

Industry Matters

Weekly Updates

April 12, 2024



Economy, Industry and Policy

India benefiting from growing interest from multinationals - UN: India is benefiting from growing interest from multinationals, which see it as an alternative manufacturing base in the context of developed economies' supply chain diversification strategies. *[The Economic Times]*

ADB raises India's GDP growth forecast for FY25 to 7 pc on robust investment, consumer demand: The Asian Development Bank (ADB) on Thursday raised India's GDP growth forecast for the current fiscal to 7 per cent from 6.7 per cent earlier, saying the robust growth will be driven by public and private sector investment demand and gradual improvement in consumer demand. *[The Economic Times]*

India surpasses China's growth rate...it will continue doing so - European Parliament policy expert: India's GDP growth exceeded China's annually for the past few years, with India's growth averaging over 7.5 per cent in 2023, while China's is 5.2 per cent. *[The Economic Times]*

India a bright spot in the Asia-Pacific region in 2023 - UN's Economic and Social Survey of Asia and the Pacific 2024: India has become the world's fastest-growing major economy and a bright spot for the Asia-Pacific in 2023 amid strong household consumption and public investment in infrastructure. *[The Economic Times]*

Even at all time high of \$645.6 billion, RBI to continue to accumulate reserves: The central bank will continue to accumulate foreign exchange reserves even though it is at an all-time high as it looks to strengthen its position to counter volatility due to spillovers. *[The Economic Times]*

Make in India - Apple assembled \$14 bn worth of iPhones in India in FY24: Apple Inc has assembled \$14 billion worth of iPhones in India in fiscal 2024, Bloomberg News reported on Wednesday. Apple now makes as much as 14 per cent or about 1 in 7 of its marquee devices from India. *[Business Standard]*

CPSEs invest Rs 8.05 trillion in FY24, exceed target by 9%: Central public-sector entities – companies and departmental agencies (CPSEs) – achieved 109% of their combined capital expenditure target for FY24 by investing Rs 8.05 trillion, an all-time high. *[Financial Express]*

Highway toll mopup rises 35% to 5-year high of ₹64,810 crore: India's highway toll collection in FY24 increased by 34.9% year-on-year to a five-year high of ₹64,809.86 crore, helped by an increase in tolled roads and their users. *[The Economic Times]*

Rs 6,800 cr disbursed to beneficiaries of PLI scheme in FY24 - DPIIT Secy: Cumulative incentive that has been disbursed as of now is Rs 9,700 crore. For FY24, Rs 6,800 crore has been disbursed to beneficiaries. *[Business Standard]*

China Plus One, PLI scheme throw up a rising star that shows India the way: Not long ago, there was a time when Indian businesses could not think of competing with China. In just a few years, many of them are not only competing with Chinese companies globally but have also emerged as icons of indigenous manufacturing. *[The Economic Times]*



Foreign Investment

India seeks to attract \$100 billion a year in FDI as it woos investors looking beyond China: India aims to attract at least \$100 billion a year in gross foreign direct investment, a top official said, as the South Asian nation courts investors looking to diversify away from China. *[The Economic Times]*

RBI permits FPIs to invest in sovereign green bonds via IFSC: Taking fresh steps to deepen debt markets, the Reserve Bank of India (RBI) Friday said that foreign investors in the International Financial Services Centre would be permitted to invest in sovereign green bonds. *[The Economic Times]*

Govt ends easy tax relief for Mauritius-based FPIs: Foreign investors entering India via Mauritius are set to face greater scrutiny of their investments, with the two countries inking a protocol to amend their double-taxation avoidance agreement. *[The Economic Times]*



Trade Policy and Competitiveness

PMO asks commerce ministry to examine model text of investment treaty: The Prime Minister's Office (PMO) has asked the commerce ministry to examine the model text of the bilateral investment treaty (BIT) and suggest modifications to further improve the ease of doing business. *[The Economic Times]*

India-US partnership has achieved new heights - US NSA Jake Sullivan: The partnership between India and the United States has reached a new height with collaboration on technology and other fields. *[Business Standard]*

Global trade to pickup in 2024 - WTO: India clocked \$451 billion goods export in FY 23 and \$394.99 billion in April-February FY24. In its latest Global Trade Outlook and Statistics report, India's share of global goods exports was 1.8% in 2023 and imports was 2.8%. *[The Economic Times]*

India becomes net importer of finished steel in FY23-24: The country imported 8.3 million metric tons of finished steel between April and March, up 38.1 per cent from a year earlier. *[Business Standard]*

India-Singapore bilateral trade grew 18.2% to \$35.6 bln in FY 2022-23: The bilateral trade between Singapore and India rose to USD 35.6 billion in 2022-23, a growth of 18.2 per cent on the year. *[The Economic Times]*

India's exports register healthy growth to European, Latin American nations in 2023: Indian exporters made further inroads in European and Latin American nations in 2023, registering healthy growth in countries such as Romania, Montenegro, Austria, and Guatemala. *[The Economic Times]*

Personal computer imports from China dip 3 pc during Nov-Feb 2024: Imports of personal computers into India also declined 55 per cent year-on-year to USD 1.06 billion from the world during November-February 2024. *[The Economic Times]*

Top US trade mission to visit India to explore agribusiness sector: A high-powered US trade delegation will visit India later this month to explore opportunities in the country's huge agribusiness sector and further promote American products among India's rising middle class. *[Business Standard]*

SBI, ICICI may act as third-party liaisons for European banks: State Bank of India and ICICI Bank, two of the country's top three lenders, are likely to act as local intermediaries for European banks seeking a plan for third-party clearing after last month's meeting between top Reserve Bank of India (RBI) officials and those from certain European banks. *[The Economic Times]*



Corporate Governance

Hyundai, Kia tie up with Exide for electric vehicle battery localisation: South Korean automotive majors Hyundai Motor Company and Kia Corporation on Monday announced a partnership with Exide Energy Solutions (EESL), a subsidiary of Kolkata-based battery manufacturer Exide Industries, to localise electric vehicle (EV) battery production in India. *[Business Standard]*

Tata to take over Pegatron iPhone mfg unit in Chennai: South Korean automotive majors Hyundai Motor Company and Kia Corporation on Monday announced a partnership with Exide Energy Solutions (EESL), a subsidiary of Kolkata-based battery manufacturer Exide Industries, to localise electric vehicle (EV) battery production in India. *[The New Indian Express]*

Tata Group-owned Air India to develop Bengaluru as aviation hub for South India: Tata Group-run Air India has selected Bangalore International Airport Limited (BIAL) to develop Bengaluru as an aviation hub for southern India. *[The New Indian Express]*

M&A deal activity surges 31% to \$18.96 billion in Jan-Mar 2024: LSEG Deals Intelligence: After hitting a three-year low in 2023 in value terms, India-involvement announced M&A activity made a strong comeback in January-March 2024, surging 31 per cent to \$18.96 billion (\$14.50 billion). *[Business Line]*



MSMEs and Start-ups

India ranks third with 67 unicorns; Byju's, PharmEasy dropout: With a total of 67 unicorns, India ranked third on the global list but was a far cry compared with the two giants – the US and China – who reigned with 703 and 340 high growth start-ups. *[Financial Express]*

Start-up funding - Health, climatetech to attract more investments in H2 2024: After facing funding headwinds, the start-up ecosystem has started attracting funds again, and according to Venture capitalists (VCs), the second half of this year will attract more investments, especially in healthtech and climatetech start-ups. *[The New Indian Express]*

Unicorn Zyber 365 Group and CashKaro join hands to offer decentralised blockchain tech: Zyber 365 has announced that it has joined hands with CashKaro to integrate decentralised blockchain technologies into CashKaro's cashback services and online retail space. *[The Economic Times]*

Indian startup funding sees revival, VC investments double in Q1 2024: There are incipient signs that venture capital and private equity funding into startups, which has been on the ebb over the last 15-18 months, is seeing distinct signs of revival. *[Business Line]*



Employment and Industrial Relations

Wage ceiling under EPFO may be raised to ₹21k: The government is contemplating enhancing the wage ceiling under the Employees' Provident Fund Organisation (EPFO) to at least ₹21,000 from ₹15,000 now to widen the social security coverage, a step towards achieving universal social security. *[The Economic Times]*

31 million jobs created in real estate under Modi government: Over the past decade, the Indian real estate market has witnessed growth in terms of sales and sustainability due to several structural reforms under the Narendra Modi-led government. *[Business Standard]*

Global capability centres in India see hiring dip amid western disturbances: The hiring by global capability centres (GCCs) in India has slowed down in the year to March, according to a survey of 80 companies by specialist staffing firm Xpheno. *[Business Standard]*

31% of women in tech considering quitting their jobs - survey: Nearly a third (31 per cent) of women employees of technology companies worldwide may quit over the next 12 months. *[Business Standard]*

Merge Data on Unorganised Workers with e-Shram: Labour Min to States: The labour ministry has directed all concerned ministries and states to reverse integrate data on unorganised sector workers with the e-Shram portal. *[The Economic Times]*



Industrial Finance

State-owned REC Ltd sanctioned record Rs 3.59 trillion loan in FY24: State-owned REC has made record loan sanctions worth Rs 3.59 trillion during 2023-24, posting a year-on-year rise of 33.66 per cent. It had sanctioned Rs 2.68 trillion as loan during the preceding 2022-23 fiscal. *[Business Standard]*

Adani Green in talks to raise \$400 million in offshore loan: Adani Green Energy Ltd. is in talks to raise about \$400 million through an offshore loan as the unit of billionaire Gautam Adani seeks funds for an upcoming renewable project. *[The Economic Times]*



Technology and Innovation

India leads global tech sector with \$ 254 billion revenue in FY24 - Deloitte: A recently released report by Deloitte, 'Technology Trends 2024: India Perspective', found that India will emerge as a key player in domains such as spatial computing, the industrial metaverse, cloud computing, and generative AI (GenAI). *[Business Standard]*

Semiconductor associations sign MoU to connect Indian players with global peers: To identify opportunities to connect Indian semiconductor stakeholders to the global semiconductor manufacturing, and design supply chain, India Electronics and Semiconductor Association (IESA) signed a MoU with SEMI in Bengaluru on Wednesday in the presence of more than 200 IESA members. *[The Economic Times]*

Roughly half of nations that invest in AI develop their own generative models, reveals the first global GenAI landscape: Alport, an online community dedicated to covering the latest international ML developments, has crafted the first volume of its Global Generative AI Landscape 2024. *[The Economic Times]*

Big PLI impact! Local production of electronics parts gets a boost; imports of completely boxed smartphones decline 40%: India's local manufacturing of electronics is expanding every year, with a significant decrease in imports of key components such as mechanics, vibrator motors, charger adapters, and plastic parts. *[The Times of India]*

Infosys, Intel join hands to accelerate enterprise growth with Gen AI: Indian IT services company Infosys and chip giant Intel on Wednesday announced expansion of their strategic collaboration to assist global enterprises in accelerating their AI journeys. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Railways on track to meet target of 100% electrification by FY25: Indian Railways is planning to conclude the electrification of the broad-gauge network by the end of this financial year, senior officials aware of the developments said. The national transporter has so far electrified 95 per cent of the broad-gauge track network in 2023-24. *[Business Standard]*

Maruti Suzuki expands Manesar plant capacity by 1 lakh units per year: Maruti Suzuki India on Tuesday said it has expanded the production capacity of its Manesar facility by one lakh units per annum. *[The Economic Times]*

Road ministry working on mega plan for building 50,000 km of new, access-controlled, expressways: The Ministry of Road Transport and Highways, in the first 100 of the formation of the next government, could unveil a mega plan for building 50,000 km of new, access-controlled, expressways by 2037 to help reduce logistic costs. *[The Economic Times]*

Edelweiss Alt completes acquisition of L&T Infra Development Projs for Rs 6,000 cr: Edelweiss Alternatives on Thursday announced that it has completed the Rs 6,000 crore deal to acquire L&T Infrastructure Development Projects (LTIDPL), which owns various road assets and power transmission lines. *[The Economic Times]*

IL&FS to monetise its stake in DND flyover connecting Delhi to Noida: IL&FS has decided to sell its entire 26 per cent equity stake in Noida Toll Bridge Company Ltd (NTBCL), which owns and maintains DND flyover connecting Delhi to Noida. *[The Economic Times]*



Sustainable Industrialisation

Govt approves 11 EV manufacturers for receiving incentives under EMPS: The Ministry of Heavy Industries has approved 11 electric vehicle (EV) manufacturers, including Ather Energy, Bajaj Auto, Hero MotoCorp, Ola Electric, and Mahindra, to receive incentives under the recently introduced Electric Mobility Promotion Scheme (EMPS) 2024. *[Business Standard]*

MG Motor India inks MoU with Adani TotalEnergies for EV charging solutions: Adani TotalEnergies E-Mobility (ATEL), a fully-owned subsidiary of Adani Total Gas (ATGL), and part of the diversified Adani Portfolio and MG Motor India have signed a Memorandum of Understanding (MoU) to strengthen the EV charging infrastructure in the country. *[Financial Express]*

ReNew surpasses 10 GW capacity with record renewable asset additions in FY24: Clean energy firm ReNew on Wednesday said it has completed construction of 1.94 GW of renewable assets in FY24, taking its total capacity to 10 GW. *[The Economic Times]*

Adani to invest Rs 2.3 lakh crore in renewable energy, Rs 1.5 lakh crore in expansion: Adani Group will invest about Rs 2.3 lakh crore through 2030 in India's most ambitious renewable energy expansion and solar and wind manufacturing capacity. *[Financial Express]*

Navrattan Group plans to launch green cement in India: Construction company, Navrattan Group, has announced that it is planning to introduce green cement into the Indian market. *[The Economic Times]*



Sectoral News

India's pharma market reports 9.5 percent growth in March 2024 - Pharmatrac data: Market research firm Pharmatrac has revealed that India's pharmaceutical market registered a robust growth of 9.5 percent month-on-month in March. *[Financial Express]*

Jio mobile subscriber market share tops 40%: Jio has been leading the competition for nearly two years now in terms of subscriber additions. As of February end, the company's mobile user base was at 467.6 million, a month-on-month increase of 3.6 million. *[Financial Express]*

Vehicle registrations rise by a modest 3% in March: Vehicle registrations - a proxy for retail sales - went up by a modest 3% last month to 2.13 million units due to subdued demand during the inauspicious period of holastak ahead of Holi. *[The Economic Times]*

Diagnostics industry's revenue poised for 10-11 percent growth in fiscal 2025 - CRISIL: The revenues of diagnostic companies are set for a 10-11% growth in fiscal 2025, the CRISIL Ratings revealed. According to the report, the growth will be driven by a mix of a higher number of patients and improving revenue per patient. *[Financial Express]*

General Insurance industry grows 12.78% in FY24: The general insurance industry reported a growth of 13% in FY24, the pace of expansion slowing from a year before on a decline in agri insurance. *[The Economic Times]*

