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Economy

NITI Aayog calls for financial and legal reforms for elderly care in India

NITI Aayog has called for tax and legal reforms, housing sector reforms and a robust pension and insurance system for enhancing elderly care in India as the country witnesses a surge in the number of older people. The move is aimed at ensuring that a basic support system is put in place to cater to the needs of India's ageing population which is expected to go up from 10% or 104 million now to 19.5% or 319 million by 2050. "India is witnessing an exponential growth in the number and proportion of elderly people, coupled with a decreasing fertility rate (less than 2.0) and increasing life expectancy (more than 70 years)," the Aayog said in its position paper.

<https://economictimes.indiatimes.com/news/economy/policy/niti-aayog-calls-for-financial-and-legal-reforms-for-elderly-care-in-india/articleshow/107795154.cms>

Banking and Finance

Nabfid takes derivatives cover for over Rs 10K cr to hedge rate risk

The National Bank for Financing Infrastructure and Development (Nabfid) has taken derivatives cover for more than Rs 10,000 crore to hedge the institution against interest rate risks. These risks emerge from the fixed rate long-term liabilities debentures and annual reset for loans which would increase uncertainty. The government-owned infrastructure funding institution raised about Rs 19,516 crore in nine months ended December 2023 through debentures. Out of it, Rs 10,000 crore had a tenor of 10 years and Rs 9,516 crore had a tenor of 15 years.

https://www.business-standard.com/economy/news/nabfid-takes-derivatives-cover-for-over-rs-10k-cr-to-hedge-rate-risk-124021800444_1.html

Insurers foresee more cancellations, premium rise if Red Sea attacks persist

Amid ongoing disruptions in the Red Sea region, some Indian general insurers have cancelled their policy covers whereas others have hiked premiums for voyages involving Red Sea shipments and are looking at more such increases if the attacks continue to persist. Insurers such as TATA AIG Insurance have sent notices of cancellation for war, terrorism, piracy and strike covers. Others such as ICICI Lombard and Bajaj Allianz General said that while they haven't pulled out, they are seeing an increase in premiums in specific policies and covers. Deepak Prinjha, Chief Technical Officer, Commercial – Underwriting, Royal Sundaram General said that a few insurers have started charging an additional premium for bulk cargo transiting through this route.

<https://www.thehindubusinessline.com/economy/insurers-foresee-more-cancellations-premium-rise-if-red-sea-attacks-persist/article67861526.ece>

Industry

Govt panel to review if nutraceuticals should be brought under CDSCO

The government has formed a panel to examine the possibility of bringing nutraceuticals under the ambit of the apex drug regulator CDSCO instead of the food regulator FSSAI to address regulatory challenges and promote

consumer safety. Presently, the Food Safety and Standards Authority of India (FSSAI) regulates the usage of health supplements and nutraceuticals under the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, and Prebiotic and Probiotic Food) Regulations, 2022. This regulation covers food items that are specially processed or formulated for specific nutritional or dietary purposes, official sources said.

<https://economictimes.indiatimes.com/industry/cons-products/food/govt-panel-to-review-if-nutraceuticals-should-be-brought-under-cdsco/articleshow/107794633.cms>

MSME apparel makers may face losses up to Rs 7,000 crore in Q4: CMAI

MSME apparel manufacturers are expected to face a loss of Rs 5,000-7,000 crore in the January-March quarter, according to the Clothing Manufacturers Association of India (CMAI). The association representing the Indian apparel industry cited an amendment to the Income Tax Act that states payments to micro, small & medium enterprises (MSMEs) need to be made within 45 days. This, the CMAI claims, in turn, has pushed retailers to cancel orders with MSMEs and opt for MSME players. Typically, the retail industry follows a credit day cycle of 90-120 days to make payments; this sometimes even extends to 180 days.

https://www.business-standard.com/economy/news/msme-apparel-manufacturers-may-face-a-loss-of-rs-5-000-7-000-crore-124021800472_1.html

Expect 2W industry to see double-digit revenue growth: Hero MotoCorp

The domestic two-wheeler industry is expected to witness a double-digit revenue growth next fiscal with demand for premium models anticipated to gain further momentum, according to Hero MotoCorp CEO Niranjan Gupta. The country's largest two-wheeler maker, which reported a total income of Rs 10,031 crore in the October-December quarter this fiscal, also expects the entry level segment to do better going ahead.

https://www.business-standard.com/industry/auto/expect-2w-industry-to-see-double-digit-revenue-growth-hero-motocorp-124021800129_1.html

Two full-blown multi-billion-dollar semiconductor plants going to come up in India: MoS IT

Two full-fledged semiconductor fabrication plants are going to come up in India very soon entailing multi-billion dollar investment besides several chip assembly and packaging units, Minister of Electronics and IT Rajeev Chandrasekhar said. In an interview with PTI, the minister confirmed that the two projects include a USD 8 billion proposal submitted by Israel-based Tower Semiconductors and the other from Tata Group. "I am happy to share this with you and you are probably the first one I'm sharing this with. In the near term, two full-blown fabs are going to come up in India. These are going to be multi-billion-dollar fabs in the 65, 40 and 28-nanometer technology and there are going to be a host of other packaging proposals that we are evaluating," Chandrasekhar said.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/two-full-blown-multi-billion-dollar-semiconductor-plants-going-to-come-up-in-india-mos-it/articleshow/107797758.cms>

Agriculture

India needs new cotton seed varieties for better productivity: House panel

India is in dire need of new varieties of cotton seeds and plants that are adaptive to the soil and climatic conditions to improve its cotton cultivation, the parliamentary standing committee on labour, skill development and textiles said in its recent report. In 2022-23 India's acreage under cotton was 13,061 lakh hectares, the highest in the world, but the productivity yield was only 447 kgs/hectare, whereas in the USA the productivity yield was 1,065 kgs/hectare, according to the Ministry of Textile data.

https://www.business-standard.com/economy/news/india-in-dire-need-of-new-varieties-of-cotton-seeds-says-house-panel-124021800318_1.html

Farmers' Protest: Govt proposes various measures including MSP-related deals; farmers to respond today

Union minister Piyush Goyal proposed multiple solutions to address the concerns of protesting farmers in the fourth round of talks held in Chandigarh on Sunday. The minister representing government proposed a five-year deal with the farmers to buy pulses and cotton at minimum support price (MSP). "We have together proposed a very innovative, out-of-the-box idea...The govt promoted cooperative societies like NCCF (National Cooperative

Consumers' Federation of India) and NAFED (National Agricultural Cooperative Marketing Federation of India) will form a contract and buy products from the farmers on MSP. There will be no limit on the quantity," he said, post the meeting with the farmer leaders.

<https://economictimes.indiatimes.com/news/india/nccf-nafed-to-enter-5-year-deal-with-farmers-to-buy-pulses-at-msp-piyush-goyal/articleshow/107802069.cms>

Govt raises authorised capital of FCI from Rs 10,000 cr to Rs 21,000 cr

The government has increased the authorised capital of state-run Food Corporation of India (FCI) from Rs 10,000 crore to Rs 21,000 crore to enhance the operational capabilities and fulfill its mandate effectively, the Food Ministry said on Saturday. FCI is the central government's nodal agency that undertakes procurement of foodgrains at a minimum support price (MSP) to protect the interest of farmers. It also maintains strategic stocks and distributes the grains under different welfare schemes.

<https://www.financialexpress.com/policy/economy-govt-raises-authorized-capital-of-fci-from-rs-10000-cr-to-rs-21000-cr-3397113/>

Infrastructure

7 major cities see annual 8% rise in completion of housing units: Anarock

India's seven major cities witnessed an annual 8 per cent rise in the completion of housing units last year at 4.35 lakh units as developers' cash flows improved on better sales, according to Anarock. Real estate consultant Anarock data showed that 4,35,045 units were completed during last year, as against 4.02 lakh units in the previous year. The data pertains to the primary (first sale) residential market. In Mumbai Metropolitan Region (MMR), 1,43,500 housing units were completed last year, up 13 per cent from 1,26,720 units in the previous year. The completion of housing units in Delhi-NCR rose 32 per cent to 1,14,280 units, as against 86,300 units in 2022.

https://www.business-standard.com/industry/news/7-major-cities-see-annual-8-rise-in-completion-of-housing-units-anarock-124021800154_1.html

Over 46% railway infra projects delayed, with average time overrun of over 36 months

The railway's Lalitpur-Satna-Rewa-Singrauli rail line project is expected to reach its final destination in March next year, but only after a delay of 202 months, or over 16 years, a flash report prepared by the government's Infrastructure and Project Monitoring Division showed. However, the Udampur-Srinagar-Baramulla (USBRL) project has recorded a maximum delay (255 months, or 20 years and 15 months), but that time period is insignificant considering the exceptional circumstances of militancy and terrorism in the region.

<https://www.thehindubusinessline.com/economy/over-46-infra-projects-delayed-with-average-time-overrun-of-over-36-months/article67860518.ece>

Realty stakeholders business outlook moves up optimistic zone on steady India economy

Stakeholders in the real estate industry, such as developers, financiers, and institutional investors, remain confident about the business outlook for the next six months backed by the Indian economy's resilience and sustained growth amidst global recessionary conditions and ongoing demand in the property market. Both present and anticipated sentiments regarding the real estate sector, economic conditions, and funding availability, as perceived by industry suppliers, point towards an optimistic and favourable business environment. The future sentiment score, which indicates stakeholders' outlook, has increased from 65 in the September quarter 2023 to 70 in the December quarter, driven by general optimism about the Indian economy and sustained demand in the real estate sector, showed Knight Frank-NAREDCO Real Estate Sentiment Index April -June 2023.

<https://economictimes.indiatimes.com/industry/services/property/-construction/realty-stakeholders-business-outlook-moves-up-optimistic-zone-on-steady-india-economy/articleshow/107794595.cms>

Energy

India's power consumption grows 7.5 pc in Apr-Jan this fiscal

India's power consumption increased 7.5 per cent on-year to 1354.97 billion units (BU) in the April-January period of this financial year, indicating an uptick in economic activities across the country. Power consumption in the country

has increased to 1354.97 billion units (BU) in the April-January period of this financial year, from 1259.49 BU in the April-January period of fiscal 2022-23, according to government data.

<https://www.financialexpress.com/business/industry-indias-power-consumption-grows-7-5-pc-in-apr-jan-this-fiscal-3397553/>

Telecom

Telco revenues may surge to Rs 2.78 lakh crore in FY25

India's telecom sector revenues are expected to surge 63% between FY16 and FY25 despite a broader consolidation that shrank the field from more than 10 private mobile operators to just three. Revenues stood at ₹1.7 lakh crore in FY16 with the sector having more than 10 private companies. This was before Reliance Jio made its debut the following year. Revenues are expected to touch ₹2.78 lakh crore in FY25 in an industry comprising only three private operators - Jio, Bharti Airtel and Vodafone Idea (Vi). The strong revenue growth will be driven by expected tariff hikes, a pick-up in conversions from 2G to higher revenue-yielding 4G/5G customers and users upgrading to higher value data plans.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telco-revenues-may-surge-to-rs-2-78-lakh-crore-in-fy25/articleshow/107802036.cms>

Lakshadweep's maritime potential waits to be tapped

Struggling to recover nearly ₹ 1 lakh crore invested in 5G networks with no use cases, mobile operators are pushing the telecom regulator to ease electromagnetic radiation norms in India to ease up their roll out costs. The operators, through the Cellular Operators Association of India, has told the Telecom Regulatory Authority of India that Indian radiation norms are 10 times higher than global standards which is coming in the way of rolling out effective 5G services. "In India the TSPs have invested more than ₹ 1 lakh crore in creating a robust 5G Infrastructure, however there are still challenges related to the monetisation of the 5G services, since there a limited use case for the 5G services. Having no use cases for the 2 5G is in fact global issue. All over the world TSPs are unable to recover the amount of investment made in creating a 5G network," COAI said in a letter to TRAI.

<https://www.thehindubusinessline.com/news/stringent-radiation-norms-impacting-5g-rollouts-telcos-tell-trai/article67860988.ece>

States

Odisha's first vaccine manufacturing plant to start production by May 2024

Commercial production at the Sapigen Biologix vaccine plant in Odisha, the first such facility in the state, will commence by May this year, officials said on Sunday. The plant at the Biotech Park in Andharua near here will have a capacity to produce 2.4 crore doses of different vaccines per day, they said. At full capacity, this facility will be the biggest vaccine-producing plant in the country, the Chief Minister's Office (CMO) said in a statement. It is expected to produce over 15 vaccines for various diseases, including cholera and malaria. The Rs 1,500-crore vaccine plant will create direct employment for 1,500 people, with most of them being local recruits, the CMO said.

https://www.business-standard.com/india-news/odisha-s-first-vaccine-manufacturing-plant-to-start-production-by-may-2024-124021800502_1.html

Himachal Pradesh records 6% increase in tourist arrivals in 2023

Tourist arrivals in Himachal Pradesh increased from 1.51 crore in 2022 to 1.60 crore last year, despite the disruptions caused by heavy rainfall, floods and landslides in mid-2023. In the first half of 2023, more than one crore tourists -- 99,78,504 domestic and 28,239 foreign -- had visited the state till June. But tourist inflow completely stopped during the monsoon due to heavy rainfall, flash floods and landslides, and disruption caused by these, an official said. Himachal Pradesh suffered losses to the tune of Rs 9,905.77 crore due to the July and August rains, and more than 200 people were killed in rain-related incidents and accidents. Several people were also displaced.

<https://economictimes.indiatimes.com/industry/services/travel/himachal-pradesh-records-6-increase-in-tourist-arrivals-in-2023/articleshow/107794213.cms>

TN to give Cuddalore port to a private developer to operate for 50 years

The Cuddalore port is back in the limelight with the Tamil Nadu government planning to give it to a private developer to operate for nearly 50 years. The port had become defunct due to continuous silting. However, the Tamil Nadu Maritime Board (TNMB) had spent ₹160 crore on extension of North and South Breakwater; construction of wharfs 1 & 2 (240 m in length) and dredging of approach channel to around 9 m.

<https://www.thehindubusinessline.com/economy/tn-to-give-cuddalore-port-to-a-private-developer-to-operate-for-50-years/article67860126.ece>

Healthcare

Govt panel set to review if nutraceuticals should be brought under CDSCO

The government has formed a panel to examine the possibility of bringing nutraceuticals under the ambit of the apex drug regulator CDSCO instead of the food regulator FSSAI to address regulatory challenges and promote consumer safety. Presently, the Food Safety and Standards Authority of India (FSSAI) regulates the usage of health supplements and nutraceuticals under the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, and Prebiotic and Probiotic Food) Regulations, 2022.

https://www.business-standard.com/health/govt-panel-set-to-review-if-nutraceuticals-should-be-brought-under-cdsco-124021800226_1.html

External

Commerce ministry to extend benefits under RoDTEP scheme to SEZ units

The commerce ministry has decided to extend export benefits under the RoDTEP scheme for companies in the special economic zones (SEZs) and export oriented units (EOUs). This decision was communicated to the Director General of Foreign Trade (DGFT) on February 16. The DGFT may issue a formal notification soon amending the foreign trade policy on the same. "Post rolling out of ICEGATE (Indian Customs Electronic Data Interchange Gateway) in SEZs, the RoDTEP scheme may also be extended to SEZs," according to an office memorandum of the commerce ministry.

https://www.business-standard.com/economy/news/commerce-ministry-to-extend-benefits-under-rodtep-scheme-to-sez-units-124021800119_1.html

India allows export of onions to select nations

India has allowed exports of onions on government-to-government basis to some countries, on recommendation of the Ministry of External Affairs, said people aware of the matter. One of the persons said a limited quantity of onion exports has been allowed for bilateral purposes though no decision has been taken on lifting a complete ban on onion exports. Details of the exporting agency could not be ascertained. Another person said the government has permitted exports of onions in limited quantities to Bangladesh, Sri Lanka, Mauritius, Bahrain, Bhutan and Nepal, among others.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-allows-export-of-onions-to-select-nations/articleshow/107802129.cms>

PMO reviewed UK free trade agreement last week

Amid expectations that the India-UK free trade agreement (FTA) could be signed by March, the Prime Minister's Office last week reviewed the progress of negotiations. This took place on Friday and was the third time the status of the talks was being assessed at the highest level, said officials. The move is seen as significant as the talks are nearing conclusion. "There was a review of the UK FTA as it is expected that the agreement could get concluded by March," said an official, who didn't want to be identified.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/pmo-reviewed-uk-free-trade-agreement-last-week/articleshow/107801992.cms>

Russia turns to India to source banana, APEDA Chairman flags off consignment

India, the world's largest producer of banana, has swiftly moved to take advantage of the space created by Latin American country Ecuador in Russian market as a Mumbai-based exporter has sent a consignment of 20 tonnes (1540 boxes) of bananas to from India to Russia via sea route. Flagging off the consignment on February 17, exported

by Gurukrupa Corporation, Chairman of Agricultural and Processed Food Products Export Development Authority (APEDA) Abhishek Dev appealed other exporters to employ novel methods in shipping new products to new destinations and assured APEDA's full support to facilitate such endeavors.

<https://www.thehindubusinessline.com/economy/agri-business/russia-turns-to-india-to-source-banana-apeda-chairman-flags-off-consignment/article67861153.ece>