

# Industry Matters

Weekly Updates

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## Economy, Industry and Policy

**Steel industry faces a new risk on the horizon:** Is change afoot for India's iron ore mining sector to make it a more level playing field for miners and users of steel—whether big or small? That's the question that arises when you read a market study prepared by the Competition Commission of India, in partnership with the Institute for Studies in Industrial Development. *[Money Control]*

**Goldman Sachs cuts India's CAD forecast, sees improving external balances:** Goldman Sachs has lowered its projection for India's current account deficit in 2024 to 1.3% of GDP from 1.9% earlier as the US bank expects services exports to continue surprising on the upside while crude oil prices are expected to decline, improving external balances. *[The Economic Times]*

**India fastest growing premium smartphone market globally in 2023:** China, India, Middle East and Africa regions, and Latin America are likely to see a new record for premium market sales, with India being the fastest-growing premium market globally. *[Business Standard]*

**India likely to surpass FY24 target for state-run firms' dividends by at least \$1.4 bn:** The Indian government will likely exceed its fiscal year target for dividends from state-run companies by at least 120 billion rupees (\$1.4 billion), partly offsetting an expected shortfall from share sales. *[The Economic Times]*

**More than 8 cr ITRs filed for first time ever - I-T Dept:** In a first, more than eight crore Income Tax Returns (ITR) have been filed so far in the Assessment Year (AY) 2023-24. *[The Economic Times]*

**Core sector growth eases to six-month low of 7.8% in November:** India's core sector output growth hit a six-month low of 7.8% in November, easing from 12% in the previous month, as a high base effect weighed on growth. *[The Economic Times]*

**India's manufacturing growth in December cools to 18-month low on weaker new orders, output :** India's manufacturing industry ended 2023 on a slightly shaky footing as factory growth decelerated to an eighteen-month low in December, pressured by a weaker rise in new orders and output. *[The Economic Times]*

**A \$4-trillion economy is a certainty this year – EAC chairman Bibek Debroy:** Typically, the world is characterised by uncertainty, perhaps more so now. With elections due, 2024 is characterised by political uncertainty, in principle. *[The Economic Times]*

**National ecommerce policy in final stages; may be announced soon - Piyush Goyal:** The proposed national ecommerce policy being formulated by the commerce and industry ministry is in the final stages and expected to be announced very soon. *[The Economic Times]*

**Finance Ministry approves additional Rs 1,500 cr for FAME-II scheme:** The Union Finance Ministry has sanctioned an additional Rs 1,500 crore for the second phase of the Faster Adoption and Manufacturing of Electric Vehicles in India (FAME-II) programme. *[Business Standard]*

**97.38 percent of Rs 2000 notes back with RBI:** The Reserve Bank has managed to get back almost the entire stock of Rs 2000 notes in the country. 97.38 percent of the Rs 2000 banknotes in circulation as on May 19, 2023, has since been returned. *[The Economic Times]*

**Divestment target for FY25 may be at least 20% lower than last year's:** The government may set a divestment target for the coming fiscal year that is at least 20% lower than what was estimated for the current year. *[Mint]*



## Foreign Investment

**FPIs inject Rs 1.7 lakh crore into Indian equities in 2023:** In a remarkable comeback, foreign portfolio investors (FPIs) have pumped Rs 1.7 lakh crore into the Indian equity markets in 2023. *[The Times of India]*

**FDI inflows to 'rebound' in coming months - MoF:** Despite declining in H1 of the current fiscal, FDI inflows to India are expected to rebound on account of strong macroeconomic fundamentals, favourable business environment and rising growth, in the coming months. *[Financial Express]*



## Trade Policy and Competitiveness

**India runs trade deficit with 9/10 top partners:** India recorded a trade deficit with nine of its top ten trade partners in the first seven months of 2023-24, with the US being the only country with which exports exceeded imports. *[The Economic Times]*

**Everyone wants to do an FTA with India - GTRI:** Countries ranging from large economies like Europe, and the UK to smaller ones, including Oman and Peru, want to have a free trade agreement with India due to the country's large and rapidly growing market. *[The Economic Times]*

**Mechanism to monitor steel, aluminium products export at concessional rates to US in the making:** Ministries of mines, steel and the department for promotion of industry and internal trade (DPIIT) will set up an internal mechanism to monitor the export of steel and aluminium products at concessional duties to the US. *[The Economic Times]*

**No extra tariffs on steel exports to US:** India and the US have agreed on the terms for joint monitoring of the former's steel and aluminium exports to the world's largest economy, without being subjected to additional duties. *[Financial Express]*

**Govt to come up with 65 quality control orders to stop imports of sub-standard goods:** The government will issue 65 quality control orders (QCOs) covering over 500 products to contain imports of sub-standard goods and boost domestic manufacturing. *[The Economic Times]*

**Govt bans screw imports priced less than Rs 129 per kg:** In a move to promote local manufacturing of screws, the government on Wednesday prohibited the imports of certain kinds of screws- priced lower than Rs 129 per kg. *[The Economic Times]*

**12% exports growth by 2030 more realistic expectation for India - Barclays:** Barclays on Wednesday said that a "more realistic expectation" would be for India's exports to grow by around 12%, which would result in a global export share of around 4% by 2030. *[The Economic Times]*

**CMAI expects India's y-o-y apparel exports to UAE to increase by 10-15%:** Indian apparel exporters, known for white label manufacturing for the global brands, now want to take Indian national and local brands to the international markets. *[The Economic Times]*

**India-UAE ties transcend to multilateral level in 2023:** The already strong India-UAE ties transcended to a truly multilateral level in 2023 with the announcement of the strategically important India-Middle East Economic Corridor and the expansion of the BRICS grouping to include the key Gulf nation. *[The Economic Times]*

**India's exports to Australia: India's exports to Australia up 14 pc during Apr-Nov, thanks to trade agreement:** India's exports to Australia have increased by 14 per cent to USD 5.8 billion in April-November this fiscal on account of healthy growth in various sectors like engineering, pharma and electronics. *[The Economic Times]*

**Navigating the trade and environment nexus: A call for actionable equitable policies:** In the complex web of international trade policies, the intersection with environmental and other considerations has become a pressing concern, particularly for the developing and emerging world. *[The Economic Times]*

**India to become world's largest metallurgical coal importer by 2026:** Growing industrialisation leading to higher steel consumption and limited availability of coking coal will aid in India becoming the world's largest importer of metallurgical coal in 2026, surpassing China. *[Business Line]*

**FTA push - India's goods exports to Australia rise 14 per cent in April-November:** India's goods exports to Australia in April-November 2023 increased 14 per cent (year-on-year) to \$5.87 billion, while the country's overall merchandise exports declined. *[Business Line]*

**Gem, jewellery exports dip by 4.52 pc in Nov to Rs 19,018 cr - GJEP:** The overall gem and jewellery exports witnessed a on-year decline of 4.52 per cent in November to Rs 19,018.180 crore (USD 2,263.34 million). *[The Economic Times]*



## Corporate Governance

**India Inc eyes growth in 2024, plans to boost hiring, investments:** Chief executives of Indian companies are planning to hire and invest more in the New Year as they expect the economy to post healthy growth in the election year of 2024. *[Business Standard]*

**CCI approves Punjab State Power Corp's takeover of GVK Energy arm:** The Competition Commission of India (CCI) on Tuesday said it has cleared the proposed acquisition of a 100% stake in an arm of GVK Energy by Punjab State Power Corporation Ltd (PSPCL). *[The Economic Times]*

**GACL ties up with Vedanta to explore opportunities in caustic-chlorine, other businesses:** Gujarat Alkalies and Chemicals Ltd (GACL) on Tuesday said it has signed an initial pact with Vedanta Aluminium for exploring various business opportunities in the areas of caustic-chlorine and other allied businesses. *[The New Indian Express]*



## MSMEs and Start-ups

**IIT Madras targets incubating 100 startups across various sectors in 2024:** The Indian Institute of Technology Madras (IIT Madras) said on Tuesday that it is targeting incubating at least 100 startups across various sectors in 2024. *[Business Standard]*

**Indian tech start-ups raised over \$70-b funding since 2019:** India remains the third-largest tech start-up ecosystem globally, with over 950 tech start-ups founded in 2023, contributing to a total of more than 31,000 tech start-ups in the last 10 years. *[Business Line]*

**₹6 lakh crore disbursed as loans to boost MSME sector in U.P.:** The Uttar Pradesh government distributed loans totaling ₹6,55,684 crore in the last six and a half years to boost the micro, small, and medium enterprises (MSME) sector in the state. *[Hindustan Times]*

**250 more MSMEs to get scale-up support this year under Mission 1000:** The government is planning to provide scale-up support for an additional 250 micro, small and medium enterprises (MSMEs) this year in the first phase of the Mission 1000 initiative. *[The Hindu]*



## Employment and Industrial Relations

**Female govt employees may now nominate child for pension before husband:** A female government servant or pensioner may now nominate their children for family pension in precedence of her husband in cases of marital discord. *[Business Standard]*

**Work demand under rural job scheme declines again in December:** Demand for work under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) moderated for a second straight month in December from a year before. *[The Economic Times]*

**Skills ministry to use Gati Shakti data to chart training:** India's skilling programme has onboarded the PM Gati Shakti National Master Plan portal, which is expected to help in data-driven expansion and upgrading of training centres with close monitoring. *[The Economic Times]*



## Industrial Finance

**Banks, NBFCs post double digit loan growth in Q3:** Banks, both public sector and private, continued to post robust double-digit loan growth of 11-23 per cent y-o-y in Q3 FY24, as per provisional figures declared by the lenders for the quarter. *[Business Line]*

**AiIB to lead Rs 2,500 cr funding in Mahindra-OTPP's Green InvIT:** Sustainable Energy Infra Trust, a renewable energy infrastructure investment trust (InvIT) backed by Mahindra group, is raising Rs 2,500 crore in a round led by Asian Infrastructure Investment Bank (AIIB) with participation from domestic institutional investors (DIIs). *[The Economic Times]*

**Not mandatory for banks, NBFCs to raise green funds - RBI:** The Reserve Bank of India (RBI) on Friday said it is not mandatory for banks and NBFCs to raise green funds, but in case they intend to do so they must follow the prescribed framework. *[The Economic Times]*

**FCI to borrow Rs 50,000 cr to meet short-term fund needs:** State-owned Food Corporation of India, or FCI, will borrow Rs 50,000 crore to meet its short-term fund requirements. *[The Economic Times]*



## Technology and Innovation

**India launches a single-window portal for medical devices management:** In a move to streamline the import, clinical investigations, and testing of medical devices, the Centre has launched the National Single Window System (NSWS). *[Business Standard]*

**Total UPI transactions cross 100 billion mark in 2023:** In a fresh milestone, total transactions processed through the Unified Payments Interface (UPI) crossed the 100-billion-mark, data from National Payments Corporation of India (NPCI) showed. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**PM Modi inaugurates projects worth over Rs 20,000 cr in Tamil Nadu:** Prime Minister Narendra Modi on Tuesday laid the foundation stone for development projects worth more than Rs 20,000 crore in Tiruchirappalli, Tamil Nadu, marking the start of work in rail connectivity, roads, oil and gas, and shipping. *[Business Standard]*

**Govt sanctions Rs 1,170 crore for road projects in Ladakh - Nitin Gadkari:** Union Minister Nitin Gadkari said the government has sanctioned Rs 1,170.16 crore for 29 road projects in Ladakh. *[The Economic Times]*

**Govt eases norms for moving used IT hardware out of duty-free SEZs:** The government has eased the restrictions for shifting used computers, monitors, and printers by companies in special economic zones (SEZs) to domestic tariff areas (DTA) outside these duty-free enclaves. *[The Economic Times]*

**Vibrant Gujarat summit: Investment pacts worth Rs 7.17 lk cr signed with cos like HPCL, IOCL, Power Grid:** Ahead of the Vibrant Gujarat summit, the state has signed investment pacts worth Rs 7.17 lakh crore or \$86 billion with at least 58 companies including the likes of HPCL, IOCL and Power Grid. *[The Economic Times]*

**REC Ltd, RVNL sign Rs 35,000 crore MoU to finance infrastructure projects:** REC Limited, a Maharatna Central Public Sector Enterprise (CPSE) under the Ministry of Power, has signed a Memorandum of Understanding (MoU) with Rail Vikas Nigam Limited (RVNL) to extend financial support of up to Rs. 35,000 crore for infrastructure projects over the next five years. *[Business Standard]*

**Arunachal Pradesh signs MoA with THDCIL for 1200 MW Kalai-II hydroelectric project:** The Government of Arunachal Pradesh signed a Memorandum of Agreement (MoA) with Tehri Hydropower Development Corporation India Ltd (THDCIL), a central PSU, for developing the 1200 MW Kalai-II hydroelectric project in the Lohit river basin. *[The Economic Times]*

**GAIL, TruAlt Bioenergy announce \$72 million investment through CBG joint venture:** Natural gas company GAIL (India) Limited and truAlt Bioenergy Limited, a producer of ethanol in India, have signed a term sheet for GAIL's equity participation in TruAlt's joint venture company Leafinti Bioenergy Limited. *[The Economic Times]*

**Transshipment port - Govt says 11 players have expressed interest in the project in Great Nicobar Island:** The government has received expressions of interest (EOIs) from 11 players for the Rs 41,000-crore international transshipment port project at Great Nicobar Island in the Bay of Bengal. *[The Economic Times]*



## Sustainable Industrialisation

**SJVN gets govt approval to form JVs for 8778 MW hydro, renewable projects:** State-owned power producer SJVN Ltd on Monday said it has received the finance ministry's permission to form four joint venture firms for the development of hydro and renewable projects with a total capacity of 8,778 MW in India and Nepal. *[The Economic Times]*



**Govt plans greener use of coal, mines as production surges:** India is looking to mechanise coal evacuation processes and use closed mines for purposes such as solar parks. *[Mint]*

**BSES plans to energise over 1,000 rooftop solar installations in 2024-25:** Electricity provider BSES has energised 6,000 rooftop solar installations so far and the discom plans to energise over 1,000 more connections in the 2024-25 financial year. *[The Economic Times]*

**Electric 2-wheeler sales up 17% in India as electrification improves:** Electric two-wheeler (E2W) sales volume in India rose 17 per cent year-on-year in December as electrification improved after a recent hiatus. *[The Economic Times]*



## Sectoral News

**India's mining sector hits new high with 13.1% increase in mineral production:** In a significant boost to the Indian mining and quarrying sector, the index of mineral production for October 2023 has shown a remarkable increase of 13.1% compared to the same month in the previous year. *[The Economic Times]*

**India's coal output rises nearly 11 pc in Dec to 92.87 MT:** India's coal production increased by 10.75 per cent to 92.87 million tonne in December 2023 as compared to the year-ago period. *[Financial Express]*

**India's record car sales in 2023: Here's a look under the hood:** India's passenger vehicle market, valued at Rs 4.5 lakh crore, has been outpacing volume growth. It has just passed a milestone as annual volumes of cars. *[The Economic Times]*

**India's power consumption dips marginally by 2.3 pc to 119.07 billion units in Dec:** The country's power consumption dipped 2.3 per cent to 119.07 Billion Units (BU) in December, marking its first monthly decline in eight months due to lower demand for heating equipment, especially in the north, on account of mild winter. *[The Economic Times]*

**TEC brings 37 more telecom products under ambit of 'Simplified Certification Scheme':** The Telecommunication Engineering Centre (TEC), which is the technical arm of the Department of Telecommunications (DoT) has brought 37 more products under the Simplified Certification Scheme (SCS) with effect from January 1, 2024. *[The Economic Times]*

**Toy manufacturing - No new PLI sops on cards for now - DPIIT secy:** The Centre will continue to support toy manufacturing in the country through non-production linked incentive (PLI) measures such as import duties and quality control orders (QCO). *[The Economic Times]*

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