

# Industry Matters

Weekly Updates

August 25, 2023



## Economy, Industry and Policy

**Chandrayaan-3 lands on Moon - India becomes 4th country to land on lunar surface:** India has become the fourth country – after Russia, the U.S. and China – to land on the moon and also the first to land on the moon's South Pole. The new historic feat has cemented India's status as a global superpower in space. *[Mint]*

**Moody's affirms India's Baa3 rating with stable outlook:** Moody's Investor Service Friday affirmed India's 'Baa3' rating with a stable outlook. The ratings agency said that rising growth will contribute to higher income levels and overall economic resilience. *[The Economic Times]*

**Seventh Census result awaited, but work to begin on eighth:** India will begin work on the eighth economic census to get an updated account of formal and informal establishments across the country, which also helps prepare national accounts. *[The Economic Times]*

**RBI's new guidelines - Home loan borrowers can switch to fixed rate at reset:** The Reserve Bank of India (RBI) on Friday allowed floating-rate retail loan borrowers of banks and non-banking financial companies (NBFCs) to shift to fixed interest rates during the rate reset. *[Business Standard]*

**Up to 50% hike in PM-Kisan transfers likely:** The Centre is considering increasing the income support to farmers under the PM-KISAN scheme by Rs 2,000-3,000 per farmer household from Rs 6,000 now, and stepping up procurement under the minimum support price (MSP) to ensure that rural income levels don't fall in real terms. *[Financial Express]*

**16th Finance Commission expected to be set up by end of November - Finance Secy Somanathan:** The 16th Finance Commission, that gives suggestions on Centre-state financial relations, may be constituted by November end this year. *[The Economic Times]*

**India moves up to 11th position in global direct selling ranking:** India has moved up to 11th position in the ranking of top markets of direct sellers, with retail sales of USD 3.23 billion (around Rs 26,852 crore) in 2022, global industry body WFDSA said in a report. *[The Economic Times]*

**Election commitments, cash incentives push social welfare spends of 11 states to the highest level in FY24:** CRISIL on Wednesday pointed out that the social welfare spending of the largest 11 states, which account for 75-80% of the country's national output, has witnessed a jump since FY18, with the sector accounting for 1.7% share of the GSDP in FY24, compared with 1.2-1.3% earlier. *[The Economic Times]*



## Foreign Investment

**India has moved from red tape to red carpet in last 9 yrs - PM Modi at G20:** Prime Minister Narendra Modi on Thursday said India has moved from "red tape" to "red carpet" and has enabled unfettered Foreign Direct Investment (FDI) inflows in the last nine years. *[Business Standard]*

**Reliance Retail funding - QIA to invest Rs 8,278 crore for 0.99% stake in RRVL:** Reliance Retail Ventures Ltd (RRVL) on Wednesday announced that it will receive a funding of Rs 8,278 crore by Qatar Investment Authority (QIA) through a wholly-owned subsidiary. *[Financial Express]*

**Stricter disclosure norms for FPIs will come into effect from Nov 1 – Sebi:** Under these regulations, overseas funds that hold more than 50 per cent of their equity investments in a single Indian corporate group, or have more than Rs 25,000 crore of equity assets under management (AUM) in the Indian market, will have to provide detailed information about their beneficial owners. *[Business Standard]*



## Trade Policy and Competitiveness

**Lithium to niobium, export ban on 4 critical new energy metals on the table:** In a strategic move aimed at ensuring India's self-sufficiency in crucial minerals, which are vital for defence, aerospace, and battery storage industries, the government is considering imposing an export ban on four key metals — lithium (Li), beryllium (Be), niobium (Nb), and tantalum (Ta). *[Business Standard]*

**India, Kuwait bilateral trade touches all-time high of USD 12.5 billion, says Indian envoy:** Trade between the two countries has seen a 90 per cent yearly jump and while currently it is skewed towards hydrocarbon exports from Kuwait and exports of mainly food products from India. *[The Economic Times]*

**Apple, Google and others want US government to push India to reconsider laptop, PC import curbs:** Major global information technology and electronics manufacturing giants such as Apple, Intel, Google, Lenovo, Dell Technologies, HP, and others have called on the US government to "use every available forum" to push India to reconsider implementing the import restriction policy on IT hardware. *[The Economic Times]*

**Self-reliance in toys - 52% drop in toy imports in 9 years, 6x jump in exports - MSME Min Narayan Rane:** MSME Minister Narayan Rane hailing the toy sector's performance over the past nine years said toy imports have witnessed a decline of 52 per cent while exports have jumped sixfold. *[Financial Express]*

**India's foreign trade down 2.5% on-yr in Jan-June:** India's exports and imports of goods and services declined 2.5% on-year in January-June 2023 at \$800.9 billion, think tank Global Trade Research Initiative (GTRI) said Monday. *[The Economic Times]*

**RBI encourages banks to settle trade with UAE in local currency:** The move aims to reduce the outflow of dollars from India and provide benefits to traders by facilitating trade in local currency, India had a trade deficit of \$21.62 billion with the UAE, and trading in local currency is seen as an effective strategy to address the outflow of dollars. *[The New Indian Express]*

**India set to ban sugar exports for first time in seven years:** India is expected to ban mills from exporting sugar in the next season beginning October, halting shipments for the first time in seven years, as a lack of rain has cut cane yields. *[The Economic Times]*

**Asean, India likely to reevaluate duty cuts, non-tariff measures:** India and the Association of Southeast Asian Nations (Asean) are likely to reevaluate duty cuts, non-tariff measures, safeguard and anti-dumping duties as part of the review of their existing free trade agreement. *[The Economic Times]*



## Corporate Governance

**Titan to acquire CaratLane promoter's balance stake for ₹4,621 crore:** Titan Company Ltd. said it had signed a share purchase agreement with the founder of CaratLane Trading Private Ltd. and his family members to acquire all the shares held by them, representing 27.18% of the total paid-up equity share capital (on a fully diluted basis) of CaratLane, for a total consideration of ₹4,621 crore. *[The Hindu]*

**Adani enters hospitality business, forms JV firm:** Adani Airport Holdings Limited (AAHL), a subsidiary of Adani Enterprises, on late Monday said it has incorporated a joint venture company Tabemono True Aromas Private Limited (TTAPL) with Travel Food Services Private Limited (TFS) to mark its entry in the hospitality sector. *[The New Indian Express]*

**Reliance Industries to commission first phase of solar module factory by March:** Reliance Industries (RIL) is planning to commission the first phase, 5 giga watt (GW), of its 20 GW module manufacturing capacity by March 2024, said two people familiar with the development. *[The Economic Times]*

**Reliance Retail launches youth-centric fashion brand 'Yousta'; opens first store in Hyderabad:** Indian retail giant, Reliance Retail launched its youth-centric fashion brand 'Yousta', the company announced on Thursday. It also opened its first store in Hyderabad's Sarath City Mall. *[The Economic Times]*



## MSMEs and Start-ups

**Majority of Indian small businesses plan website investments, says GoDaddy India study:** The survey found more the majority of Indian small businesses plan to implement marketing activities for their website, including advertising on social media platforms (77%), creating a responsive design for their website (70%), positioning the company better on search engines (70%), and monitoring the traffic of their pages (68%). *[The Economic Times]*

**Alternate financing to capitalise on \$500B SME credit opportunity in India - Redseer-GetVantage:** The India Digital SME Credit Report 2023 released today in collaboration between GetVantage and Redseer Strategy Consultants estimates that a potential US\$ 220 Bn credit deficit poses a roadblock to unlocking the economic potential of millions of digitised businesses. *[The Economic Times]*



## Employment and Industrial Relations

**IT service providers - Hiring down, attrition (back) up - ISG:** Attrition in the global information technology (IT) sector rose in the June quarter for the first time in over a year. This, combined with the industry-wide slowdown in hiring, means that companies can expect some challenges in finding in-demand skills for their engagements. *[Business Line]*

**Deadline for mandatory use of Aadhaar-based payment for MGNREGA workers not to be extended beyond Aug 31:** The deadline for implementing Aadhaar-based payment system as the only mode of payment to workers under Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA) will not be extended beyond August 31. *[The Economic Times]*

**EPFO adds 17.9 lakh members in June:** Employees Provident Fund Organisation (EPFO) has added 17.89 lakh members in June. The data reveals that 3,491 establishments have extended social security coverage of EPFO to their employees during the month. *[The Economic Times]*

**India's labor market shows promising growth with increased youth participation - PLFS:** India's labour market is undergoing discernible expansion with the data from the periodic labour force survey (PLFS) showing a burgeoning trend of youth and individuals from varied age groups actively joining the workforce. *[The Economic Times]*



## Industrial Finance

**Promoters are clearing their dues faster under the threat of insolvency:** Many companies' managements have reportedly paid back their dues shortly after lenders filed cases with the National Company Law Tribunal (NCLT), out of fear of losing control over their companies. *[The Economic Times]*

**Power Finance Corporation gets 1.85 bn Japanese yen loan from JBIC finance:** State-owned Power Finance Corporation has secured a loan of 1.85 billion Japanese yen (about Rs 105 crore) from JBIC financing. The funds will be used to finance a 11.5 MW waste-to-energy project of KPC Gas Power Corporation in Karnataka. *[Financial Express]*

**CBI registers FIRs against Varun Ind for Rs 388 cr bank loan fraud:** The Central Bureau of Investigation has registered two separate cases against Mumbai-based Varun Industries Ltd for allegedly defrauding two public sector banks for an amount to the tune of Rs 388.17 crore. *[The Economic Times]*



## Technology and Innovation

**Develop framework for safe, responsible use of Artificial Intelligence - PM:** Prime Minister Narendra Modi on Saturday suggested developing a framework for the safe and responsible use of Artificial Intelligence, a technology which is the simulation of human intelligence processes by machines, especially computer systems. *[Business Standard]*

**Procurement by CPSEs via GeM grew by 74% to Rs 42,510 crore in Apr-Jul:** The procurement of goods and services by central public sector enterprises (CPSEs) through Government e-Marketplace (GeM) grew 74 per cent to Rs 42,510 crore during the first four months of 2023-24 over the corresponding period in the previous year. *[Business Standard]*

**Now, wearable cos bet on smart rings:** After smart watches around your wrists, it's the time for smart rings around your fingers. Top homegrown brands Boat and Noise are chasing premium fitness enthusiasts with smart rings. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**Rajasthan govt plans to allocate Rs 5,200 cr to strengthen road network:** The state government has sanctioned around Rs 462 crore for 323 road projects, including development and repairs in urban and rural areas. These works will take place in various districts, including Dholpur, Barmer, Jaisalmer, Alwar, Bharatpur, Jaipur, Hanumangarh, Ajmer, and Sriganganagar. *[Business Standard]*

**1,300 railway stations being modernised under Amrit Bharat scheme - Rail Minister Vaishnaw:** Railway Minister Ashwini Vaishnaw on Monday said 1,300 railway stations, including Gwalior in Madhya Pradesh, are being redeveloped and modernised under the 'Amrit Bharat Station Scheme'. *[The Economic Times]*

**PPP push - FinMin asks infra depts to identify projects for private partnership:** The move is aimed at drawing greater private capital into public infrastructure and reducing delays in project implementation. *[The Economic Times]*

**TN and WEF mull setting up Centre for Advanced Manufacturing to boost industries:** Tamil Nadu is planning to establish a Centre for Advanced Manufacturing in the city, aimed at supporting companies in innovation, sustainability, research and development endeavors. *[The Economic Times]*

**13,065 km of state roads, highways upgraded to NHs, shows MoRTH data:** Andhra Pradesh has experienced one of the highest rates of conversion of its roads into national highways. *[Business Standard]*



## Sustainable Industrialisation

**NTPC starts trial run of hydrogen bus in Leh:** State-owned power giant NTPC has started a trial run of a hydrogen bus in Leh. Towards achieving carbon-neutral Ladakh, NTPC is setting up a hydrogen fuelling station, solar plant and providing five fuel cell buses for operation on intracity routes of Leh. *[The Economic Times]*

**Electricity usage by EVs rises from 4.56 mn units in Sep last year to 14.44 mn units in July 2023 - MSEDCL:** The power usage for electric vehicles (EVs) rose more than three-fold from 4.56 million units in September last year to 14.44 million units in 2023. *[The Economic Times]*

**BHEL manufactures first set of indigenous SCR Catalysts to limit NOx emission:** State-owned engineering firm Bharat Heavy Electricals Ltd (BHEL) on Wednesday said it has successfully manufactured the first set of indigenous SCR Catalysts for limiting NOx emissions from thermal power plants. *[The Economic Times]*

**Shippers bet on green methanol to cut emissions, supply lags:** Container shippers are ordering vessels powered by methanol to reduce greenhouse gas emissions, but it will take years for renewable methanol output to meet demand and for costs to fall. *[The Economic Times]*



## Sectoral News

**India in final stages of introducing national policy to promote R&D in pharma-medical devices sectors - Union minister Mandaviya:** Union Health Minister Mansukh Mandaviya on Sunday said India is in the final stages of introducing a national policy to promote research, development and innovation in the pharma-medical devices sectors. *[The Economic Times]*

**Proposed PLI scheme for garments takes backseat over low criteria for investment, turnover:** The Textile Ministry's proposal for a new Production Linked Incentive (PLI) scheme exclusively for the garments and made-ups sector, with lower minimum investment and production criteria, may have been consigned to the back seat for the moment. *[Business Line]*

**India's fuel subsidies fourth largest in the world, shows IMF data:** India provided the fourth largest fuel subsidies among countries in absolute terms in 2022 preceded by China, the United States and Russia. *[Business Standard]*

**Centre rolls out Rs 5,000 crore RLI scheme for pharma, med-tech sectors:** The Centre has rolled out a Rs 5,000 crore research-linked-incentive (RLI) scheme for pharmaceuticals and med-tech sector to strengthen the research infra in the country and promote more industry-academia linkages for research and development (R&D). *[Business Standard]*

**Centre weighing one-year extension for auto PLI:** The Centre is considering a one-year-extension for the Rs 25,938-crore production-linked incentives scheme for the automotive sector after none of the participating companies qualified for subsidies in the first year of the plan. *[The Economic Times]*

**Hotel industry's contribution to India's GDP to hit \$1 trillion by 2047 - HAI:** The direct contribution of Indian hotel industry to the country's GDP is estimated to touch \$1 trillion by 2047 driven by a significant jump in domestic tourist visits and international arrivals. *[The Economic Times]*

**Tata Communications launches cloud-based roaming lab for 5G trials:** Telecom firm Tata Communications on Wednesday announced the launch of its cloud-based 5G roaming laboratory, which will enable mobile network operators to trial 5G standalone network use cases before introducing the service to their subscribers. *[Business Standard]*

**India likely to present incentives for ailing textile industry by December - Trade body:** India's government is likely to announce fiscal incentives for the ailing textile and apparel industry by the end of this year. *[The Economic Times]*

**Indian hosiery sector stitches up revenue growth of Rs 36,000 cr, 18-20% higher on-year:** The Indian hosiery industry will stitch up revenue of Rs 36,000 crore this fiscal, 18-20% higher on-year, riding on a revival in rural demand. *[The Economic Times]*

**ISID** Institute for Studies in Industrial Development  
An institution of Indian Council of Social Science Research (Ministry of Education)  
4 Vasant Kunj Institutional Area, New Delhi - 110070, India

Follow us at



**Disclaimer:** *Industry Matters* is a weekly news update on Indian economy, industry, and policy compiled at ISID from various newspapers and e-resources. ISID does not guarantee the truthfulness, accuracy, or validity of the news items linked in the above message. It is shared for informational and educational purposes to facilitate and support research and information on Indian industry. It is not a commercial product and all copyrights remain with those of the respective copyright holders. Images are sourced from the web.

**Team Members:** Satyaki Roy, Swati Verma, Sangeeta Ghosh, B Dhanunjai Kumar, Amitava Dey & Rakesh Gupta.  
Compiled by: Rakesh Gupta, Edited by Sangeeta Ghosh.

To unsubscribe please [click here](#)