

Industry Matters

Weekly Updates

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Economy, Industry and Policy

Put eco-centric industrialization on the G20's agenda: This is necessary for sustainable consumption and production shifts that the SDGs have not helped achieve, writes, Ashish Kumar, Visiting Professor, ISID. *[Mint]*

EU mechanism to track carbon intensive imports is an opportunity for India: Fortunately, we are at a sweet spot now with many global firms wanting to bring their supply chains to India. Success in manufacturing, which has been eluding us so far, could be in our reach over the next few years if we move swiftly with pragmatism and ambition, writes, Ajay Shankar, Distinguished Fellow, ISID. *[Business Standard]*

India and Indonesia to drive Asia's growth - Morgan Stanley, Nomura: India, along with Southeast Asian countries such as Indonesia, is expected to sustain growth in the medium-term in Asia region, replacing China as the key growth driver. *[Business Standard]*

OECD raises India's FY24 growth forecast a jot to 6%: The Organisation for Economic Co-operation and Development (OECD) on Wednesday moved its forecast on India's economic expansion for this fiscal year higher to 6%, from 5.9%, while citing weak global demand and the effect of monetary policy tightening as factors constraining the growth. *[The Economic Times]*

Asset monetisation - Rs 1.4 trn raised, up 44% on year: The monetisation of public-sector brownfield assets unlocked capital worth Rs 1.4 trillion in FY23, up 44% on year. The achievement was against the target of Rs 1.62 trillion. *[Financial Express]*

Consumer sentiments for 5th straight month - CMIE: Consumer sentiments improved for the fifth consecutive month in May 2023 though the rate of increase has slowed down, raising apprehensions of volatile growth in coming months on the back of erratic monsoon and state elections. *[The Economic Times]*

Services PMI declines to 61.2 in May amid rising inflationary pressures: The headline figure in the Purchasing Managers' Index (PMI) survey by credit rating agency S&P Global declined marginally to 61.2 in May from its 13-year high of 62 in April. The May services PMI is the second-highest print in under 13 years. *[Business Standard]*

India's internet economy to grow 6-fold to \$1 trillion by 2030: India's internet economy is expected to register six-fold growth and touch USD 1 trillion by 2030, mainly driven by the e-commerce vertical, a joint report by Google, Temasek and Bain & Company. *[The Economic Times]*

Centre gets Rs 4,185.31 crore from Coal India stake sale: The government has mopped up Rs 4,185 crore through a three per cent stake sale in state-run Coal India. *[The Economic Times]*

Centre aims at covering refractories in PLI 2.0 to support 300 MT steel capacity target by 2030: The Centre is looking to include refractories in the upcoming Production Linked Incentive Scheme 2.0 for steel as it aims at doubling the country's production capacity for the metal to 300 million tonne by 2030. *[Financial Express]*

Union Cabinet approves Rs 89,000-crore third revival package for BSNL: The Union Cabinet on Wednesday approved a third revival package for Bharat Sanchar Nigam (BSNL) with a total outlay of Rs 89,047 crore, seeking to help the state-owned telecom operator deploy 4G and 5G services. *[Business Standard]*

Nothing Phone 2 to be 'Made in India', company confirms ahead of its launch: It's official, Nothing's upcoming smartphone – Nothing Phone (2) will be manufactured in India. The company has confirmed to the media that its next 5G phone will be manufactured in India to meet the needs of this market. *[Business Standard]*



Foreign Investment

Foreign institutional inflows surge in real estate in India – Here's why: The real estate sector in India has witnessed a remarkable increase in foreign institutional inflows, with a staggering three-fold rise of \$26.6 billion between 2017 and 2022, according to a report by real estate services firm Colliers. *[Financial Express]*

FPI purchases hit 9-month high in May: Foreign portfolio investors have once again started increasing exposure to Indian equities amid a stable macroeconomic environment. Going against the commonly known strategy of "sell in May and go away", FPIs invested nearly Rs48,838 crore (\$5.3 billion) in May 2023 in Indian equities, the highest in nine months. *[The Economic Times]*

Chinese FDI faces great wall in India as security fears rise: India approved less than a quarter of the total 435 foreign direct investment applications from China since April 2020 when the government tweaked the FDI policy to check opportunistic takeover of Indian companies. *[Mint]*

With 29% rise, Maha tops in FDI this year: As per the findings of the Department of Industrial Policy and Promotion (DIPP) report, Maharashtra has secured the highest share of FDI at 29%, surpassing states like Karnataka with 24% and Gujarat with 17% while Delhi has 13%. *[The New Indian Express]*



Trade Policy and Competitiveness

Customs to introduce additional disclosures for export-import of medicinal products from July 1: The Customs Department will introduce additional disclosures for the export and import of medicinal products from July 1 to fast-track clearances of shipments. These additional disclosures will reduce queries of Customs officials. *[The Economic Times]*

Easy trade finance system key to achieve \$2 trn export target by 2030 - DGFT: Easy availability of affordable trade finance is the key to achieving India's \$2 trillion exports target by 2030 in goods and services boosting export competitiveness. *[Business Standard]*

Trade deal with UK - India may give UK access to PV market, with riders: Even as India and the UK attempt to iron out the creases under the proposed trade deal, New Delhi is treading with caution. While it is ready to give the UK access to its passenger vehicle (PV) market. *[Business Standard]*

The 14-country supply chain agreement would line with India's vision to become a 5 trillion dollar economy - Varun Gada, Director, LP Logiscience: The warehouse market in India is booming. According to Research and Markets, India's warehousing industry is expected to reach Rs 2,872.10 billion by 2027, expanding at a CAGR of ~15.64% during 2022-2027. The warehousing, industrial, and logistics (WIL) sectors are projected to be crucial for attaining India's vision of being a US\$ 5 trillion economy by FY25. *[Financial Express]*



Corporate Governance

Aditya Birla Group forays into gold jewellery retail with ₹5000 crore investment: Riding on the brand value of trust, Aditya Birla Group has joined the Tatas to foray into gold jewellery retail business. The Birla Group will invest ₹5,000 crore in the jewellery business through Novel Jewels. *[Business Line]*

Tata to build India's 1st lithium-ion cell manufacturing gigafactory in Gujarat: Tata Group signed an agreement with the Gujarat state government to set up a giga-factory for manufacturing lithium-ion cells, with an estimated initial investment of around 130 billion rupees (\$1.6 billion). *[Mint]*

ITC, 2 others submit resolution plans for Shakti Bhog: ITC Limited and two other companies have submitted resolution plans for Shakti Bhog foods, a north India-based wheat flour manufacturer that has defaulted on Rs 7,000 crore of bank loans and is undergoing insolvency proceedings at the National Company Law Tribunal (NCLT). *[The Economic Times]*

Sahara India's life insurance business to be transferred to SBI Life: India's insurance regulator has identified SBI Life Insurance Company Limited (SBI Life), which is one of the largest life insurers in the country, as the acquirer insurer of the life insurance business of Sahara India Life Insurance Co. Ltd (SILIC). *[The Economic Times]*

India's 5G smartphone sales share tops 50% mark in April: The sales share of 5G smartphones in India crossed 50% mark for the first time in April with brands like Samsung and OnePlus capturing a third of the share, according to data by Counterpoint Research. *[Financial Express]*



MSMEs and Start-ups

Climate tech push - EV start-ups set to power India's next unicorn club In line with the country's target of reaching net-zero emission by 2070, Indian climate technology, especially the aspect that relates to start-ups in the electric vehicle (EV) space, has cornered a hefty chunk of investment, despite an ongoing funding slowdown. *[Business Standard]*

Uttar Pradesh to bring new policy for 'M-Sand' manufacturers, offer MSME-related benefits: M-sand works as a viable sustainable alternative for river sand which can have an environmental impact amid excessive sand mining. *[Financial Express]*

MSMEs - The Yet Untapped Opportunity for Banks: The Indian economy has been firing well on many cylinders and has been growing well on the resilience and potential of the Micro, Small, and Medium Enterprises (MSME) sectors. These enterprises, responsible for over 30% of the country's GDP and employing a staggering 110 million individuals. *[The Economic Times]*



Employment and Industrial Relations

G20 India - Employment Working Group reaches broad agreement for cross-country mobility and jobs database: The employment working group under India's G20 presidency has reached a broad agreement on the draft ministerial communique and outcome documents, paving the way for cross-country mobility of workers and extension of the Skills for Jobs Database to G20 countries to map skill gaps globally. *[The Economic Times]*

88 pc wage payment under MNREGS done through Aadhaar Based Payment System in May: National Payments Corporation of India data shows that there is a higher success percentage to the extent of 99.55 per cent or above where Aadhaar is enabled for Direct Benefit Transfer (DBT). In case of account-based payment such success is about 98 per cent, the data shows. *[The Economic Times]*

EPFO looks to increase equity investments: The retirement fund body will soon approach the finance ministry to seek its clearance for investing the proceeds from ETFs in any permissible asset class to maximise returns. *[The Economic Times]*

NPS withdrawal rule set to change - Soon you can opt for periodic withdrawal instead of lump sum: The Systematic Lumpsum Withdrawal feature will allow NPS subscribers to opt for periodic withdrawal — either monthly, quarterly, half-yearly, or annually — till the age of 75 years. *[The Economic Times]*



Industrial Finance

NCLT approves 180 resolution plans in FY23, totalling Rs 51,424 crore: The combined total liquidation value of the assets of 180 corporate debtors (CD) was at Rs 39,110.10 crore and the creditors received 131 per cent higher than it, according to data released by the Insolvency and Bankruptcy Board of India (IBBI). *[The Economic Times]*

NBFC Q4FY23 Updates - NBFC loan sanctions up 2% YoY in Q4, rises in investment sector: Loan sanctions by non-banking finance companies (NBFC) grew 2 per cent year-on-year (YoY) to Rs 4.46 trillion in the fourth quarter of Financial Year 2022-23 (Q4 FY23). *[Business Standard]*



Technology and Innovation

India's GCC market to hit \$110 bn by 2030 - EY: The Indian GCC industry is expected to have a headcount of over 4.5 million people by 2030, compared to the current base of about 1.9 million. According to the report, titled 'Future of GCCs in India – A Vision 2030', India has an excellent opportunity for GCCs and startups to work together as it accelerates the entire innovation journey. *[Financial Express]*

Minus Zero unveils India's first fully autonomous vehicle: Minus Zero, an artificial intelligence (AI) startup, unveiled Sunday what it claimed is India's first autonomous vehicle based on a camera-sensor suite. *[The Economic Times]*

75% of Indian businesses will increase investment on data streaming: With data streaming having become the backbone of several critical areas of a business, 75 per cent of Indian businesses are expected to increase their investment on data streaming as it is critical to business competitiveness. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Govt will come out with policies to get public transport in most Indian cities - Advisor to PM: The government will come out with policies to introduce public transport in most Indian cities, and the electric vehicle industry can expect "very large" support in this segment. *[The Economic Times]*

Torrent Power receives order for 3 hydro projects from Maha govt; will invest Rs 27,000 crore, employ 13,500 people: Torrent Power has signed a Memorandum of Understanding (MoU) with the government of Maharashtra for three pumped storage hydro projects with a total capacity of 5,700 MW. *[Financial Express]*

NHPC inks pact for developing 7,350 MW pumped storage hydro power projects in Maharashtra: State-owned power producer NHPC Ltd has signed an agreement with the Maharashtra government to build pumped storage hydro projects totalling 7,350 MW capacity with an investment of Rs 44,000 crore. *[Financial Express]*

Pharma City to attract investments worth Rs 20,000 crore - Industry expert: Industry experts are optimistic about the prospects of Pharma City in Hyderabad, anticipating an investment of Rs 20,000 crores. *[The New Indian Express]*



Sustainable Industrialisation

India's Samudrayaan project on track, construction of manned submersible vehicle apace - Kiren Rijju: The mission will investigate sustainable ways to develop ocean resources and balance the ecosystem. NIOT has already completed an unmanned mission, reaching a depth of over 7,000 metres. *[The Economic Times]*

Investors still warming up to ESG-focussed funds; asset base drops by Rs 2,020 cr in FY23: ESG investing is gaining traction globally, and India is also witnessing an increased awareness and interest in sustainable and responsible investment practices. *[The New Indian Express]*

Institutional investors, occupiers flock towards green-certified realty projects: A significant focus on setting long-term sustainability goals across industries is resulting in higher preference among global institutional investors and developers for green buildings with corporate office occupiers driving the shift towards climate-conscious properties with lower carbon emissions. *[The Economic Times]*

How data is fueling the growth for Electric Vehicles in India: Today, India is the fifth-largest global automotive market, which includes both ICE (Internal Combustion Engines) and electric vehicles, and is predicted to grow to be the third-largest market by 2030. *[BusinessToday]*



Sectoral News

Steel industry saved Rs 34,800 cr forex; added around 60 MT capacity in last 9 years - Minister Scindia:

The government policies for steel sector helped the country save Rs 34,800 crore in foreign exchange by reducing imports and added around 60 million tonnes (MT) of crude steel capacity. *[Financial Express]*

Global entertainment industry struggles with 215 billion piracy site visits: Anti-piracy authorities say they have cracked down on illegal streaming of films and TV programmes, but data suggests the practice is booming, reaching 215 billion illegal site visits last year. *[The New Indian Express]*

Vehicle sales see solid growth in May on robust demand despite price hike: There is no slowing down of demand for passenger vehicles (PV) as the country's top carmakers on Thursday reported a robust growth in May sales despite a significant price hike in April to meet the new emission norms. *[The New Indian Express]*

India bans 14 fixed-dose medicines for likely posing risks to health: The government on Friday banned 14 fixed-dose combination (FDC) medicines as they have been found to lack therapeutic justification and have been recommended to be banned by an expert panel. *[The Economic Times]*

Indian carriers plan to fly in 115 jets to fill up gap left by Go First: Indian carriers plan to add around 115 aircraft in this financial year to take advantage of the steadily growing number of passengers. A bulk of these aircraft will be inducted by market leader IndiGo and Air India and will be deployed on domestic routes itself. *[The Economic Times]*

As MTNL fails to turn profitable, govt may shift ops to BSNL: The decision has come in the wake of MTNL's continuous losses resulting in rising debt. An official in the know said that the decision had been almost finalised. The official added that MTNL would be shut down, and BSNL would take over its operations. *[Business Standard]*

Vodafone, Hutchison to announce UK merger as soon as tomorrow: Vodafone and CK Hutchison are in the final stage of agreeing to merge their British operations, with an announcement expected as soon as Friday or early next week. *[The Economic Times]*

India's May fuel demand rises 8% month-on-month: India's fuel consumption, a proxy for oil demand, climbed by 8% month-on-month in May to about 20.03 million tonnes, data from the Petroleum Planning and Analysis Cell (PPAC) of the Oil Ministry showed. *[The Hindu]*

Housing prices rise in 43 cities in Q4 of FY23 - NHB: As many as 43 cities out of 50 registered an increase in property prices during fourth quarter of 2022-23, according to the National Housing Bank (NHB) data released on Thursday. *[The Hindu]*

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