

# Industry Matters

Weekly Updates

April 05, 2024



## Economy, Industry and Policy

**India's March services growth strong, exports at record high - PMI:** India's services sector accelerated in March buoyed by strong demand, the final HSBC India Services Purchasing Managers' Index, compiled by S&P Global. *[The Economic Times]*

**March GST collections up 11.5% at Rs 1.78 lakh crore, second highest so far:** The centre collected Rs 1.78 lakh crore as gross goods and services tax in the month of March, up 11.5% against the same month last year. *[The Economic Times]*

**Credit quality outlook of India Inc positive in first half of FY25 - Crisil Ratings:** Crisil Ratings on Monday said the credit quality outlook for Indian corporates remains positive for the April-September period of the 2024-25 fiscal year with upgrades continuing to outpace downgrades. *[The Economic Times]*

**Indirect tax collection for FY24 exceeds RE by handsome margin - CBIC chief:** The indirect tax collection for FY24 has exceeded the revised estimates (RE) of Rs 14.84 lakh crore by "a handsome margin", helped by a record GST mop-up. *[The Economic Times]*

**World Bank projects Indian economy to grow at 7.5% in 2024:** The Indian economy is projected to grow at 7.5 per cent in 2024, the World Bank has said, revising its earlier projections for the same period by 1.2 per cent. *[The Economic Times]*

**Domestic consumption demand, govt capex lent support to India Inc's credit profile - ICRA:** Rating agency ICRA on Monday said domestic consumption demand, government's infrastructure spending and healthy balance sheets lent support to India Inc's credit profile in the 2023-24 fiscal, even though rise in borrowing cost, sluggish exports and certain global events posed challenges. *[The Economic Times]*

**Centre gets a dividend boost as receipts from state-run undertakings surpass revised estimates by 26% to Rs 63,000 cr:** The Centre's kitty got a boost as dividend receipts from state-run undertakings exceeded the revised budget estimate by 26 per cent to about Rs 63,000 crore. *[The Economic Times]*

**Finance Ministry releases additional ₹3.4kcr for rural jobs guarantee scheme:** The finance ministry released an additional ₹3,400 crore in urgent assistance for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), over and above the revised estimate of ₹86,000 crore for 2023-24. *[The Economic Times]*

**Centre aims to conclude first round of critical mineral auction within week:** The Centre intends to wrap up the first phase of the critical minerals auction, which commenced in November last year, with the selection of the preferred bidders by April 8. *[Business Standard]*

**India gives over \$1 bn incentives to private firms under its manufacturing scheme:** India has paid \$1.02 billion as incentives to boost local manufacturing, following over \$13 billion in investments from private firms under a scheme introduced in 2020. *[The Economic Times]*



## Foreign Investment

**FPIs lap up Indian equities worth Rs 35,000 crore in March:** Foreign portfolio investors were net buyers in March, with equity purchases worth Rs 35,098 crore, showing improvement from previous months. Strong buying trends were seen in various sectors. *[The Economic Times]*

**Govt garners Rs 16,507 crore via public sector enterprises disinvestment in FY24:** The government has garnered Rs 16,507 crore by selling minority stake in state-owned companies in 2023-24 fiscal, lower than what was projected in its revised estimates. *[The Economic Times]*

**Blackstone to invest \$2 bn every year in India; wants quicker M&A clearances:** Blackstone Group plans to invest USD 2 billion annually in India, aiming to improve the ease of doing business for firms like it. The New York-based group has been operational in India for nearly two decades and has invested a total of USD 50 billion in the country. *[The Economic Times]*

**Tesla to scout sites in India for \$2 bn-\$3 bn EV plant:** Tesla will send a team from the United States to India by late-April to study sites for a proposed \$2 billion to \$3 billion electric car plant. *[The Economic Times]*



## Trade Policy and Competitiveness

**Indian Defence Exports crossed Rs 21,000 crore mark for the first time - Defence Minister Rajnath Singh:** Union Defence Minister Rajnath Singh took to social media to announce that the country's defence exports have soared to unprecedented levels, crossing the milestone of Rs 21,000 crore for the first time in the history of Independent India. *[The Economic Times]*

**India second biggest importer of ethane from the US in 2023:** India was the second largest importer of ethane from the US, after China, last year aided by rising demand for petrochemicals, lower prices of the commodity in the US and growing tanker capacity. *[Business Line]*

**India set to become Apple's third-largest iPhone market by 2026, surpassing UK and Japan:** India is likely to surpass Japan and UK to become the third largest market for Apple in terms of shipments in 2026. *[Business Line]*

**India eyes Rs 1 trillion marine exports in 2 years:** India is aiming to reach Rs 1 trillion in marine product exports in next two years by increasing its processing capacity and a shift to higher value added products. *[Financial Express]*

**Export growth for 2024 will be led by PLI and Make In India schemes - GTRI:** Amidst the complexities of global trade dynamics, India finds itself on a trajectory with notable advancements in export sectors previously considered weak. *[The Economic Times]*

**India initiates anti-dumping probe into import of a chemical from China, Japan:** India has initiated an anti-dumping probe into the import of a chemical used in the rubber industry from China and Japan following a complaint by a domestic player. *[The Economic Times]*



## Corporate Governance

**Dixon eyes India unit of China handset maker Transsion Holdings:** Dixon Technologies, India's largest electronics contract manufacturer, is in initial talks to buy a majority stake in the local phone-making unit of China's Transsion Holdings. *[The Economic Times]*

**India becomes Suzuki's second market to cross 3 crore cumulative production mark:** India has become the second country for Suzuki Motor Corporation to cross cumulative production of 3 crore units, reaching the milestone even faster than it achieved in its home nation. *[The Economic Times]*

**Ola Electric sees record registrations in March; ends FY24 with 115% growth on year:** Electric scooter maker Ola Electric on Monday said it saw a record 53,000 registrations in March, its highest volume for a fifth consecutive month. *[The Economic Times]*

**ABFRL to demerge Madura Fashion & Lifestyle into separate listed entity:** The board of directors of Aditya Birla Fashion and Retail (ABFRL), at its meeting on Monday, authorised the management of the company to evaluate the vertical demerger of the Madura Fashion & Lifestyle (MFL) business from ABFRL into a separate, listed company. *[Business Standard]*

**FMCG sector - Rural demand growth for daily essentials outstrips urban sales:** Growth in sales of fast-moving consumer goods (FMCG) in villages outpaced that in cities for the first time in nearly three years, an early indication of demand recovery, helped by a lower base and price cuts to offset hyperlocal competition. *[The Economic Times]*



## MSMEs and Start-ups

**7 Indian startups shortlisted for ASME ISHOW in Chennai:** The American Society of Mechanical Engineers (ASME) has picked seven startups as the regional finalists for the 2023 ASME Innovation Showcase (ISHOW) which is scheduled to be held in Chennai on April 24. *[Business Line]*

**Only 22% of unicorns were started by solopreneurs in last decade - PrivateCircle:** Nearly 22% of Indian unicorns were started by solopreneurs in the last decade, as compared to two or more co-founders leading the other 78%, according to an analysis by PrivateCircle Research, a market intelligence platform. *[The Economic Times]*

**Digital Competition Bill could negatively impact MSMEs, study finds:** The provisions regarding restriction on data usage, and tying and bundling of services by the large digital platforms as proposed by the Digital Competition Bill would adversely impact the micro, small and medium enterprises (MSMEs). *[Business Standard]*



## Employment and Industrial Relations

**Jobs generated under MGNREGS up 4.8%:** Work generation under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) increased 4.81% to 3.1 billion person-days in 2023-24 from 2.96 billion in the previous financial year. *[The Economic Times]*

**TCS layoffs - US techies allege Indian IT major of employment discrimination:** A group of tech professionals working with TCS in the US have accused the IT major of employment discrimination. They alleged that TCS terminated their employment on brief notice and replaced many of the then-vacant positions with workers from India employed on H-1B visas. *[The Economic Times]*

**Over 80 million people worked under MGNREGA in FY24:** The demand for work under the flagship Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has tapered off during the financial year 2023-24 with almost 83.2 million people working in the programme down from 87.5 million in FY23. *[Business Standard]*

**Salaried workers' real wages dropped between 2012 and 2022 - ILO:** Over the decade until 2022, the average monthly real earnings of regular salaried workers declined by 1 per cent each year, according to the latest report jointly prepared by the International Labour Organization (ILO) and the Institute for Human Development (IHD). *[Business Standard]*

**Amazon Web Services lays off hundreds of tech, sales staff:** Amazon Web Services has eliminated several hundred sales, marketing and tech roles, it said on Wednesday, the latest in a series of job cuts by its parent Amazon.com. *[The Economic Times]*



## Industrial Finance

**Microfinance industry's loan portfolio grows by 21% to touch ₹3.93 lakh crore:** The microfinance industry's loan portfolio grew robustly 21 per cent as December 2023 to touch ₹3.93 lakh crore, according to latest data compiled by Sa-Dhan. *[Business Line]*

**In Q4, private banks post robust credit growth; deposits, too, pick up pace:** Credit growth for most banks remained robust in the last quarter of FY24, maintaining a steady growth rate of 15-25 per cent, as per provisional quarter-end numbers declared by lenders so far. *[Business Line]*

**NBFC loan sanctions up 6% in Q3, led by consumption loans, urban growth slows:** Loan sanctions by non-bank companies grew 6 per cent on year to ₹4.3-lakh crore as of December 2023, primarily driven by growth in consumption loans such as two-wheeler, consumer, gold, personal and education loans. *[Business Line]*

**Banks' credit growth to slow a mite to about 14-15% in FY25:** Credit rating agencies expect banks' credit growth to slow a mite to about 14-15 per cent in FY25 against the estimated 16 per cent in FY24 amid elevated lending rates and global headwinds. *[Business Line]*



## Technology and Innovation

**GCC, GenAI to help India's tech sector grow to \$254 billion in FY24-25 - Deloitte:** The revenue of India's technology sector, including the hardware segment, is poised to grow 3.8% on year to \$254 billion in the financial year 2024-25, while exports from the sector are likely to touch \$200 billion. *[The Economic Times]*

**Indian enterprises generated nearly half of AI/ML transactions in APAC - Zscaler:** Indian enterprises have generated nearly half of artificial intelligence (AI) and machine learning (ML) transactions in the Asia Pacific (APAC) region. *[Business Line]*

**India had 14th highest median 5G download rates in Q4 2023 - Ookla:** India ranked 14th globally in 5G median download speeds with 301.86 megabits per second (Mbps) in the fourth quarter (Q4) of calendar year 2023 (CY23). *[Business Standard]*

**In a first, yearly transactions through UPI cross 100 billion in FY24:** Unified Payment Interface (UPI) transactions in India posted a record 57 per cent rise in volume and 44 per cent rise in value in Financial Year 2023-24, compared to the previous financial year. *[Business Standard]*

**India can become a global hub for data embassies:** At the beginning of January 2024, a data services company commissioned a ₹500 crore data centre in GIFT City, which can function as a potential data embassy. *[Business Line]*



## Industrial Infrastructure, Clusters and SEZs

**Reliance invests \$125 billion in capex over the past decade. These were Ambani's top priorities:** Reliance Industries Ltd has made substantial investments exceeding USD 125 billion over the past decade, primarily focusing on the expansion of its hydrocarbon and telecom sectors. *[The Economic Times]*

**443 infrastructure projects hit by cost overrun of Rs 4.92 trillion in Feb:** As many as 443 infrastructure projects, each entailing an investment of Rs 150 crore or above, were hit by a cost overrun of more than Rs 4.92 trillion in February 2024. *[Business Standard]*

**NHAI spends record ₹2.07 lakh cr in 2023-24, builds 6,644 km of roads:** The National Highways Authority of India spent a record ₹2,07,000 crore in construction of national highways in 2023-24, the highest ever capital expenditure so far, and a jump of 20% compared to ₹1,73,000 crore spent in 2022-23 and ₹1,72,000 crore in 2021-22. *[The Economic Times]*



## Sustainable Industrialisation

**In the green race, auto companies hop on powertrains:** Carmakers in India are increasingly navigating a mix of powertrain technologies from petrol to hybrids to electric, driven by policy initiatives, tougher emission norms and changing customer preferences, among others. *[The Economic Times]*

**India hydropower output records steepest fall in nearly four decades:** India experienced a drastic 16.3% drop in hydroelectricity output, the steepest decline in at least 38 years, due to erratic rainfall. *[The Economic Times]*

**GH2, green ammonia to drive \$125 billion investments in India by 2030 - Aventus:** Green hydrogen (GH2) and green ammonia segments are estimated to drive investments of \$125 billion (about ₹10.43 lakh crore) in India by 2030. *[The Economic Times]*

**Adani Green Energy becomes India's 1st 'das hazari' in renewables sector with over 10,000 MW portfolio:** Adani Green Energy Ltd on Wednesday said it has commissioned 2,000 MW of solar capacity at the giant Khavda solar park in Gujarat that has made it the first company in India with over 10,000 MW of renewable energy capacity. *[The Economic Times]*

**Shirdi Sai Electricals makes Rs 15k-cr initial investment to set up solar cell to module unit:** Shirdi Sai Electricals Limited will make an initial investment of Rs 15,000 crore to build an integrated solar cell to module manufacturing facility at Ramayapatnam in Andhra Pradesh. *[The Economic Times]*

**India eyes 100 GW nuclear power by 2047 - AEC chairman:** India aims to produce 1 lakh MW of nuclear power by 2047, a massive increase from the current production of over 8,000 MW. *[The Economic Times]*



## Sectoral News

**PLI schemes attract over Rs 1.06 lakh crore investment till Dec; pharma sector gets major chunk:** Production-linked incentive (PLI) schemes for 14 sectors have attracted over Rs 1.06 lakh crore investments till December 2023 with pharma and solar modules accounting for nearly half of the total. *[The Economic Times]*

**Curtains for Rs 3,300-crore SPECS scheme; new PLI after polls:** The ministry of electronics and information technology (MeitY) will come out with a new production-linked incentive scheme for component manufacturing after the elections. *[Financial Express]*

**Jio 5G user base crosses 100 mn, Airtel at 75 mn:** Reliance Jio is reckoned to have crossed the 100-million mark of pure 5G users at March-end while closest rival Bharti Airtel has ended the fiscal fourth quarter with nearly 75 million 5G subscribers. *[The Economic Times]*

**AAI to post highest ever pre-tax profit of Rs 5,000 cr in 2023-24:** Airports Authority of India (AAI) is expected to report the highest-ever profit of Rs 5,000 crore in the financial year 2023-24. *[The Economic Times]*

**Domestic car sales in last financial year grew by nearly 9% to a record 4.23 mn units:** Car sales in the local market in the last financial year grew by nearly 9% to a record 4.23 million units amid improved supplies and sustained customer demand, cementing India's position as the third largest market for passenger vehicles in the world. *[The Economic Times]*

**India's power consumption rises 1.4 pc to 129.89 billion units in March:** India's power consumption growth remained subdued at 1.4 per cent to 129.89 billion units (BU) in March as compared to the year-ago period mainly due to pleasant weather. *[The Economic Times]*

**India all set to make Penicillin G after three decades on PLI push:** Two domestic drugmakers are set to start production of penicillin G and clavulanic acid this year, supported by the government's production-linked-incentive (PLI) scheme. *[The Economic Times]*

**Railways records highest ever loading in fiscal 2023-24:** The Indian Railways loaded 1591 million tonnes (MT) freight during financial year 2023-24 up from 1512 MT in the preceding fiscal. *[The Economic Times]*

**India's hospitality sector saw investments worth \$401 mn in 2023 - JLL:** India's hospitality sector saw a record investment of \$401 million in the financial year 2023, nearly a fourfold increase from the previous year. *[Business Standard]*

**Coal India's production grows 10% to 773.6 MTs in FY 2024:** Coal India Ltd (CIL) produced 773.6 million tonnes (MTs) of coal in FY24, registering a 10 per cent growth over 703.2 MTs output in FY23. *[Business Line]*

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