

Economy This Week (22th Jan to 28th Jan 2022)

TABLE OF CONTENTS

1. [Centre looks to give drone usage in agri sector a leg up \(BS 22/1/22\)](#)
2. [Apprenticeship revamp - on the job training for all sectors in the offing \(ET 24/1/22\)](#)
3. [Work starts on ₹ 16600 Cr scheme to boost manufacturing in textiles \(ET 24/1/22\)](#)
4. [Spices board launches online platform to boost exports \(BL 22/1/22\)](#)
5. [Centre's vision document on electronics \(BS 25/1/22\)](#)
6. [Rooftop solar programme norms eased \(BL 22/1/22\)](#)
7. [Gherkin exports \(LM 28/1/22\)](#)

1. Centre looks to give drone usage in agri sector a leg up (BS 22/1/22)

- The govt in order to promote usage of drones in the agriculture has decided to provide funding to the Farmer Producer Organization (FPOs), Krishi Vigyan Kendras (KVK), Custom Hiring Centres (CHCs) and individuals for purchasing them
- Reforms announced
 - As per the latest guidelines issued by the govt under Sub Mission on Agriculture Mechanization (SMAM), govt would be providing 100% funding support up to ₹ 10 lakh for the agriculture training institutes and Krishi Vigyan Kendras; and 75% support to drones purchased by FPOs
 - It will also provide financial support of up to ₹ 6000 per hectare to the agencies that hire or buy (in case they are bought then it will be reduced to ₹ 3000 per hectare) drones for demonstration
 - Financial support of 40% up to ₹ 4 lakh to CHCs set up by cooperatives and FPOs for purchasing drones
 - 50% or up to ₹ 5 lakh will be provided for the drones purchased by the agriculture graduates establishing CHCs
- Couple of weeks ago the govt has come out with SOP for drone usage in the agriculture sector
 - In application of pesticides
 - Operators should use only the approved pesticides and their formulation in certain concentration and from sanctioned heights
 - They will have to notify the public about such aerial applications not less than 24 hrs in advance through competent authorities
 - Pilots should undergo specialized training (such as understanding the clinical effects of insecticides)

2. Apprenticeship revamp – on the job training for all sectors in the offing (ET 24/1/22)

- As per Skills India Report 2021, employability of India's youth decreased to 45.9% in 2021 from 46.21% (2020), 47.38% (2019) and this is primarily due to loss of skilling in the last two years
- 26 mn are apprentices in India compared
 - 5 mn in UK
 - 3 mn in Germany
 - 10 mn in Japan
 - 20 mn in China
- The number of apprentices in India is just a minuscule number compared to the number of youth – nearly 10 mn – that enter into India's workforce every year
- Govt may open up on the job training for all the sectors and bring apprenticeship under one ministry or umbrella body to improve the apprenticeship in India
- The objective is to
 - Skill the workforce at faster pace across the sectors (especially those covered under PLI)
 - To cover the loss in skilling in the last two years due to pandemic
 - Making apprentices in India at par with global standards
- Govt may also announce incentives for the private sector players to take up skilling in a big way
- Currently the retail sector has the flexibility of providing on the job training but other sectors such as logistics and healthcare (fast growing) do not, this increases the time span in bringing apprentices on board as they will have to first undergo classroom training
- Ministries skill development and entrepreneurship; and Human Resources and development – both have one apprenticeship scheme each which has led to overlap and confusion

3. Work starts on ₹ 16600 Cr scheme to boost manufacturing in textiles (ET 24/1/22)

- Govt has started work on a scheme – Textile Technology Development Scheme (TTDS – name might be changed as it is still in a conceptual stage) – with outlay of ₹ 16600 Cr for the next five years for
 - Textile machinery manufacturing
 - Support for technology upgradation in existing clusters and MSMEs
 - Support for new integrated manufacturing facilities in various segments including spinning, weaving and knitting
- TTDS will be replacing the Amended Technology Upgradation Fund Scheme (ATUFS) which will end on 31st march 2022
- Technology gradation Fund Scheme (TUFS)
 - Launched in 1999
 - Modified many times
- The govt after consultations has proposed new scheme with two new components
 - Textile machinery
 - Important as India imports a lot of components – sewing machines, knitting machines, spindles, needles etc

- The value of imports has been around ₹ 72000 Cr in the last five years
- Integrated modern facilities
- Those availing benefits under the PLI will not be eligible under the new scheme

4. Spices board launches online platform to boost exports (BL 22/1/22)

- India enjoys a dominant position in the global market and exports 225 different spices and spice products to more than 180 countries
- Spices board has launched “Spice Xchange” – first virtual platform for spices exports
- The website – spicexchangeindia.com – is a 3D virtual platform aimed at connecting the country’s spice exporters with buyers abroad
- The portal will be using AI based technology to connect the spice buyers with the Indian exporters
 - Buyers and sellers can find the potential customers on this platform
 - The portal will also extend the services and can be used by the subscribers to conduct virtual meetings with their customers

5. Centre’s vision document on electronics (BS 25/1/22)

- Govt has come out with a vision document that has set an ambitious target of increasing India’s electronics exports by 10 times – from \$10.6 bn (2020-21) to \$120 bn by 2025-26
- Electronics are ranked at 7th position in the list of exports from India, if this is achieved then it would jump to within the three
- The mobile phones will have to contribute 43 to 48% of the total export target by FY26 if India has to become a global hub for electronics exports
 - The exports of mobile phones will have to jump by 18 times – from \$3.1 bn in 2020 to \$53-58 bn in FY26
- The exports would be accounting for over 40% of the target \$300 bn of domestic production in FY26 (currently at \$74.7 bn)
- The document has put forward a roadmap for the country to target electronics production of \$1 tn in the next 10 years

6. Rooftop solar programme norms eased (BL 22/1/22)

- Govt has been promoting renewable energy and under this particularly rooftop solar
 - Despite many measures announced the performance of the rooftop solar programme has been poor
 - Out of 100 GW the solar rooftop will contribute 40 GW and of this the residential rooftop will contribute 4 GW
 - As of December 5, the aggregate capacity of 2098 MW has been sanctioned of which 1319 MW has been reported to have been achieved
- The govt has relaxed/simplified some of the norms which are applicable for the rooftop solar programme
 - Individual households now can opt for vendor of their choice

- It is not mandatory for the households to get the RTS (Roof Top Solar) installed by listed vendors of a state Discom
- The households can self-install the equipment and inform their discom along with photographs. Once done the discom will have to ensure that the net metering will be done in the next 15 days
- Subsidy amount will directly be credited into their bank account
 - 40% for RTS up to 3 kilo watt (KW) capacity and 20% up to 10 kw will be credited to householder's account
 - The transfer has to be done within 30 days from the date of installation
- Importance
 - Will open up the market for more participation
 - Will help in meeting the renewable energy targets and reduce greenhouse gas emissions
 - Increase the demand
- Key issues
 - Performance and coordination of the state discoms
 - The state discoms have been slow in implementing the net metering and pay-outs to the rooftop plant owners

7. Gherkin exports (LM 28/1/22)

- India has become the largest exporter of gherkins (pickling cucumber) in 2020-21, shipping over 223000 tonnes worth more than \$200 mn
- India has produced about 15% of the world's gherkin requirements and ships it to more than 20 countries