

INDIA FOCUS



Our economy is likely to grow tenfold by 2047

DROUPADI MURMU,
President of India

May humanity harness technology for a brighter and better future

NARENDRA MODI,
Prime Minister of India



INSIDE

Bilateral Developments
Visit of EAM
Dr S Jaishankar to
Singapore



PAGE 12

Global agencies bullish on India's growth momentum

PAGE 03

India leads global IPOs, raising \$4.3 bn in Q3 2024: Report

PAGE 04

India's renewable energy sector grew by 13.5%

PAGE 06

New Rs 5 bn scheme to strengthen medical device industry

PAGE 08

India's first indigenous antibiotic to combat drug resistance

PAGE 09

Tech spending strong, AI and Copilot driving momentum: Microsoft India Prez

PAGE 11

India's economic policies rooted in inclusive growth, social empowerment: FM

Global economy will do better because of coordinated action between countries and multilateral financial institutions, but we need to be careful, says Sitharaman



India's economic policies are rooted in inclusive growth and social empowerment, Union Finance Minister Nirmala Sitharaman said, adding that India is committed to global collaboration even as it pursues its long-term vision of becoming a high-income economy by 2047.

"As India pursues its long-term vision of becoming a high-income economy by 2047, it remains committed to global collaboration. The government is working toward USD 1 trillion in merchandise exports by 2030, leveraging improved logistics, trade reforms, and deeper integration into global value

"I don't think anything is holding the Indian economy back. The policies are working. Reforms are still happening and it shall continue to happen. Greater liberalisation of the economy will be there. We are accessing newer and newer friends and also speaking more about Indian economy in more revenues, more platforms that will probably be even better attractive for investors"

NIRMALA SITHARAMAN
Finance Minister

chains,” Sitharaman said in her remarks to the Development Committee of the World Bank.

With synchronised efforts across sectors, India will continue to strengthen its resilience, manage inflation, and maintain policy continuity. By partnering with the World Bank and global stakeholders, India aims to contribute meaningfully to sustainable and inclusive growth—a path that benefits both the nation and the global community, she said.

Addressing the 50th meeting of the International Monetary and Financial Committee separately, Sitharaman said India's growth story remains intact as its fundamental drivers – consumption and investment demand – are gaining momentum. Given healthy balance sheets of banks and corporates, supply chain normalisation, business optimism, and robust government capital expenditure, the real GDP growth is expected at 7.2% for 2024-25 and inflation at 4.5%, Sitharaman said.

Private investment continues to gain steam on the back of expansion in non-food bank credit, higher capacity utilisation and rising investment intentions, the finance minister said. A soft-landing of the global economy, which

FISCAL MATHS

7.2%
real GDP growth for 2024-25

4.5%
inflation for 2024-25

25.8%
Central government capex increase in July-August 2024

has experienced tremendous stress over the past several years, is increasingly a possibility, said Sitharaman.

Observing that better days are ahead primarily because of the coordinated action between countries and multilateral financial institutions, the finance minister at the same time sounded a note of caution that economies are not really picking up that much yet.

“The largest sense which prevailed in the two-day discussions, both of the (International Monetary) Fund and also of the World Bank, is that there will be a soft landing. The efforts by the Fund, the central banks and all institutions, governments have kept inflation down for some meaningful period,” Sitharaman told Washington DC-based Centre for Strategic and Interna-

tional Studies (CSIS). “But with that said, all of us had to sound a note of caution because economies are not really picking up that much yet. They are all right, you see them not going down further, but there is still a moderated world trade picture. Demand in the advanced economies are not really all that attractive. So global trade doesn't see possibilities of great recovery sooner.” ■

RBI Guv says economy sailing 'smoothly' amid global headwinds

Reserve Bank of India Governor Shaktikanta Das said the Indian economy has been sailing “smoothly” amid the global headwinds.

Speaking at an event organised by CNBC-TV18 in Delhi, Das said the domestic economy has sailed very well through the prolonged period of turbulence in the recent past exhibiting resilience, but added that there are a slew of headwinds prevailing in the global economy right now like rising bond yields, commodity prices showing a divergence and a contradiction of financial markets showing resilience despite rising geopolitical risks. “The Indian economy is sailing smoothly, powered by buffers like strong macroeconomic fundamentals, a stable financial system and a resilient external sector,” said the Governor.

Das said India's external sector has exhibited “strength and stability” in the

recent period as seen in the current account deficit remaining at a manageable level, merchandise exports starting to grow, and service exports growth being strong. He noted, India has the fourth largest forex reserves in the world. The forex reserves, which stood at \$ 682 billion as of October 31, are sufficient to cover the entire external debt and a year's import payments, he added.

The Governor also made it clear that the RBI does not target a rate for the rupee, and the fore interventions are for ensuring orderly movement and curbing volatility in the currency. “Our consistent effort is to take a holistic view of stability, which encompasses price stability, financial stability and sustained growth,” he said.

Das said that the Indian economy and financial sector are well placed to handle any kind of spillovers from global events.

Citing that the country requires structural reforms in the service sector and others, Das said that like the Unified Payments Interface (UPI) and the Unified Lending Interface (ULI), the RBI is going to bring transformational change in credit delivery especially to small entrepreneurs and farmers. ■

“Our consistent effort is to take a holistic view of stability, which encompasses price stability, financial stability and sustained growth”

SHAKTIKANTA DAS
RBI Governor

Global agencies bullish on India's growth momentum

03

INDIA FOCUS

ISSUE: 344
DECEMBER 2024
HIGH COMMISSION OF INDIA, SINGAPORE

International rating agencies have predicted India's growth momentum to continue in the range of 6.5-7%, and mainly due to infrastructure spending, private consumption and household consumption, among other reasons.

S&P Global Ratings projected the Indian economy to grow between 6.5-7% annually in the three fiscal years till March 2027. It said structural improvements and good economic prospects will support the resilience of India's financial institutions.

"India's infrastructure spending and private consumption will support robust economic growth. We forecast GDP will expand 6.5-7.0% annually in fiscal years 2025-2027 (year ending March 31). India's good economic growth prospects will continue to support banks' asset quality," S&P said.

Moody's Ratings forecasted a 7.2% GDP growth for India in 2024, saying the Indian economy is in a sweet spot, but inflation risks may prompt the Reserve Bank of India to retain a relatively tight monetary policy this year.

Moody's said that despite the near-term uptick, retail inflation should moderate toward the Reserve Bank's target in the coming months as food prices ease amid higher sowing and adequate food grain buffer stocks.

"Potential risks to inflation from heightened

Moody's Growth Forecast

7.2%
for calendar year
2024

6.6%
for calendar year
2025

6.5%
for calendar year
2026

S&P Growth Forecast

6.5-7.0%
for fiscal years
2025-2027



geopolitical tensions and extreme weather events underscore the RBI's cautious approach to policy easing. Although the central bank shifted its monetary policy stance to neutral while keeping the repo rate steady at 6.5% in October, it will likely retain relatively tight monetary policy settings into next year, given the fairly healthy growth dynamics and inflation risks," Moody's said.

In its Global Macro Outlook 2025-26, the US-based rating agency said household consumption is poised to grow, fuelled by increased spending during the ongoing festive season and a sustained pickup in rural demand. Additionally, rising capacity utilisation, upbeat business sentiment and the government's continued thrust on infrastructure spending should support private investment.

India's real GDP expanded 6.7% year-over-year in the second quarter of 2024, driven by a revival in household consumption, robust investment and strong manufacturing activity. There are indica-

tions of a steady economic momentum in the July-September quarter as well.

Sound economic fundamentals, including healthy corporate and bank balance sheets, a stronger external position, and ample foreign exchange reserves also bode well for the growth outlook, it added. ■

India's economic outlook 'cautiously optimistic': FinMin Report

India's economic outlook for the coming months is "cautiously optimistic", with agriculture likely to benefit from favourable monsoon conditions, increased minimum support prices and adequate supply of inputs, the finance ministry said in a report.

"Bright agricultural production prospects make the inflation outlook benign, despite existing price pressures in select food items," the October edition of the Monthly Economic Review released by the Department of Economic Affairs said.

Early November trends signalled moderation in key food prices, though geopolitical factors may continue to impact

domestic inflation and supply chains, it said. A bumper kharif harvest is expected to lower food inflation in the coming months, it said, adding that a favourable monsoon, adequate reservoir levels and higher minimum support prices are likely to boost rabi sowing and production.

On the employment front, it said, the formal workforce is expanding, with notable increases in manufacturing jobs and a strong inflow of youth into organised sectors.

Net foreign direct investment inflows registered remarkable growth in the first five months of FY25, it said. Supported by stable capital inflows, India's forex reserves increased by \$64.8 billion so far during 2024, the second-largest increase after China amongst major forex reserve-holding countries, it said. ■

LISTING GAINS

India leads global IPOs, raising \$4.3 bn in Q3 2024: Report

Written using agency reports

India has taken the lead in the global IPO landscape, with a 36% share of listings in the third quarter of 2024, even surpassing the United States, which held a 13% share, according to Business Standard.

India recorded the highest quarterly listings in the third quarter over the past 20 years, according to a report by EY India. The main market recorded 27 IPOs showing a 29% increase from Q3 2023, raising \$4,285 million, a 142% increase from the year-ago period. When compared to the last quarter, Q3 saw a 115% increase in funds raised and a 108% rise in the number of deals.

Prominent IPOs of the quarter included Bajaj Housing Finance, Ola Electric Mobility and First Cry, the report said.

“The average listing gain on listing of SME IPOs in 2019 was around 2%, which increased to 74% in 2024. Listing gains of mainboard IPOs reached their highest level in 2020 and have been range bound around 30% since then,” it added. ■

INFRA PUSH

Network Planning Group clears projects worth Rs 16 trn

Written using agency reports

The Network Planning Group, which includes heads of the planning divisions of various infrastructure ministries, has convened 83 meetings, during which 228 projects with an estimated cumulative cost of Rs 15.89 trillion, have been evaluated.

In 2022-23, 71 projects were evaluated, amounting to Rs 4.95 trillion. Following that, in 2023-24,

74 projects were assessed, with a combined worth of Rs 8.45 trillion. So far in 2024, 83 projects have been evaluated, totaling Rs 2.49 trillion.

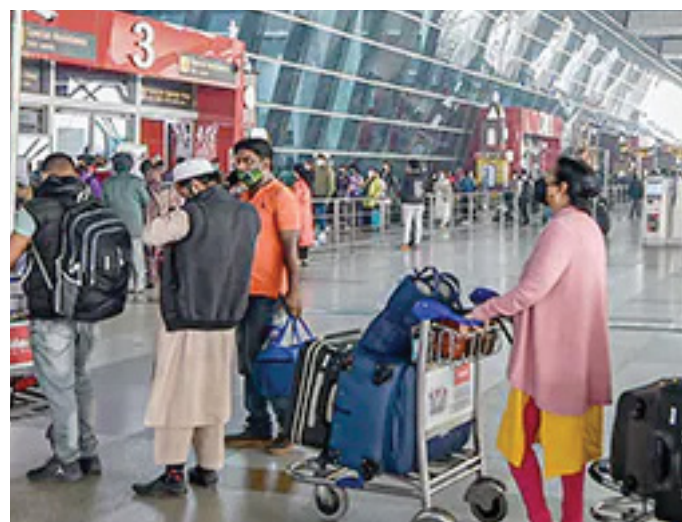
In the last meeting held on November 14, the Network Planning Group evaluated eight projects based on the principles of PM GatiShakti. ■

FLYING HIGH

500,000 domestic passengers fly in a day

Written using agency reports

The Indian aviation sector achieved a historic milestone on November 17, 2024, with 505,412 domestic passengers departing across the country in a single day.



This marks the first time domestic passenger numbers have surpassed the 0.05 million mark, showcasing India's growing prominence in the global aviation landscape. More than 3,100 planes took off, taking more than 500,000 passengers.

The passenger count has been increasing continuously after the UDAN – “Ude Desh ka Aam Nagrik” scheme was launched by Prime Minister Narendra Modi on October 21, 2016.

Civil Aviation Minister Ram Mohan Naidu said, “This number shows that air travel is now more accessible to the people of India.” He added this landmark became possible because of schemes like UDAN which has brought air travel closer to the people. The UDAN has revolutionised air travel connecting the remote parts of India to global destinations.

The Ministry of Civil Aviation continues to play a pivotal role in driving the growth of the sector through initiatives like the Regional Connectivity Scheme (UDAN), development of greenfield airports, and the digitalisation of passenger services. This milestone serves as a testament to the resilience and potential of India's aviation industry, further cementing its position as a key driver of the Nation's economic progress. ■



STRENGTHENING AGRI SECTOR**Cabinet approves infusion of equity into FCI**

Written using agency reports



The Cabinet Committee on Economic Affairs (CCEA) chaired by the Prime Minister Narendra Modi has approved an infusion of equity of Rs 107 billion for working capital in 2024-25 in Food Corporation of India (FCI).

The decision is aimed at bolstering the agricultural sector and ensuring the welfare of farmers nationwide. This strategic move shows the government's steadfast commitment to supporting farmers and fortifying the agrarian economy.

The infusion of equity is a significant step towards enhancing the operational capabilities of FCI in fulfilling its mandate effectively. FCI resorts to short-term borrowings to match the gap of fund requirement. This infusion will help to lower the interest burden and will ultimately reduce the subsidy of the Government of India.

The government's dual commitment to MSP-based procurement and investment in FCI's operational capabilities signifies a collaborative effort towards empowering farmers, fortifying the agricultural sector, and ensuring food security for the nation.

FCI started its journey in 1964 with authorised capital of Rs 1 billion and equity of Rs 0.04 billion. ■

SEA LINK**Chennai-Vladivostok maritime corridor operational**

Written using agency reports

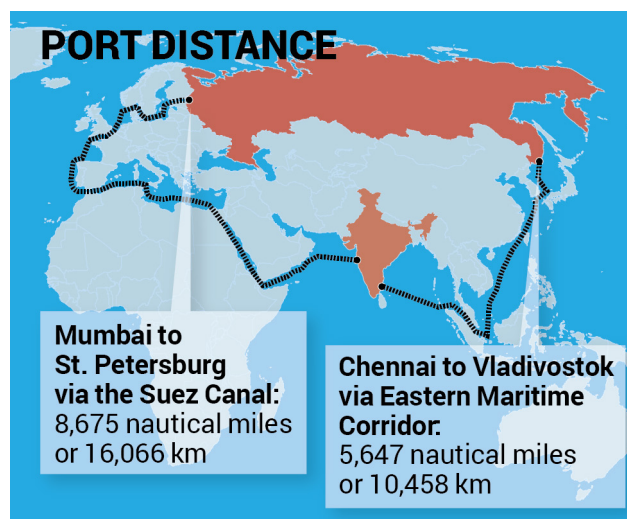
The Chennai-Vladivostok maritime corridor, which is likely to boost maritime ties between India and Russia, is operational now, and container ships carrying crude oil, metal and textile have started coming to Indian ports, Union Minister Sarbananda Sonowal said.

The Chennai-Vladivostok sea route will cover

a distance of about 5,600 nautical miles. "The Eastern Maritime Corridor between Vladivostok and Chennai is operational now. Container ships carrying crude oil, metal and textile have started coming to Indian ports," Sonowal told reporters.

The Eastern Maritime Corridor is estimated to reduce the time required to transport cargo between the Indian and Russian ports of the Far East Region by up to 16 days. The time taken will come down to 24 days compared with more than 40 that it currently takes to transport goods from India to Far East Russia via Europe.

The current trade route between Mumbai and St Petersburg in Russia covers a distance of 8,675 nautical miles, and the time taken for transportation is around 35 to 40 days. A large container ship that travels at the normal cruising speed of 20-25 knots (37-46 km/hour) will be able to cover this distance in approximately 10 to 12 days. This corridor holds immense potential to unlock new opportunities for trade and cooperation. ■

**POWER STABILITY****NTPC, Indian Army join hands for green hydrogen supply**

Written using agency reports

NTPC has partnered with the Indian Army to establish a solar hydrogen-based microgrid at Chushul, Ladakh. This significant step will provide a stable power supply using green hydrogen in off-grid army locations.

Defence Minister Rajnath Singh laid the foundation stone of this unique project through video conferencing. NTPC has designed this innovative solar hydrogen-based microgrid system to operate independently, using hydrogen as an energy storage medium to supply 200kW of power round-the-clock throughout the year.

This system will replace existing diesel gensets at off-grid army locations, providing a sustainable power supply despite harsh winter conditions, where temperatures drop to -30°C at an



altitude of 4,400 meters. NTPC will maintain the project for 25 years, aiming to support Indian soldiers stationed in these strategically significant tough terrains and challenging climate.

The solar-hydrogen microgrid is set to replace diesel generators currently in use at off-grid army locations. These systems offer numerous advantages, including the integration of renewable energy sources, a stable power supply under adverse conditions, reduced carbon emissions, and the promotion of a cleaner and sustainable energy ecosystem as they are highly scalable and suitable for various applications. ■

CLEAN WHEELS

India showcases green hydrogen fuel cell bus

Written using agency reports

In a significant step towards promoting sustainable transportation solutions, Hardeep Singh Puri, Minister of Petroleum & Natural Gas, showcased India's advancements in green hydrogen mobility by demonstrating a hydrogen-fuelled bus powered by Indian Oil to Prime Minister of Bhutan, Tshering Tobgay, and his delegation.

Puri said, "India's strides in green hydrogen are a testament to our commitment to sustainable energy solutions. We are eager to extend our expertise and collaborate with regional partners like Bhutan to pave the way for a cleaner, greener future."

Bhutan's delegation expressed keen interest in adopting green hydrogen mobility, which aligns with the country's commitment to environmental sustainability and clean energy solutions.

IndianOil has been a pioneer in hydrogen research since 2004, initially focusing on hydrogen-CNG blends. India's first hydrogen dispensing station is operational at IndianOil's R&D Centre in Faridabad, and a collaboration with Tata Motors has led to the development and operation of green hydrogen fuel cell buses.

Currently, eight fuel cell buses are operational in the Delhi NCR region, with an additional four buses deployed in Vadodara. ■

POWER PUSH

India's renewable energy sector grew by 13.5%

Written using agency reports

India's renewable energy installed capacity increased by a staggering 24.2 GW (13.5%) in a year, reaching 203.18 GW in October 2024 from 178.98 GW in October 2023.

This significant rise aligns with India's ambitious targets in the field of renewable energy, including nuclear energy; the total non-fossil fuel capacity rose to 211.36 GW in 2024, compared with 186.46 GW in 2023.

The solar sector saw a remarkable increase of 20.1 GW (27.9%), growing from 72.02 GW in October 2023 to 92.12 GW in October 2024. The combined total solar capacity, including projects under implementation and tendered, now stands at 250.57 GW, a significant rise from 166.49 GW last year.

Wind energy also demonstrated steady growth, with installed capacity increasing by 7.8%, from 44.29 GW in October 2023 to 47.72 GW in 2024. Total capacity in the pipeline for wind projects has now reached 72.35 GW. ■

RENEWABLE POWER

12.6 GW
capacity added in
April-October 2024

1.72 GW
installed in October 2024 alone

143.94 GW
under implementation

89.69
GW tendered as of October 2024



GREEN FISCAL STRENGTH

Biofuel initiatives saved Rs 910 bn in import bills: Puri

Written using agency reports

Minister of Petroleum and Natural Gas Hardeep Singh Puri said India's energy demand is set to double by 2047, according to a report in The New Indian Express. He was speaking after inaugurating the three-day Energy Technology Meet (ETM) 2024 organised by the Centre for High Technology and co-hosted by Indian Oil Corporation in Bengaluru.



Lauding the oil marketing companies and private energy companies for their proactive approach in achieving net-zero targets and affirming India's readiness to support "Viksit Bharat" through advancements in ethanol, hydrogen and biofuels, he highlighted India's biofuel achievements.

He said India's biofuel blending rate has reached 16.9%, putting the country on track to exceed the 20% target set for 2030, five years ahead of schedule. Because of these biofuel initiatives, the country saved Rs 910 billion in import bills, "parallelly giving a much-needed boost to the agriculture sector".

He also said that India ranks second globally in biofuel blending, underscoring its leading position in sustainable fuel practices. He said, "India has the capability to process over 250 types of crude oil, with refining capacity anticipated to grow from the current 258 MMTPA to 310 MMTPA."

R&D PUSH

India now ranks 6th in patent applications

Written using agency reports

India recorded a phenomenal over 15.7% growth in patent applications in 2023, continuing its streak of double-digit growth for the fifth consecutive year. India ranked 4th globally in trademark filings in 2023, with a 6.1% increase over the previous year.

This growth underscores India's growing emphasis on brand protection and intellectual property as essential drivers of business success. India's ranking reflects the country's increasing number of domestic and international businesses, all of which rely on trademarks to protect their brands and ensure consumer trust.

This surge places India among the top countries contributing to global patent filings, signalling the country's increasing role as a global innovation hub.

According to The World Intellectual Property

Organization (WIPO) annually publishes the World Intellectual Property Indicators (WIPI) report, India now ranks 6th globally in terms of patent applications, with 64,480 patent filings in 2023.

This puts India among the leading nations, including China, the US, Japan, and South Korea, in terms of intellectual property activity. India's rise in global patent rankings is particularly notable given its vast and diverse economy, ranging from traditional sectors like agriculture to cutting-edge industries like pharmaceuticals, information technology, and renewable energy.

TEXTILE VALUE CHAIN

Technical textiles will become economic backbone of India: Giriraj Singh

Written using agency reports

Union Minister of Textiles Giriraj Singh said that the government is trying to improve the textile value chain for better income opportunities for the weavers and their families. He also said that India has the largest handloom community in the world focused around sustainability and energy efficiency.

The world is moving towards usage of sustainable products and the handloom industry produces zero-carbon footprint and does not consume any energy. It is also a zero-water footprint sector.

In his address after inaugurating the Textile Pavilion under the Special Handloom & Handicraft Exhibition cum Sale at India International Trade Fair (IITF), he emphasised the importance of carbon fibers in the textile industry and India is focusing on amplification of technical textiles.

Pabitra Margherita, Minister of State for Textiles, stressed on the need to strengthen handloom and handicrafts to boost production and to increase their earnings to engage communities.



HEALTHY MOVE

New Rs 5 bn scheme to strengthen medical device industry

Written using agency reports

To provide a big boost to the medical devices industry, the Union Minister of Chemicals & Fertilisers and Health & Family Welfare, Jagat Prakash Nadda, has launched the Scheme for Strengthening the Medical Device Industry. It is a comprehensive scheme that targets critical areas of the medical device industry, covering manufacturing of key components and accessories, skill development, support for clinical studies, development of common infrastructure and industry promotion.

The new scheme has a total outlay of Rs 5 billion. It consists of five sub-scheme including Common Facilities for Medical Devices Clusters (Rs 1.1 billion), Marginal Investment Scheme for Reducing Import Dependence (Rs 1.8 billion), Capacity Building and Skill Development for Medical Devices (Rs 1 billion), Medical Device Clinical Studies Support Scheme (Rs 1 billion) and Medical Device Promotion Scheme (Rs 0.1 billion).

Nadda said this scheme is going to be a game changer and it will not only help the industry but will also be a long leap in making India self-reliant. The minister asked the industry to make good use of the scheme. ■



TRADE WINDS

Merchandise exports set to hit \$107.5 bn in Q3: India Exim Bank

Written using agency reports

India's merchandise exports are likely to rise 1.85% year-on-year to \$107.5 billion in the third quarter of FY25 (October-December), according to India Exim Bank. In the

corresponding period last year, goods exports stood at \$104.61 billion.

Exim Bank has projected non-oil exports at \$91.7 billion, marking a year-on-year (YoY) growth of 7.39%. Non-oil, non-gems, and jewellery exports are forecasted at \$82.7 billion, reflecting a 7.8% YoY increase.

This anticipated growth signals a modest yet steady rebound amid global economic uncertainty, driven by India's strong fundamentals and stable demand from key trading partners. Potential global monetary policy easing could further support the export environment.

However, Exim Bank cautions that external risks persist, including uncertainties in advanced and emerging economies, rising geo-economic fragmentation, crises in the Middle East and West Asia, potential protectionist policies, and ongoing supply chain disruptions.

The positive momentum in total merchandise, non-oil, and non-oil, non-gems, and jewellery exports is expected to extend into Q4 FY25, according to Exim Bank.

"The export forecast for this quarter is only slightly higher than last year's, but when looked at on a monthly basis, it's clear that real growth is not happening," said Pronab Sen, an economist and former chief statistician of the country. ■

EYES IN THE SKY

India aiming to become drone hub of world: Rajnath Singh

Written using agency reports

Union Defence Minister Rajnath Singh said that India is aiming to become a drone hub of the world and it would not only help the Indian economy but also significantly contribute to Make in India and the Atmanirbhar Bharat programme.

He was speaking at the Delhi Defence Dialogue organised on the theme "Adaptive Defence: Navigating the Changing Landscape of Modern Warfare" at Manohar Parrikar Institute for Defence Studies and Analyses.

Singh said the government has taken several initiatives to make India a drone hub of the world. "Drones and swarm technologies are bringing fundamental changes in the ways and means of warfare."

On increasing defence exports, he said, "We are also witnessing the fruits of our endeavour in the rising exports of defence items from India. Currently, India is already exporting defence items to over 100 nations, with the top three destinations for defence exports in 2023-24 being the USA, France, and Armenia. We hope to achieve the target of Rs 50 billion worth of defence exports by 2029." ■

AIMING AT EXPORTS

India dispatches first Akash air defence missile battery for export

Written using agency reports

Last month, India dispatched the first Akash surface-to-air missile (SAM) system battery for export to a “friendly foreign country”, said Bharat Electronics Ltd (BEL), a Navratna defence public sector undertaking under the Ministry of Defence.

This marks the first international sale of the indigenously developed air defence system. Marking a “significant step in India’s defence exports”, Secretary (Defence Production) Sanjeev Kumar “flagged off” the first Akash system battery in Bengaluru for export to a friendly foreign country, BEL revealed in a post on social media platform X.

This aligns with the goals of Make in India and Atmanirbhar Bharat, reinforcing India’s progress in self-reliant defence manufacturing.

The country clocked record defence exports of approximately \$2.63 billion in the financial year 2023-24, with outbound arms shipments growing 32.5% over the previous financial year. ■



TRADE LINK

India looks for equity, balance and fair trade when negotiating a FTA, says Goyal

Written using agency reports

India looks for equity, balance and fair trade when negotiating a free trade agreement, said Union Minister of Commerce & Industry Piyush Goyal during his keynote speech at the 27th CITIC CLSA India Forum in Mumbai.

India enters into FTAs with countries which are transparent, open and where governments’ economic systems align with India, he said. Goyal asserted that fulfilling basic amenities of

citizens has been the government’s priority for the last decade empowering Indians to aspire big, ensuring that India uses the 4D advantage of democracy, demographic dividend, demand and decisive leadership.

Addressing a question on skill development in the country, the minister stated that the PM Narendra Modi-led government has announced five schemes worth \$30 billion in the Budget 2024. In the years to come, the government’s focus will be on allowing youth to curate their formal education as per their desires and move into a vocation of their choice. CSR spending in skill development will also enhance the progress in the years to come, he added. ■

MEDICAL POWER

India’s first indigenous antibiotic to combat drug resistance

Written using agency reports

Union Minister Jitendra Singh has formally launched the first indigenous antibiotic “nafithromycin” for resistant infections.

The antibiotic has been developed with the support of Biotechnology Industry Research Assistance Council (BIRAC), a unit of the Department of Biotechnology, and has been brought to market under the trade name Mignaf by pharma company Wolkardt. It is the country’s first indigenously developed antibiotic aimed at tackling antimicrobial resistance (AMR).

India, which bears 23% of the world’s community pneumonia burden, faces challenges with existing treatments, including widespread resistance to drugs like azithromycin. The new antibiotic is 10 times more effective than current options and offers a safer, faster, and more tolerable solution for patients. ■

DIGITAL ECONOMY

India at forefront of digital revolution, says RBI Dy Guv

Written using agency reports

India is at the forefront of the digital revolution and financial technology is speeding up digital payments, Reserve Bank Deputy Governor Michael Debabrata Patra said.

Vibrant e-markets are springing up and expanding their reach. It is estimated that the digital economy currently accounts for a tenth of India’s GDP, he said, adding that going by growth rates observed over the past decade, it is poised to constitute a fifth of GDP by 2026.

In his inaugural address at a DEPR conference, Patra also said India is uniquely positioned to unlock new growth avenues and optimise

existing ones with its digital public infrastructure (DPI), a vibrant information technology sector and a burgeoning youth population, including one of the largest AI talent bases.

On digitalisation of Indian finance, Patra said micro-level evidence from surveys of Indian banks shows that while all of them have implemented mobile and internet banking, 75% offer online account opening, digital KYC and digitally-enabled doorstep banking. Additionally, 60% provide digital lending, 50% offer payment aggregator services, 41% use chatbots, 24% have adopted open banking, and 10% have integrated Internet of Things (IoT) technology. As many as 19 private sector banks are leading the technology adoption. ■



ONLINE SHOPPING

'India's e-commerce festive performance driven by tier 2+ cities'

Written using agency reports

India's e-commerce sector has been seeing spurts of growth in recent years, especially during the festive seasons, as consumers increasingly turn to online shopping. This year, the festive season achieved a milestone, reaching approximately \$14 billion in gross merchandise value (GMV), according to Redseer Strategy Consultants

It highlights a broader shift in what consumers value, with convenience, accessibility, and a mix of premium and value products driving demand. Tier-II plus cities were at the forefront of this growth, showing steady spending patterns and a strong interest in the expanding choices available online, said the report.

As e-commerce became more established, engagement rose across a wide range of categories, from fashion and electronics to quick

commerce and beauty products.

With 12% GMV growth over the last year, the 2024 festive season was filled with evolving shopping behaviors. It allowed for more consumer engagement, enabling shopping at a flexible pace and leading to broader participation. Notably, 51% of the GMV was generated in the first 11 days, underscoring the impact of early-bird sales and illustrating how both brands and consumers are now strategically aligning with early festive timelines. ■

'AIR MAIL'

Department of Posts starts a proof of concept for drone mail

Written using agency reports

The Department of Posts has started a proof of concept (POC) for transmission of mail through drones. The service was started between Chowkham Post Office and Wakro Branch Post Office located in Namsai and Lohit districts, respectively, of Arunachal Pradesh.

The Department of Posts has entered into a tie up with SKYE AIR Mobility Private Limited for carrying out the POC.

Transmission of mail through environment friendly drones has reduced the transmission time of mail between Chowkham PO and Wakro BO to 22 minutes from 2 hours. It also brings reliability in transmission of mail as well as real-time tracking of mail in difficult mountainous areas. ■



- Tier 2+ Booster in 2024 festive season
- These cities emerged as key drivers of festive e-commerce growth
- They recorded 13% increase in spending from last year's 9%
- Growth reflects increasing influence of smaller cities in online retail landscape
- Consumers in these areas shift toward premium products

ARTIFICIAL INTELLIGENCE

Tech spending strong, AI and Copilot driving momentum: Microsoft India Prez

Written using agency reports

Microsoft does not see any slowdown in technology spends in India, the company's India and South Asia President, Puneet Chandok said, asserting that "a lot of momentum" is building up on AI with buzz around Copilot and rise in number of use cases across industries in this market that the software maker counts as among its fastest-growing regions.



"Copilot has become the verb for AI. We are truly becoming copilot to India's transformation, which I'm really excited about"

PUNEET CHANDOK,
Microsoft India and South Asia President

In an interview to PTI, Chandok said the general perception around AI has shifted from skepticism to optimism, and now to real impact on the ground, with emergence of "real, interesting use cases".

Microsoft's AI assistant Copilot has become a "verb" for artificial intelligence, he said.

"Copilot has become the verb for AI. We are truly becoming copilot to India's transformation, which I'm really excited about,"

Chandok said.

Chandok said that India is among the most-exciting markets globally for all technology companies. "It is also one of the fastest-growing markets for Microsoft, one of the fastest-growing regions across the world, and that is the reason you are seeing a lot of commitment, a lot of investments, and a lot of impact," he said. ■

AI is essential tool, but need to be used optimally: Jitendra Singh

Written using agency reports

Artificial Intelligence (AI) is an essential tool but must be used optimally with responsible handling," said Union Minister Jitendra Singh at the 7th Edition of the ASSOCHAM AI Leadership Meet 2024. The event, themed "AI for India: Advancing India's AI Development - Innovation, Ethics, and Governance,"

showcased India's strategic road map for harnessing the transformative potential of artificial intelligence (AI).

The minister emphasised the pivotal role of AI in reshaping various sectors, including governance, business, healthcare, education and space exploration. He highlighted AI as the backbone of India's future development, capable of driving economic growth and addressing pressing challenges such as climate change, public service delivery, and national security.

A significant announcement made by Singh was the introduction of India's first practical AI data bank. This initiative aims to accelerate technological growth and innovation by providing researchers, startups, and developers access to high-quality, diverse datasets essential for creating scalable and inclusive AI solutions. The minister underscored the strategic importance of the AI data bank in enhancing national security through real-time analytics of satellite, drone, and IoT data. This step aligns with India's goal to use AI for predictive analytics in disaster management and cyber security.

Singh reaffirmed India's commitment to ensuring transparent and fair AI systems, with robust governance frameworks being developed to address challenges like algorithmic bias and data privacy. ■

LOOKING UP

Cabinet gives nod for Rs 10 bn VC fund for space sector

Written using agency reports

The Union Cabinet, chaired by the Prime Minister Narendra Modi, has approved setting up of a Rs 10 billion venture capital fund dedicated to the space sector, under the aegis of IN-SPACE.

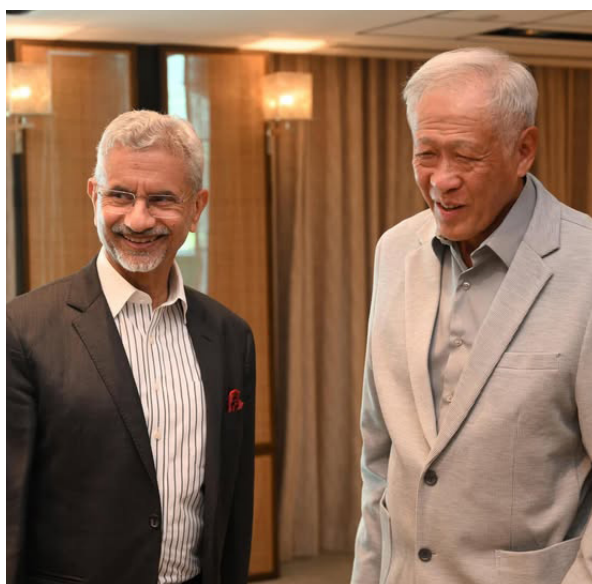
The deployment period of the proposed fund is planned to be up to five years from the actual date of start of the fund operations. The indicative range of investment is proposed to be Rs 100 million-Rs 600 million, depending on the stage of the company, its growth trajectory, and its potential impact on national space capabilities.

Based on the investment range, the fund is expected to support approximately 40 startups. The fund is strategically designed to advance India's space sector, aligning with national priorities and fostering innovation and economic growth through the following key initiatives including capital infusion, retaining companies in India, growing space economy, accelerating space technology development, boosting global competitiveness, creating a vibrant innovation ecosystem, driving economic growth and job creation and ensuring long-term sustainability. The fund aims to strategically position India as one of the leading space economies. ■

12 Bilateral Developments

Visit of EAM Dr S Jaishankar to Singapore

Dr S Jaishankar, External Affairs Minister, visited Singapore on November 8, 2023, to deliver the keynote address at the 8th Roundtable of ASEAN-India Network of Think Tanks. He spoke about the world in transition, and the opportunities for a stronger India-ASEAN partnership.



Odisha Chief Minister Shri Mohan Charan Majhi Visits Singapore

13

A high-level delegation led by Hon'ble Chief Minister Mohan Charan Majhi visited Singapore from November 16-20, 2024. He invited Singapore's business leaders to invest in Odisha and to join the "Utkarsh Odisha Conclave 2025", scheduled for January 28-29, 2025, in Bhubaneswar. At the event, Odisha officials gave details of investment opportunities and support provided by the state government. The chief minister also interacted with the Indian diaspora in Singapore, inviting them to join the Pravasi Bharatiya Divas scheduled to be held in Odisha in January 2025.



INDIA FOCUS

ISSUE: 344
DECEMBER 2024
HIGH COMMISSION OF INDIA, SINGAPORE



Forthcoming Events In India

I. 3rd Sourcex India

Date & Venue: March 26-28, 2025;
Yashobhoomi Convention
Centre, New Delhi,
Organiser: Federation of Indian Export
Organisations (FIEO)
Contact: Email neelamrawat@fieo.org

Details: The 3rd edition of Sourcex India is

scheduled to take place from March 26-28, 2025. The event has established itself as a premier marketplace for both food and non-food fast moving consumer goods (FMCG) as well as services. Over 200 reputed Indian brands will participate in the event, providing foreign buyers an exclusive opportunity to network with high-quality Indian suppliers of branded products and services.

Website: <http://www.sourcex-india.com>

II. Indiasoft 2025

Date & Venue: March 19 -21, 2025, New Delhi
Organiser: Federation of Indian Chambers
of Commerce & Industry (FICCI)
Contact: Email vikrant@escindia.com

Details: The Electronics and Computer
Software Export Promotion Council (ESC)
is organising the silver jubilee edition of
INDIASOFT 2025 from March 19-21, 2025, in

New Delhi. This premier event will showcase India's leading innovations and advancements in various domains of technology. The event is supported by the Ministry of Commerce & Industry, Government of India, under the Market Access Initiative (MAI) scheme. Selected overseas delegates may be eligible for the Hosted Buyers Program, which provides assistance for qualified buyers with significant business potential.

Website: www.indiasoft.org

For feedback & comments, please contact:

High Commission of India,

31, Grange Road, Singapore-239702

Email: com2.singapore@mea.gov.in; com.singapore@mea.gov.in

URL: www.hcisingapore.gov.in