



February 11, 2025 – Tuesday

Economy

NITI proposes fee autonomy, infra financing agency for state universities

Policy think-tank NITI Aayog has proposed fee autonomy, draft research policy and a dedicated infrastructure finance agency for state public universities (SPUs). This is among the 80 policy recommendations it made for expanding quality higher education in states. SPUs are universities established or incorporated by a State Act, and funded by state governments. Currently, there are 495 SPUs with over 46,000 affiliated institutions across India.

https://www.business-standard.com/education/news/niti-aayog-plans-fee-autonomy-infra-fund-body-for-state-universities-125021001306_1.html

India inflation likely fell to 4.6% in Jan as food price moderated: Report

India's consumer inflation likely fell sharply to a five-month low of 4.60 per cent in January from 5.22 per cent in December on slowing food price rises, according to economists polled by Reuters. Such a fall would be a relief for most Indian households, who spend a significant amount of their budgets on food.

https://www.business-standard.com/economy/news/india-inflation-likely-fell-to-4-6-in-jan-as-food-price-moderated-report-125021000990_1.html

Conveyance tops non-food household spending in 2023-24: HCES data

In 2023-24, of Indian households' average monthly expenditures on non-food items, that on conveyance was the highest, shows an analysis of the latest Household Consumption Expenditure Survey (HCES) data. Experts attribute the high share of commuting to increased mobility among households, fuel prices, and a poor public transportation system. At national level, the share of average monthly per capita consumption expenditures (MPCEs) by a household on commuting in rural areas stood at 7.6 per cent, followed by that on purchasing durables (6.48 per cent), fuel and light (6.11 per cent), and clothing and bedding (5.67 per cent).

https://www.business-standard.com/economy/news/conveyance-tops-non-food-household-spending-in-2023-24-hces-data-125021001094_1.html

Finance

RBI to buy Rs 40,000 crore govt securities via OMO auction on Thursday

The Reserve Bank of India (RBI) plans to purchase Rs 40,000 crore worth of government securities via open market operation auction on Thursday, against the earlier notified amount of Rs 20,000 crore, the central bank said in a release on Monday. "On a review of current and evolving liquidity conditions, the aggregate amount of OMO purchase has now been revised to Rs 40,000 crore," the release said.

https://www.business-standard.com/finance/news/rbi-to-buy-rs-40-000-crore-govt-securities-via-omo-auction-on-thursday-125021001056_1.html

Reserve Bank of India pulls back rupee from the brink of 88 against dollar

Intervention by the Reserve Bank of India (RBI) in the foreign exchange market stopped the rupee from touching 88/dollar-level mark on Monday as the Indian currency depreciated sharply in the early trade after US president Donald Trump announced to introduce 25 per cent tariff on all steel and aluminium imports into his country, on top of existing metals duties, and threatened to impose reciprocal tariff, sparking trade war fears.

https://www.business-standard.com/finance/news/rbi-pulls-back-rupee-from-brink-of-88-per-dollar-125021001242_1.html

EMIs set to fall: PNB, Bank of Baroda, RBL Bank cut retail loan rates

Equated monthly instalments (EMIs) on retail and small business loans are set to fall as large public-sector banks, including Punjab National Bank and Bank of Baroda, have reduced the external benchmark-linked loans rates from Monday. The move comes after Reserve Bank of India on Friday reduced the policy repo rate by 25 basis points (bps) to 6.25 per cent. While PNB reduced the Repo-Linked Lending Rate (RLLR) by 25 bps to 9 per cent, Bank of Baroda has cut Baroda Repo-Linked Lending Rate (BRLLR) to 8.90 per cent. Bank of Baroda has added a spread of 2.65 per cent over the current repo rate of 6.25 per cent.

https://www.business-standard.com/industry/banking/emis-set-to-fall-pnb-bank-of-baroda-rbl-bank-cut-retail-loan-rates-125021001374_1.html

PSBs told to create standardised training norms for new recruits

The government has asked state-run lenders to bring out a standardised induction programme for fresh recruits in all cadres. Banks will also look at cross-bank participation, the composition of training faculties, and special training modules for leadership positions, said two bank executives aware of the developments.

<https://economictimes.indiatimes.com/industry/banking/finance/psbs-told-to-create-standardised-training-norms-for-new-recruits/articleshow/118125362.cms>

India private banks see higher levels of small loan defaults until mid-2025

Indian private banks say they expect increases in defaults on small and personal loans due to slower economic growth to continue till the middle of this year. The resulting rise in sour loans and tighter lending rules have made banks cautious about micro, personal and credit card loans in particular.

<https://www.thehindubusinessline.com/money-and-banking/india-private-banks-see-higher-levels-of-small-loan-defaults-until-mid-2025/article69201897.ece>

Life insurers revise commissions tied to persistency to protect margins

Listed life insurance companies have modified their commission structure based on persistent performance of various distribution channels, and redesigned products to mitigate the impact of the revised surrender value norms. The Insurance Regulatory and Development Authority of India (Irdai) revised the surrender value guidelines effective from October 1, 2024.

https://www.business-standard.com/finance/insurance/life-insurers-revise-commissions-tied-to-persistency-to-protect-margins-125021001249_1.html

Insurers seek clarity on 10% hike cap for senior health premiums

Health insurers are seeking clarity from IRDAI on how the 10% annual premium hike cap for senior citizens affects long-term policies. The cap aims to protect financially vulnerable older adults from steep premium increases. Insurers must also standardize pricing and obtain regulatory approval before discontinuing or modifying products.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/insurers-seek-clarity-on-10-hike-cap-for-senior-health-premiums/articleshow/118126455.cms>

Govt bond yields edge higher as investors grapple with policy setback

Indian government bond yields ended higher for a second consecutive session on Monday as investors continued to agonize over the Reserve Bank of India's monetary policy decision. The central bank cut the policy repo rate by 25 basis points on Friday, its first reduction in nearly five years, but did not announce any measures to boost banking system liquidity, souring sentiment and putting upward pressure on yields.

https://www.business-standard.com/finance/news/govt-bond-yields-edge-higher-as-investors-grapple-with-policy-setback-125021000968_1.html

Over 54.5 crore JanDhan accounts opened till January 15; 57% women a/c holders: Nirmala Sitharaman

More than 54.5 crore JanDhan accounts have been opened till January 15, 2025, of which about 56 per cent belong to women, Finance Minister Nirmala Sitharaman said on Monday. Replying to a question in the Lok Sabha, the minister said the government started Pradhan Mantri Jan Dhan Yojana (PMJDY) in August 2014 to provide universal banking services for "every unbanked household".

<https://economictimes.indiatimes.com/news/economy/policy/over-54-5-crore-jandhan-accounts-opened-till-january-15-57-women-a/c-holders-nirmala-sitharaman/articleshow/118121417.cms>

Zero-tax filers make up two-thirds of ITR submissions

About 66.5 per cent of the income tax return filers have zero tax liability, data presented in Lok Sabha on Monday showed. The number nearly doubled in FY25 as compared to FY20.

<https://www.thehindubusinessline.com/economy/two-of-every-three-income-tax-return-filers-have-zero-tax-liability/article69203232.ece>

1 in 3 SME firms that listed since CY24 in the red

One-third of the 266 small and medium enterprises (SMEs) that listed since the beginning of last year are trading in the red. Thirty six of these 88 companies had seen a subscription of over 100 times. Magenta Lifecare, a company that had got subscribed over 1000 times, is down over 30 per cent from its offer price.

<https://www.thehindubusinessline.com/markets/1-in-3-sme-firms-that-listed-since-cy24-in-the-red/article69203621.ece>

Industry

US tariffs will not impact Indian steel industry much: Steel Secy

The US announcement to impose tariffs on steel imports will not have much impact on the Indian industry as the domestic market is strong and a small quantity is exported to America, Steel Secretary Sandeep Poundrik said on Monday. President Donald Trump said he will announce an additional 25 per cent tariff on all steel and aluminium imports from different countries on Monday.

https://www.business-standard.com/industry/news/us-tariffs-will-not-impact-indian-steel-industry-much-says-steel-secy-125021000795_1.html

GenAI to boost India's IT industry's productivity by up to 45%

The increasing use of generative artificial intelligence (GenAI) could boost the productivity of India's \$254-billion software by 43 per cent-45 per cent over the next five years, according to a survey by consulting firm EY India. This productivity boost, which EY India's survey states will span 500 roles, will come through the dual effect of the IT industry itself integrating elements of GenAI internally and as more client projects move from proof of concept to production.

https://www.business-standard.com/technology/tech-news/genai-to-boost-india-s-it-industry-s-productivity-by-up-to-45-ey-india-125021000735_1.html

India's 'Data for Development' takes centre stage at AI Summit in Paris

As artificial intelligence continues to redefine global economies, India is taking a bold step in shaping the future of AI policy and governance. At the AI Action Summit Paris 2025, AI4India and the Center for Policy Research and Governance (CPRG) will co-host a pivotal panel discussion, "Data for Development: Building AI in the Global South," bringing together leading experts and policymakers to discuss the transformative role of AI in emerging economies.

https://www.business-standard.com/technology/tech-news/india-s-data-for-development-takes-centre-stage-at-ai-summit-in-paris-125021000292_1.html

Govt likely to use reserve oil funds to finance fertiliser subsidy gap

For the first time, the government is likely to dip into the Oil Industry Development Fund (OIDF) to finance part of its fertiliser subsidy programme for the financial year 2025-26, according to official sources. The Finance Ministry has accounted for Rs 23,000 crore in the FY26 Budget as net additional resources to be drawn from dedicated reserve

funds, including the ODF, the Agriculture Infrastructure and Development Fund, and the Universal Service Obligation Fund.

https://www.business-standard.com/industry/news/govt-likely-to-use-reserve-oil-funds-to-finance-fertiliser-subsidy-gap-125021001010_1.html

Aam aadmi wants smaller biscuit packs, but brighter jewellery

India's middle class is balancing rising costs and aspirations by choosing smaller packs for daily essentials while using EMIs for premium products. Easy financing is powering purchases of high-end appliances and jewellery, as households manage their budgets amid inflation and changing consumption patterns.

<https://economictimes.indiatimes.com/news/economy/policy/aam-aadmi-wants-smaller-biscuit-packs-but-brighter-jewellery/articleshow/118117704.cms>

India's new climate targets to reflect limited resources

India is likely to submit its next round of climate targets closer to the UN climate conference in Brazil and these will be based on the limited resources available to the country, sources have said. Countries are required to submit their next round of Nationally Determined Contributions (NDCs), or climate plans, for the 2031-2035 period this year.

<https://economictimes.indiatimes.com/small-biz/sustainability/indias-new-climate-targets-to-reflect-limited-resources/articleshow/118105599.cms>

Agriculture

Agri ministry revises guidelines of Market Intervention Scheme to encourage states for implementation

The agriculture ministry has revised guidelines for Market Intervention Scheme (MIS), increasing the procurement limit of crops to 25 per cent from 20 per cent. The guidelines has been revised to encourage states to implement the MIS. According to an official statement on Monday, MIS is a component of PM-AASHA scheme. The MIS is implemented on the request of state/UT government for procurement of various perishable agricultural/horticultural commodities such as tomato, onion and potato, etc, for which minimum support price (MSP) is not applicable and there is a reduction of at least 10 per cent in market prices in states/UTs as compared to the rates of the previous normal season.

<https://economictimes.indiatimes.com/news/economy/agriculture/agri-ministry-revises-guidelines-of-market-intervention-scheme-to-encourage-states-for-implementation/articleshow/118125225.cms>

Soyabean procurement extended in Maharashtra, Telangana

The Centre has extended the procurement of soyabean in Maharashtra by 24 days (until February 24) and in Telangana by 15 days (until February 15) to protect farmers' interests. Similarly, groundnut procurement in Gujarat has been extended by six days and in Karnataka by 25 days (both until February 15).

<https://www.thehindubusinessline.com/economy/agri-business/soyabean-procurement-extended-in-maharashtra-telangana/article69203759.ece>

APEDA asks rice exporters to adhere to the EU pesticide residue cap on stem borer insecticide

The Agricultural and Processed Food Products Export Development Authority (APEDA) has asked rice exporters to adhere to the new maximum residue limit (MRL) set by the European Union (EU) for Thiacloprid, which is used against stem borer menace.

<https://www.thehindubusinessline.com/economy/agri-business/apeda-asks-rice-exporters-to-adhere-to-the-eu-pesticide-residue-cap-on-stem-borer-insecticide/article69203113.ece>

SEA urges Centre to regulate edible oil imports from Nepal due to misuse of SAFTA norms

Complaining that there has been a massive influx of refined soyabean oil and palm oil from Nepal to India, flouting Rules of Origin, the Solvent Extractors' Association of India (SEA) has requested the Government to regulate the inflow of edible oils from Nepal and other SAARC countries.

<https://www.thehindubusinessline.com/economy/agri-business/sea-urges-centre-to-regulate-edible-oil-imports-from-nepal-due-to-misuse-of-safta-norms/article69202782.ece>

India introduces new HS code to allow exports of GI-recognised rice varieties

India's Finance Minister Nirmala Sitharaman has come up with an amendment to the Customs Tariff Act to provide for an HS (Harmonised System) code, for the export of geographical indication (GI) recognised rice.

<https://www.thehindubusinessline.com/economy/agri-business/india-introduces-new-hs-code-to-allow-exports-of-gi-recognised-rice-varieties/article69202494.ece>

Infrastructure

UDAN 5.5 launch to link remote areas with seaplane, copter services

The Centre has launched the next phase of its flagship UDAN (Ude Desh ka Aam Naagrik) scheme to enhance regional air connectivity, sources told businessline. According to sources, the 5.5 version is offering operators a chance to chart out seaplane routes between 80 water bodies, which include waterdromes, ponds, and dams.

<https://www.thehindubusinessline.com/economy/logistics/udan-55-launched-to-promote-seaplane-operations/article69202538.ece>

Energy

Govt to launch 10th oil & gas bidding round this week

The government is expected to launch the tenth round of the Open Acreage Licensing Policy this week ahead of the India Energy Week scheduled to take place from Feb 11-14, oil minister Hardeep Singh Puri said on Monday. The round will see a focus on no-go areas and offshore hydrocarbon blocks for the exploration and production purposes.

<https://www.financialexpress.com/policy/economy-govt-to-launch-10th-oil-gas-bidding-round-this-week-3745150/>

IEW may see alternative sourcing deals with global suppliers: Officials

Amid the latest round of sanctions on Russian crude and uncertain global backdrop, India will be looking for options to further diversify its sources of oil supply during the India Energy Week (IEW 2025) beginning Tuesday, where a host of representatives of foreign nations and energy companies will take part, officials from petroleum ministry suggested.

https://www.business-standard.com/india-news/iew-may-see-alternative-sourcing-deals-with-global-suppliers-officials-125021001292_1.html

Telecom

India's ambitions to build indigenous telecom network gear stuck in limbo

Five years after India's telecom giants first embraced Open Radio Access Network (O-RAN) as a game-changer for the industry, meaningful deployment remains elusive. Despite early enthusiasm from Reliance Jio, Bharti Airtel, and Vodafone Idea (Vi), O-RAN is yet to gain traction due to challenges like interoperability issues, security concerns, and the lack of proven cost advantages over proprietary network systems.

<https://www.thehindubusinessline.com/info-tech/indias-ambitions-to-build-indigenous-telecom-network-gear-stuck-in-limbo/article69203865.ece>

States

Offer incentives to aircraft makers to set up units in K'taka: Dy CM

Karnataka Deputy Chief Minister D K Shivakumar on Monday appealed to Defence Minister Rajnath Singh to consider and give incentives to manufacturers of aircraft and helicopters to set up their manufacturing facilities in the state and the country. "Karnataka plays a crucial role in India's aerospace sector, contributing 67 per cent of the country's aircraft and helicopter manufacturing for defence services and 65 per cent of India's aerospace-related exports," Shivakumar said. He added that despite these impressive figures, there is a significant gap in the industry.

https://www.business-standard.com/politics/offer-incentives-to-aircraft-makers-to-set-up-units-in-k-taka-dy-cm-125021000563_1.html

Healthcare

NPPA asks retailers to display drug prices on websites

The National Pharmaceutical Pricing Authority (NPPA) will take action if the pharmacies fail to comply with the diktat, it said in an order. It may be noted that the online pharmacies and other online platforms selling medicines were not displaying the prices of drugs, firmly refusing to do so citing extract from the Para 24 of the Drugs (Price Control) Order, 2013 which says that the prices should be mentioned on a "conspicuous part of the premises".

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/nppa-asks-retailers-to-display-drug-prices-on-websites/articleshow/118125860.cms>

India's Pharma market to expand 2.4 times over next 5 years, share in global market to hit 5 pc: Report

India's pharmaceutical industry is set to grow significantly, with its share in the global market expected to reach 5% by 2030. Currently valued at USD 55 billion, the market is projected to hit up to USD 130 billion, driven by strong domestic demand and increasing global exports.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/indias-pharma-market-to-expand-2-4-times-over-next-5-years-share-in-global-market-to-hit-5-pc-report/articleshow/118132553.cms>

External

India, Israel to discuss ways to promote trade, investments in Feb 11 meet

Top business leaders, policymakers, and industry stakeholders from India and Israel will meet here on Tuesday to discuss ways to further promote trade and investments between the two countries, an official statement said on Monday. They will explore new avenues of economic cooperation, technological collaboration, and investment opportunities, the commerce and industry ministry said.

https://www.business-standard.com/industry/news/india-israel-to-discuss-ways-to-promote-trade-investments-in-feb-11-meet-125021001386_1.html

India sets up EFTA desk to promote trade, investment, biz facilitation

India is setting up a dedicated platform - EFTA (European Free Trade Association) desk - to promote trade, investment, and business facilitation between the two regions, an official statement said on Monday. India and the four European nations EFTA bloc signed a free trade agreement on March 10 last year to boost trade and investment ties.

https://www.business-standard.com/economy/news/india-sets-up-efta-desk-to-promote-trade-investment-biz-facilitation-125021000296_1.html

UK, India strengthen defence ties with key agreements at Aero India 2025

The UK-India strategic partnership took another major step forward with the formal launch of Defence Partnership India (DP-I) and the signing of several defence agreements at the Aero India show on Monday. Announcing DP-I, UK Defence Minister Lord Vernon Coaker inaugurated the UK-India Defence Partnership Pavilion, establishing a dedicated programme office within the UK's Ministry of Defence to serve as a one-stop shop for strengthening bilateral defence collaboration between the two countries.

https://www.business-standard.com/external-affairs-defence-security/news/uk-india-strengthen-defence-ties-with-key-agreements-at-aero-india-2025-125021001382_1.html

Rajnath Singh holds bilateral defence talks with Tanzania, Zambia, Algeria

Defence Minister Rajnath Singh on Monday held bilateral meetings with Tanzania's Minister for Defence & National Service, Dr Stergomena Lawrence Tax and Algeria's Minister Delegate to the Minister of National Defence and Chief of Staff of the People's National Army, General Sad Chengriha. He also met Zambia's Minister of Defence, Ambrose Lwiji Lufuma, on the sidelines of Aero India 2025.

https://www.business-standard.com/external-affairs-defence-security/news/rajnath-singh-holds-bilateral-defence-talks-with-tanzania-zambia-algeria-125021001412_1.html

India-Indonesia business ties get fresh boost with Prabowo visit

President Prabowo Subianto's state visit to India resulted in several high-level business meetings, underscoring the potential for deeper trade and investment ties. Key sectors discussed include energy, digitalization, health, and manufacturing, with significant participation from prominent companies and ministers to drive bilateral economic growth.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-indonesia-business-ties-get-fresh-boost-with-prabowo-visit/articleshow/118123260.cms>