



March 04, 2024 – Monday

Economy

Core inflation to stay around 3% till Q1 FY25: Economists

Inflation in goods and services other than fuel and food is likely to remain low, around 3% in the near term, owing to weak rural demand, softness in housing inflation and lower input cost pressures, according to economists. India's core inflation declined to its lowest level of 3.5% in January, compared with 3.8% in the previous month, according to data released last month. Core inflation remained below 4% for the second consecutive month, bringing the overall consumer inflation number down to 5.1%. India's core inflation declined to its lowest level of 3.5% in January, compared with 3.8% in the previous month, according to data released last month.

<https://economictimes.indiatimes.com/news/economy/indicators/core-inflation-to-stay-around-3-till-q1-fy25-economists/articleshow/108185502.cms>

PM Modi, council of ministers brainstorm on vision document for Viksit Bharat 2047 & detailed action plan for next 5 years: Sources

The council of ministers have brainstormed on vision document for Viksit Bharat 2047 and detailed action plan for the next 5 years, said government sources on Sunday. The meeting was chaired by Prime Minister Narendra Modi. In what may be the last such meeting before the big polls, several ministries articulated their ideas in the meeting. Meanwhile, after formation of the new government in May 2024 and for quick implementation of the said plan, a 100-day agenda for immediate steps has also been worked upon, they said. Speaking at the meeting for an hour, PM Modi emphasised the need for investing and harnessing future technologies so India can be a leader in innovation, reported ToI quoting its sources. While talking to the ministers, PM Modi also commented on the need for age-related demography changes and the challenge it involves.

<https://economictimes.indiatimes.com/news/india/council-of-ministers-brainstorm-on-vision-document-for-viksit-bharat-2047-detailed-action-plan-for-next-5-years-sources/articleshow/108182988.cms>

BPO employees face maximum risk of getting replaced by AI: Nasscom chairman

Workers in the business process outsourcing (BPO) sector are at the maximum risk of getting impacted by the influx of generative artificial intelligence, IT industry body Nasscom's chairman Rajesh Nambiar has said. Nambiar, who is also the chairman and managing director of global technology major Cogniozant's India unit, said workers in the software services industry, the Indian tech industry's mainstay, do not have much to worry.

https://www.business-standard.com/industry/news/bpo-employees-face-maximum-risk-of-getting-replaced-by-ai-nasscom-chairman-124030300181_1.html

Foreign tourist arrivals surge by 64% in 2023: MoT data

India's inbound tourism sector is experiencing a significant rebound, with foreign tourist arrivals (FTAs) in 2023 surging 64 per cent compared with 2022. This translates to 92,36,108 visitors between January and December 2023, compared with 64,37,467 in the same period of the previous year. However, despite this impressive growth, the sector remains 15.5 per cent below pre-pandemic levels recorded in 2019, according to the Ministry of Tourism's data.

<https://www.thehindubusinessline.com/news/foreign-tourist-arrivals-surge-by-64-in-2023-fees-reach-record-high/article67910659.ece>

Finance

Majority of users to stop using UPI if it attracts transaction fee: Report

A majority of people will stop using UPI if a transaction fee is levied on it, according to an online survey by LocalCircles. However, a sizable number of respondents claimed that they have experienced a transaction fee being levied on their UPI payment once or more in the last one year, it added. LocalCircles on Sunday said the survey received over 34,000 responses from citizens in over 364 districts, comprising 67 per cent of male respondents and 33 per cent of women. In August 2022, the Reserve Bank of India (RBI) released a discussion paper proposing a tiered structure charge on UPI payments based on different amount bands. Following the RBI discussion paper, the finance ministry clarified that there was no proposal to levy charges on UPI transactions, LocalCircles said in its report on UPI transaction fees.

https://www.business-standard.com/economy/news/majority-of-users-to-stop-using-upi-if-it-attracts-transaction-fee-report-124030300508_1.html

National pension system added 21.5% fewer corporate subscribers in 2023

The National Pension System (NPS) added 21.5 per cent fewer fresh subscribers under the corporate segment in 2023 compared to the preceding year. Government officials and experts attribute it to the higher exemption limit of income tax of Rs 7 lakh announced in the FY24 Budget that no more requires employees under this income bracket to opt for NPS for tax-saving purposes.

https://www.business-standard.com/economy/news/21-fewer-new-corporate-subscribers-joined-national-pension-system-in-2023-124030300283_1.html

GST mop-up rises over 12.5% to Rs 1.68 trn, car sales remain strong

Highlighting continued hectic activity in the Indian economy, gross goods and services tax (GST) collection grew 12.54 per cent year-on-year to Rs 1.68 trillion in February. Positive consumer sentiment was also palpable through the monthly sales figures for cars and two-wheelers as both segments witnessed an annual uptick. Car sales in the wholesale market last month stood at 373,177 units, up 11 per cent Y-o-Y and were the highest for the second month of any calendar year and the third highest ever.

https://www.business-standard.com/economy/news/gst-collections-rise-13-6-at-rs-1-51-trillion-in-february-finmin-124030100898_1.html

Unclaimed insurance funds higher in agent-sold policies: Analysts

The unclaimed funds within the life insurance sector are higher from policies sold by agents as against other channels like bancassurance or a digital platform, said analysts and officials from insurance companies. Unclaimed life insurance funds refer to the proceeds of insurance policies including death or survival benefits not claimed by the beneficiary or the policyholder. Bancassurance means selling an insurance product through banks.

https://www.business-standard.com/finance/insurance/unclaimed-life-insurance-funds-higher-in-agent-sold-policies-analysts-124030300308_1.html

Industry

India to be on high-stake global stage of chip makers in 5 years: Vaishnaw

India will, in next five years, join the high-stake global stage of semiconductor manufacturing as it combines unparalleled design capabilities with USD 10 billion of incentives to draw manufacturers to set up new fabs and units that will cut dominance of Taiwan, South Korea and China, said IT and Telecom Minister Ashwini Vaishnaw. In an interview to PTI, he said India's well-crafted policies are tempting manufacturers to set up new fabs (semiconductor fabrication plants) and pouring investment in related sectors.

https://www.business-standard.com/industry/news/every-big-chip-player-to-re-work-investment-plan-for-india-vaishnaw-124030300172_1.html

Diamond cos tread on rule minefield; face compliance burden under new sanctions regime

All diamond houses in India were alerted over the weekend that missing paper trails and sloppy records would land them in trouble under the new sanctions regime that began on March 1 to block Russian gems from the affluent western markets. The discreet, quaint world of diamonds, where close-knit jewellers and diamantaires cut deals in old-fashioned ways, is scanning a new, unfamiliar compliance mechanism that could change the way they have been doing business for ages.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/diamond-cos-tread-on-rule-minefield-face-compliance-burden-under-new-sanctions-regime/articleshow/108186090.cms>

India's used car market size to touch \$100 billion-mark by 2034: CARS24 CEO

Indian used car market is expected to touch the USD 100 billion-mark in the next ten years on the back of rising disposable incomes and a growing middle class, according to CARS24 Co-Founder and CEO Vikram Chopra. As per the findings of the Gurugram-based online used car marketplace, there are changes in market dynamics with customers opting for frequent upgrades when it comes to cars. "According to our internal study, the anticipated growth of the Indian used car market is set to occur at a 15 per cent CAGR, increasing from USD 25 billion in 2023 to USD 100 billion by 2034," Chopra told PTI in an interaction.

<https://economictimes.indiatimes.com/industry/auto/auto-news/indias-used-car-market-size-to-touch-usd-100-billion-mark-by-2034-cars24-ceo/articleshow/108176240.cms>

Growth of GCCs in India's tier-2 to be driven by smaller GCCs

The growth of Global Capability Centres (GCC) in India's tier-2 cities is being bolstered by the establishment of smaller GCCs, primarily by smaller multinationals and others. The proliferation to small towns is also aided by the expansion efforts of existing companies looking to diversify, and leverage talent and cost benefits outside major cities, according to data and estimates from ANSR, an end-to-end GCC solutions provider. The growth of Global Capability Centres (GCC) in India's tier-2 cities is being bolstered by the establishment of smaller GCCs, primarily by smaller multinationals and others. The proliferation to small towns is also aided by the expansion efforts of existing companies looking to diversify, and leverage talent and cost benefits outside major cities, according to data and estimates from ANSR, an end-to-end GCC solutions provider.

<https://www.thehindubusinessline.com/info-tech/growth-of-gccs-in-indias-tier-2-to-be-driven-by-smaller-gccs/article67910552.ece>

Tech industry to push back against the new AI rule requiring govt approvals

The Minister of Electronics and IT's diktat that makes it mandatory for tech companies working on artificial intelligence products to seek government nod before launching their products in India has attracted backlash from the industry and legal experts. "It's an advisory that is not based on law but is a trailer of what kind of regulations we can expect from the Ministry of Electronics and Information Technology (MeitY) in the future. It's not legally binding, so I can not tell what section or what law MeitY is asking companies to submit a report within 15 days. If the labeling of outputs of generative AI is the only requirement, one can see the compelling argument in its favour. If, however, the idea is to seek prior permission before any launch, that's unnecessary interference which innovators can live without," said Mishi Choudhary, technology lawyer and online civil liberties activist.

<https://www.thehindubusinessline.com/info-tech/tech-industry-to-push-back-against-the-new-ai-rule-requiring-govt-approvals/article67910551.ece>

Infrastructure

Centre eyes 10x expansion in domestically flagged Ships

India is eyeing a significant fleet expansion of large domestically flagged ships amid disruptions to global supply chains and sharpened focus on international trade. The development assumes significance especially since countries withhold flagged ships when there are disputes between nations, said a senior government official. "We want to increase the number of Indian flagged ships by ten times to make the country a formidable force in global maritime trade," the official told ET on condition of anonymity, adding that plans to achieve this goal are being drawn up and will be finalised soon after the next government takes charge after the general election, expected to be held in April-May.

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/centre-eyes-10x-expansion-in-domestically-flagged-ships/articleshow/108186068.cms>

PM Modi to inaugurate Howrah Maidan-Esplanade, two other sections of Kolkata Metro next week

Prime Minister Narendra Modi will next week inaugurate the much-awaited Howrah Maidan-Esplanade section of the Kolkata Metro, a release from the Prime Minister's Office stated on Sunday. "The PM will also inaugurate the Kavi Subhash-Hemanta Mukhopadhyay and the Taratala-Majerhat metro sections," it said. PM Modi is scheduled to visit Telangana, Tamil Nadu, Odisha, West Bengal and Bihar from March 4-6.

<https://www.thehindubusinessline.com/news/national/pm-modi-to-inaugurate-howrah-maidan-esplanade-two-other-sections-of-kolkata-metro-next-week/article67909847.ece>

Energy

First tranche of offshore mineral auction expected by mid-2024: Joshi

The first tranche of offshore minerals auctions is likely to kick off by June-July this year, Union Minister Pralhad Joshi said. A total of 10 offshore mineral blocks have been short-listed by the mines ministry, and inter-ministerial consultations are underway to seek necessary clearances for auctions at the earliest, the Minister for Coal and Mines told PTI.

https://www.business-standard.com/industry/news/first-tranche-of-offshore-mineral-auction-expected-by-mid-2024-joshi-124030300255_1.html

Rooftop solar installations rise 6.25% to 1.7 GW in 2023: Mercom Capital

Rooftop solar capacity addition saw a 6.25 per cent growth to 1.7 gigawatt in 2023, supported by various factors like reduced installation cost, according to Mercom Capital. The rooftop capacity addition was at 1.6 gigawatt (GW) in 2022, the US-based research firm said in its latest report. In October-December 2023, 406 megawatts (MW) of rooftop solar was added, down 15.9 per cent from 483 MW in the last quarter of 2022, the 'Mercom India Rooftop Solar Market Report' said.

https://www.business-standard.com/industry/news/rooftop-solar-installations-rise-6-25-to-1-7-gw-in-2023-mercom-capital-124030300221_1.html

Captive, commercial coal mines likely to produce 140 mn tons in FY24 as Govt pushes for higher output

Coal production by the private sector is expected to surpass 140 million tonnes (MT) in FY24, ending March 2024, as the Coal Ministry pushes for enhancing output from captive and commercial mines.

<https://www.thehindubusinessline.com/economy/captive-commercial-coal-mines-likely-to-produce-140-mn-tons-in-fy24-as-govt-pushes-for-higher-output/article67910265.ece>

States

PM to launch development projects worth over Rs 34,800 crore in Bihar

Prime Minister Narendra Modi will unveil development projects worth more than Rs 34,800 crore in Bihar on Saturday. Besides, the PM will unveil multiple projects in the oil and gas sector, worth about Rs 1.48 lakh crore, spread across various states from here, an official statement said. This will be Modi's first visit to Bihar since the BJP-led NDA got a shot in the arm with the return of Chief Minister Nitish Kumar, who heads the JD(U).

The PM will unveil multiple development projects worth Rs 21,400 crore in Aurangabad around 2.30 pm. He will then travel to Begusarai where he will inaugurate and lay the foundation stone of projects worth more than Rs 13,400, the statement said.

https://www.business-standard.com/economy/news/pm-to-launch-development-projects-worth-over-rs-34-800-crore-in-bihar-124030200100_1.html

UP govt to start 'MYUV Abhiyan' to foster entrepreneurship among youth

To foster entrepreneurship among the youth of Uttar Pradesh, Chief Minister Yogi Adityanath's ambitious scheme, "Mukhyamantri Yuva Udyami Vikas Abhiyan (MYUVA)," is set to be launched soon. CM Yogi has directed officials of the Micro, Small, and Medium Enterprises (MSME) Department to promptly devise a comprehensive action plan for

the initiative and submit it to the government as soon as possible. UP govt to start 'MYUV Abhiyan' to foster entrepreneurship among youth

<https://www.financialexpress.com/business/sme/up-govt-to-start-myuv-abhiyan-to-foster-entrepreneurship-among-youth/3412050/>

MP industry conclave attracts investment proposals worth Rs 1 lakh crore

The Regional Industry Conclave held in Ujjain, Madhya Pradesh, on March 1-2 attracted investment proposals of over ₹1 lakh crore, with domestic conglomerate Adani, multinational company Pepsi and Singapore's electronic group Samcom participating in the event. Among the major investors, Adani has promised Rs 75,000 crore of investment, Pepsi has proposed Rs 1,250 crore investment in Vikram Udyogpuri of Ujjain, LTI Mindtree has inked an memorandum of understanding to invest Rs 500 crore and Singapore's Samcom expressed interest in wind and solar energy projects. The event attended by Madhya Pradesh chief minister Mohan Yadav witnessed participation from delegates from developed countries like the US and UK, African nations and Asian countries.

<https://economictimes.indiatimes.com/news/india/mp-industry-conclave-attracts-investment-proposals-worth-rs-1-lakh-crore/articleshow/108186110.cms>

Punjab's GST mop-up rises 16 pc to over Rs 19,000 crore till February

The Goods and Services Tax (GST) collection in Punjab jumped 15.69 per cent to Rs 19,222 crore in the current financial year so far, while the state's excise revenue rose 11.71 per cent to Rs 8,093.59 crore. The net GST collection up to February in the current fiscal year stood at Rs 19,222.5 crore, up from Rs 16,615.52 crore collected during the same period of the preceding fiscal, finance minister Harpal Singh Cheema said on Sunday. Cheema further said that the state's excise revenue also witnessed an impressive growth of Rs 842.72 crore with the overall collection of Rs 8,093.59 crore as against Rs 7,244.87 crore recorded during the same period a year ago, according to an official statement.

<https://economictimes.indiatimes.com/news/economy/indicators/punjab-gst-mop-up-rises-16-pc-to-over-rs-19000-crore-till-february/articleshow/108180271.cms>

Goa's Mopa Airport spurs realty activity

Goa's new Manohar International Airport (Mopa) is spurring property developers to acquire land near the Goa-Maharashtra border for building large townships and exploit a potential surge in demand. Since land is scarce in Goa, developers are acquiring land parcels on the Maharashtra side for large -scale realty projects. For instance, Axis Ecorp recently acquired 150 acres, Yugen Infra bought 300 acres and Axon is launching a 600-acre mixed-use project in partnership with Ess Vee Developers. "Not only from cities in India, Indians living in other countries are also very keen to invest in a holiday home. The airport has led to development in areas where large land is available and developers can plan multiple facilities," said Aditya Kushwaha, CEO and director, Axis Ecorp, which has Axis Blues, Axis Yog Villas and Axis Lake City in Goa under various stages of development.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/goas-mopa-airport-spurs-realty-activity/articleshow/108185970.cms>

Healthcare

Joint steps, sharing of info in Niti road map for future pandemics

Taking a cue from the World Health Organization (WHO), India is firming up its own pandemic preparedness programme which will lay out a blueprint for surveillance, risk assessment and mobilisation of resources to effectively tackle any pandemic outbreak in the country. The NITI Aayog, in consultation with the health and family welfare ministry and other stakeholders, will submit a comprehensive programme by the middle of this year, aimed at containing the spread of any pandemic in future and restricting the loss of lives as had happened during Covid-19, a senior government official told ET on condition of anonymity.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/joint-steps-sharing-of-info-in-niti-road-map-for-future-pandemics/articleshow/108185565.cms>

External

WTO MC13: Abu Dhabi meet ends with no consensus on agri, fisheries

Despite intense negotiations over five days, the 13th Ministerial Conference (MC13) of the World Trade Organization (WTO) ended without consensus on some of the key issues. Divergences remained on curbing subsidies that result in overcapacity and overfishing, as well as the issue of public stockholding (PSH) for food security—which was the foremost priority for India. “We have worked hard this week. We have achieved some important things and we have not managed to complete others. Nevertheless, we moved those pieces of work in an important way. At the same time, we have delivered some milestone achievements for the WTO and laid the groundwork for more,” said WTO Director General (DG) Ngozi Okonjo-Iweala.

https://www.business-standard.com/economy/news/wto-mc13-abu-dhabi-meet-ends-with-no-consensus-on-agri-fisheries-124030200214_1.html

India lodged bilateral protest with Thailand before raising issue in WTO

India lodged a diplomatic protest with Thailand through the external affairs ministry regarding the remarks made by the Thai ambassador to the World Trade Organization (WTO), Pimchanok Vonkorpon Pitfield, last week on India’s rice procurement programme, following which she was replaced by her government. While India’s WTO team lodged a strong protest with its Thai counterparts, the external affairs ministry simultaneously lodged a diplomatic protest with Thailand in Delhi, said people with knowledge of the matter. They described Pitfield’s comments at the WTO meet in Abu Dhabi last week – that India’s rice procurement programme at minimum support price for the public distribution system was not meant to benefit the local people but to capture the export market – as “loose and made without adequate understanding”.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-lodged-bilateral-protest-with-thailand-before-raising-issue-in-wto/articleshow/108185890.cms>

India's move to block China-led investment facilitation pact in WTO promotes multilateralism:Experts

India's move to block a China-led investment facilitation pact in the recently concluded WTO ministerial meeting in Abu Dhabi will help promote multilateral agreements in the 166-member global trade watchdog, according to experts. The ministerial conference (MC), the highest decision-making body of the World Trade Organisation (WTO), concluded late night on March 1. The talks, which were to end on February 29, got extended by almost two days due to a logjam among members on key issues like agri, fisheries subsidies and the e-commerce moratorium. International trade experts stated that India's principled stand in opposing the addition of the IFDA (Investment Facilitation for Development Agreement) into the WTO is based on its longstanding support for multilateralism.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-move-to-block-china-led-investment-facilitation-pact-in-wto-promotes-multilateralismexperts/articleshow/108182549.cms>

Grapes exports will likely rise 10% this year despite high freight costs

India’s fresh grape exports are seen rising by over a tenth in the 2023-24 season on strong demand from Europe, its main market. The increase in shipments is notwithstanding the higher freight costs, which have more than doubled to the region on account of disruptions in the Red Sea region. Supply issues from South Africa have helped push up demand for Indian grapes in Europe, exporters said.

<https://www.thehindubusinessline.com/economy/agri-business/grapes-exports-will-likely-rise-10-this-year-despite-high-freight-costs/article67909721.ece>