

Industry Matters

Weekly Updates

May 05, 2023



Economy, Industry and Policy

India's manufacturing PMI at 4-month high in April on output & new orders' growth: S&P Global India Manufacturing Purchasing Managers' Index (PMI) in April rose to 57.2 in April from 56.4 in the month before, as all sub-components of the PMI made a stronger contribution to this month's figure. *[The Economic Times]*

At 62, services PMI jumps to near 13-year high in April: The services sector, with the largest share in Gross Value Added (GVA), started FY24 with a bang, as the purchasing managers' index (PMI) jumped to a near 13-year high in April to 62 as against 57.8 reported in March. However, the job situation is yet to improve. *[Business Line]*

GST collections hit monthly high of Rs 1.87 lakh crore in April: India's goods and services tax (GST) collections in April rose 12% from the year earlier to an all-time monthly high of ₹1.87 lakh crore, kicking off the new financial year on a buoyant note. *[The Economic Times]*

Toll tax collection through FASTag hits all-time high of Rs 193.15 crore in single day: The daily toll collection through FASTag system achieved a historic milestone on April 29 by reaching an all-time high of Rs 193.15 crore, with 1.16 crore transactions, in a single day. *[The New Indian Express]*

Demand for daily groceries, essentials surges to highest in two years: Demand for daily groceries and essentials rose 3.9% in the quarter to March, highest in two years, largely driven by urban markets even as sales in villages improved. *[The Economic Time]*

India's core sector growth slows to five-month low of 3.6% in March: Growth in production of eight infrastructure industries — also known as the core sector — decelerated to a five-month low of 3.6 per cent in March, with activity slowing down in six industries. *[Business Standard]*

Govt releases standard operating procedure under PLI scheme for automobile sector: The Union government on Thursday announced the standard operating procedure of the production linked incentive scheme for automobile sector, whereby applicants can submit applications for testing and certification of advanced automotive technology products, which will help them qualify for incentives. *[The Economic Times]*

FAME 3.0 - Centre will take a call only if funds in surplus: The Centre will take a call on the third leg of the faster adoption and manufacturing of (hybrid &) electric vehicles (FAME) if funds are left at the end of the current fiscal year. *[Business Standard]*



Foreign Investment

5 states bagged 88% of FDI past 3 fiscals: India received \$142.29 billion in foreign direct investments (FDI) between 2019 and 2022 up to which data is available for the entire financial year. *[FortuneIndia]*

Russia woos Indian pharma companies in effort to give its economy a boost: Russia is keen on attracting investment from Indian drug makers as part of its effort to strengthen its economy. The Russian pharmaceuticals market is one of the largest globally and is the largest market on an absolute basis in the Central and Eastern European (CEE) region. *[Business Line]*

Taiwanese firm Gogoro eyes India as hub for making electric two-wheelers: Gogoro is looking at a dual model, namely, manufacture the scooters on its own but also provide the technology and the design to third party players so that they can also manufacture under their brand. *[Business Standard]*

FPIs invest ₹11,631 cr in stocks in April, highest monthly buying of 2023 - What to expect ahead?: Foreign portfolio investors (FPIs) made their highest buying of 2023 in April to the tune of ₹11,631 crore in Indian equities. This would be the second consecutive month where FPIs are buyers. *[Mint]*



Trade Policy and Competitiveness

Govt support needed in undertaking overseas marketing initiatives to boost exports - FIEO: Apex exporters body FIEO has urged the government to support domestic exporters in undertaking overseas marketing initiatives with a view to boost outbound shipments. *[The Economic Time]*

India, Russia to explore possibility of accepting RuPay and Mir cards: India and Russia will explore the possibility of accepting RuPay and Mir cards in each other's country for hassle-free payments amid sanctions imposed by the West on Moscow. *[The Economic Times]*

India is Timex's 2nd largest market now: CEO Tobias Reiss-Schmidt: The global chief executive of Timex Group said India has outpaced Europe as its second-largest market by revenue, helped by higher demand that now needs fresh capacity-enhancing investments. *[The Economic Times]*

Special window may allow import of 140 mt gold from UAE at lower duty: India will soon open a fresh window for import of 140 MT of gold for FY24 at concessional duty from the UAE through an import quota system, called tariff rate quota (TRQ) in trade parlance, under a bilateral trade pact. *[The Economic Times]*

Iranian NSA pitch for trade in national currencies in his meeting with Doval: Iranian NSA Ali Shamkhani has pitched for using national currencies for trade with India including in oil during his meeting National Security Advisor Ajit Doval in Tehran on Monday. *[The Economic Time]*

India, Russia suspend negotiations to settle trade in rupees: The rupee is not fully convertible. India's share of global exports of goods also is just about 2% and these factors reduce the necessity for other countries to hold rupees. *[The Economic Time]*



Corporate Governance

Average ESG scores of Indian firms improve: The average ESG scores of Indian companies have improved over the last decade, especially for the environmental and the social pillars, while the score for the governance pillar has fluctuated, the Reserve Bank of India observed on Wednesday citing analyses on the subject. *[Financial Express]*

Assam Gas Company Limited, Oil India Limited sign agreement for establishment of Joint-Venture Private Limited Company: The Assam Gas Company Limited (AGCL) and Oil India Limited on Saturday signed an agreement for the establishment of a Joint-Venture Private Limited Company with the mandate to lay, build and operate city natural gas distribution networks in parts of Assam and Tripura for the time being. *[The Economic Times]*

Indian Oil ties up with Tesla Power to sell batteries at fuel stations: Indian Oil has entered into a strategic alliance with Tesla Power USA for providing automotive batteries at fuel stations across the country. *[The Economic Times]*

Brookfield acquires 51% stake in Bharti Realty: Canada's Brookfield Asset Management has acquired a 51% controlling stake in Rostrum Realty Pvt Ltd, a real estate joint venture company in which Sunil Mittal-led Bharti Enterprises will hold the remaining 49%. *[The Economic Times]*

Hindustan Zinc's all-cash bid for Vedanta's assets lapses: Hindustan Zinc Ltd's proposal to buy certain zinc assets from Vedanta Group for \$2.98 billion in cash has lapsed as the Indian miner did not get shareholders' approval within the stipulated time limit. *[The Economic Time]*

Adani Ports completes Myanmar port sale for \$30 million: Adani Ports and Special Economic Zone Ltd (APSEZ) on Thursday said that it has concluded the Myanmar Port sale for a total consideration of \$30 million. *[Financial Express]*

India likely to demerge Central Statistical Office, National Sample Survey Office: There are too many functions bunched up in one organisation. There is a thinking to make separate entities again for ease of functioning. *[The Economic Times]*



MSMEs and Start-ups

1.5 crore MSMEs on Udyam portal reflection of India's economic self-reliance - MSME min Narayan Rane: MSME registration portal Udyam portal, which crossed the 1.5 crore-registration mark in March this year, is a reflection of the economic self-reliance and prosperity of our country. *[Financial Express]*

Google's second startups accelerator programme to empower women founders in India: Google on Tuesday announced the second edition of its 'Startups Accelerator: Women Founders' to enable women entrepreneurs in India who are using technology to solve complex problems and are making a positive impact on society. *[The Economic Times]*

Microsoft introduces two new initiatives to bolster support to Indian SMBs: The SMB-focused website – Microsoft for Small and Medium Businesses, aims at bringing together business owners and entrepreneurs in India to network with peers, enhance their skills and achieve holistic growth. *[The Economic Times]*

Healthtech Startup Bonatra acquires Women's Health and Wellness Startup MyAva: Bonatra, a healthtech startup, on Tuesday announced that it has acquired women's health and wellness company MyAva. Through this acquisition, Bonatra aims to expand its holistic healthcare programs and become a one-stop platform for the management of chronic health conditions. *[Financial Express]*

Enhance state govts' participation to foster innovation in MSMEs - National Manufacturing Innovation Survey: In order to boost innovation in MSMEs, it is important to enhance state governments' participation in the innovation exercise, said the National Manufacturing Innovation Survey released by the Department of Science and Technology (DST). *[Financial Express]*



Employment and Industrial Relations

Demand for NREGS Work at 10-month high: Demand for work under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) rose for the third straight month through April and scaled a 10-month peak, thanks to subdued agricultural activities. *[The Economic Times]*

EPFO extends deadline to apply for higher pension till June 26: Retirement fund body EPFO on Tuesday extended the deadline to apply for higher pension till June 26. The Ministry of Labour & Employment in a notification that many representations have been received from various quarters seeking extension of time. *[Mint]*

Average monthly salary in India below ₹50,000! List of countries with highest salaries in the world The average salary in India is below ₹50,000, reveals a latest report. On the occasion of International Labour Day, the World of Statistics has released data on average monthly salaries around the world. *[Mint]*

India's unemployment rate in April rises to 8.11% from 7.8% in March: India's unemployment rate inched up in April to 8.11% from 7.8% in March 2023 owing to a significant rise in the labour participation rate (LPR) which was the highest in the last three years, the Centre for Monitoring Indian Economy said. *[The Economic Time]*



Industrial Finance

Bank credit to micro, small enterprises up 14% YoY in March - RBI data: Bank credit to micro and small enterprises under priority sector loans in March 2023 grew by 14 per cent year-on-year (YoY) vis-a-vis 13.2 per cent YoY growth in March 2022. *[Financial Express]*

HDFC Bank likely to open over 600 branches in semi-urban, rural areas in FY24: The action is a part of bank's new programme targeting customers in semi-urban and rural areas. It aims to help India's largest private lender to meet some of its Priority Sector Lending (PSL) targets. *[The Economic Times]*

ED raids Manappuram Finance premises in Kerala on money laundering charges: The Enforcement Directorate on Wednesday conducted searches at multiple premises linked to non-banking finance company Manappuram Finance in Kerala as part of a money laundering investigation against it. *[The New Indian Express]*



Technology and Innovation

The fastest evolution in technology history: In just over 60 days of its launch ChatGPT was able to get more than 100 million monthly active users. TikTok took about nine months to cross the 100-million-user mark, while Spotify took more than four years. *[Business Standard]*

UPI transactions at record high in April, touch Rs 14.07 trn: Unified Payment Interface (UPI) transactions scaled a record high in April, clocking Rs 14.07 trillion in terms of value and 8.9 billion in volume. This is a marginal rise of 0.14 per cent and 2 per cent respectively, compared to Rs 14.05 trillion and 8.7 billion in March. *[Business Standard]*

Traders' body CAIT urges Piyush Goyal for early roll-out of e-commerce policy and rules: Traders' body Confederation of All India Traders (CAIT) on Wednesday requested commerce minister Piyush Goel for early rollout of e-commerce policy, e-commerce rules under the Consumer Protection Act, 2019 and a new Press Note to replace Press Note No 2 of foreign direct investment (FDI) in retail. *[Financial Express]*

India's consumption is expected to become 50% cashless by FY26: India is expected to become in three years a nearly 50 per cent non-cash economy in consumption as digital tools like UPI help financial transactions. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

North-East Global Investors Summit - Tripura signs 8 MoUs worth Rs 312.38 crore: The Tripura government Tuesday signed eight memorandums of understanding (MoUs) entailing a proposed investment of Rs 312.38 crore. *[Indian Express]*

All eyes on General Elections 2024 - Road construction to be ramped up by 16-21%: The central government intends to accelerate the construction of roads in FY24 by 16-21% to 12,000-12,500 km, with a healthy pipeline of projects and an increase in capital expenditure outlay, a report by ICRA said Thursday. *[The Economic Time]*



Sustainable Industrialisation

Gujarat clears 1.99 lakh hectare land for green hydrogen projects: The government will accept Rs 2,998 crore as security deposit from these five companies. The total renewable power generation using green hydrogen on the proposed land is expected to be 99,814 MW with 39.95 lakh metric tonne green hydrogen production, suggest government estimates. *[The Economic Times]*

Indian Railways aims to start hydrogen train trials in current financial year - Railway Board Chairman: Railway Board Chairman Anil Kumar Lahoti on Wednesday said work was underway on the project to develop the country's first hydrogen train and efforts were being made to start its trial in the current financial year itself. *[The Economic Time]*

Ather, TVS, Hero MotoCorp to refund charger cost to buyers: Four major EV two-wheeler players Ola, Ather, TVS Motor, and Vida ((a unit of Hero MotoCorp), were under the scanner for allegedly mispricing their vehicles to make them eligible for subsidy under the Faster Adoption & Manufacturing of Electric Vehicles (FAME) scheme. *[The Economic Time]*

Demand for electric cars 'booming' - IEA: The International Energy Agency (IEA) said the rapid electrification of road transportation will have big implications for the energy industry as it will eliminate the need for five million barrels of oil per day by the end of the decade. *[The Economic Times]*

India will achieve 20% ethanol-blended petrol target by 2025; maize to play important role, says Piyush Goyal: The minister highlighted that the blending of ethanol with petrol has increased to 10 per cent in 2021-22 marketing year from just 1.53 per cent in 2013-14 on the back of efforts made by farmers and industry, aided by favourable government policies. *[The Economic Times]*



Sectoral News

India's M&E sector to reach ₹2.83 trillion by 2025 - Ficci: The Indian media and entertainment industry will likely grow at 11.5% in 2023 to reach ₹2.34 trillion (\$29.2 billion), and then clock a compounded annual growth rate of 10% to hit ₹2.83 trillion (\$35.4 billion) by 2025. *[Mint]*

There is still so much to explore and experience in India's tourism sector - Tourism Minister: The tourism industry is poised for growth in FY24. In an interview, Tourism Minister G Kishan Reddy and Secretary of Tourism Arvind Singh talk about special measures being planned to boost the industry and underline that foreign tourist arrivals (FTAs) are likely to be back to pre-Covid levels in this calendar year. *[Business Line]*

Reduction of licence fees not on the table, DoT tells Telcos: The Department of Telecommunications (DoT) is not considering any reduction in licence fees of telecom operators, rejecting repeated demands from the industry and recommendations from the Telecom Regulatory Authority of India (Trai). *[The Economic Times]*

India's power consumption dips to 130.57 bn units in April: India's power consumption dipped for the second month in a row by 1.1 per cent to 130.57 billion units in April this year, as widespread rains in the country prompted people to use fewer cooling appliances compared to the previous year. *[The Economic Times]*

Diesel demand rises 6.7% in April, petrol jumps 2.5%: Diesel sales fared much better than petrol, which rose 2.5% year-on-year in April, according to the provisional sales figures of state-run oil marketing companies. *[The Economic Times]*

Extend implementation of quality control norms by 12 months for footwear; industry not ready yet: Industry players and exporters of footwear have urged the government to immediately extend the implementation of the quality control order (QCO) by 12 months as the businesses are not yet prepared to follow the norms. *[The Economic Times]*

Indian Oil plans green jet fuel plant to meet surging demand: Indian Oil Corp. is planning to build a Rs 1,000 crore (USD122 million) sustainable aviation fuel plant as global supplies run significantly short of what's needed by airlines to meet decarbonization goals. *[The Economic Time]*

Zoom gets pan-India telecom licence: Web conference company Zoom Video Communications (ZVC) has secured a pan-India telecom licence that will enable it to offer telephone services as well to enterprise customers, ZVC said on Wednesday. *[The New Indian Express]*

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