



February 21, 2025 – Friday

Economy

India set to become high-income country by 2047 buoyed by services sector: Report

India is set to become a high-income country by 2047 with a projected GDP of USD 23 trillion to USD 35 trillion, buoyed by the services sector, a report has said. By 2047, the services sector is projected to make up 60 per cent of India's GDP, while manufacturing will account for 32 per cent, both becoming crucial drivers of economic growth, the report by Bain & Company and Nasscom said.

<https://economictimes.indiatimes.com/news/economy/indicators/india-set-to-become-high-income-country-by-2047-buoyed-by-services-sector-report/articleshow/118419669.cms>

Skills over degrees: 80% of Indian employers adopt skills-first strategy

A growing number of Indian companies are shifting towards skills-based hiring, with 80 per cent of employers prioritising practical skills and experience over formal degrees, as per a latest survey by Indeed, a job hiring platform. In addition, around 60 per cent of employers believe skills-based hiring will lead many candidates to invest in certifications, specialised training, and hands-on learning.

https://www.business-standard.com/industry/news/skills-over-degrees-80-of-indian-employers-adopt-skills-first-strategy-125022000945_1.html

Indian companies remain committed to diversity, equity and inclusion policies: Survey

In the light of the Trump Government's recent executive order ending DEI (Diversity, Equity, Inclusion) efforts in federal government, a new survey by workplace culture consulting firm Avtar finds that despite the pushback on DEI in the US, companies in India intend to be committed to it.

<https://www.thehindubusinessline.com/news/indian-companies-remain-committed-to-diversity-equity-and-inclusion-policies-survey/article69242437.ece>

Finance

Machine learning, AI models to power RBI's deep check

Besides catching hints of asset bubbles and sensing early signs of market disruptions by analysing patterns from historical data, macroeconomic numbers, and market behaviour, AI and ML models may come handy in 'stress testing' of banks. It could help regulators to be better positioned in ensuring that banks have enough capital to absorb shocks from slowing economy and plunging markets.

<https://economictimes.indiatimes.com/news/economy/policy/machine-learning-ai-models-to-power-rbis-deep-check/articleshow/118428915.cms>

Bank credit to commercial real estate on rising trajectory

Bank credit to commercial real estate has gone up over 11 per cent in FY25 year to date, according to data by the Reserve Bank of India, indicating a comfort in the banking sector to increasing their exposure to the sector. However lending to housing under priority sector is languishing and the exposure has marginally reduced during the year. In

the first nine months of the current fiscal year, banks' outstanding loans to commercial real estate projects were at ₹5.2 lakh crore with ₹52,000 crore being the incremental amount that has gone into the sector, according to data from RBI's latest bulletin.

<https://www.thehindubusinessline.com/news/real-estate/bank-credit-to-commercial-real-estate-on-rising-trajectory/article69243385.ece>

Irdai sets up panel led by ex-SBI chairman Khara to implement amendments to insurance law

Irdai has established a seven-member committee led by ex-SBI Chairman Dinesh Khara to review and suggest amendments to the Insurance Act, 1938. Proposed changes include raising the FDI cap to 100%, implementing a composite license, and enabling new players. Finance Minister Sitharaman announced this initiative in the February Budget to boost insurance sector penetration.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-sets-up-panel-led-by-ex-sbi-chairman-khara-to-implement-amendments-to-insurance-law/articleshow/118425976.cms>

Data through depositories' apps to help curb fraud: Sebi chief Buch

Securities and Exchange Board of India (Sebi) Chairperson Madhabi Puri Buch on Thursday said that data directly sourced from depositories will empower investors to identify and prevent fraudulent practices by intermediaries. The Sebi chief made these remarks during the launch of unified apps -- SPEED-e by the National Securities Depository (NSDL) and MyEasi by the Central Depository Services (CDSL).

https://www.business-standard.com/markets/news/data-through-depositories-apps-to-help-curb-fraud-sebi-chief-buch-125022001004_1.html

IFSCA eases compliance for fund managers in GIFT City to boost investment

The International Financial Services Centres Authority (IFSCA) has unveiled regulatory relaxations for fund management entities (FMEs) in Gujarat's GIFT City, aiming to attract global investors, simplify compliance, and foster growth in retail and non-retail investment schemes.

https://www.business-standard.com/markets/news/ifsc-a-eases-compliance-for-fund-managers-in-gift-city-to-boost-investment-125022001195_1.html

Age group of 25-35 taking highest insurance claims: Policybazaar Report

A report by Policybazaar for Business reveals that the age group of 25-35 has the highest insurance policy claims, with a significant portion attributed to maternity coverage. Claims from women account for 60%, while claims from men make up 40%. Corporates are customizing age-specific health benefits, as industries with young workforces adopt comprehensive healthcare plans.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/age-group-of-25-35-taking-highest-insurance-claims-policybazaar-report/articleshow/118412698.cms>

India govt considering to increase GST on cigarettes and tobacco products

The Centre is considering raising the Goods and Services Tax (GST) on cigarettes and other tobacco products once it stops charging the compensation cess, according to a report by The Economic Times. Currently, these products are taxed at 28 per cent under GST, along with additional cess and other levies, bringing the total tax rate to 53 per cent. One option being explored is to increase the GST to 40 per cent—the highest permissible rate—and add an extra excise duty.

https://www.business-standard.com/industry/news/india-gst-cigarettes-tobacco-products-beedi-pan-masala-price-increase-125022000193_1.html

Earning individuals in India spend over 33% of monthly salary on EMI: Study

Salaried individuals across India allocate more than 33% of their monthly income toward paying loan EMIs, underlining the growing burden of credit-driven consumption, revealed a survey on Wednesday. Perfios, a B2B SaaS Fintech company, along with PwC India has launched an insightful report titled How India Spends: A Deep Dive into Consumer Spending Behavior. The report, based on a comprehensive study of over 30 lakh tech-savvy consumers, revealed that 39% of consumers' total spending goes toward obligatory expenditures, followed by 32% on necessities and 29% on discretionary spending.

https://www.business-standard.com/finance/personal-finance/earning-individuals-in-india-spend-over-33-of-monthly-salary-on-emi-study-125022000177_1.html

India tops global private capital exits with \$27.9 bn in 2024: GPCA report

India emerged as the global leader in private capital exits in 2024, recording \$27.9 billion across 224 exits as investors capitalised on high valuations and ample liquidity in public markets, according to a report by the Global Private Capital Association (GPCA). Public market exits accounted for \$19.1 billion, the highest since 2008.

https://www.business-standard.com/markets/news/india-tops-global-private-capital-exits-with-27-9-bn-in-2024-gpca-report-125022000657_1.html

Industry

India's e-commerce to reach \$550 bn by 2035 driven by Tier II-III demand

India's e-commerce industry is projected to reach \$550 billion by 2035, according to a joint report by ANAROCK and ETRetail. The report highlights that the sector's rapid expansion is driven by digital adoption and evolving consumer behaviour. Meanwhile, mall vacancy rates have declined sharply to 8.1 per cent in 2024, signalling more demand for physical retail stores. The report estimates that in 2024, India's e-commerce market was valued at \$125 billion. It is expected to surge to \$345 billion by 2030, reflecting a compound annual growth rate (CAGR) of 15 per cent over the next decade.

https://www.business-standard.com/industry/news/india-retail-industry-ecommerce-growth-550-billion-2035-mall-demand-rises-125022000498_1.html

Centre plans single regulatory framework for India's online gaming industry, aims to attract investment

The Centre is planning to consolidate India's online gaming sector under a single regulatory framework, aiming to replace the current patchwork of state-level laws, Mint reported. The Home Ministry has assembled a committee that includes its officials, legal experts, and representatives from the gaming industry to discuss the future course of action, the sources told Mint. One of the key issues under discussion is whether a new law is required to clearly distinguish between gaming and gambling, a distinction that has remained contentious.

<https://www.financialexpress.com/business/brandwagon-centre-plans-single-regulatory-framework-for-indias-online-gaming-industry-aims-to-attract-investment-3755217/>

IN-SPACe launches Technology Adoption Fund to propel India's Space Technology innovations

In an effort to advance India's space technology sector, the Indian National Space Promotion and Authorization Centre (IN-SPACe) has unveiled the Technology Adoption Fund (TAF). This fund is designed to support early-stage space technologies developed by Indian companies, helping them transition from conceptual stages to commercially viable products. The TAF aims to reduce India's reliance on imported space solutions by nurturing the growth of domestic research and development (R&D). The initiative will also foster a strong partnership between the government and the private sector, positioning India as a global leader in the space industry.

<https://www.financialexpress.com/business/in-space-launches-technology-adoption-fund-to-propel-indias-space-technology-innovations-3754892/>

India unlikely to face immediate impact from US chip tariffs, experts say

US President Donald Trump's threat to levy a 25 per cent tariff on chip imports is set to hit the global semiconductor industry very hard. However, experts see no major impact on India in the short term.

<https://www.thehindubusinessline.com/info-tech/india-unlikely-to-face-immediate-impact-from-us-chip-tariffs-experts-say/article69242907.ece>

Number of operational EVs in India likely to cross 28 mn-mark in 2030: IESA

The total number of operational electric vehicles (EVs) in India is likely to cross the 28 million-mark by 2030 fuelled by increasing demand and incentives, the India Energy Storage Alliance (IESA) said in a report. India continues to make significant and sustained inroads in its decarbonization journey, with rapid increase in sales of EVs, supported by demand and supply incentives, growing consumer demand, and a focus on developing charging infrastructure, IESA said in a statement.

<https://economictimes.indiatimes.com/industry/renewables/number-of-operational-evs-in-india-likely-to-cross-28-mn-mark-in-2030-iesa/articleshow/118419969.cms>

Sodium ion batteries should get VGF, PLI support: ASPIRE report

The report pointed out that, even as the initial demand for BESS has been predominantly fulfilled by Lithium-Ion batteries (LIBs), there are several risks associated with them.

<https://www.thehindubusinessline.com/companies/sodium-ion-batteries-should-get-vgf-pli-support-aspire-report/article69242944.ece>

Google close to picking sites in India for first retail stores outside US, sources say

Alphabet Inc's Google is close to deciding on locations in its key market of India where it will open its first physical retail stores outside the United States, three sources familiar with the matter said. Google counts India as a key growth market, where it has committed to investing \$10 billion. It currently has only five physical stores, all in the United States, which sell its products such as Pixel phones, watches and earbuds.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/google-close-to-picking-sites-in-india-for-first-retail-stores-outside-us-sources-say/articleshow/118417922.cms>

Natural diamonds shine as prices dip

Indian consumers are buying more natural diamonds as prices have dropped by about 30% from 2022. During the same period, gold and silver prices have increased significantly. The increasing demand for lab-grown diamonds in the US and decreased purchases from China are influencing natural diamond prices. Jewellery manufacturers are adapting to the higher demand for diamond-studded jewellery.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-jewellery/natural-diamonds-shine-as-prices-dip/articleshow/118427597.cms>

Agriculture

Govt tightens stock limit on wheat as prices rule firm ahead of harvest

The government has tightened the stock limit on wheat as prices continue to rule firm, while high temperatures have increased worries about the output of the upcoming rabi harvest. The stock limit on wholesalers have been reduced by 75%, while the stock limit on retailers and big chain retailers has been cut by 20%.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-tightens-stock-limit-on-wheat-as-prices-rule-firm-ahead-of-harvest/articleshow/118426620.cms>

Poultry profitability is set to decline ~50 basis points next fiscal, says Crisil

The Indian poultry industry's operating profitability is poised to slip next fiscal owing to an increase in feed cost, even as strong demand leads to revenue growth of 8-10%. With modest capital expenditure (capex), no significant debt addition and healthy accrual, the credit profiles of poultry companies are expected to remain stable, said ratings agency Crisil.

<https://economictimes.indiatimes.com/news/economy/agriculture/poultry-profitability-is-set-to-decline-50-basis-points-next-fiscal-says-crisil/articleshow/118417236.cms>

Market scheme to be tweaked to benefit vegetable farmers

To ensure that a large part of the retail prices of key vegetables are realised by farmers, the government will reimburse transportation costs of tomato, onion and potato (TOP) to state government agencies and co-operatives. This will reduce the role of private intermediaries who jack up costs, causing retail prices to spiral, without any commensurate benefits for farmers. Under the market intervention scheme (MIS) of agriculture ministry, the proposal is to pay the transportation cost for TOP to the a larger number of state agencies including multi-state cooperatives, state agencies Nafed, National Cooperative Consumers Federation of India (NCCF).

<https://www.financialexpress.com/policy/economy-market-scheme-to-be-tweaked-to-benefit-vegetable-farmers-3754429/>

Infrastructure

India needs at least 20K pilots in coming years: Aviation minister Naidu

Civil Aviation Minister K Rammohan Naidu on Thursday said India will need at least 20,000 pilots in the coming years to meet the rising air-travel demand in the country -- one of the world's fastest growing aviation market. Addressing a gathering at the UDAAN Bhawan here following the launch of Electronic Personnel License (EPL) for pilots, the Minister said aviation has always been the backbone of connectivity, economic growth, and technological advancements.

https://www.business-standard.com/india-news/aviation-minister-naidu-launches-electronic-personnel-license-for-pilots-125022000269_1.html

SIA and Air India explore opportunities to deepen recently confirmed relationship

Singapore Airlines (SIA) and Air India are exploring opportunities to deepen their strategic relationship across a wide range of commercial activities. "The partners are firmly committed to supporting the growth and success of the Air India Group, which has a strong presence across all key segments of the Indian market," said SIA in its latest quarterly report on Thursday.

<https://economictimes.indiatimes.com/industry/transportation/airlines/-aviation/sia-and-air-india-explore-opportunities-to-deepen-recently-confirmed-relationship/articleshow/118419794.cms>

Centre begins consultation to lease 10 more AAI airports in PPP mode

The Centre has kicked off the consultation process for leasing out (privatisation) more than 10 airports across the country under the public-private partnership (PPP) model, sources told businessline. Under the National Monetisation Pipeline, 25 airports belonging to AAI were earmarked for leasing out between 2022-2025.

<https://www.thehindubusinessline.com/economy/logistics/centre-launches-consultation-process-for-leasing-out-over-10-airports/article69242803.ece>

Energy

Indian refiners cancel palm oil orders due to price surge

Indian refiners have cancelled orders for 70,000 metric tons of crude palm oil due to a rise in Malaysian prices and negative refining margins in India. This shift could affect Malaysian palm oil prices and support soyoil prices. Some refiners prefer soyoil imports, which are cheaper. Market speculation on increased import duty on palm oil also contributed to cancellations.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indian-refiners-cancel-palm-oil-orders-due-to-price-surge/articleshow/118418821.cms>

Power Minister nudges discoms to boost financial health

The power ministry on Thursday asked distribution companies to work towards improving their financial viability, have cost-reflective tariffs and strive to list their power sector utilities as these measures would help them attract funds for future investment. The remark came at the regional meeting of the power sector.

<https://economictimes.indiatimes.com/industry/energy/power/power-minister-nudges-discoms-to-boost-financial-health/articleshow/118428262.cms>

States

UP Finance Minister Suresh Khanna presents Rs 8.09 trn Budget for FY26

Uttar Pradesh Finance Minister Suresh Kumar Khanna on Thursday tabled a Rs 8,08,736-crore Budget for the financial year 2025-26 in the state assembly, with a focus on research & development and Information Technology. Khanna in his Budget speech said around 22 per cent of the Budget has been allocated for development purposes, 13 per cent for education, 11 per cent for agriculture and related services, while six per cent has been allocated for health. "We have focussed on research, development and Information Technology in the Budget," said Khanna.

https://www.business-standard.com/india-news/up-finance-minister-suresh-khanna-presents-rs-8-09-trn-budget-for-fy26-125022000415_1.html

Maharashtra's 'Ladki Bahin' scheme mainly benefits married women: Study

Married women make up as many as 83 per cent of the beneficiaries of the Maharashtra government's 'Mukhyamantri Majhi Ladki Bahin Yojana', as per official data. The scheme, which is supposed to have played a role in the BJP-led coalition's victory in the November 2024 assembly elections, provides monthly assistance of Rs 1,500 to women aged 21 to 65 who are married, divorced, widowed, deserted, or destitute, and whose family income is below Rs 2,50,000 per year.

https://www.business-standard.com/politics/maharashtra-s-ladki-bahin-scheme-mainly-benefits-married-women-study-125022000539_1.html

Uttarakhand govt presents Rs 1 trn Budget; focuses on infra, innovation

Uttarakhand Finance Minister Premchand Aggrawal on Thursday presented in the assembly over Rs 1-lakh-crore budget for 2025-26 with an emphasis on innovation, agriculture, connectivity and infrastructure development. The total budget size has been increased by 13 per cent compared to budgetary allocation of Rs 89,000 crore for the current fiscal.

https://www.business-standard.com/india-news/uttarakhand-govt-presents-rs-1-trn-budget-focuses-on-infra-innovation-125022001025_1.html

Gujarat govt presents Rs 3.70 trillion Budget, no new tax proposed

Gujarat Finance Minister Kanubhai Desai on Thursday presented a Rs 3.70 trillion budget for the state for the financial year 2025-26, giving tax reliefs of Rs 148 crore. Also, no new tax was proposed in the budget, presented by Desai in the state assembly here on the second day of its budget session.

https://www.business-standard.com/india-news/gujarat-govt-presents-rs-3-70-trillion-budget-no-new-tax-proposed-125022000870_1.html

Invest Kerala Summit to begin Friday; state eyes big-ticket investments

Kerala hopes to land "credible and substantial investments" during the two-day Invest Kerala Global Summit beginning Friday as over 3,000 delegates, including those representing global corporate players, are expected to descend on the state's port city Kochi.

https://www.business-standard.com/india-news/invest-kerala-summit-to-begin-friday-state-eyes-big-ticket-investments-125022001117_1.html

Healthcare

Import of sub-standard gloves and its risk to healthcare workers red-flagged by domestic industry

Concerns over the import of sub-standard examination gloves, some that are close or have passed their expiry date, for example, have been raised by representatives of the local industry with the drug regulatory authority.

<https://www.thehindubusinessline.com/economy/import-of-sub-standard-gloves-and-its-risk-to-healthcare-workers-red-flagged-by-domestic-industry/article69242044.ece>

External

India-Australia Space collaboration set to grow with PRISM 2.0

India and Australia are stepping into a new era of space exploration and innovation, with the PRISM 2.0 initiative playing a pivotal role in unlocking opportunities for both nations. At the PRISM 2.0 webinar on Thursday (Feb 20, 2025), the focus was on regulatory alignment and developing pathways to boost trade in satellite hardware, ground stations, software services, and more.

<https://www.financialexpress.com/business/india-australia-space-collaboration-set-to-grow-with-prism-2-0-3755630/>

India US Trade Pact: Ministry-level talks likely to take place soon

India has started preparing for its first bilateral trade agreement (BTA) talks with the US, involving sector-specific consultations. The commerce ministry aims to understand inter-ministerial interests and ensure alignment with potential tariff concessions and reciprocal tariffs, aiming to initiate detailed negotiations within ten days.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-trade-pact-ministry-level-talks-likely-to-take-place-soon/articleshow/118427985.cms>