

Industry Matters

Weekly Updates

October 06, 2023



Economy, Industry and Policy

India's experience in terms of manufacturing GDP growth different from rest of world - NITI member Virmani: NITI Aayog member Arvind Virmani said on Wednesday, while stressing on creation of a competitive economy. Addressing an event organised by the Institute for Studies in Industrial Development (ISID), Virmani further said India has positioned itself in the last ten years with policy reforms related to product and services space. *[The Economic Times]*

PLI good for telecom, need to adjust for others: NITI Member Virmani: The Centres production-linked incentive (PLI) scheme has been fruitful for sectors like telecom and electronics, but may need adjustments and adaptation in several other sectors, NITI Aayog member and veteran economist Arvind Virmani said on Wednesday. *[Business Standard]*

Bright spot - UNCTAD raises India growth estimate to 6.6% for 2023: The UN Conference on Trade and Development (UNCTAD) upped India's 2023 economic growth forecast to 6.6% from 6% predicted in April. However, it expects the country's growth to slow to 6.2% in 2024. *[The Economic Times]*

Manufacturing activity slows to 57.5 in September; sentiment improves: A softer pace of expansion in new orders pushed manufacturing activity to its lowest level in five months of 57.5 in September, compared with 58.6 in August. *[The Economic Times]*

Indias services sector in September sees strongest output in 13 years, PMI data shows: India's services sector strengthened further in September, witnessing strongest output in 13 years. India's S&P Global's services PMI stood at 61 in September, up from 60.1 in August. *[The Economic Times]*

India may aim to monetise \$24 bn worth of highways by 2027: The Indian government plans to generate revenue of approximately two trillion rupees (equivalent to \$24.1 billion) by monetising highways in the coming years, said rating agency CareEdge. *[The Economic Times]*

Strengthening ties - British companies in India register strong growth: There are more than 635 British companies in India, with a combined turnover of approximately Rs 4.88 trillion, employing over 600,000 people, according to the Britain Meets India (BMI) 2023 report that mapped the latest trends in UK investment in India. *[Business Standard]*

LIVE - Gross GST collection rises 10% to about Rs 1.62 trn in September: Gross GST collection rose 10 per cent to over Rs 1.62 trillion in September, crossing the Rs 1.6 lakh crore mark for the fourth time during current financial year. Gross GST revenue collected last month was Rs 1,62,712 crore. *[Business Standard]*

India's core sector output touches 14-month high of 12.1% in August: The output of eight key infrastructure industries known as the core sector increased 12.1 per cent year-on-year in August, the best in 14 months, on the back of a low base and double-digit production growth in five sectors. In August last year, the core sector output had grown 4.2 per cent. *[Business Standard]*



Foreign Investment

India's inclusion in JPMorgan Bond Index may spur inflows of \$23b: FM Sitharaman: Finance minister Nirmala Sitharaman on Thursday said JPMorgan's decision to include Indian government bonds in its widely tracked emerging market debt index could potentially lead to annual inflows of about \$23 billion into the country. *[The Economic Times]*

Black Box to expand into digital infra, data center integration space: The US-based IT solutions firm, Black Box, is planning to expand into digital infrastructure and data center integration space in India following the rising demand for such services from its US-based clients. *[Business Standard]*

British luxury carmaker Aston Martin to open new dealerships in India: Aston Martin, British luxury carmaker, will expand its presence in India by opening new dealerships as the number of high net worth individuals (HNIs) are expected to double in the country in the next five years. *[Business Standard]*

VinFast firming up India entry strategy, plans to sell e-SUVs from April 2024: VinFast Auto, the Vietnamese EV maker that counts Tesla as its key rival, will enter India's nascent electric car market with two to three e-SUV models from its existing portfolio. *[The Economic Times]*

Goldman Sachs plans expansion in India, opens new GCC hub in Hyderabad: As part of its expansion in India, American investment bank Goldman Sachs announced the launch of a new global capability centre (GCC) in Hyderabad on Thursday. *[Business Standard]*

Over 400 Indian companies have invested in Vietnam - Indian envoy: India's Consul General in Ho Chi Minh City, Vietnam, Madan Mohan Sethi highlighted the cordial and friendly relationship between India and Vietnam, emphasizing their historical ties through civilization that spans over 2,000 years. *[The Economic Times]*

Herschel Supply Co and Anne Klein tie up with Apparel group for India entry: US based Anne Klein and Canada based Herschel Supply has partnered with Apparel group for India entry. *[The Economic Times]*

Govt may liberalise FDI norms for space sector - DPIIT Secy: The government may liberalise foreign direct investment norms for the country's Space sector, as it eyes further improvement in ease of doing business. *[The Economic Times]*



Trade Policy and Competitiveness

India's share in global exports in labour-intensive sectors declining in last 5 years FIEO: India's labour-intensive export sectors such as apparels, marine products, plastics, and gems and jewellery are showing a "troubling pattern" as the country is experiencing a decline in global market share across these segments during the last five years. *[The Economic Times]*

UK PM Rishi Sunak says hopes to get free trade deal with India done: British Prime Minister Rishi Sunak has reiterated his commitment to closer India-UK ties across different sectors, including a free trade agreement (FTA) between the two countries. *[The Economic Times]*

India, Bangladesh discuss preparations to start talks for free trade agreement: India and Bangladesh have discussed preparations to start talks for a free trade agreement between the two countries to promote economic ties. *[The Economic Times]*

FTAs with UAE & Australia boosted engineering exports by 9% in April-August period: Free Trade Agreements (FTAs) with UAE and Australia have provided a much-needed fillip to engineering exports with shipments to both nations rising 9% in the April-August period of the current financial year even as overall engineering exports nosedived during the period. *[The Economic Times]*

India identifies three ports in Kandla, Paradip, and Tuticorin to develop as export hubs for Hydrogen, Ammonia, and Methanol: In a move to expedite India's goal of becoming a significant player in the global hydrogen market, the Ministry of Shipping and Ports has identified three key ports Kandla, Paradip, and Tuticorin as focal points for the export of green hydrogen, green ammonia, and green methanol within the next seven years. *[The Economic Times]*

India can become \$1 trn export-led automotive hub by 2035: Consulting firm Arthur D Little, in a report released on Wednesday, projected that India's automotive industry could evolve into a \$1 trillion export-led sector by 2035, driven by manufacturing, innovation, and technology. *[Business Standard]*



Corporate Governance

FM Sitharaman asks company secretaries to rededicate themselves to better corporate governance: Finance Minister Nirmala Sitharaman on Wednesday urged company secretaries to rededicate themselves for better corporate governance, as India gears to become a developed nation by 2047. *[The Economic Times]*

Domestic D2C market likely to reach GMV of \$35 billion by 2027 - Redseer: With brand creation becoming more straightforward and incentivised, the Indian D2C (direct-to-consumer) market is expected to achieve a gross merchandise value (GMV) of \$30 billion to \$35 billion by 2027. *[Business Standard]*

Anil Agarwal's Vedanta to split biz into 6 companies to unlock value: Anil Agarwal-promoted Vedanta Ltd on Friday announced its board had approved a pure-play, asset-owner business model that would ultimately result in six separate listed firms. The restructuring is expected to be completed in 12-15 months. *[Business Standard]*

Viartis to sell India women health care, API businesses for \$1.2 billion: US-based drugmaker Viartis, previously known as Mylan, is selling its active pharmaceutical ingredients (API) and women's health care businesses in India for a combined consideration of \$1.2 billion (nearly Rs 10,000 crore) as part of a \$3.6 billion global divestiture drive to pare debt. *[Business Standard]*

Govt to soon come up with rules for direct listing of Indian companies abroad: The ministries of finance and corporate affairs are at an advanced stage of firming up a much-awaited framework for direct listing of Indian companies abroad, which could be introduced later this financial year, said people with knowledge of the matter. *[The Economic Times]*

Truecaller acquires TrustCheckr service to expand enterprise services: Caller ID platform Truecaller announced the acquisition of Unoideo Technologies Pvt Ltd, a Bengaluru-based fraud detection company, to enhance the risk intelligence tool for enterprises that it launched last week. *[Business Standard]*

Sajjan Jindal's firm, SAIC Motor to take over MG Motor India: JSW Group Chairman Sajjan Jindal and China's SAIC Motor Corp have finalised an agreement to invest in MG Motor India. *[Business Standard]*

India largest market within Asia and sixth largest globally: Levi Strauss & Co president Michelle Gass: The San Francisco-based jeans maker, which opened its first door in the country three decades ago, said the country is the fastest-growing major economy in the world in 2023, and it expects significant growth in one of the most exciting consumer markets. *[The Economic Times]*



MSMEs and Start-ups

Startups form 40-member task force to take on Google Play Billing System: Forty Indian startups and companies have united to form a task force to challenge Google, specifically its Google Play Billing System (GPBS). *[Business Standard]*

Funding to Indian fintechs up 68% to \$436 million in Q3CY23 - Tracxn: Indian fintechs scooped up \$436 million in the third quarter of the calendar year, a 68 per cent rise compared to \$259 million raised in the previous quarter, according to a report by Tracxn. *[Business Standard]*

Exporters seek govt intervention in providing affordable credit to MSMEs, seek ECLGS extension: Exporters have sought the central government's intervention in providing affordable and easy availability of credit to MSMEs amid global headwinds due to lack of liquidity. *[The Economic Times]*



Employment and Industrial Relations

Work demand under rural jobs scheme rises in H1: Demand for work under the government's flagship rural employment scheme rose in the first half of FY24 from a year before, belying expectations of a moderation and casting doubts about the depth of an industrial recovery. *[The Economic Times]*

Amazon India creates over 100k job opportunities ahead of festival sale: Amazon India said it has created more than 100,000 seasonal job opportunities across its operations network for the Indian festive season. *[Business Standard]*

Tata Motors to upskill 50 pc of employees with new-age auto tech in five years: Tata Motors on Thursday said it plans to equip over 50 per cent of its overall workforce with new-age auto tech capabilities within five years as part of its strategy to develop skilled and future-ready staff focused on electric vehicles and other emerging technologies in the auto industry. *[The Economic Times]*



Industrial Finance

300 IBC cases set to be resolved this year - Corporate affairs secretary: Resolution of corporate insolvency cases is expected to nearly double to 300 this financial year, but the system needs to gear up to handle three times that caseload. *[Business Standard]*

Reliance Retail Ventures to raise Rs 4,966.80 crore from ADIA arm: Reliance Retail Ventures will raise Rs 4,966.80 crore from a wholly-owned subsidiary of the Abu Dhabi Investment Authority (ADIA) at a pre-money equity value of Rs 8.38 trillion, thus making it among the top four companies by equity value in the country. *[Business Standard]*

Indias banks are making \$64 billion from a freebie: On more than 6 billion separate occasions in just one month, the ringing of cash registers in India was replaced by audio confirmations on a digital sound box. *[The Economic Times]*



Technology and Innovation

India 72 places up in mobile download speed index after 5G launch: India moved 72 places up in a global ranking of mobile download speeds as the launch of 5G services improved services over the past year. *[Business Standard]*

Alternatives to China - Vietnam, India slug it out for semicon investments: India and Vietnam are vying with each other to woo semiconductor companies to their country. With the tension between the US and China escalating, and Taiwan getting vulnerable both countries are trying to present themselves as alternative destinations for global players. *[Business Standard]*

US-based LAM Research plans to set up a semiconductor lab in Karnataka: LAM Research, the US-based semiconductor equipment and services provider has expressed interest in establishing a new lab in Karnataka. *[Business Standard]*

Nokia launches 6G lab in India for advancing technology development: Finnish network equipment maker Nokia has launched a 6G lab in the country to explore potential use cases for industry and society. *[Business Standard]*

NPCI to sign pact with AI Etihad Payments of UAE on October 5: NPCI International Payments Ltd, the international arm of the National Payment Corporation of India, will ink an agreement with AI Etihad Payments on Thursday in Abu Dhabi to facilitate cross-border transactions. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

Govt aims to complete about 85 pc of road projects on time this fiscal - Highways secretary Anurag Jain: Around 85 per cent of road projects are likely to be completed by the end of this fiscal, as the steps taken by the government to ensure faster clearances like monitoring and quicker resolution of issues have started showing results, Road Transport and Highways. *[The Economic Times]*

PM Modi to inaugurate development projects in Rajasthan worth Rs 7,000 cr: Prime Minister Narendra Modi is expected to lay the foundation stone for development projects worth over Rs 7,000 crore in the Rajasthan during his visit to Chittorgarh. *[Business Standard]*

National Highway projects worth Rs 3,659 cr inaugurated in Maha's Washim: Union Minister for Road Transport and Highways Nitin Gadkari inaugurated three National Highways (NH) projects worth Rs 3,695 crore in Washim. *[Business Standard]*

PM Gatishakti - 3 upcoming airports on fast track to get rail connectivity: The aviation and railway ministries are collaborating to expedite rail connectivity to three key airports currently under construction Noida (Uttar Pradesh), Navi Mumbai (Maharashtra), and Dholera (Gujarat) under the PM GatiShakti scheme. *[Business Standard]*



Sustainable Industrialisation

World Bank for \$100 billion extra annual lending capacity for climate change and poverty: Ahead of the meeting of G20 finance ministers and central bankers, under India's presidency, in Marrakech next week, the Development Committee of the World Bank has proposed the creation of additional annual lending capacity of more than \$100 billion over the next decade for the multilateral lender to run a more inclusive agenda on climate change and poverty alleviation. *[The Economic Times]*

20% cars sold in metros run on alternate fuels; sales doubled in last 3 yrs: The growing acceptance of alternative fuel vehicles has resulted in clean-energy vehicle sales doubling in the last three years. Notably, high petrol and diesel prices appear to have played a pivotal role in inducing this shift. *[Business Standard]*

Tata Steel inks pact with IOCL to further reduce carbon footprint: Tata Steel on Thursday said it has signed an agreement with Indian Oil Corporation Limited and its business associate to further reduce the carbon footprint at its Ferro Alloys plant. *[The New Indian Express]*

Govt shifts into high gear to expand subsidies to alternative fuel vehicles: The government has initiated work on the third phase of the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME-III) financial support scheme, which is likely to encompass alternative fuel vehicles. *[Business Standard]*

With focus on environment, NIIF launches USD 600m India-Japan fund: The National Investment and Infrastructure Fund (NIIF) has launched a USD 600 million fund with the Indian government and the Japan Bank for International Cooperation (JBIC) as anchor investors. *[The Economic Times]*



Sectoral News

Passenger vehicle sales race to new high, GST mop-up above Rs 1.6 trillion Ahead of the peak festival season, the figures for domestic passenger vehicle (PV) sales and goods and services tax (GST) collection suggested a healthy macroeconomic scenario prevailing in the country. *[Business Standard]*

Office space demand dips 4.5% in 2023 as compared to last year - Colliers: At 38 million square feet (msf), the demand for office space in the top six Indian cities in the first nine months of 2023 (January-September) was 4.5 per cent lower than 39.8 msf in the same period last year, real estate consultancy Colliers. *[Business Standard]*

Coal India production rises 12.6 pc in Sep: State-owned CIL on Monday reported a 12.6 per cent year-on-year rise in coal production to 51.4 million tonnes (MT) last month. *[Financial Express]*

Air India completes acquisition of its first A350 aircraft through GIFT City: Air India on Friday said it has completed the acquisition of its first A350-900 aircraft by way of a finance lease transaction with HSBC through the GIFT City. *[The New Indian Express]*

Indian auto industry breaks records - 363,733 cars and SUVs sold in September: Automakers in India set a record in monthly sales selling 363,733 cars and sport-utility vehicles in September as they accelerated dealer dispatches from factories to build stocks ahead of the key festivals of Dussehra and Diwali. *[The Economic Times]*

Power consumption grows 10.7 pc to 140.49 billion units in September: The country's power consumption grew 10.7 per cent to 140.49 billion units in September mainly due to increased use of cooling appliances amid unusually humid weather conditions. *[The Economic Times]*

Domestic demand, exports revival to boost readymade garment players' revenue by 8-10 pc in FY24: Readymade garment manufacturers are likely to post an 8-10 per cent increase in revenue on the back of growing domestic demand and revival of exports. *[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](#)