

Industry Matters

Weekly Updates

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Economy, Industry and Policy

India's economic growth rises to a four-quarter high of 7.8% in Q1: India's economy expanded 7.8% in the first quarter of FY24, in line with expectations, owing to a pick-up in private consumption growth and continued capex growth despite global headwinds. *[The Economic Times]*

Manufacturing activity rises to the second fastest pace in three years in August: The seasonally adjusted S&P Global India Manufacturing Purchasing Managers' Index (PMI) rose to 58.6 in August compared with 57.2 in July. *[The Economic Times]*

India's GST collections up 11 per cent to Rs 1.59 lakh cr in August: India's goods and services tax collections grew to Rs 1.59 lakh crore in August, up 11 per cent on a year-on-year basis, the Finance Ministry said in a statement on Friday. The collection from Goods and Services Tax (GST) was Rs 1,43,612 crore in August 2022. *[The Economic Times]*

All-India House Price Index rises 5.1 per cent in Q1FY24 - RBI data: The all-India House Price Index (HPI) rose by 5.1 per cent in the April-June quarter of 2023-24 as compared with 3.4 per cent a year ago, according to data released by the Reserve Bank of India on Thursday. *[The Economic Times]*

Capital outlay for roads and renewables expected at ₹13-lakh crore in FY24 and FY25 - Crisil: The combined capital outlay for roads and renewables in the current and next fiscal is seen rising to around ₹13-lakh crore, a 35 per cent growth compared with the preceding two fiscals. *[Business Line]*

Growth prospects remain solid for next year - CEA: India remained the world's fastest-growing major economy in the June quarter, ahead of China (6.3% growth), Indonesia (5.2%), Mexico (3.6%) and Japan and the US (2.1% each). *[The Economic Times]*

Centre's fiscal deficit up to July widens to almost 34% of FY24 target: The Central government's fiscal deficit in the first four months of FY24 stood at 33.9% of the annual target, sharply higher than 20.5% a year before, as revenue spending, on a year-on-year basis, doubled in the month of July on top of a sustained hike in capital spending. *[The Economic Times]*

India's core sector output slowed to 8% in July 2023: Output of eight key infrastructure sectors — known as the core sector — marginally slowed to 8 per cent in July from 8.3 per cent in June. This is due to a low base effect and positive growth in all the eight sectors during the month. In July last year, the core sector had grown by 4.8 per cent. *[Business Standard]*

Like India, quarterly GDP growth also up in other large economies: China, Japan, the United States (US), and the United Kingdom (UK) have shown a stronger rate of gross domestic product (GDP) growth in the second quarter (Q2) of calendar year 2023 (CY23) compared to the previous quarter. *[Business Standard]*

PLI for IT hardware 2.0 sees applications from 40 firms, proposed investment Rs 4.65 lk cr: The revised production-linked incentive (PLI) scheme for IT hardware has been oversubscribed with interest from 40 companies, with expected incremental investments to the tune of Rs 5,010 crore for additional production worth Rs 4.65 lakh crore over the coming six years. *[The Economic Times]*

India at cusp of new private capex cycle; UP, Gujarat, Maharashtra, Odisha bagging most investments: After analysing official data from 2005 to 2022, India Ratings and Research said Uttar Pradesh, Gujarat and Maharashtra continue to dominate fresh capex allocation, while Odisha is getting attention with projects spread across textile, steel and power sectors. *[The Economic Times]*



Foreign Investment

FPI net inflows into debt market hit highest amount in past 6 year: FPIs have invested Rs 6,067 crore into Indian debt in August (till 29th), as against Rs 3,113 crore in July, data from the National Securities Depository Limited (NSDL) showed. With the exception of March, FPIs were net buyers of Indian debt every month this year. *[Business Standard]*

India's outward FDI rises to \$1.85 bn in July 2023 - RBI data: Interrupting a two-month streak of decline, outward foreign direct investment (FDI) rose sequentially to \$1.85 billion in July over \$1.07 billion in June, an increase of 73 per cent. *[Business Standard]*

FPIs invest Rs 10,689 crore in August; pace of investment slows: After infusing a staggering amount in Indian equities in the past three months, the pace of inflow from foreign investors ebbed in August with a net investment of Rs 10,689 crore on higher crude oil prices and the resurfacing of inflation risks. *[The New Indian Express]*

FDI inflows down 34 per cent year-on-year in April-June FY24: FDI inflows were \$16.59 billion during April-June 2022-23, data released by the Department for Promotion of Industry and Internal Trade (DPIIT) showed. *[The Economic Times]*



Trade Policy and Competitiveness

Government likely to extend export benefits under RoDTEP scheme for pharma, steel, chemical sectors: The government is expected to extend export benefits under the RoDTEP scheme to iron and steel, chemicals and pharmaceutical sectors beyond September 30. *[The Economic Times]*

Govt to tap districts for enhancing exports - DGFT: Director General of Foreign Trade (DGFT) Santosh Sarangi on Friday said that the government will go to the districts to enhance exports. Seventy districts in the country account for 80 per cent of the country's exports total exports. *[The Economic Times]*

India, Greece commit to double bilateral trade by 2030: India and Greece on Friday agreed to upgrade bilateral ties to a strategic level and double the two-way trade by 2030. Prime Minister Narendra Modi paid an official visit to the Hellenic Republic at the invitation of Prime Minister of Greece Kyriakos Mitsotakis. *[The Economic Times]*

India's exports increased despite recession, registering lowest inflation - Piyush Goyal: India's exports from Coimbatore have increased to \$776 billion USD from \$500 billion USD in just two years, despite challenges such as the recession and the Russia-Ukraine war. *[The Economic Times]*

Engineering exports to Russia more than doubled in July - EEP: Engineering goods exports to Russia continued its uptrend and more than doubled to USD 123.65 million in July 2023 as against USD 55.65 million in the corresponding period a year ago. *[The Economic Times]*

DGTR suggests anti-dumping duty on Chinese toughened glass for home appliances: The commerce and industry ministry has recommended anti-dumping duty worth \$41.8-243 per metric ton of toughened glass for home appliances imported from China. *[The Economic Times]*



Corporate Governance

Tata Motors unit unveils new brand identity for electric vehicles: Tata Passenger Electric Mobility Ltd (TPEML), a subsidiary of Tata Motors, on Tuesday launched a new brand identity, Tata.ev. as it prepares to introduce 10 new electric vehicles (EV) by 2026. *[Business Standard]*

M&As likely to witness a strong comeback as PEs bet more cash in India: Mergers and acquisitions (M&As) in India are expected to stay buoyant, seen over the last three-four years, despite a slowdown in the first seven months of the calendar year. *[Business Standard]*

Nestle India enters into millets-based Ready-to-Make category: FMCG maker Nestle India has entered into the millets-based Ready-to-Make (RTM) market by extending its nutrition brand a+ in the category. *[The Economic Times]*

UST acquires MobileComm to bolster its position in telecom vertical: UST, a US-based digital transformation solutions company, has acquired MobileComm, a global telecom engineering firm, to strengthen its position in the telecommunications vertical. *[Business Standard]*



MSMEs and Start-ups

Zepto first start-up to become unicorn in 2023, plans to go public by 2025: Online grocery delivery start-up Zepto has finally ended the country's unicorn drought. The company raised \$200 million in Series-E funding, valued at \$1.4 billion, and this is the first start-up to join the unicorn club in 2023. *[The New Indian Express]*

Funding galore in spacetechn start-ups; \$62 mn infused this year: From just \$35 million funds raised between 2010 and 2019, the Indian spacetechn sector has already attracted \$62 million in funding so far this year, which is a 60% increase as compared to the same period last year. *[The New Indian Express]*

Bank credit to micro, small enterprises up 17% in July - RBI The gross bank credit deployed in July 2023 to micro and small enterprises (MSEs) under priority sector lending by scheduled commercial banks grew 16.9 per cent in comparison to 17.8 per cent growth during July last year. *[Financial Express]*



Employment and Industrial Relations

Formal job creation shows mixed results in June: Formal job creation showed mixed results in June, with the net enrollments under the Employees' Provident Fund Scheme rising 29% compared with the previous month. *[The Economic Times]*

86% of employees feel reskilling can help decrease unemployment: Over 86 per cent of respondents feel reskilling and upskilling can reduce unemployment and help employees easily adapt to the evolving demands of the modern work environment. *[Business Standard]*

Amid economic headwinds, IT services sector faces downward hiring trend: Amid macroeconomic headwinds affecting the US and Europe, IT services sector faces a downward hiring trend of 25-30%. *[The New Indian Express]*

Over 5 lakh job letters given by Centre since Oct 2022, 10 lakh target by year-end - B L Verma: The Indian government has distributed job letters to 5.5 lakh (550,000) youth since October and aims to provide 10 lakh (1 million) jobs by the end of the year. *[The Economic Times]*

Centre extends deadline till Dec 31 for enabling Aadhaar-based payment for MGNREGA workers: The government has again deferred the plan to make the Aadhaar-Based Payment System (ABPS) compulsory for settling wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). *[The Economic Times]*



Industrial Finance

Banks to set up portal with real-time information to handle digital frauds: Banks are planning to set up a common negative registry of fraudsters to provide real-time information to all banks to prevent digital fraud. *[Business Standard]*

MFs' investment in NBFC CPs crosses ₹1 lakh crore for the first time since August 2019: Mutual funds' investment in commercial papers (CPs) issued by non-bank financial companies (NBFCs) crossed the ₹1 lakh crore mark for the first time in July 2023, since August 2019. *[Business Line]*

Average resolution time under IBC touches three-year high in June quarter: Report: The timeline for completion of resolution under the Insolvency and Bankruptcy Code (IBC), which was established in 2016, is 270 days, and can be extended subject to certain conditions. *[The Economic Times]*



Technology and Innovation

UPI crosses 10 billion transactions for the first time in August: Instant payment system Unified payments interface (UPI) has crossed the historical mark of 10 billion transactions for the first time in the month of August. *[The Economic Times]*

IT Services' revenue growth to halve to 3-5% in FY24 - ICRA: Macroeconomic uncertainty in key markets for the IT services sector will drag down growth to 3-5% in fiscal 2024, said a report by ICRA on Tuesday. This compares to 9.2% growth reported in the previous fiscal. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

PM Gati Shakti - 100 infra projects worth Rs 5.89 lakh crore recommended for approval so far this fiscal: As many as 100 big ticket infrastructure projects of different ministries worth Rs 5.89 lakh crore have been recommended for approval under the PM Gati Shakti initiative so far this fiscal. *[The Economic Times]*

Plan on track to convert expressways into industrial corridors in UP: To strengthen its trillion-dollar economy road map, the Uttar Pradesh government will convert expressways into corridors for an array of industries, including manufacturing and food processing. *[Business Standard]*

Maruti Suzuki looking to invest around Rs 45,000 crore to double production capacity: Maruti Suzuki, the country's largest carmaker, is looking at investing about Rs 45,000 crore to double production capacity to four million units per annum by the end of the decade. *[The Economic Times]*



Sustainable Industrialisation

NITI Aayog, UNDP partner to further India's sustainable development goals: NITI Aayog and the United Nations Development Programme (UNDP) will create a framework to better cooperate in various areas to help progress India's sustainable development goals (SDGs). *[Business Standard]*

BPCL to spend \$18.16 bn in oil, green energy over 5 years: Indian refiner Bharat Petroleum Corp plans to invest \$18.16 billion over five years to grow its oil business and expand its renewable energy portfolio as it aims for a 2040 net zero goal. *[The Economic Times]*

'PM-eBus Sewa' scheme to be rolled out in 5-6 months - Urban affairs ministry: The 'PM-eBus Sewa' scheme, under which 10,000 electric buses will be provided to 169 cities under a public-private partnership (PPP) model, will be rolled out in the next five-six months. *[The Economic Times]*

E-commerce, FMCG demand for EVs in superfast lane: Demand for electric vehicles (EVs) by ecommerce companies and consumer goods makers of daily essentials has doubled from last year as they look to save costs by over half and meet carbon emission reduction targets. *[The Economic Times]*



Sectoral News

IT hardware PLI - Focus shifts from exports to import substitution: It started out as a Production Linked Incentive (PLI) scheme to make India an export hub. But after many a twist and turns, the latest 2.0 PLI for IT hardware, for which the 40 eligible candidates have applied till its deadline, is now focused on 'import substitution'. *[Business Standard]*

Textiles Ministry extends deadline for fresh applications for PLI scheme till Oct 31: The Textiles Ministry has decided to extend the deadline for fresh applications under the Production Linked Incentive (PLI) scheme for textiles, covering MMF (man made fibre) apparel, MMF fabrics and products of technical textiles, by another two months, till October 31 2023. *[Business Line]*

Government to review auto industry PLI scheme: The Ministry of Heavy Industry (MHI), chaired by Union minister Mahendra Nath Pandey, on Tuesday, will review the production linked incentives (PLI) scheme for the auto industry. *[The New Indian Express]*

106 pc rise in foreign tourist arrivals in India in 2023 for Jan-Jun period: The number of foreign tourists who arrived in India this year during January-June is 106 per cent more than the figure for the corresponding period in 2022. *[The Economic Times]*

India to start lithium, other critical mineral blocks auction in next four months, Mines Secretary Vivek Bharadwaj says: India is preparing to start the auction process for some 100 critical mineral blocks in the next four months, as part of plans to secure domestic supplies of the raw materials needed to fuel the green energy transition. *[The Economic Times]*

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