

# INDIA FOCUS



**The budget will have major economic and social decisions ...**

**DROUPADI MURMU,**  
President of India

**We need stability, we need good leadership at the Centre ...**

**DEEPAK PAREKH,**  
Banker



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## Narendra Modi sworn in as India's PM for 3rd term

As new government starts functioning, all eyes on budget; India Inc bets on policy continuity and growth push



**President Droupadi Murmu administers the oath of office to Prime Minister of India Narendra Modi, in New Delhi on June 9.**

Narendra Modi was sworn in as India's Prime Minister for a third term in a grand ceremony early in June. He took his oath saying he would "do right to all manner of people without affection or ill-will".

After being sworn in as Prime Minister, Modi signed his first file authorising the release of 17th instalment of PM Kisan Nidhi. This will benefit 93 million farmers and distribute around Rs 200 billion.

After signing the file, PM Modi said: "Ours is a government fully committed to Kisan Kalyan. It is therefore fitting that the first file signed on taking charge is related to farmer welfare. We want to keep working even more for the

farmers and the agriculture sector in the times to come."

The BJP-led National Democratic Alliance (NDA) has won the general election with 293 seats.

Thousands of guests have been attending his inauguration at Delhi's presidential palace. The leaders who attended the ceremony included President of Sri Lanka, Ranil Wickremesinghe; President of Maldives, Dr. Mohamed Muizzu; Vice-President of Seychelles, Ahmed Afif; Prime Minister of Bangladesh, Sheikh Hasina; Prime Minister of Mauritius, Pravind Kumar Jugnauth; Prime Minister of Nepal, Pushpa Kamal Dahal 'Prachanda'; and Prime Minister of Bhutan, Tshering



**Prime Minister Narendra Modi chairs the first Cabinet meeting of the third Modi government, in Delhi on June 10.**

Tobgay. Leaders of Maldives, Bangladesh, Nepal and Bhutan were accompanied by Ministers.

The Prime Minister reaffirmed India's commitment to its "Neighbourhood First" policy and "SAGAR Vision". Modi emphasised that in his third term, India will continue to work for the peace, progress and prosperity of the region in close partnership with the countries, even as it pursues its goal of "VIKSIT BHARAT" by 2047. In this context, he called for deeper people-to-people ties and connectivity in the region. He further added that India would continue to amplify the voice of the Global South in the international arena.

Modi said he would uphold the sovereignty and integrity of India and govern with "true faith and allegiance to the constitution. I will do right to all manner of people in accordance with the constitution and the law without fear or favour."

Modi, 73, is only the second Indian leader to win a third consecutive term after the country's first prime minister, Jawaharlal Nehru.

The new Modi government has 30 Cabinet rank ministers, five Ministers of State (Independent Charge) and 36 Ministers of State.

On June 10, the third Modi government convened its first Cabinet meeting. Officials said the meeting decided to provide assistance to 30 million additional rural and urban households for the construction of houses, under Pradhan Mantri Awas Yojana (PMAY).

**"Safeguarding India's border will remain topmost priority"**

**RAJNATH SINGH,**  
Defence Minister

**"Modi 3.0 is steadfastly committed to the welfare of the people. In line with this, the Ministry of Health and Family Welfare will make every effort to ensure better healthcare infrastructure and facilities, ensuring no one is left behind in receiving better treatment"**

**JP NADDA,**  
Union Minister  
Health & Family  
Welfare



Finance Minister Nirmala Sitharaman is now focussing on announcing a full budget in July; she had read out an interim budget in February because the country was then set to go in for general elections. The minister is now holding pre-budget consultations with various stakeholders.

In other decisions, the Cabinet approved an all-weather deepdraft port at Vadhavan near Dahanu in Maharashtra. The total project cost is Rs 762 billion. The port will comprise nine container terminals, each 1000 meters long, four multipurpose berths, including the coastal berth, four liquid cargo berths, a Ro-Ro berth, and a coast guard berth.

The Cabinet has also approved the viability gap funding (VGF) scheme for offshore wind energy projects at a total outlay of Rs 74.53 billion,

including an outlay of Rs 68.53 billion for installation and commissioning of 1 GW of offshore wind energy projects (500 MW each off the coast of Gujarat and Tamil Nadu), and grant of Rs 6 billion for upgradation of two ports to meet logistics requirements for offshore wind energy projects. ■



## MACRO WATCH

## Increasing evidence of growth in post-pandemic years: RBI report

Written using agency reports

The Reserve Bank of India (RBI)'s state of the economy report said there is a shift in the trend of growth rate after the pandemic, which is powered by domestic drivers.

"There is increasing evidence that in the post-pandemic years, a trend upshift is taking shape, which is shifting India's growth trajectory from the 2003-19 average of 7% to the 2021-24 average of 8% or even more, powered by domestic drivers," said the report authored by RBI staffers.

Views of the report are those of the authors and do not represent the views of RBI, it was clarified.

The report said that India's real GDP growth of 8.2% in FY24, which is the highest rate since 2016-17, barring the post-Covid rebound in 2021-22, has "stunned all projections".

The report quoted recent indicators suggesting that private consumption is resuming its role as the main driver of demand and is getting broad-based to include rural consumers.

It was also stated that a strong revival in private investment has to become the most important factor driving growth in the years to come, especially as public finances consolidate.

"Government consumption spending picked up modestly towards the close of 2023-24, reflecting the sustained focus on capital expenditure which is a positive for the medium-term prospects of the economy and investor sentiment," the state of the economy report said.

Net exports, which has improved their contribution to GDP, especially high-end manufacturing, is a "pleasant surprise".

The report said that high-frequency indicators suggest the real GDP growth in Q1 of FY25 is broadly maintaining the pace it achieved in the preceding quarter.



**"There is increasing evidence that in the post-pandemic years, a trend upshift is taking shape, which is shifting India's growth trajectory from the 2003-19 average of 7% to the 2021-24 average of 8% or even more, powered by domestic drivers"**

RBI'S STATE OF THE ECONOMY REPORT

## GROWTH INDICATORS

## India to remain fast-growing large economy, says World Bank

Written using agency reports

The World Bank retained its growth forecast for India at 6.6% for FY25.

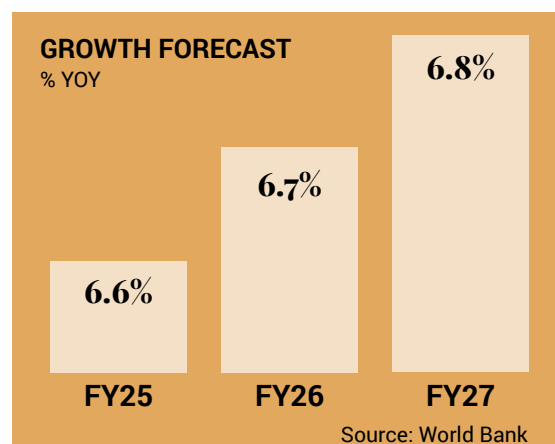
"India will remain the fastest-growing of the world's largest economies, although its pace of expansion is expected to moderate. After a high growth rate in FY 2023/24, steady growth of 6.7% per year, on average, is projected for the three fiscal years beginning in FY 2024/25," the multilateral bank said in its latest biannual Global Economic Prospects.

For fiscal 2026 and fiscal 2027, the World Bank projected India's economy to grow at 6.7% and 6.8%, respectively. In FY24, the National Statistical Office has estimated gross domestic product (GDP) to have grown at 8.2%.

The World Bank cited the projected moderation in growth to a slowdown in investment from a high base. "However, investment growth is still expected to be stronger than previously envisaged and remain robust over the forecast period (FY25-FY27), with strong public investment accompanied by private investment. Private consumption growth is expected to benefit from a recovery of agricultural production and declining inflation. Government consumption is projected to grow only slowly, in line with the government's aim of reducing current expenditure relative to GDP," it added.

The Reserve Bank of India (RBI) in its latest monetary policy review last week raised its growth projection to 7.2% for FY25 from 7% estimated earlier.

The World Bank said in India the fiscal deficit was projected to shrink relative to GDP partly because of increased revenues generated by the authorities' efforts to broaden the tax base. "India's economy has been buoyed by strong domestic demand, with a surge in investment, and robust services activity. Some large EMDEs, such as India, are expected to see continued solid per capita growth," it added.



## RICH NATION

**India's wealth to grow 10 times in 50 years, says NSE's MD**

Written using agency reports

India's wealth will grow 10 times in the next five decades, said Ashishkumar Chauhan, MD and CEO of the National Stock Exchange (NSE).

"India is going to make huge material progress on the back of a young population, rapid technological developments and its entrepreneurs over the next 50 years. India's wealth is going to increase 1,000%, i.e. 10 times over the next 50 years," Chauhan said while addressing the graduating students at EDII in Gujarat.

Pointing to the growth in the exports of services, he said, "If the service industry did not work well, we would have perhaps met similar fate as our neighbouring countries who are struggling to obtain loans and are facing severe financial crunch, higher inflation and societal unrest." ■

## GREEN NATIONS

**India attends IPEF Ministerial meeting in Singapore**

Written using agency reports

An Indian delegation led by Secretary, Department of Commerce, Sunil Barthwal participated in the Indo-Pacific Economic Framework for Prosperity (IPEF) Ministerial meeting held in Singapore in June 2024.

The IPEF Ministerial Statement in 2023 declared substantial conclusion of negotiations for Clean Economy, Fair Economy, and the overarching Agreement on the Indo-Pacific Economic Framework for Prosperity. The IPEF members have signed these agreements. However, India did not formally sign these agreements as domestic approval processes are still underway and will be completed after formation of the new government. These agreements will enter into force after at least five IPEF partners complete their internal legal procedures for ratification, acceptance or approval.

Barthwal reflected on substantial progress made on the establishment of the three cooperative bodies under the Supply Chain Agreement, the Cooperative Work Programmes under the Clean Economy Agreement, and the cooperative activities under the Fair Economy Agreement. He also reiterated that India, with its skilled manpower, natural resources, and policy support, aims to become a major player in the global supply chain. Government initiatives are proactive in finding solutions and ensuring India's participation in diverse and predictable supply chains. ■

## SIGNS FROM INDIA INC

**Corporate profit to GDP ratio at 15-year high in FY24: Motilal Oswal**

Written using agency reports

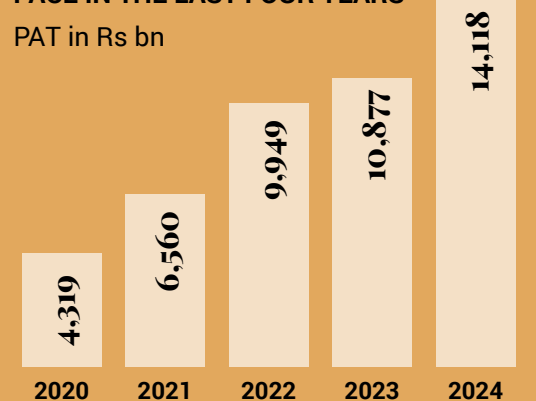
In 2024, the corporate profit to GDP ratio for the Nifty-500 universe and listed India Inc swelled to 4.8% and 5.2%, respectively, scaling a 15-year high, according to Motilal Oswal.

The YoY improvement was led by the BFSI, oil & gas, and automobile sectors, which contributed 95% of the total improvement. Metals, technology and chemicals contributed adversely.

The corporate profit for the Nifty-500 universe grew at a faster pace of 30% YoY in FY24, after moderating to 9.3% YoY in FY23 (+52% YoY in FY22). PSUs' corporate profit to GDP ratio decreased to

**PROFITS HAVE GROWN AT A FASTER PACE IN THE LAST FOUR YEARS**

PAT in Rs bn



Source: India Strategy, Motilal Oswal Financial Services

0.5% in 2020 from 2.1% in 2008, given the significant value migration from public to private sectors such as banking, telecom and airlines.

The private corporate sector's profit to GDP ratio improved to 2.8% in 2008 from a meager 0.8% in 2003. However, the ratio contracted to 1.4% in 2020 before rebounding to 2.7% in 2024.

"We expect the ratio to sustain. India remains in a very good shape, almost enjoying a mini-Goldilocks moment with excellent macros, and healthy corporate earnings," said the Motilal Oswal report. ■

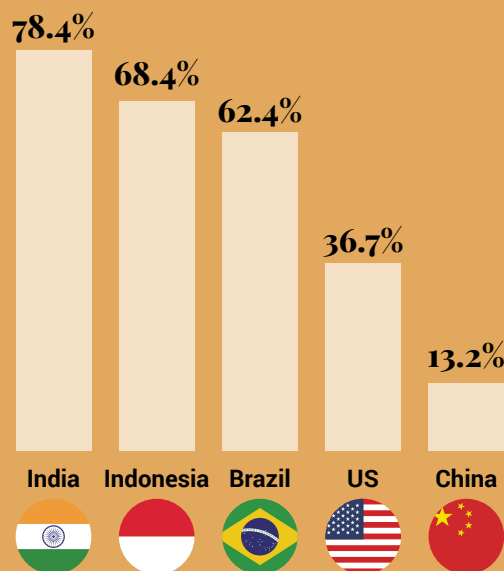
## FLYING HIGH

**India now 3rd-largest domestic airline market**

Written using agency reports

India is the third-largest domestic airline market in the world, up from number five a decade ago, according to analysis based on OAG data.

## LOW-COST CARRIERS CAPACITY SHARE



Source: OAG

The data shows India's domestic airline capacity doubling in a decade from 7.9 million in April 2014 to 15.5 million in April 2024.

In reaching the third slot, India has replaced Brazil (pushed to fourth place with 9.7 million) and Indonesia (relegated to fifth in the rankings with 9.2 million). The US (86.1 million) and China (67.8 million) are still far ahead in the game holding the top two positions.

India's capacity growth rate of seats over a 10 year average is the highest among the top five countries, growing at 6.9% annually, followed by China at 6.3%, the US at 2.4%, Indonesia by 1.1% and Brazil experiencing an annual decline of 0.8%.

OAG says that India's transition to low cost carriers (LCCs) has been the sharpest among the top five. In April 2024, LCCs accounted for 78.4% of Indian domestic capacity, followed by Indonesia at 68.4%, Brazil at 62.4%, the US at 36.7%, and China at 13.2%. ■

## BANKING STRENGTH

## RBI balance sheet grows 11.08% to Rs 70.47 trn in FY24

Written using agency reports

The size of the Reserve Bank of India's (RBI's) balance sheet increased by 11.08% year-on-year (Y-o-Y) to Rs 70.47 trillion as of March 31, 2024 (FY24), driven by its liquidity and foreign exchange (forex) operations. The size of the balance sheet was Rs 63.44 trillion a year ago.

A Business Standard report quoting RBI's annual report for FY24 stated that the bank's balance sheet size grew to 24.1% of gross domestic product at the end of March 2024 from 23.5% at the end of March 2023. The balance sheet has

now normalised to its pre-pandemic level.

The balance sheet of the central bank reflects activities carried out in pursuit of various functions, including the issuance of currency, monetary policy, and reserve management objectives, the report further stated.

The central bank's net income surged by 141.22% Y-o-Y for the financial year ended March 2024, primarily due to a sharp reduction in expenditures, particularly lower provisions.

The RBI's expenditure declined by 56.29% Y-o-Y to Rs 646.94 billion. This included a provision of Rs 428.19 billion made and transferred to the contingency fund (CF), according to its annual report for FY24. In 2022-23 (FY23), the RBI had transferred Rs 1.3 trillion to the CF.

The CF is intended to protect it from depreciation of value in securities and risks from monetary and forex operations. The balance in CF was Rs 4.28 trillion as of March 31, 2024, compared to Rs 3.51 trillion as of March 31, 2023, the RBI said in its annual report.

The FY24 annual report stated that the increase on the asset side was due to a rise in foreign investments (13.9%), gold (18.26%), and loans and advances (30.05%). On the liability side, the expansion was due to an increase in notes issued (3.88%), deposits (27%), and other liabilities (92.57%).

## RBI'S ASSET RISE



**13.9%**  
up in foreign  
investments



**30.05%**  
up in loans and  
advances

**18.26%**  
up in gold



Domestic assets constituted 23.31% of total assets as of March 31, 2024, down from 26.08% a year ago.

The share of foreign currency assets, gold (including gold deposits and gold held in India), and loans and advances to financial institutions outside India rose to 76.69% from 73.92% as of March 31, 2023. ■

## RBI to allow opening of rupee account outside India

Written using agency reports

The Reserve Bank of India (RBI) has allowed the opening of rupee accounts outside India as part of its strategic action plan to internationalise the domestic currency.



With emphasis on continuous synchronisation of the Fema operating framework with the evolving macroeconomic environment, rationalisation of various guidelines will be of primary focus, the central bank said in its annual report.

The RBI said it has finalised a strategic action plan for 2024-25 and envisaged liberalisation of external commercial borrowing (ECB) framework and “Go-live” for phase I of software platform for ECBs and trade credits reporting and approval (SPECTRA) project.

The RBI will permit opening of rupee accounts outside India by persons resident outside India (PROIs) as part of the 2024-25 agenda for internationalisation of the domestic currency.

The RBI report further said rationalisation of regulations towards promoting the internationalisation of the INR was undertaken to enable the settlement of bilateral trade in local currencies.

It said liquidity operations would continue to be in sync with the stance of the monetary policy, while the foreign exchange operations would be guided by the objective of ensuring orderly movements in the exchange rate of the rupee. ■

#### RIGHT CALLS

### iPhone exports from India hit \$2 bn in April-May

Written using agency reports

Apple Inc has pushed the pedal on exporting iPhones from India by racking up exports valued at over \$2 billion in the first two months of the current financial year (FY25). This accounts for 81% of the country's total production of iPhones worth \$2.6 billion, according to a Business Standard report.

In May, Apple repeated its performance of April and once again crossed \$1 billion of iPhone exports.

An Apple Inc spokesperson declined to comment on the matter.

The commitment under the production-linked incentive (PLI) scheme for the three Apple Inc vendors in FY25 is to hit a production value of \$10.2 billion (including exports). They have achieved 25% of that target in just two months, the report further stated.

So far in FY25, Apple's leading vendor Foxconn Hon Hai has contributed 65% of the total exports, Wistron 24%, and the remaining 11% has come from Pegatron. All three iPhone vendors are participants in the smartphone PLI scheme, and have just begun the fourth year of the five-year scheme.

Apple, which has the world's largest global value chain (GVC), closed FY24 in India with a total iPhone production of \$14 billion in free-on-board (FOB) value. The market value of these

iPhones would be approximately \$22 billion, depending on the cost of logistics and local taxation. In FY24, Apple exported \$10 billion worth of iPhones, which accounted for 70% of the FOB value of the year's production.

Rapidly growing iPhone exports pushed up India's mobile phone exports to \$15.5 billion in FY24. This constitutes a nearly 40% increase from the \$11.1 billion mobile phone exports in FY23.

In FY24, iPhone exports constituted 35% of India's total electronics exports and 65% of its total mobile phone exports.

Apple has continuously expanded its production and exports from India over the last three years, crossing \$1 billion exports each month during non-peak periods of April and May. ■

#### CONQUERING DEPTHS

### India to be 6th country to have deep sea mission: Minister

Written using agency reports

India is set to be the 6th country to have its own deep sea mission, said Jitendra Singh, Union Minister of State (Independent Charge) for Science and Technology, Minister of State (Independent Charge) for Earth Sciences, MoS PMO, Department of Atomic Energy and Department of Space and MoS Personnel, Public Grievances and Pensions.

Chairing a meeting to discuss the 100 days' action plan of the Ministry of Earth Sciences, Singh expressed pride and happiness on the progress of the country's “Deep Sea Mission”. It is not limited to mineral exploration but development of ocean sciences and exploration of flora and fauna and conservation of marine biodiversity, among others.

He asked institutes to focus on achieving a resilient blue-economy to empower people dependent on the ocean and its energy for livelihood.

The minister lauded the efforts of the National Institute of Ocean Technology (NIOT)'s efforts to develop Matsyayaan 6000, which can reach 6000 m depth in the ocean. ■



## EXPORT MUSCLE

**Seafood exports touch all-time high in 2023-24**

Written using agency reports

India's seafood exports touched an all-time high in volume during the financial year 2023-24 despite various challenges in significant export markets. India shipped 17,81,602 MT of seafood worth \$7.38 billion during 2023-24.

Frozen shrimp remained the major export item in quantity and value, while the USA and China became the major importers of India's seafood. During FY 2023-24, the export improved in quantity terms by 2.67%.

"India recorded an all-time high export in terms of volume by shipping 17,81,602 MT of seafood worth \$7.38 billion, despite the several challenges in its major export markets like the USA, EU & the UK," DV Swamy, Chairman, Marine Products Export Development Authority (MPEDA), said. ■

## INFRA PUSH

**Govt studying 300 airstrips to develop airports: Aviation secy**

Written using agency reports

The Centre is studying 300 airstrips across the country as it is looking to develop them as brownfield airports to spur air connectivity, Aviation Secretary Vumlunmang Vualnam said recently.

Currently, India has 453 airstrips and 157 of them have been operationalised as airports.

He also stated that the government is in "final stages" of ratifying the Cape Town Convention (CTC) into law. "We are working on it. The new government will take it up," he said in his speech at CAPA India Aviation Summit 2024.

Aircraft lessors have been urging India to ratify the CTC, an international treaty that provides time-bound solutions for lessors to repossess aircraft, thereby easing their inherent risks. This demand intensified after they were unable to repossess their planes from Go First for several months following the

**"India is a large country and connectivity to different parts of the country is important. Government, on its part, has actively been looking at increasing connectivity to tier-2 and tier-3 cities"**

**VUMLUNMANG VUALNAM,**  
Secretary of  
Civil Aviation

airline's bankruptcy in May last year.

"India is a large country and connectivity to different parts of the country is important. Government, on its part, has actively been looking at increasing connectivity to tier-2 and tier-3 cities," Vualnam stated. "In fact, a few days back we went through the entire 453 airstrips we have in this country. Which of them need development? How do we develop them? Which of them have industrial areas within 100 kms? While 157 airstrips are already functional, we have started looking at all 453 airstrips in the country."

According to Vualnam, India has doubled its number of airports to 157 in the last 10 years. The Centre is thinking of a 25-year time period to develop an entire airport ecosystem. And, it realises that smaller airports could feed a significant share of the traffic to bigger airports, just like how smaller airports are accommodating bigger airlines.

He said that the government is looking to start civil aircraft operations at more defence airfields across the country. ■

## FUEL IN MIND

**'India focusing on oil exploration to reduce import dependence'**

Written using agency reports

India is focusing on oil exploration to reduce its import dependence on fossil fuel, said Navneet Mohan Kothari, joint secretary, Ministry of Petroleum and Natural Gas.

Speaking at a CII conference on energy security, the official said there is a need to protect the common man from the volatility in energy markets resulting from geopolitical events.

The statement gains significance as retail fuel prices in the country have remained unchanged since May 21 despite volatility in the global oil prices.

"The government is focusing on exploration so that India can reduce reliance on imports and insulate the country from effects in the energy sector arising from geopolitical situations," a statement from CII quoted him as saying.

Last month, the Centre opened up bidding for 26 blocks for oil exploration in the country. Boosting domestic exploration and production has been a major focus for the government as geopolitical tensions and price volatility impacts India as the country imports around 85% of its energy requirement, according to a report by the Mint newspaper.

Addressing the CII Energy Security Conference, Prabhat Kumar, additional secretary, ministry of external affairs, said that in order to become energy independent before 2047, India should focus on self-sufficiency in all aspects of the energy ecosystem including, storage, transportation, insurance and retailing of energy.

“We have to aim for self-sufficiency in as many aspects of the energy ecosystem as possible including exploration, storage, transportation, retailing of energy, insurance, other midstream and downstream activities,” he said.

He observed that several global energy giants are not based out of countries which have rich energy reserves, but they excelled in other areas such as exploration, pipelines, retailing and other technologies.

“That’s the model for us to follow as well. Hydrocarbons should only be a small part of the energy economy that we are aiming to build,” Kumar added. He added that India should also develop storage capacities, not only in oil but also natural gas, that can help the country mitigate any energy crisis. ■

### SUSTAINABLE GROWTH

## Investments in renewables, roads, realty to rise 38% in 2 FYs

Written using agency reports

Investments in India’s key infrastructure sectors, mainly renewable energy, roads, and real estate, are likely to grow by 38% in fiscal years 2025 and 2026, according to CRISIL Ratings. The ratings agency expects investments to rise to Rs 15 trillion.

The surge will ride on India’s need for creation of sustainable infrastructure by adding more green power to the energy mix, improving physical connectivity through a denser road network, as well as rising demand for residential and commercial real estate.

Krishnan Sitaraman, senior director and chief ratings officer, CRISIL Ratings, says, “The underlying demand drivers in these three sectors remain strong, with regular policy interventions fuelling investor interest. This has also supported healthy credit risk profiles of private



**“Regular policy interventions in these sectors have also increased investor interest, thus providing opportunities**

**to developers to unlock equity capital. Cumulatively, Rs 2 trillion of equity capital has been deployed in these sectors over the past two fiscals driven by strong investor participation”**

**MANISH GUPTA,**  
Senior Director of CRISIL

players and strengthened their execution and funding capabilities.”

For renewables, the key growth driver is demand for sustainable energy transition.

India saw auctions of 35 GW in fiscal 2024, the highest ever in a single fiscal year, resulting in a strong pipeline of 75 GW. This will primarily drive implementation of 50 GW capacity over the next two fiscal years.

In the roads sector, the need for improved physical connectivity, which helps in efficiency gains for the economy, has driven healthy awarding over the past few fiscal years, barring the last one. As for real estate, net leasing of commercial office space will see demand growth of 8-10% this year and the next. The primary drivers of the same will be global capability centres eyeing India’s large talent pool and competitive rentals, as well as healthy demand from domestic sectors. Demand growth for residential real estate will sustain at 8-12% this fiscal year and the next, aided by favourable affordability and premiumisation.

The growth momentum in these three sectors is expected to be further aided by policy enablement, which has reduced risks. ■

### FUND FLOW

## Indian startups raised \$3.1 bn during Jan-April 2024

Written using agency reports

Indian startups have witnessed a growth in funding in January-April in 2024. According to data and analytics firm GlobalData, startups in the country raised \$3.1 billion in venture capital funding during the four months, showing a growth of 1.1% over the aggregate funds raised in the corresponding period last year.

During January-April 2023, startups raised funds of \$2.8 billion. “The Indian funding winter seems to be waning as the country witnessed year-on-year (y-o-y) improvement in venture capital (VC) funding deals volume and value during the period,” it said.

A total of 375 VC funding deals were announced during the period, which fetched \$3.1 billion.

“There is an increase of 13.8% in the number of deals when compared to the number of deals (371) registered during the corresponding period last year,” it said.

“When several of its peer countries were witnessing a fall in either VC deals volume or value and some countries were also experiencing a decline in both, India emerged as a notable exception to register improvement in terms of volume as well as value,” Aurojyoti Bose, Lead Analyst at GlobalData, said.

India has emerged as a top-five market as far as VC investments are concerned, both in terms of VC funding deals volume and value.



**KEY DEALS IN  
JANUARY-APRIL 2024****\$300 mn**  
worth funding raised by  
Meesho**\$216 mn**  
in capital raised by PharmEasy**\$103 mn**  
raised by Pocket FM**\$100 mn**  
funding secured by Shadowfax

“India accounted for 6.9% of the total number of VC funding deals announced globally during January-April 2024 while its share in terms of value stood at 4.1%,” he said. ■

**BIG LEAPS****‘India has produced over  
40 quantum technology startups  
in 2 years’***Written using agency reports*

India has produced over 40 quantum technology startups in 2 years and some of them have global potential, says Jitendra Singh, Union Minister of State (Independent Charge) for Science and Technology, Minister of State (Independent Charge) for Earth Sciences, MoS PMO, Department of Atomic Energy and Department of Space and MoS Personnel, Public Grievances and Pensions.

Chairing a review meeting of the Department of Science & Technology, the minister directed the officials to focus on the flagship National Quantum Mission and work on development of quantum technologies and quantum communication.

Singh highlighted the role of startups and the private sector in the development of science and technology. “Women’s participation in extramural research and development (R&D) has doubled in the last 10 years” after special efforts by the government to promote women scientists and researchers. He said around 300 women scientists are going to receive research grants for 3 years from the government under the ASPIRE scheme.

“Prime Minister Narendra Modi’s resolve to empower and provide ease of living to the last man standing should be the aim of our innovation,” said Singh while motivating the team DST. ■

**SPACE BOOSTER****IN-SPACE launches pre-incubation  
entrepreneurship for youngsters***Written using agency reports*

The Indian National Space Promotion and Authorisation Centre (IN-SPACE) has launched the Pre-Incubation Entrepreneurship (PIE) Development Programme to support and nurture early-stage space startups. The programme aims to cultivate and empower the next generation of space tech innovators, providing them with the tools and guidance necessary to transform their space ambitions.

The 21-month programme will guide aspiring entrepreneurs through a comprehensive journey divided into phases such as ideation, innovation, and prototype development. The programme will ensure that budding entrepreneurs receive structured support at each critical stage of development. PIE aims to target students in technical courses or those with a strong interest in space technology, expected to graduate in 2024, or pursuing master’s or doctorate programmes and early-stage startups focusing on space technologies and aiming to develop entrepreneurial ventures.

Pawan Goenka, Chairman, IN-SPACE, said, “India’s space sector is poised for exponential growth, and young entrepreneurs are crucial to driving this expansion. PIE will provide them with a launch pad, equipping them not only with technical expertise but with the business acumen needed to navigate the complexities of the space industry.”

Applicants should not have received any grants, funding, or monetary support from private or government schemes and all submissions must be original work to qualify. ■

**BOOST FOR TEXTILES****Startups to spur innovation in  
technical textiles***Written using agency reports*

The Ministry of Textiles-approved startups in technical textiles will boost innovation and sustainability and foster transformative developments that will shape the industry’s future, said Rachna Shah, Secretary, Ministry of Textiles, while chairing the 7th meeting of the Empowered Programme Committee (EPC) of National Technical Textiles Mission (NTTM).

NTTM’s Grant for Research and Entrepreneurship across Aspiring Innovators in Technical Textiles (GREAT) encourages young innovators, scientists/technologists, and startup ventures in technical textiles to translate their ideas into



commercial technologies/products and make India self-reliant. GREAT supports individual entrepreneurs or startups for functional prototypes or commercialisation of their technologies for technical textiles, she said.

The Empowered Programme Committee (EPC) has approved 7 startup proposals under the GREAT scheme. The government is providing up to Rs 5 million for each startup. As of date, 8 startup proposals have been approved under NTTM, focusing on sustainability, composites, high-performance textiles, meditech, and smart textiles, driving significant advancements in these crucial areas.

Some of the startups which were approved by EPC and can go a long way in driving technology-oriented manufacturing in India. ■

#### NEXT STAGE OF INDUSTRIALISATION

### DoT to support MSMEs and startups in Industry 4.0 transformation

Written using agency reports

The Department of Telecommunications (DoT) is planning a new initiative aimed at aiding organisations and startups through the adoption of emerging technologies. It has called for a proposal for “Industry 4.0, a baseline survey among MSMEs” that aligns with the broader vision of fostering digital transformation and preparing industries for the advent of 5G and 6G technologies.

The survey will be targeted on understanding the challenges faced by MSMEs in adapting to Industry 4.0 and utilising advanced technologies. The survey will aim to lay the groundwork for a robust ecosystem capable of capitalising on the capabilities offered by AI, IoT, cloud computing and the integration of 5G and 6G networks. This would include identifying sector-specific needs – in at least 10 sectors – and preferences, recognising the diverse landscape of MSMEs and providing targeted support to foster innovation and competitiveness.

The survey will, over a 60-day period, seek to cover five sectors each in northern and southern parts of India. The key recommendations will form the platform for policy interventions to achieve the transformative adoption of Industry 4.0 leading to enhanced competitive positioning and survivability of MSMEs. ■

#### TECH BOOSTER

### India to clock highest growth in tech spending in 2024 in APAC: Report

Written using agency reports

India’s technology spending will reach around \$54.5 billion (around Rs 4.49 trillion), according to Forrester’s Asia Pacific Tech Market Forecast, 2023 to 2027.

“India’s domestic tech economy continues to enjoy strong growth due to an all-round digitisation push from the central and state governments,” said the report.

Technology spending in APAC will grow at a compound annual growth rate (CAGR) of 6.4-7.4% per year from 2024 to 2027, reaching \$876 billion in 2027.

Spending on software will continue its rapid growth over the next few years. It will be followed by spending on information technology (IT) services, communications equipment, and computers. The share of software purchases will climb from 26.4% in 2024 to 30% of total technology spending in 2027, outpacing the other IT categories due to demand generated by artificial intelligence and AI-augmented enterprise software and services.

After India, Singapore in APAC will this year see the second highest growth in technology spending at 5%, reaching \$18 billion.

Australia’s technology spending will grow by 4% and China by 2%. China has the largest technology spending – in absolute terms – APAC at \$261.9 billion.

Technology spending in six major Southeast Asian economies (Indonesia, Malaysia, Philippines, Thailand, Taiwan, and Vietnam) will hit \$74 billion in 2024, representing a 1% growth. Uptick in digital consumption spurred by large millennial and Generation Z populations, favourable policies, and investments by technology giants will accelerate digital innovation, said the report.

“While challenges such as regulatory environments, global economic conditions, and talent shortages in the region present hurdles, overall, the APAC market is well-positioned for tech growth,” said Leslie Joseph, principal analyst at Forrester. “As the region continues to grow in importance in the tech world, new opportunities offered by the explosion of AI and the increased demand for cloud can be significant revenue and growth drivers for firms.” ■

**STRONG HARBOUR****9 major Indian ports on list of global 100**

Written using agency reports

**N**ine ports of India have made it to the global 100 list in the latest edition of Container Port Performance Index (CPPI) 2023 – a report prepared by the World Bank and S&P Global Marketing Intelligence.

The Union Minister of Ports, Shipping & Waterways, Sarbananda Sonowal, gave credit to the ambitious Sagarmala programme, envisioned by Prime Minister Narendra Modi, for modernisation of the ports and improving their efficiency. “This is a tremendous achievement for the Indian ports and is a testament to the efforts taken by the Narendra Modi Government to modernise, mechanise and make them technologically savvy to improve performance and enhance efficiency.

There has been a significant improvement via operational efficiency and service delivery in the efficient handling of ships and cargo.

Thanks to the visionary leadership of Prime Minister Narendra Modi ji, we have been able to work on improving the efficiency of our ports through path breaking ambitious initiatives like Sagarmala. This has helped us build resilience, incorporate new technology, and green infrastructure to ensure stability of global markets and sustainability of India’s maritime industry.

With sustained effort in this regard, we are confident that the Indian maritime sector will further improve resilience and efficiency of maritime gateways and boost port-led economic development.” ■

**VIRTUAL PAYMENT SYSTEM****Nearly 4 out of 5 digital transactions via UPI, says RBI annual report**

Written using agency reports

**N**early four out of five digital payments in India were conducted on the Unified Payments Interface (UPI) in 2023–24, according to the Reserve Bank of India’s (RBI) annual report.

UPI’s share, compared to the cumulative volume of digital payments in the country, has grown from 73.4% in FY23 to 79.7% in FY24. In FY20, UPI’s share as compared to the volume of total digital payments in India was pegged at 36.8%.

UPI has emerged as one of the most popular methods to transact digitally over the past few years.

The volume of digital payments in FY24 was pegged at 164.4 billion transactions, up 44% on a year-on-year (Y-o-Y) basis, from 113.9 billion transactions in FY23. In FY20, the country recorded a total of 34 billion digital UPI transactions.

The report further added that the Payments Infrastructure Development Fund (PIDF) has aided in the growth of digital payments in the last financial year, the RBI said.

On taking UPI international, the annual report said that the RBI, along with NPCI International Payments Ltd, will work towards taking UPI to 20 countries with an initiation timeline of 2024–25 and a completion timeline of 2028–29. ■

**TECH ON ASPHALT****NHAI looks to improve road safety through AI**

Written using agency reports

**T**he National Highways Authority of India (NHAI) has signed a memorandum of understanding (MoU) with Indraprastha Institute of Information Technology (Delhi) to leverage artificial intelligence (AI)-based solutions for improvement in the availability of road signs on National Highways.

As a part of the agreement, IIIT Delhi will conduct surveys for collecting imagery and other data related to availability and condition of road signages on selected National Highways stretches. The tentative length to be covered under this project will be 25,000 km.

The data collected through surveys will be processed by IIIT Delhi through deployment of AI for accurate identification and classification of road signs. ■



# Bilateral Developments

## Indo-Pacific Economic Framework for Prosperity (IPEF) Clean Economy Investor forum



The inaugural Indo-Pacific Economic Framework for Prosperity (IPEF) Clean Economy Investor forum was held in Singapore from June 5-6, 2024. Commerce Secretary Sunil Barthwal addressed the Global Investors Forum under the IPEF. He emphasised the huge investment opportunities of more than \$500 billion in India in clean energy value chain - including renewables, green hydrogen and EV transition - by 2030. The country's focus on renewable energy, green hydrogen, electric vehicles, and infrastructure transition was also highlighted. There was also an "India opportunity" presentation by Invest India. It showcased India's flagship initiatives like establishing a flourishing startup ecosystem, pushing for investments in infrastructure projects and other policy reforms. His Excellency Dr Shilpak Ambule, High Commissioner of India to Singapore, spoke on the fundamentals that are driving India's growth and shifting global supply chains, and how modernisation of infrastructure will enable India to participate in them.

## India Business Forum @ SIWW

The 10th edition of Singapore International Water Week 2024 (SIWW) was held from June 18 to 22, 2024, at the Sands Expo and Convention Centre in Singapore. As part of the event, the High Commission of India and CII jointly organised the India Business Forum on June 20, 2024, focussing on challenges and developments in India in urban water management.

His Excellency Dr Shilpak Ambule, High Commissioner of India to Singapore, delivered the opening address. He highlighted the critical importance of water conservation and emphasised on the expansion of India-Singapore collaboration in the water sector. Rakesh Kumar Verma, Additional Secretary, DoWR, delivered a special address highlighting the government's priorities in the water sector. The forum included speakers from various Indian and Singaporean companies and the positive discussions reaffirmed the potential for greater India-Singapore partnership in urban water management.





## IDY 2024 Celebration @ Gardens by the Bay, Singapore

The High Commission of India organised a vibrant #InternationalDayofYoga celebrations at Gardens by the Bay. Ms Rahayu Mahzam, Minister of State, Ministry of Communications and Information & Ministry of Health, graced the event as the guest of honour.



# Forthcoming Events In India

## I. UP INTERNATIONAL TRADE SHOW (UPITS)

**Date & Venue:** September 25-29, 2024, at India Expo Centre & Mart, Greater Noida  
**Organiser:** Federation of Indian Export Organisations  
**Contact:** WhatsApp at +91 8586877982, +91 8826947573 or via Email at vishvaditya@fieo.org, neelamrawat@fieo.org, ashishjain@fieo.org  
**Details:** The second edition of the UP

International Trade Show (UPITS) 2024 is set to take place from September 25-29, 2024, at India Expo Centre & Mart, Greater Noida. Building on the success of the first edition, UPITS 2024 promises to be even bigger and more impactful, with aspirations of expanding our reach, business opportunities and prospects. This grand event will attract B2B and B2C buyers from both India and abroad, along with various government agencies, providing a comprehensive platform for all stakeholders to explore and capitalise on the showcased products.  
**Website:** <https://upinternationaltradeshow.com/>

## II. World Food India 2024

**Date & Venue:** September 19-22, 2024, at Pragati Maidan, New Delhi  
**Organiser:** The All India Food Processors' Association (AIFPA), as one of the association partner of the Ministry of Food Processing Industries (MoFPI)  
**Contact:** Email- sk.verma@nic.in

**Details:** The All India Food Processors' Association (AIFPA), as one of the association partner of the Ministry of Food Processing Industries (MoFPI), is organising the World Food India 2024. MoFPI has declared the third edition of the World Food India 2024 would be held from September 19-22, 2024, at Pragati Maidan, New Delhi.  
**Website:** <https://www.worldfoodindia.gov.in>

## III. iPHEX-2024

**Date & Venue:** August 28-30, 2024, at IEML Greater Noida, Delhi-NCR India  
**Organiser:** PHARMEXCIL  
**Contact:** Email- [mail@iphex-india.com](mailto:mail@iphex-india.com)  
**Details:** It is an exhibition that brings together

the drugs, pharmaceuticals and healthcare industry under one roof. It is one of the largest showcase of Indian pharmaceutical products and technologies to a global audience. More than 400 overseas buyers from focus areas are being invited to participate in the exhibition.  
**Website:** <https://www.iphex-india.com/>

For feedback & comments, please contact:

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