



April 29, 2024 – Monday

Economy

Pension scheme for unorganised sector logs 5 mn subscribers in 5 years

The government's flagship pension scheme for the unorganised sector workers—Pradhan Mantri Shram Yogi Maandhan (PMSYM) yojana, meant to create a universal social security system for the vast informal sector, has logged just over five million subscribers since its inception in March 2019, thus raising questions on the viability and effectiveness of the scheme in providing social security to the millions of workers. The data collected from the Maandhan portal shows that the pension scheme crossed the five million subscriber mark in April 2024. While 4.3 million people had joined the scheme in financial year 20, merely 130,000 people had joined the scheme in financial year 21, followed by 161,000 subscribers in the subsequent financial year. Close to 255,000 people had exited the scheme in financial year 22, thus further deteriorating the subscriber base, and added nearly 600,000 subscribers in financial year 24.

https://www.business-standard.com/economy/news/pension-scheme-for-unorganised-sector-logs-5-mn-subscribers-in-5-years-124042800487_1.html

India takes top rank in world artificial intelligence race, shows data

The rise of artificial intelligence (AI) has split the world into leaders and laggards. India, Singapore, the United Kingdom and the United States (US) are leaders, says a report by NetApp, a data infrastructure company. Spain, Australia and Germany are among laggards. In leading countries, 60 per cent of companies had AI projects “up and running”. In countries trailing, 36 per cent of companies had such projects. The report, researched in partnership with Savanta, questioned more than 1,300 executives in 10 countries.

https://www.business-standard.com/technology/tech-news/india-takes-top-rank-in-world-artificial-intelligence-race-shows-data-124042800598_1.html

Finance

Banks may have to slow down loan growth in FY25: S&P Global Ratings

Indian banks' credit growth, profitability and asset quality would remain robust in current fiscal reflecting strong economic growth, but they may be compelled to slow down their loan growth as deposits are not growing at a similar pace, S&P Global Ratings has said. In the Asia-Pacific 2Q 2024 Banking Update, S&P Global Ratings Director SSEA Nikita Anand said the agency expects the sector's strong credit growth to moderate to 14 per cent in FY25, from 16 per cent in FY24, if deposit growth, especially retail deposits, remain tepid.

https://www.business-standard.com/finance/news/banks-may-have-to-slowdown-loan-growth-in-fy-25-s-p-124042800266_1.html

SEBI empowers existing research analysts, investment advisors with seamless migration to new framework

Market regulator SEBI has paved the way for deemed enlistment of existing registered investment advisors/research analysts with any body that may be recognised by it for administration and supervision of these professionals. For this purpose, SEBI on Friday brought in separate amendments to its regulations on investment advisors and research analysts.

<https://www.thehindubusinessline.com/economy/sebi-empowers-existing-research-analysts-investment-advisors-with-seamless-migration-to-new-framework/article68114831.ece>

Monetary policy expectations impact stocks more than rate moves: RBI paper

Equity markets are impacted more by the expectations of future monetary policy than the policy rate surprises on the day of announcement of the policy by the Reserve Bank, said an analysis. According to a working paper prepared by RBI officials, the regulatory and development measures which are announced along with the monetary policy too impact the stock markets. "...equity markets are affected more by the changes in the market's expectations of future monetary policy (path factor) than the policy rate surprise (target factor) which is in agreement with the conventional thinking that equity markets are forward-looking," the paper said.

https://www.business-standard.com/markets/news/monetary-policy-expectations-impact-stocks-more-than-rate-moves-rbi-paper-124042800336_1.html

Industry

Prices can't dampen EV sales as it steps on leasing pedal

Leasing is adding to the momentum in electric vehicle sales, even as vehicle price remains a dampener in EV adoption, industry executives and experts said. The EV leasing business has grown substantially over the past 8-12 months, they said. With the base still remaining low, this segment is expected to continue its quick growth. More than a dozen companies are involved in the EV leasing business.

<https://economictimes.indiatimes.com/industry/renewables/prices-cant-dampen-ev-sales-as-it-steps-on-leasing-pedal/articleshow/109653592.cms>

Indian ecommerce market to grow to \$325 billion; digital economy to reach \$800 billion by 2030

The Indian e-commerce market is predicted to grow to a whopping \$325 billion, and by the same year the country's digital economy to reach an astounding \$800 billion. With 881 million users, India has the second-largest Internet user base in the world, and by 2030, it is expected to rise to the third position in the online retail industry, according to Invest India. With a growing digital economy and internet user base, India is poised to become a worldwide e-commerce powerhouse by 2030 and is expected to lead the way in online shopping with 500 million buyers.

<https://www.financialexpress.com/business/industry-indian-ecommerce-market-to-grow-to-325-billion-digital-economy-to-reach-800-billion-by-2030-3470164/>

Centre may come out with a larger scheme to promote electronics component manufacturing: IT Secretary

Building on the initial successes India achieved in electronics manufacturing, there is an ambitious plan to increase local value addition from the current 18-20 per cent to 38-40 per cent in the future. The Centre is working on identifying the top five electronic components for which incentives could be offered to attract investments and build a strong electronic component manufacturing base in the country, said S Krishnan, Secretary of the Ministry of Electronics and Information Technology (MeitY).

https://www.thehindubusinessline.com/news/centre-may-come-out-with-a-large-scheme-to-promote-electronics-component-manufacturing-it-secretary/article68115152.ece?cx_testId=21&cx_testVariant=cx_1&cx_artPos=0&cx_experienceId=EXJOFLQUQ3HI&cx_experienceActionId=showRecommendations6LD79A8ZR3MY9#cxrecs_s

Startups in India grew over 300 times in ten years: Union Minister Jitendra Singh

From just about 350 startups in 2014, their number in India grew over 300 times in the past ten years after Narendra Modi took over as the Prime Minister, Union Minister Jitendra Singh said on Sunday. He said the country today has the 3rd largest startup ecosystem globally and is home to the fastest-growing unicorns.

<https://economictimes.indiatimes.com/tech/startups/startups-in-india-grew-over-300-times-in-ten-years-union-minister-jitendra-singh/articleshow/109667498.cms>

Agriculture

Centre plans a new FPO policy after 11 yrs, to link them with industry for direct sale of farm produce

The Government is planning to bring out a policy on farmer producer organisations (FPOs) after a gap of 11 years that will be aimed at creating a level-playing field for all those who are not getting financial benefits. The Centre in 2020 had launched the Central Sector Scheme for Formation and Promotion of 10,000 FPOs with an outlay of ₹6,865 crore as part of measures to increase farmers' income.

<https://www.thehindubusinessline.com/economy/agri-business/centre-plans-a-new-fpo-policy-after-11-yrs-to-link-them-with-industry-for-direct-sale-of-farm-produce/article68113853.ece>

Drone use for farming gets a big boost, to more than double by fiscal-end

With the government's thrust on promoting drones for agricultural activities like crop mapping, analysis and application of nutrients and pesticides, manufacturers see an exponential increase in demand for these unmanned aerial vehicles (UAVs) in the next couple of years. According to industry estimates, while currently as many as 3,000 drones are being utilised in the agriculture sector, the number could rise to over 7,000 by the FY25 itself. This, analysts feel, would help boost crop productivity significantly through optimum use of water, soil nutrients and crop protection formulations.

<https://www.financialexpress.com/business/industry-drone-use-for-farming-gets-a-big-boost-to-more-than-double-by-fiscal-end-3470903/>

Infrastructure

Vande Metro trial runs to begin in July 2024

Trial runs of the short distance Vande Metro trains will begin in July 2024. According to officials aware of the move, these trains will eventually ply to and fro over 100-250 kms distances connecting 124 cities across the country. Identified routes include Lucknow-Kanpur, Agra-Mathura, and Tirupati-Chennai, among others.

<https://economictimes.indiatimes.com/industry/transportation/railways/vande-metro-trial-runs-to-begin-in-july-2024/articleshow/109650975.cms>

448 infra projects hit by cost overrun of Rs 5.55 trillion in Oct-Dec: Govt

As many as 448 infrastructure projects, each entailing an investment of Rs 150 crore or above, were hit by cost overrun of more than Rs 5.55 trillion during December quarter 2023, an official report stated. The Quarterly Project Implementation Status Report (QPISR) on Central Sector Projects (costing Rs 150 crore and above) for the third quarter of 2023-24, contains detailed information on 1,897 projects.

https://www.business-standard.com/industry/news/448-infra-projects-hit-by-cost-overrun-of-rs-5-55-trillion-in-oct-dec-govt-124042800093_1.html

Private investment push: 200 more Gati Shakti terminals on the cards

The Ministry of Railways is planning to offer another 200 Gati Shakti Cargo Terminals (GCTs) to corporate houses and freight operators for their rail-based supply chains buoyed by the response received so far, a senior government official told Business Standard. According to estimates, the 200 terminals may require around Rs 12,000-14,000 crore private investment. In her Union Budget speech of 2022-23, Finance Minister Nirmala Sitharaman had announced the Centre's plan to set up 100 GCTs in three years.

https://www.business-standard.com/industry/news/indian-railways-eyes-private-investment-in-200-gatishakti-terminals-124042800467_1.html

Energy

Ministry of Mines to hold two-day summit on critical minerals from Monday

The government will hold a two-day summit on critical minerals beginning Monday to foster collaboration, share knowledge and drive innovation in the field of critical mineral beneficiation and processing. The Ministry of Mines, in collaboration with the Shakti Sustainable Energy Foundation (Shakti), Council on Energy, Environment and Water (CEEW), and Indian Institute of Sustainable Development (IISD), will hold "Critical Minerals Summit: Enhancing Beneficiation and Processing Capabilities" from April 29 to 30th, 2024 here.

https://www.business-standard.com/industry/news/ministry-of-mines-to-hold-two-day-summit-on-critical-minerals-from-monday-124042800279_1.html

US offers to help India meet ethanol blending target by 2025

"We believe that there's a great opportunity to support India's advancement in increasing ethanol production," said Alexis Taylor, United States undersecretary for Department of Agriculture leading the agribusiness trade mission to New Delhi. She has met with officials from the ministries of agriculture, external affairs and commerce & industry. India plans to start using 20% ethanol blended petrol (E20) from 2025.

<https://economictimes.indiatimes.com/industry/renewables/us-offers-to-help-india-meet-ethanol-blending-target-by-2025/articleshow/109671356.cms>

Telecom

Centre leaning on startups, academia for telecom IPRs

The government is banking on startups and academia to generate intellectual property rights (IPRs) in the field of telecommunications, particularly in next-generation technologies such as quantum communications, artificial intelligence (AI) and machine learning, said officials. They said that as part of its efforts to generate IPRs and develop locally designed products, the Department of Telecommunications (DoT) is also encouraging global firms such as Nokia, Ericsson, Cisco and Qualcomm to partner with academic institutions and work on new technologies.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/centre-leaning-on-startups-academia-for-telecom-iprs/articleshow/109678250.cms>

Healthcare

India becoming attractive for clinical trials, says pharma industry leaders

Over the past decade, India has seen significant improvements in its clinical trial landscape, with a 15-18% growth in phase two and three trials. This growth is attributed to 10 modifications to the Drugs and Cosmetics Act since 2013, aimed at simplifying the process. Despite these advancements, conducting trials in India can still be challenging. Experts note that India's modernizing private hospital networks and improved infrastructure make it an attractive location for trials, with potential for further growth and collaboration in the future.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/india-becoming-attractive-for-clinical-trials-says-pharma-industry-leaders/articleshow/109651758.cms>

External

Govt evaluating usefulness of interest equalisation scheme in promoting exports

The government is scrutinising the interest equalisation scheme for exporters to analyse its usefulness in promoting exports so far, including from the MSME sector, to decide if it should be continued beyond June 30 2024, sources have said. "The DGFT office is holding consultations with various export bodies and banks to have more clarity on those benefitting from the scheme and find out if it actually played a role in promoting exports," an official told businessline.

<https://www.thehindubusinessline.com/economy/govt-evaluating-usefulness-of-interest-equalisation-scheme-in-promoting-exports/article68117100.ece>

China's share in industrial goods imports jump to 30% from 21%: GTRI

With increasing India's dependence on Chinese industrial goods like telecom, machinery and electronics, Beijing's share in New Delhi's imports of such goods rose to 30 per cent from 21 per cent in the last 15 years, a report said. According to the report by the economic think tank Global Trade Research Initiative (GTRI), the growing trade deficit with China is a cause of concern, and the strategic implications of this dependency are profound, affecting not only economic but also national security dimensions.

https://www.business-standard.com/industry/news/china-s-share-in-industrial-goods-imports-jump-to-30-from-21-gtri-124042800129_1.html

Need to be watchful about steel imports amid surge, says T V Narendran

As steel imports continue to surge, Tata Steel CEO T V Narendran has said there is a need to be watchful about the situation. The comment comes at a time when India has reported a 38 per cent surge in steel imports to 8.319 million tonnes, becoming a net importer of the commodity during the 2023-24 financial year. Speaking to PTI, the industry executive said, "It would be a pity if the situation continues in the long run. We have to be watchful about imports." As long as it is unfair imports, the government needs to deal with it, Narendran said without elaborating further.

https://www.business-standard.com/companies/news/need-to-be-watchful-about-steel-imports-amid-surge-says-t-v-narendran-124042800233_1.html