-coming-years-it-minister-vaishnav-124011700904_1.html)

### **More global money will flock to India post general elections: Goldman**

India may see accelerated foreign inflows into its \$4.4 trillion stock market once the national elections are over, according to a Goldman Sachs Group Inc. strategist. "There are some people who are still hesitant ahead of the elections, and once the election is behind us, you could probably see many coming to the market," Sunil Koul, Asia

Pacific equity strategist, said in an interview in Singapore. Lofty stock valuations are another oft-cited reason for staying away but earnings growth should address that, he added.

[https://www.business-standard.com/economy/news/more-global-money-will-flock-to-india-post-general-elections-goldman-124011701120\\_1.html](https://www.business-standard.com/economy/news/more-global-money-will-flock-to-india-post-general-elections-goldman-124011701120_1.html)

## Banking and Finance

### FinMin invites suggestions from public on draft Indian Stamp Bill

The finance ministry on Wednesday invited suggestions from the public on the draft Indian Stamp Bill, 2023, which would align the stamp duty provisions with the modern regime. Stakeholders can submit their suggestions within 30 days in a specified format. Once enacted, the Bill shall replace the Indian Stamp Act, 1899, the finance ministry said in a statement. "The Department of Revenue, Ministry of Finance, Government of India, has prepared a draft 'Indian Stamp Bill, 2023' to align it with modern stamp duty regime," it said.

<https://economictimes.indiatimes.com/news/economy/policy/finmin-invites-suggestions-from-public-on-draft-indian-stamp-bill/articleshow/106935817.cms>

### India monetary policy has to remain actively disinflationary: RBI Guv Shaktikanta Das

Monetary policy in India must remain actively disinflationary despite the recent sharp fall in core inflation, Reserve Bank of India Governor Shaktikanta Das said at the World Economic Forum in Davos. "When inflation is still above 5.5%, rather close to 6%, our monetary policy has to remain actively disinflationary and it would be too premature to talk in terms of a pivot in our monetary policy," Das said in an interview with Reuters.

<https://economictimes.indiatimes.com/news/economy/indicators/india-monetary-policy-has-to-remain-actively-disinflationary-rbi-guv-shaktikanta-das/articleshow/106941396.cms>

### Commercial banks rushing to ramp up presence in temple town of Ayodhya

From HDFC Bank to J&K Bank and Karnataka Bank, lenders are rushing to ramp up their presence in Ayodhya, anticipating increased business activity, which is gaining momentum with the opening of the Ram temple, scheduled next week. HDFC Bank, the country's largest private sector lender, which has three branches in Ayodhya, is planning to open one more in a month and another one by March-end. Last week, Karnataka Bank opened its 915th branch, in the temple town. "With its world-class infrastructure, Ayodhya has turned out to be a perfect destination for cultural preservation and will attract visitors from all over the world. Karnataka Bank, with its 100-year legacy, will be positioned right to offer world-class banking and digital services from this holy city," Srikrishnan H, managing director and chief executive officer (MD & CEO), Karnataka Bank said in a statement.

[https://www.business-standard.com/finance/news/commercial-banks-rushing-to-ramp-up-presence-in-temple-town-of-ayodhya-124011700757\\_1.html](https://www.business-standard.com/finance/news/commercial-banks-rushing-to-ramp-up-presence-in-temple-town-of-ayodhya-124011700757_1.html)

### PFRDA notifies new point of presence regulations for NPS subscribers

In a bid to further the ease of doing business, increase the use of digital mode and bring down compliance costs, the Pension Fund Regulatory and Development Authority (PFRDA) notified the new simplified Point of Presence (PoP) Regulations on Wednesday. With this notification, banks and non-banks can now act as PoPs to onboard National Pension System (NPS) subscribers, and they will require only a single registration for NPS, instead of multiple registrations earlier. The timeline for disposing of applications has also been reduced from 60 days to 30 days, and banks can operate with just one branch with a wider digital presence.

[https://www.business-standard.com/economy/news/pfrda-notifies-new-point-of-presence-regulations-for-nps-subscribers-124011700918\\_1.html](https://www.business-standard.com/economy/news/pfrda-notifies-new-point-of-presence-regulations-for-nps-subscribers-124011700918_1.html)

### StanChart sees Indian government's net borrowing unchanged in FY25

India's net government borrowing in the next fiscal is likely to remain largely unchanged, a treasury official at Standard Chartered said, adding nearly a fifth of the supply may be absorbed by foreign investors who could invest \$25 billion-\$30 billion in government debt. "Central government (is expected) to target a narrower FY25 fiscal deficit of 5.3%-5.6% of GDP, vs 5.9% in FY24, and this can lead to a net borrowing of 11.80 trillion to 12.20 trillion rupees (\$142 billion-\$146.83 billion)," said Parul Mittal Sinha, head of financial markets, India, at the bank.

<https://economictimes.indiatimes.com/news/economy/finance/stanchart-sees-indian-governments-net-borrowing-unchanged-in-fy25/articleshow/106927868.cms>

## Industry

### Retailers in a fix as discounts fail to draw buyers

Demand for lifestyle products and apparel remained weak despite retailers offering discounts of as much as 65% during their ongoing end of season sales (EOSS). Most brands also advanced their EOSS by two weeks to early December compared to January, hoping to mop up sales before ecommerce platforms begin their Republic Day sales. "There is definitely a stress in the mass value segment and everyone was expecting EOSS to provide much needed momentum to the sale. But the growth is tepid and we are hoping the summer will be better," said Manish Kapoor, managing director of Pepe Jeans.

<https://economictimes.indiatimes.com/industry/services/retail/retailers-in-a-fix-as-discounts-fail-to-draw-buyers/articleshow/106938077.cms>

### Cement producers to see 80-100% surge in profits for December quarter

Cement makers are set to see an 80-100% improvement in net profits for the December quarter, helped by volume growth and a reduction in costs, said analysts. After clocking double-digit volume expansion in the first half of the year, growth of these companies in Oct-Dec is seen moderating to around 5-6% for most players due to elections in some states, a construction ban in the NCR region and shortage of labor. While the eastern region was an underperformer, northern markets have performed the best, followed by central India, Jefferies said in a pre-earnings note. Growth in Mumbai was average, while southern regions were weak in November-December, it said.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/cement/cement-producers-to-see-80-100-surge-in-profits-for-december-quarter/articleshow/106943891.cms>

### ESG, technology theme to dominate India Inc acquisitions in 2024

Top Indian companies are in talks for acquisitions in the new year, especially in the renewable energy, electric vehicle, and battery storage segments, as environmental, social, and corporate governance, and technology themes are expected to dominate corporate boardrooms in 2024, say bankers. Vaibhav Gupta, partner at Dhruva Advisors, said top corporates want to focus on sustainability and clean energy companies, and hence large investments are expected in ramping up capacities in these fields. "Technology as a sector should continue to be in focus with the rapid advancements in Gen AI. A stable political regime post the elections should help in having continued global attention to India and keeping the mergers and acquisitions activity buoyant," he said. Top Indian companies like the JSW Group are currently in talks with China's SAIC Motor to set up a joint venture to manufacture electric vehicles in India. Part of the EV business is expected to be demerged from MG Motor's current India business. Bankers say the Adani Group is also looking for acquisitions in the renewable energy sector as part of its \$100 billion investment over the next ten years. Reliance and the Tata Group are also looking for acquisitions in the renewable energy sector, say bankers.

[https://www.business-standard.com/industry/news/esg-technology-theme-to-dominate-india-inc-acquisitions-in-2024-124011700792\\_1.html](https://www.business-standard.com/industry/news/esg-technology-theme-to-dominate-india-inc-acquisitions-in-2024-124011700792_1.html)

### IT services emerge as top segment in global IT industry spending: Gartner

Worldwide IT spending is expected to total \$5 trillion in 2024, an increase of 6.8 per cent from 2023, according to the latest forecast by Gartner. This is down from the previous quarter's forecast of 8 per cent growth. However, within the total IT spend, IT services have become the largest segment and are expected to grow 8.7 per cent in 2024. Spending on IT services is expected to grow 8.7 per cent in 2024, reaching \$1.5 trillion, said Gartner. This is largely due to enterprises investing in organizational efficiency and optimization projects. These investments will be crucial during this period of economic uncertainty.

[https://www.business-standard.com/industry/news/spending-on-it-services-expected-to-grow-8-7-per-cent-in-2024-gartner-124011701048\\_1.html](https://www.business-standard.com/industry/news/spending-on-it-services-expected-to-grow-8-7-per-cent-in-2024-gartner-124011701048_1.html)

### Budget 2024 may see FAME III be unveiled

India could unveil an expanded third phase of the incentive scheme for electric vehicles in the upcoming interim budget on February 1, enhancing it to support mass transport and alternative fuels, a top government official told ET. The budget could set aside ₹10,000-12,000 crore for the third instalment of the Faster Adoption & Manufacturing of Electric Vehicles (FAME) scheme. "FAME III will be focused on mass transport such as buses, and personal mobility for two-wheelers while also encouraging adoption of alternative fuel vehicles like hydrogen-powered ones," said a ministry of heavy industries official.

<https://economictimes.indiatimes.com/industry/renewables/budget-2024-may-see-fame-iii-be-unveiled/articleshow/106941061.cms>

## Agriculture

### Govt may earmark Rs 4 trillion for next year's food, fertiliser subsidies

India may earmark about Rs 4 trillion (\$48 billion) for food and fertiliser subsidies for the next fiscal year, two government sources said, indicating fiscal caution ahead of this year's general election. Food and fertiliser subsidies account for about one-ninth of India's total budget spending of Rs 45 trillion during the current fiscal year that ends on March 31. The Ministry of Consumer Affairs, Food and Public Distribution has estimated next year's food subsidy bill at Rs 2.2 trillion (\$26.52 billion), the two sources said. That is 10 per cent higher than a projected outlay of nearly Rs 2 trillion (\$24.11 billion) for the current 2023-24 fiscal year.

[https://www.business-standard.com/economy/news/govt-may-earmark-rs-4-trillion-for-next-year-s-food-fertiliser-subsidies-124011700245\\_1.html](https://www.business-standard.com/economy/news/govt-may-earmark-rs-4-trillion-for-next-year-s-food-fertiliser-subsidies-124011700245_1.html)

## Infrastructure

### 53 road projects worth Rs 2 trn identified to be bid out with major reforms

After years of viability concerns of private highway projects, the National Highways Authority of India (NHAI) has proposed sweeping reforms in the Build, Operate, Transfer (BOT) model and introduced projects worth Rs 2 trillion to be bid out in the coming months. The 53 projects, spread across various states, will span a length of 5,200 kilometres (km), NHAI said in a statement on Wednesday. Uttar Pradesh with projects worth Rs 50,000 crore, Maharashtra with projects worth Rs 39,000 crore, and Tamil Nadu with projects worth Rs 26,000 crore will form a majority of the Centre's near-term BOT project pipeline.

[https://www.business-standard.com/economy/news/53-road-projects-worth-rs-2-trn-identified-to-be-bid-out-with-major-reforms-124011700955\\_1.html](https://www.business-standard.com/economy/news/53-road-projects-worth-rs-2-trn-identified-to-be-bid-out-with-major-reforms-124011700955_1.html)

### Developers put REITs on hold on uncertain market conditions

Several developers with commercial assets in their portfolio, who were planning to float real estate investment trusts and list their units, have put them on hold as they feel that the current market conditions are not conducive for a REIT offering.

<https://www.thehindubusinessline.com/markets/developers-put-reits-on-hold-on-uncertain-market-conditions/article67749129.ece>

## Energy

### Domestic natural gas consumption surges owing to favorable international prices

Domestic natural gas consumption rose 9% in December over last year, aided by softer international prices. Import of liquefied natural gas (LNG) jumped 12% year-on-year in December, according to the official data. LNG prices in the international markets have dropped as mild winter and high levels of storage in Europe have weakened demand for the fuel.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/domestic-natural-gas-consumption-surges-owing-to-favorable-international-prices/articleshow/106932069.cms>

## Telecom

### Telcos may go easy on spectrum bidding

The upcoming 5G spectrum sale is unlikely to see any fierce bidding war as top telcos have little airwaves coming up for renewal this year and a bulk of airwaves they bought in the previous auction remains unused, analysts said. Bharti Airtel and Vodafone Idea (Vi) merely have to renew airwaves worth only around ₹4,200 crore and ₹1,950 crore, respectively, while market leader Reliance Jio has no spectrum renewals this year. "Overall spectrum demand is likely to be muted as we expect demand to be largely limited to renewals, and given that operators have already acquired \$5-10 billion worth of spectrum in the previous auction (in July 2022) towards 5G networks, which are yet to be completely utilised, we see limited need for operators to increase their spectrum footprint in the upcoming auction," Jefferies said in research note seen by ET.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-may-go-easy-on-spectrum-bidding/articleshow/106938075.cms>

## States

### 'UP govt okays Rs 2,940 cr for expansion of YEIDA, UPSIDA, UPEIDA'

The Uttar Pradesh government on Wednesday approved Rs 2,940 crore in funds for industrial bodies YEIDA, UPSIDA and UPEIDA, Cabinet minister Nand Gopal Gupta said. The funds are for expansion of the Yamuna Expressway Industrial Development Authority (YEIDA), the UP State Industrial Development Authority (UPSIDA) and UP Expressways Industrial Development Authority (UPEIDA), he said.

[https://www.business-standard.com/economy/news/up-okays-rs-2-940-cr-for-expansion-of-yeida-upside-upeida-minister-124011701068\\_1.html](https://www.business-standard.com/economy/news/up-okays-rs-2-940-cr-for-expansion-of-yeida-upside-upeida-minister-124011701068_1.html)

### MeitY Secretary launches India's First Graphene Centre, IoT CoE in Kerala

MeitY Secretary S Krishnan on Wednesday launched a Centre of Excellence (CoE) in Intelligent Internet of Things (IIoT) Sensors and India's first graphene centre - India Innovation Centre for Graphene (IICG) in Kerala. "The CoE in IIoT Sensors is a unique facility established at Makers Village Kochi by MeitY, Government of India and Government of Kerala to catalyse the development of sensors within the realm of Intelligent IoT systems covering a broad spectrum of applications of intelligent sensors in networks, devices and sensor systems," said the ministry in a press release.

[https://www.business-standard.com/india-news/meity-secretary-launches-india-s-first-graphene-centre-iiot-coe-in-kerala-124011701050\\_1.html](https://www.business-standard.com/india-news/meity-secretary-launches-india-s-first-graphene-centre-iiot-coe-in-kerala-124011701050_1.html)

### Modi inaugurates projects worth Rs 4,000 cr in Kochi, lists work for ports

Prime Minister Narendra Modi on Wednesday inaugurated three infrastructure projects worth more than Rs 4,000 crore in Kerala's Kochi, saying ports have an important role in ensuring India's prosperity. The projects he inaugurated include New Dry Dock (NDD) at Cochin Shipyard Ltd (CSL), International Ship Repair Facility (ISRF) of CSL, and LPG Import Terminal of Indian Oil Corporation Ltd at Puthuvypeen, Kochi.

[https://www.business-standard.com/india-news/modi-inaugurates-projects-worth-rs-4-000-cr-in-kochi-lists-work-for-ports-124011700527\\_1.html](https://www.business-standard.com/india-news/modi-inaugurates-projects-worth-rs-4-000-cr-in-kochi-lists-work-for-ports-124011700527_1.html)

### Karnataka signs investment deals worth Rs 22,000 cr at Davos summit

Karnataka has signed memoranda of understanding (MOUs) worth Rs 22,000 crore with global industry leaders Microsoft, Web Werks, Hitachi, and four other companies on Day 2 of the World Economic Forum 2024. The partnerships are expected to propel the state into a new era of technological advancement, infrastructure development, and economic growth, said a statement. M B Patil, minister for large and medium industries and infrastructure development, held discussions with Sony, HP, Nestle, Honeywell, Lulu Group, Inox Group, Takeda Pharma, Coinbase, Tillman Global, BL Agro, and many others. The primary objective is to establish cutting-edge infrastructure, capitalising on the robust existing ecosystem and the highly attractive market dynamics in the region.

[https://www.business-standard.com/industry/news/karnataka-signs-investment-deals-worth-rs-22-000-cr-at-davos-summit-124011700418\\_1.html](https://www.business-standard.com/industry/news/karnataka-signs-investment-deals-worth-rs-22-000-cr-at-davos-summit-124011700418_1.html)

## Healthcare

### Pvt hospitals projected to add 30,000 beds over next 5 yrs: ICRA

Rating agency ICRA projected a stable outlook for the Indian hospital industry in its report on the industry trends and outlook for the financial year 2024. The projection indicated a rise in capacity building and occupancy, translating into a year-on-year (Y-o-Y) revenue growth to the tune of 12 to 14 per cent in FY24 for its sample set of companies as opposed to 17 per cent in FY23. Speaking on the rise in the trend of capacity building by private hospitals, Mythri Macherla, Assistant Vice President and Sector Head, ICRA, said that the broader industry has announced significant bed additions. Overall, most private players (including ICRA's sample set companies) are expected to add over 30,000 beds in the next four to five years at an investment of around Rs 32,500 crore.

[https://www.business-standard.com/health/pvt-hospitals-projected-to-add-30-000-beds-over-next-5-yrs-icra-124011700575\\_1.html](https://www.business-standard.com/health/pvt-hospitals-projected-to-add-30-000-beds-over-next-5-yrs-icra-124011700575_1.html)

#### **Health companies show appetite for growth, hiring**

New-age health and wellness companies are bullish on growth and hiring despite the continuing funding winter. Companies like MediBuddy, 1to1help, BeatO, Lissun and Onsurity are adding jobs in not just product, technology and data science, but also in more specialised profiles like counselling, compliance and certification, design and customer training.

<https://economictimes.indiatimes.com/jobs/fresher/health-companies-show-appetite-for-growth-hiring/articleshow/106938084.cms>

#### **ICMR invites suggestions from stakeholders for addition, deletion in diagnostics list**

In a bid to revise the National Essential Diagnostics List (NEDL), the Indian Council of Medical Research (ICMR) has invited suggestions from the stakeholders for adding or deleting diagnostic tests from the current list by the end of February. The ICMR released the first NEDL in 2019 to make the availability of diagnostics an essential component of the healthcare system. "Since considerable time has elapsed following the release of the first NEDL in 2019, ICMR invites suggestions for revision of the existing list i.e. addition or deletion of diagnostic tests, from all the relevant stakeholders," it said.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/icmr-invites-suggestions-from-stakeholders-for-addition-deletion-in-diagnostics-list/articleshow/106931168.cms>

#### **External**

#### **Red Sea crisis: Comm dept asks FinMin to maintain credit flow to exporters**

The commerce department and the finance ministry on Wednesday discussed maintaining credit flow to Indian exporters grappling with higher trade costs due to the crisis in the Red Sea, said a senior government official. The discussion took place during an inter-ministerial meeting chaired by the Commerce Secretary Sunil Barthwal and aimed at finding measures to tackle the impact on trade due to the crisis. "There were discussions on how things can be improved in this area. We have told DFS (finance ministry's department of financial services) to monitor to ease bank credit and credit flow is maintained to the exporters," said the official.

[https://www.business-standard.com/economy/news/red-sea-crisis-commerce-department-urges-finmin-to-maintain-credit-flow-124011700659\\_1.html](https://www.business-standard.com/economy/news/red-sea-crisis-commerce-department-urges-finmin-to-maintain-credit-flow-124011700659_1.html)

#### **Plastic industry using multi-pronged strategy targeting \$25 billion exports: Plexconcil**

Plastics products' exports from the country are likely to top \$25 billion by 2030 with Plexconcil — the Plastics Export Promotion Council under the aegis of the Department of Commerce, Government of India — working out multiple strategies to promote the products.

<https://www.thehindubusinessline.com/markets/commodities/plastic-industry-using-multi-pronged-strategy-targeting-25-billion-exports-plexconcil/article67749362.ece>