

Industry Matters

Weekly Updates

December 29, 2023

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Economy, Industry and Policy

Fitch expects India to be among fastest-growing nations in 2024-25: Fitch Ratings expects India to be among the world's fastest-growing countries, with resilient GDP growth of 6.5% in 2024-25. For the current financial year 2023-24, it pegs GDP growth at 6.9%. *[Mint]*

India likely to remain fastest growing major economy in 2024 - Assocham: India is likely to remain the fastest-growing major economy in the world in 2024 on the back of strong consumer demand leading to a pick up in investment across sectors such as construction, hospitality and infrastructure including railways and aviation. *[The Economic Times]*

India to become largest economic superpower by end of century - CEBR: India will emerge as the largest economic superpower by the end of the century, with gross domestic product (GDP) 90 per cent larger than China's and 30 per cent larger than the US. *[Business Standard]*

Premiumisation, investments to propel appliances, consumer electronics industry in 2024: The country's appliances and consumer electronics industry is expected to grow around 10 per cent in 2024 as players offer more premium products, cater to rising demand for smart appliances and make more investments after significant business tailwinds this year. *[The Economic Times]*

Icra maintains positive outlook on banking sector on asset quality, healthy credit growth: Domestic rating agency Icra Ratings on Wednesday maintained a positive outlook on the banking sector driven by improvement in asset quality and healthy credit growth going ahead. *[The Indian Express]*

PLI schemes attract over Rs 95,000 crore investment till September this year: The production-linked incentive (PLI) schemes for 14 sectors have attracted over Rs 95,000 crore in investment till September this year. *[The Economic Times]*

End for FAME likely as Centre plans PLI 2.0: The government is likely to put an end to the FAME (Faster Adoption and Manufacturing of Electric Vehicles) subsidy scheme once FAME II comes to an end in March, 2024. *[Financial Express]*

NITI plans to boost India's electronics, auto global value chain share: The NITI Aayog is anchoring a strategy to expand the country's global value chains (GVCs) and, through those, increase its manufacturing footprint worldwide. *[Business Standard]*

India's current account deficit narrows to 1 per cent of GDP at \$ 8.3 bn in Q2 FY24: India's current account deficit narrowed in the July-September quarter largely due to a lower merchandise trade deficit while services exports also grew. *[The Economic Times]*

Govt working on PLI 2.0 for steel sector in 2024; industry players await steps to curb steel imports: The government is working on Production Linked Incentive (PLI) scheme 2.0 as well as looking at ways to ensure adequate raw material supply for the steel sector in 2024. *[The Economic Times]*



Foreign Investment

FPI gross purchases hit a high in 2023 on strong earnings, economic growth: A combination of strong earnings and economic growth, and hopes of the Federal Reserve ending the rate-hike cycle have pushed gross buying of Indian equities by foreign portfolio investors (FPI) to a new high. *[Business Standard]*

Flows into NRI deposits double Y-o-Y to \$6.11 billion in April-October 23: The flow of money into Non-Resident Indians' (NRIs') deposits doubled to \$6.11 billion in April-October 2023 from \$3.05 billion in the same period a year ago. *[Business Standard]*

India set to acquire five lithium blocks in Argentina spotted by KABIL: India is close to striking a deal on acquiring five lithium blocks for exploration and development in Argentina with the negotiations entering "final stages". *[Business Standard]*

FPIs' investments in govt bonds more than doubled this year: Foreign funds have poured money into government bonds at a tearing pace over the past few months, with their investments in the fully accessible category more than doubling in a year to ₹1.28 lakh crore by December. *[The Economic Times]*

Disinvestment fetches over Rs 4.20 lakh cr in 10 years but target to be missed again in FY24: Big ticket privatisation plans such as that of Bharat Petroleum Corporation Ltd (BPCL), Shipping Corporation of India (SCI) and CONCOR are already on the backburner and analysts feel meaningful privatisation can happen only after April/May general elections. *[The Economic Times]*



Trade Policy and Competitiveness

Make in India 2.0: DPIIT working closely with 24 sub-sectors to promote manufacturing, exports, cut imports: The department for promotion of industry and internal trade (DPIIT) is working with 24 sub-sectors, including furniture, aluminium, agrochemicals and textiles, to promote domestic manufacturing, boost exports and reduce imports. *[The Economic Times]*

India to begin FTA talks with Russia-led economic bloc in Jan - Jaishankar: India will begin trade negotiations with the Eurasian Economic Union (EEU) bloc of countries for a free trade deal in January. *[Business Standard]*

Over 90 per cent of Indian iron ore exports made to China: China has emerged the highest buyer of iron ore from India with nearly 24.75 million tonnes (mt) being exported for April-November period (eight months), a 400 per cent year-on-year rise. *[Business Line]*

₹ payment effect - Engg exports to Russia rise 140% to \$1 billion: In the April-November period of the current year, India's engineering goods exports to Russia rose 138 per cent to touch \$902.25 million, compared with \$378.89 million in the corresponding period of last year. *[Business Line]*

Centre imposes anti-dumping duty on gypsum board from China: India has imposed definitive anti-dumping duty on gypsum board and tiles from China for five years. *[The Economic Times]*

India, Oman free trade agreement likely to be inked next month: The negotiations for the proposed free trade agreement (FTA) between India and Oman are moving at a fast pace and the pact is likely to be signed next month. *[The Economic Times]*

Govt to extend duty, tax remission scheme benefits to e-comm exports: Commerce and industry minister Piyush Goyal on Thursday said that the government will extend the benefits of the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme to e-commerce exports down through post and courier. *[The Economic Times]*

Govt targeting \$500 bn exports from 10-11 sectors by 2030: The government is working on boosting domestic manufacturing and increasing exports to USD 500 billion by 2030 from 10-11 sectors, including automobiles, pharma, textiles, medical devices and chemicals. *[The Economic Times]*

Centre plans national ranking of all ports amid rapid rise of private ports: The rapid growth of India's private ports may prompt the Centre to come up with a national ranking of all ports. There are approximately 230 ports in the country. *[Business Standard]*

India net importer of steel in April-Nov as Chinese shipments reach 5-yr high: India turned a net importer of finished steel in the first eight months of the fiscal year that began in April with shipments from China reaching their highest in five years. *[Money Control]*

India may discuss non-tariff barriers in Trade Policy Forum meet with US: India may take up the issue of non-tariff barriers resulting in a market access issue with the United States (US) in the upcoming meeting of the Trade Policy Forum (TPF) between both the nations. *[Business Standard]*

GTRI says 51.5% agri exports from just 5 products makes sector vulnerable to global prices, demand: India's agri export basket is dependent on just five commodities including rice and sugar and this makes the sector vulnerable to fluctuations in global prices and demand. *[The Economic Times]*

India's new import system for laptops, PCs likely to be taken up with US: India's new system of authorisation for import of personal computers, laptops and other IT hardware products is likely to come up for discussion at the upcoming India-US Trade Policy Forum (TPF). *[The Economic Times]*

India's forex reserves jump \$9.11 bn to \$615.97 bn for the week ending December 15: India's foreign exchange reserves jumped by \$9.11 billion to \$615.97 billion for the week ending December 15. *[The Economic Times]*



Corporate Governance

Disney, Reliance sign pre-deal agreement, mega-merger to be done by Feb: Walt Disney and Reliance Industries Ltd (RIL) inked a non-binding term sheet in London last week to advance with plans to merge their India-based media operations. *[Business Standard]*

PCBL gets CCI approval to acquire Aquapharm Chemicals: Anti-trust regulator CCI has approved speciality chemicals major PCBL Ltd's proposed acquisition of a 100 per cent stake in Aquapharm Chemicals. *[The Economic Times]*

NCLT approves demerge of Thermax arms Thermax Cooling Solution, Thermax Instrumentation: Thermax on Tuesday said that the National Company Law Tribunal (NCLT) has approved the demerger of its arms Thermax Cooling Solutions and Thermax Instrumentation. *[The Economic Times]*

Adani Energy Arm to Form JV with Esyasoft for Smart Metering Biz: Adani Energy Solutions on Wednesday said its arm Adani Transmission Step-Four (ATSFL) will form a joint venture with the UAE-based Esyasoft Holdings (EHL) to implement smart metering projects in India and globally. *[The Economic Times]*

Puma, Decathlon, Adidas make a splash! Sports brands see sales gallop in last 2 years: From running shoes and joggers to dumbbells and yoga mats, sales of nearly half a dozen leading sports brands have sprinted in the past two years, during the pandemic and since. *[The Economic Times]*



MSMEs and Start-ups

2023 saw accelerated “formalisation;” MSMEs biggest beneficiaries: The rapid formalisation of the economy is widely believed to have a short-term adverse effect on small industries and unorganised trade, which account for a pretty large part of India’s industrial output and income generation. *[Financial Express]*

E-commerce can be bridge between MSMEs and global market - Piyush Goyal: Commerce minister Piyush Goyal on Thursday said the government is taking a slew of measures to facilitate Indian micro, small and medium enterprises (MSMEs) to reach global markets directly through e-commerce by extending duty remission to them. *[Hindustan Times]*

50% of MSME credit gap in low, middle-income nations can be closed by digital public infra: Global wealth and asset management company Lighthouse Canton in its report on Wednesday said that digital public infrastructure (DPI) to develop digital products and services in a country has the potential to close nearly half of the credit gap faced by MSMEs in low and middle-income nations. *[Financial Express]*



Employment and Industrial Relations

White-collar hiring down 6 per cent in 2023: White-collar hiring in the country declined 6% on year in 2023, pulled down by sectors such as IT services, BPO/ITeS, retail, FMCG, education, and healthcare. *[The Economic Times]*

Paytm lays off over 1,000 employees as part of cost-cutting measures: Paytm's parent company, One 97 Communications, has terminated over 1,000 employees from various departments as part of a strategic move to streamline its businesses and reduce costs. *[Business Standard]*

EPFO retires Covid advance facility, move may impact consumption: The Employees' Provident Fund Organisation has withdrawn a special facility that allowed its subscribers to take out a part of their retirement savings as Covid advance. *[The Economic Times]*



Industrial Finance

Banks log 12.2% growth in FY23, gross bad loans down for 5th year - RBI: Banking industry's clean up continued for the fifth straight year as the fall in gross bad loans helped report a higher net interest margin, a key measure of profitability. *[The Economic Times]*

Credit card spends drop over 10% from festival spending-led peak in October: After surging to a record high in October on the back of festival season-led accelerated discretionary spending, credit card spends normalised in November, falling over 10 per cent month-on-month. *[Business Line]*

RBI to NBFCs - Tighten governance standards: Non-banking financial companies (NBFC) must further strengthen governance and internal audit standards, in-line with the implementation of scale-based regulations. *[Financial Express]*

MCA planning new portal to streamline IBC cases, boost transparency: An integrated portal that would bring together all the pillars of the Insolvency and Bankruptcy Code (IBC) for a seamless flow of case information is in the works at the Ministry of Corporate Affairs. *[Business Standard]*



Technology and Innovation

Amid legal tensions, Israeli chipmaker Tower resubmits semicon proposal: Tower Semiconductors has reportedly resubmitted a proposal to establish a semiconductor fabrication unit in India for 65 nanometer (nm) and 40 nm chips. *[Business Standard]*

MedTech Mitra - Health minister launches online portal for medtech startups: Union Minister of Health and Family Welfare Mansukh Mandaviya on Monday launched MedTech Mitra, an online portal that aims to assist medtech innovators in clinical evaluation, regulatory facilitation, and uptake of new products. *[Business Standard]*

As India connects to UPI, NEFT and debit card usage takes a hit: The resounding success of the UPI as a payments and settlement platform has been at the cost of two other popular channels of payments and settlement - NEFT (national electronic fund transfer) platform and debit cards. *[The Economic Times]*

Working with RBI, other ministries on steps to promote e-comm exports - DGFT: The commerce ministry's arm DGFT is working with the RBI and concerned ministries, including the finance ministry, on several steps like providing flexibility in payment realisation to promote exports through e-commerce medium. *[The Economic Times]*

Increasing investments to scale up AI, ML, survey shows 85% growth: Indian companies are increasing investments in artificial intelligence (AI) and machine learning (ML) to improve and scale up business processes. AI investments have grown 85 per cent from last year. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Cabinet approves 6-lane bridge over Ganga in Bihar, road project in Tripura: The Cabinet Committee on Economic Affairs chaired by the Prime Minister Narendra Modi, on Wednesday, gave its go ahead to construction of a bridge on Bihar and widening of a road in Tripura entailing an investment of over Rs 5500 crore. *[The Economic Times]*

421 Infra projects hit by cost overrun of Rs 4.40 lakh crore in Nov: As many as 421 infrastructure projects, each entailing an investment of ₹150 crore or more, were hit by cost overrun of more than ₹4.40 lakh crore in November this year. *[The Economic Times]*

Tesla's Gujarat plant likely to be announced during Vibrant Gujarat in presence of Elon Musk: Prominent electric vehicle maker Tesla's plans to set up a plant in India will be made public in January during the Vibrant Gujarat Summit in the presence of its CEO Elon Musk. *[The Economic Times]*

Vibrant Gujarat - Rs 67,000 cr worth investment proposals signed in petrochemicals sector: As many as 11 Memoranda of Understandings (MoUs) amounting to a total of Rs 67,000 investment potential were signed at a pre-Vibrant Gujarat Global Summit event held in Bharuch. *[The Economic Times]*



Sustainable Industrialisation

India aims to attract investors from Germany, UK and Korea under new EV policy: India is looking to bring in potential investors from foreign countries, including Germany, Britain and South Korea under its new electric vehicle (EV) policy. *[The Economic Times]*

CRISIL analysis - India powering ahead on renewable energy targets: By 2032, over half of India's power generation is expected to be from renewable sources and the country is firmly on course to achieve its renewable energy (RE) targets. *[Business Standard]*

Germany's KfW to provide technical expertise to Indian offshore wind projects: Germany's development bank KfW plans to share its expertise in offshore wind energy with Indian companies, including NTPC. *[Mint]*

Jindal Stainless to generate over 1.9 bn units of clean energy: Jindal Stainless on Thursday said it will generate over 1.9 billion units of clean electricity per year through its green energy initiatives. *[The Economic Times]*

Adani Green signs PPA for 8,000 Mw solar power with Solar Energy Corp: Adani Green Energy on Monday said it had executed a power purchase agreement (PPA) to supply 1,799 megawatts (Mw) of solar power with the Solar Energy Corporation of India (SECI). *[Business Standard]*

Adani-Total Gas signs pact to help Flipkart decarbonise its supply chain: Adani Total Gas Ltd, India's leading the city gas operator, on Wednesday signed an initial agreement with Flipkart to help decarbonise its supply chain. *[The Economic Times]*



Sectoral News

Festive season in western markets fails to cheer India's textile exports: The textile industry witnessed a downtrend in exports in November 2023, despite the opening of markets in western countries on account of the festive season, with readymade garments—a mainstay of the textile export portfolio—experiencing a 15% decline. *[Mint]*

Festive cheer for the travel industry: As the year draws to a close, the travel industry is experiencing an unprecedented surge in demand, marking a remarkable comeback for the sector. *[Business Line]*

Mines Ministry exploring 22 critical mineral blocks across 9 States for possible future auction: India's Mines Ministry has identified some 22-odd blocks of critical minerals — in various stages of exploration — for possible future auction. Some seven critical mineral blocks across nine States are under discussion. *[Business Line]*

Sales of Indian wearables & hearables brands have jumped over three times in last three fiscals: Sales of Indian wearables and hearables brands like Boat, Noise, pTron, Boult and Mivi together have jumped over three times in the last three fiscals indicating the dominance of the domestic brands in these fast growing segments. *[The Economic Times]*



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