

Industry Matters

Weekly Updates

March 15, 2024



Economy, Industry and Policy

Domestic demand to keep India's growth above other G20 emerging markets - Moody's: Global rating agency Moody's expects India's economic growth in 2024-25 growth above that of other emerging market G20 peers, given its domestic demand managed to sustain momentum. *[The Economic Times]*

Fitch raises India's FY25 growth forecast to 7%: Fitch Ratings, Thursday, raised India's FY25 growth forecast to 7% from 6.5% projected earlier, projecting investment to be a significant driver of growth. *[The Economic Times]*

India's capex cycle to continue - Morgan Stanley: Morgan Stanley expects India's capital expenditure cycle to remain on track, buoyed by government spending and a revival in private investment with the current uptick reminiscent of the 2003-2007 period, when the economy grew at an average annual rate of 8.6%. *[The Economic Times]*

Wholesale inflation eases to a four-month low of 0.2% in February: Wholesale inflation eased to a four-month low of 0.2% in February compared with 0.27% in the previous month, despite an increase in food prices as input cost pressures remained benign. *[The Economic Times]*

India ranked 134 out of 193 countries on United Nations Human Development Index for 2022: India's ranking on the United Nations Human Development Index improved by one position in 2022 to 134 out of 193 countries ranked compared to 135 out of 192 countries ranked in 2021. *[The Economic Times]*

India's inflation almost flat at 5.1% in February; food inflation rises: India's inflation remained almost unchanged at 5.09% in February, compared with 5.1% in the previous month, owing to a rise in food inflation. *[The Economic Times]*

Industrial production grows 3.8 pc in Jan: The data released by the National Statistical Office (NSO) showed that the manufacturing sector's output grew 3.2 per cent in January 2024, down from 4.5 per cent in the year-ago month. *[The Economic Times]*

E-way bill generation in Feb new second all time high, collection to get boost: E-way bill generation surged to 9.73 crores in February. This is the highest in four months and also the new second-all all-time-high generation. *[Business Line]*

Mobile phone manufacturing jumps 21 times to Rs 4.1 lakh cr in 10 yrs - ICEA: Mobile phone manufacturing in value terms jumped 21-fold to Rs 4.1 lakh crore in India in the last 10 years as government policy measures like PLI played a critical role in attracting global players to boost local production. *[The Economic Times]*



Foreign Investment

Inflows into index-eligible Indian bonds set to hit \$10 billion: Foreign inflows into India's sovereign bond market are closing in on the \$10 billion mark ahead of the country's inclusion in the JPMorgan Chase & Co's emerging markets debt index. *[The Economic Times]*

Foreign investors infuse average of ~\$4 billion annually in Indian real estate segment, foreign inflows up 20% YoY in 2023: India's economic resilience, coupled with favourable investment climate and rapid urbanisation has enhanced its appeal as a promising investment destination for global funds. *[Financial Express]*

Sebi may offer FPIs relief on stricter disclosures: The Securities and Exchange Board of India (Sebi) is expected to grant relief to foreign portfolio investors (FPIs) with concentrated holdings in Indian companies without a promoter group by exempting them from stricter disclosure requirements. *[The Economic Times]*

Will bring more investments from Singapore into India - Envoy Shilpak Ambule: The Indian High Commission here is working to get more and more investments into India's burgeoning economy led by aggressive progress being made in infrastructure, renewable energy and advanced technology space. *[Business Standard]*

Citroen plans to expand network footprint by 400% in India this year: Automaker Citroën will add 200 new dealerships in India by the end of this year as it seeks to "aggressively" expand in the country. *[Business Standard]*



Trade Policy and Competitiveness

India inks pact with EFTA, gets \$100 billion commitment: India on Sunday signed a trade and economic partnership agreement with the European Free Trade Association (EFTA) - a grouping of Switzerland, Norway, Liechtenstein and Iceland - that includes a binding \$100-billion investment commitment. *[The Economic Times]*

Trade game-changer in making? Several countries willing to start trading with India in rupee: Neighbouring Sri Lanka and Bangladesh are keen to start trading with India in rupee immediately. Countries from the Gulf are giving it a serious thought too. The mechanism is already in place in trade with Singapore. *[The Economic Times]*

Govt extends export benefits under RoDTEP scheme to SEZ units: The government on Friday extended export benefits under the RoDTEP scheme to companies in the special economic zones (SEZs) and export-oriented units (EOUs). *[The Economic Times]*

Gem, jewellery industry expects India-EFTA trade deal to boost exports: The Trade and Economic Partnership Agreement between India and the European Free Trade Association (EFTA) is expected to boost gem and jewellery exports to Switzerland, Iceland, Norway and Liechtenstein to \$1 billion in the coming years from the current \$335 million. *[The Economic Times]*

India's diesel exports to Europe see nearly three-fold jump in February: Diesel exports to Europe quadrupled in February over the previous month as enhanced margins on the fuel lured more Indian cargoes into the continent. *[The Economic Times]*

SIMA welcomes QCO exemption for viscose under advance authorisation scheme: Removal of mandatory quality control order for import of viscose under advance authorisation scheme will help meet export targets for the textile and apparel sectors. *[The Hindu]*



Corporate Governance

India Inc's February deals see 1% fall in volume, 77% less value: Amidst a turbulent global economic scenario, India Inc recorded a total of 154 deals at \$2.5 billion in February, recording a 1% fall in volumes and a 77% decrease in values from the previous month. *[Financial Express]*

Nirma completes acquisition of 75% stake in Glenmark Life Sciences: Indian conglomerate Nirma on Tuesday said it had completed the acquisition of a 75 per cent stake in Glenmark Life Sciences (GLS), a manufacturer of active pharmaceutical ingredients (APIs). *[Business Standard]*

Eris Lifesciences acquires India-branded formulation business of Biocon Biologics for ₹1,242 crore: Eris Lifesciences has entered into a definitive agreement to acquire the India-branded formulation business of Biocon Biologics for ₹1,242 crore, a move that strengthens its footprint in the domestic injectables segment, and catapults it into the top bracket of the insulin segment. *[Business Line]*

Reliance acquires Paramount's 13 per cent stake in Viacom18 for ₹4,286 crore: Paramount Global has sold its 13 per cent stake in Viacom18 to Reliance Industries for ₹4,286 crore. With this Reliance Industries stake in Viacom18 will increase from 57 per cent to 70 per cent. *[Business Line]*

AstraZeneca to buy Amolyt Pharma for \$1.05 bln to boost rare-disease portfolio: Drugmaker AstraZeneca said on Thursday it would acquire endocrine diseases-focused firm Amolyt Pharma for \$1.05 billion in cash, in a bid to boost its rare diseases portfolio. *[The Economic Times]*



MSMEs and Start-ups

Niti Aayog bats for easy financing, e-commerce push to boost MSME exports: Niti Aayog has called for easing of access to export finance and a concerted push to boost e-commerce exports to realise the potential of the country's micro, small, and medium enterprises (MSMEs). *[Business Standard]*

Perfios secures \$80 million funding, set to become 2nd unicorn of 2024: Fintech-focussed software-as-a-service firm Perfios on Wednesday said it has secured \$80 million in funding from Teachers' Venture Growth (TVG), a late-stage venture and growth investment arm of Ontario Teachers' Pension Plan. *[Business Standard]*

India AI mission to provide funding, support to deeptech startups: The government's focus on deeptech startups, via the recently-announced India artificial intelligence (AI) mission, is a "good starting point" to building a conducive investment environment for the sector. *[Business Standard]*

Unicorns to add \$1 trn to economy by 2030, generate 50 mn jobs - CII study: New unicorns are likely to add USD 1 trillion to the Indian economy, which would reach USD 7 trillion size by 2030, and add 50 million new jobs. *[The Economic Times]*

MSME apprenticeship may become shorter, better-paid: The government is considering a slew of measures to boost apprenticeship training through millions of micro, small and medium enterprises in India, as it seeks to create a large pool of skilled workforce in the country. *[The Economic Times]*

Bengaluru start-ups raise 53% of total funding in Feb: Bengaluru-based start-ups raised ₹2,661 crore of the total funding of ₹5,039 crore in February 2024, followed by Mumbai and Delhi NCR, which raised 922 crore and ₹829 crore in funding. *[Business Line]*

UP govt aims to develop MSME export hubs to compete in global markets: The state government will develop local export hubs and nudge the e-commerce sector to double micro, small and medium enterprises (MSME) shipments to Rs 3 trillion in two-three years. *[Business Standard]*



Employment and Industrial Relations

Unorganised workers to be urged to enlist on E-Shram portal for social security plan: The government plans to persuade unorganised workers registered on its e-Shram portal to opt for pension and health insurance schemes. *[The Economic Times]*

Tata, CG Power to create over 72,000 jobs with chip units: Tata Group and CG Power will create employment for over 72,000 people over the years with their upcoming semiconductor facilities in the country. *[Financial Express]*

80% people feel gig workers will overshadow traditional workforce: With a steady growth in demand for freelancing jobs in the country, a report on Wednesday said that 83 per cent of respondents believe that going forward, the gig workforce will overshadow the traditional workforce. *[Business Standard]*



Industrial Finance

L&T Finance signs \$125-million pact with JICA to aid farmers and women entrepreneurs: L&T Finance Holdings Ltd. has signed a pact with Japan International Cooperation Agency (JICA) for \$125 million to fund mostly farmers and women entrepreneurs in rural and semi urban India. *[The Economic Times]*

Private banks' share in deposits rises to 34%: The share of private sector banks in total deposits has risen to 34% as of December 2023, from 25% at the end of 2017-18, helped by aggressive interest rate offerings and an improved customer relationship management. *[Financial Express]*

Paytm gets third-party app license from NPCI, letting Paytm users access UPI after March 15: India's National Payments Corporation of India (NPCI) on Thursday approved embattled fintech Paytm's request to participate in UPI as a Third-Party Application Provider (TPAP), enabling the company to facilitate payments after its banking unit shuts down. *[The Economic Times]*



Technology and Innovation

PM Modi lays foundation stone of 3 semiconductor projects worth Rs 1.25 trn: Prime Minister Narendra Modi on Wednesday virtually laid the foundation stone of three semiconductor projects worth about Rs 1.25 trillion, including the Rs 91,000 crore facility in Dholera, which will commence chip production by 2026. *[Business Standard]*

India will soon make equipment for semiconductor manufacturing: The entire semiconductor ecosystem of fabs, ATMP units, chemicals, gases, substrate, consumables and equipment for semiconductor manufacturing will be made in India. *[The Economic Times]*

Qualcomm agreed to create roadmap for developing industrial electronics, 6G Labs - Ashwini Vaishnav: Qualcomm, the largest maker of smartphone processors and the Centre have agreed for a partnership to create a roadmap for developing industrial, automobile, telecom electronics. *[Financial Express]*

India is on a path of digitalisation that is different from China and US - Soumitra Dutta, Dean of Said Business School: It's time India starts focusing on developing a truly world-class AI infrastructure in the country to reap its dividends. *[The Economic Times]*

PLI schemes will get India get investments in chip manufacturing - US: India's provide production-linked incentives (PLI) for companies to set up semiconductor units is encouraging for American companies. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

PM Modi inaugurates, lays foundation stones of multi-crore airport projects: Prime Minister Narendra Modi on Sunday inaugurated and laid foundation stones of 16 airport projects including new terminals of Delhi, Lucknow Airport and Pune airport. *[The Economic Times]*

Tata Motors to build ₹9,000-crore plant in Tamil Nadu: Tata Motors on Wednesday said it will build a cutting-edge vehicle manufacturing facility in Ranipet, Tamil Nadu, at an investment of ₹9,000 crore. *[The Economic Times]*

Cabinet approves Rs 8,400 cr for two corridors of Delhi Metro under Phase-4: The Union Cabinet on Wednesday approved two corridors of the Delhi Metro under Phase-4 of the national capital's development plan, which will cost Rs 8,399 crore. *[Business Standard]*

Road ministry sanctions Rs 1,385.60 cr for 295 road development projects: The road ministry has sanctioned Rs 1,385.60 crore for the enhancement and reinforcement of 295 road development projects, spanning a total length of 2,055.62 km across various districts in Karnataka. *[The Economic Times]*



Sustainable Industrialisation

Govt announces Rs 500 cr scheme to promote e-mobility: The heavy industries ministry on Wednesday announced a new scheme to promote e-mobility in the country with an outlay of Rs 500 crore for four months beginning April 2024. *[The Economic Times]*

India achieves 11.6% ethanol blend with petrol in first 4 months of 2023-24: India has achieved an average ethanol blending rate of 11.60 per cent in the first four months of 2023-24 supply year that started from November, against the 15 per cent target set by the government for the whole year. *[Business Standard]*

Coal sector to boost solar and wind capacity to 9GW by 2030: In a significant push towards green energy, India's coal sector has set a target to enhance its renewable energy capacity to over 9 gigawatts (GW) by 2030. *[The Economic Times]*

Four states account for over half of India's renewable potential - MoSPI: Four states accounted for over half of the country's renewable energy potential, with Rajasthan having the highest share, followed by Maharashtra, Gujarat and Karnataka. *[The Economic Times]*



Sectoral News

Domestic passenger vehicle sales rise 11 pc in February - SIAM: Passenger vehicle wholesales in India rose 11 per cent year-on-year in February, as sports utility vehicles continued to steer demand in the market. *[The Economic Times]*

Private oil companies grab bigger share of aviation fuel market: Private players are grabbing a larger share of India's growing aviation fuel business as they expand their supply networks and stitch more deals with airlines. *[The Economic Times]*

Property leasing by luxury brands in India jumped 170% in 2023: Real estate leased by luxury companies in India stood at 0.60 million square feet (MSF) last year – 170 per cent higher than in 2022. *[Business Standard]*

AAI expects net profit of Rs 3,257.28 cr in 2023-24, highest in 8 yrs: The Airports Authority of India (AAI), which operates over 120 airports, expects a net profit of Rs 3,257.28 crore in the current financial year (FY24), the highest in eight years. *[Business Standard]*

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