

Industry Matters

Weekly Updates

September 08, 2023



Economy, Industry and Policy

G20 Presidency - World needs to move towards human-centric globalisation - PM: In order to combat the problem of climate change, Prime Minister Narendra Modi said that the world needs to move away from a purely restrictive attitude on what should not be done to a more constructive attitude focusing on what can be done to fight climate change. *[The Financial Express]*

Moody's raises India's growth forecast to 6.7% for 2023 on robust underlying economic momentum: Moody's Investors Service on Friday raised India's growth projection for 2023 calendar year to 6.7 per cent citing upside to growth performance helped up robust underlying economic momentum. *[Financial Express]*

RBI to discontinue incremental cash reserve ratio in a phased manner: The Reserve Bank of India on Friday announced that it will discontinue incremental cash reserve ratio (I-CRR) in a phased manner. I-CRR will be phased out 25 per cent each on September 9 and September 23, while the rest will be released on October 7. *[The Economic Times]*

Cabinet approves viability gap funding for battery storage system: The Union Cabinet has approved a scheme for providing viability gap funding (VGF) for developing battery storage of 4 gigawatt (Gw) by 2030-31. *[Business Standard]*

93% of Rs 2,000 notes back with banks - RBI: The total value of Rs 2,000 notes received back from circulation is Rs 3.32 lakh crore up to August 31, accounting for 93% of the bills in use as on May 19, when the banking regulator ordered the recall and cut short the shelf life of the banknotes introduced in the immediate aftermath of the November 2016 currency note swap. *[The Economic Times]*

CBDT signs 95 APAs in FY'23, highest ever since launch: The Income Tax department has signed 95 advance pricing agreements (APA) in 2022-23 -- the highest ever in any financial year since its launch in 2012. *[The Economic Times]*



Foreign Investment

US retailer Walmart pays \$3.5 billion to increase stake in Flipkart: Parent Walmart paid \$3.5 billion to acquire shares in Flipkart from non-controlling stakeholders, including co-founder Binny Bansal, and settle some liabilities with some PhonePe shareholders. *[Business Standard]*

India Inc must step up FDI in ASEAN: India is reviewing its free trade agreement with the 10-member Association of Southeast Asian Nations that was inked 13 years ago as part of its Look East policy. *[Financial Express]*

Japanese companies are increasingly looking at India as their China+1 partner: Daiwa CEO: Japanese financial services firm Daiwa, which recently announced its intentions to expand its presence in India through an investment in Ambit Pvt Ltd. *[The Economic Times]*

Hinduja Group plans to make investments in Nigerian auto industry: The Hinduja Group is planning to make billions of dollars of investment in Nigeria's auto industry. The group is in talks with Nigerian president in New Delhi. *[Mint]*



Trade Policy and Competitiveness

Trade pacts with G20 member countries can help India boost exports - CII EXIM panel chairman Sanjay Budhia: Negotiating trade pacts with certain G20 countries and diversifying exports to regions like Brazil and Mexico could help India boost outbound shipments and manufacturing in the years to come. *[Financial Express]*

India removes additional duties on certain US products: India has removed additional duties on about half a dozen US products, including chickpeas, lentils and apples, which were imposed in 2019 in response to America's decision to increase tariffs on certain steel and aluminium products. *[Financial Express]*

India's services sector activity moderates in Aug; exports expand at series record pace: India's services sector activity eased in August but growth rates for new orders remain elevated, as services firms indicated the sharpest upturn in new export business which acted as a catalyst for firms to expand their workforces as well as output. *[Financial Express]*

Govt for enhanced export control of dual-use items: The government will ensure enhanced export control of dual-use items so that these do not fall into the hands of non-state actors and terrorists. *[Financial Express]*

India Proposes Anti-Dumping Duty on Chinese Glass for Home Appliances Amid Concerns of Cheap Imports: The Commerce Ministry has recommended anti-dumping duty of up to \$243 per tonne of import of Chinese glass used in home appliances with a view to guard domestic players from cheap inbound shipments from the neighbouring country. *[The Hindu]*

India, ASEAN agree to deepen comprehensive strategic partnership with concrete actions: India and 10-nation ASEAN on Thursday agreed to deepen their comprehensive strategic partnership with concrete actions through practical implementation of the 'Plan of Action' to implement the ASEAN-India partnership for peace, progress and shared prosperity. *[The Economic Times]*



Corporate Governance

Biocon Expands Footprint in the U.S. with \$7.7 Million Acquisition of Eywa Pharma's Manufacturing Facility: Biotechnology major Biocon on Saturday said its unit had acquired Eywa Pharma Inc.'s oral solid dosage manufacturing facility in the U.S. for \$7.7 million (more than ₹63 crore). *[The Hindu]*

Larsen & Toubro snaps up nearly \$4 billion order from Saudi Aramco: Engineering conglomerate Larsen & Toubro (L&T) has secured a multi-billion-dollar contract from Saudi Aramco, according to informed sources. A West Asian business intelligence website estimated the total value of the order at \$3.9 billion. *[Business Standard]*

Reliance Retail Ventures in talks with investors to raise another \$2.5 bn: According to a Reuters report, the company intends to raise \$2.5 billion, which is part of a combined target of \$3.5 billion, and plans to complete this exercise by the end of the quarter. *[Business Standard]*

Torrent Pharmaceutical leads in the race to acquire its rival Cipla: Torrent Pharmaceuticals has emerged as a frontrunner to acquire its rival Cipla with a non-binding offer that's more than 30 per cent higher than American private equity giant Blackstone's bid. *[Business Standard]*



MSMEs and Start-ups

Prime Minister Narendra Modi to launch PM Vishwakarma Scheme for artisans on September 17: The government's PM Vishwakarma scheme to provide credit to artisans and craftspeople is set to be launched by Prime Minister Narendra Modi on the occasion of Vishwakarma Jayanti on September 17. *[Financial Express]*

RBI urges fintech firms to set up self-regulatory body soon: Reserve Bank of India governor Shaktikanta Das on Wednesday asked fintech players to set up a self-regulatory organization within a year. *[Mint]*

Rajasthan to set up Rs 52 crore iStart Innovation School Hub to boost startups, entrepreneurship: The Rajasthan government in a release on Friday announced the approval of a financial proposal of Rs 52.26 crores by Chief Minister Ashok Gehlot for the establishment of an iStart Innovation School Hub to support the growth of the startup ecosystem in the state. *[Financial Express]*



Employment and Industrial Relations

MGNREGS work demand increases 20% on low August rains: Around 19.16 million households sought work under the flagship Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in August 2023. *[Business Standard]*

White-collar hiring falls 6% in August on cautious sentiment in IT, auto sectors: White-collar hiring in India witnessed a 6% year-on-year decline in August following cautious sentiment in IT, insurance, auto, healthcare and BPO sectors. *[The Hindu]*

Festive season to add 400,000 new gig jobs in South India: As the festive season approaches, South India is expected to witness an influx of gig job opportunities in the e-commerce sector. Staffing solutions provider TeamLease Services forecasts an addition of 400,000 new gig jobs across South Indian cities. *[Business Line]*

Goldman Sachs plans fresh round of job cuts by next month: Goldman Sachs Group Inc. is planning to perform another round of job cuts to dismiss its underperformers as soon as next month as part of its annual evaluation of staff. *[Mint]*



Industrial Finance

EPFO granted permission to invest in equities and related investments: The government has permitted the Employees Provident Fund Organisation (EPFO) to invest proceeds arising out of the sale or redemption of investments in equities and related investments. *[Business Line]*

Working with health insurers to ensure 100% cashless claim settlement soon - IRDAI: Insurance sector regulator IRDAI on Wednesday said it is working with health insurance providers to ensure 100 per cent cashless settlement of medical expense claims as soon as possible. *[The New Indian Express]*

Bank credit outstanding to real estate rises to record Rs 28 lakh crore in July - RBI: Bank credit to housing as well as commercial real estate witnessed nearly 38 per cent annual growth in July, taking the loan outstanding to the realty sector to a record Rs 28 lakh crore. *[The Economic Times]*

Exide's lithium-ion cell project secures Rs 2,000 crore line of credit from banks: Exide Industries Ltd's Rs 6,000 crore lithium-ion cell manufacturing project has secured a line of credit of Rs 2,000 crore from banks. *[The Economic Times]*

Rare Asset Reconstruction Company to acquire Chennai-based Rainbow Papers' debt: Banks led by Indian Overseas Bank (IOB) have given the go-ahead to transfer the Rs 873 crore debt of Chennai-based Rainbow Papers to Rare Asset Reconstruction Company (Rare ARC) for Rs 160 crore or an 18% recovery. *[The Economic Times]*



Technology and Innovation

India begins journey to study sun; Aditya L1 lifts off successfully: Aditya-L1 signifies India's entry into the frontiers of solar research and will be a big leap in comprehending the sun's complex phenomena. *[The New Indian Express]*

Jio Platforms collaborates with NVIDIA to build cloud-based AI compute infrastructure in India: Jio Platforms Limited on Friday announced its plans to build a state-of-the-art cloud-based AI compute infrastructure to accelerate India's position as a growing force in artificial intelligence, in collaboration with NVIDIA. *[Financial Express]*

ONDC, Google Cloud announce collaboration to advance e-commerce in India with generative AI: ONDC and Google Cloud will launch an India-wide hackathon aimed at catalyzing innovation and addressing critical challenges for the next billion digital users in the country. *[Financial Express]*

80% of organisations intend to raise cloud spending next year - Infosys: Sixty-seven per cent of companies have upped their cloud spending this year, with 80 per cent planning to do so next year, according to the latest findings from Infosys Cloud Radar 2023. *[Business Standard]*

Locally made iPhone 15 to go on sale in India soon after Sept 12 launch: As per media reports, production of the iPhone 15 began in China in June this year. With Apple looking to diversify its supply chain away from China, catering the Indian market with locally manufactured devices is a big step in that direction. *[Business Standard]*

52% of organisations express security concerns in using GenAI: Even as generative artificial intelligence (GenAI) is being deployed across organisations, 52 per cent of the respondents expressed security as a top concern, according to the latest CIO (chief information officer) Survey by Recognize. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Prime Minister Narendra Modi to lay foundation stone for Rs 50,000 crore expansion project of BPCL refinery in MP's Sagar: Prime Minister Narendra Modi will lay the foundation stone for the expansion of the BPCL's Bina Refinery at an estimated cost of Rs 50,000 crore in Sagar district in Madhya Pradesh on September 14. *[The Economic Times]*

Intel plans for 1.8nm chips by 2025 to challenge Samsung, TSMC dominance: US-based chipmaker Intel is poised to overtake Samsung and Taiwan Semiconductor Manufacturing Company (TSMC) with a 1.8nm (18A) chip in 2025. *[Business Standard]*

Digital cash now available on feature phones, to expand financial inclusion: The three companies will be working to introduce an advanced offline payment system over the next few months that would facilitate the use of the digital rupee on feature phones, enabling financial inclusion for over 300 million mobile users without smartphones. *[Business Standard]*

Foxconn planning to make EVs in India; Tamil Nadu on radar: Foxconn is exploring opportunities to manufacture electric vehicles (EVs) in India and Tamil Nadu is one of the states it is considering to set up a plant. *[The Economic Times]*

PepsiCo to invest Rs 778 crore in Assam to open first food manufacturing plant: Leading beverage & food maker PepsiCo on Wednesday said it will invest Rs 778 crore to set up its first food manufacturing plant at Nalbari, in Assam. *[The Economic Times]*



Sustainable Industrialisation

Sodium-ion battery likely alternative to lithium-ion: Today, sodium-ion batteries are getting noticed as a possible alternative to lithium-ion batteries. With substantial investments in the technology by such global leaders as Contemporary Amperex Technology Co., Limited (CATL) and BYD heralding production on a large scale. *[Financial Express]*

India adds 1.3 GW open access solar in first half: In the first half (H1) of CY 2023, India added 1.3 GW of open-access solar, down almost 18% compared to 1.6 GW installed in H1 of 2022. *[The New Indian Express]*

Extend production linked incentive scheme for wind energy component makers: Extension of production linked incentive scheme for wind energy component and sub-component manufacturers will help scaling up installed manufacturing capacity in the country. *[The Economic Times]*



Sectoral News

India saw highest mobile subscriber addition in Q2 - Ericsson: With seven million new subscribers, India accounted for the highest net addition of mobile subscriptions globally in the second quarter of 2023. *[Business Standard]*

Auto retail sales surge 9% in Aug: Data compiled by the FADA show that while passenger vehicle registrations went up 6.53% from a year earlier to 315,153 units, those of two-wheelers increased by 6.29% to 1,254,444 units and commercial vehicles by 3.23% to 75,294 units. *[The Economic Times]*

Textile sector is getting squeezed between falling exports and dip in domestic sales: India's textiles and apparel sector is facing a double whammy. Companies have seen a steep drop in domestic sales — some claim a fall of up to 35%. *[The Economic Times]*

India's power consumption grows by over 16% to 151.66 billion units in August: The country's power consumption grew by over 16% to 151.66 billion units in August this year compared to that of the same month last year mainly due to increase usage of cooling appliances during sultry weather. *[The Hindu]*

India's fuel demand rose 6.5 per cent in August: Consumption of fuel, a proxy for oil demand, totaled 18.57 million tonnes, data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry showed on Wednesday. *[The Economic Times]*

Government schemes help boost food processing sector to meet global quality, safety standards - Prahlad Singh Patel: The government has allocated Rs 4,600 crores to sustain PMKSY, and recently, the allocation of an additional Rs 920 crores to PMKSY reaffirms its commitment to sector growth and development. *[The Economic Times]*

Six Indian companies enter top 10 digital media players' list in FY23: These six Indian companies are Dream Sports, Gameskraft, Games24x7, Verse Innovations, Junglee Games and Times Internet, according to market research firm Redseer Strategy Consultants. *[The New Indian Express]*

India's beauty and personal care market to touch \$30 billion by 2027: The Indian Beauty and Personal Care (BPC) market has the highest growth rate as compared to other countries, according to a report by Redseer Strategy in collaboration with Peak XV, formerly Sequoia Capital India. *[Business Standard]*

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