

# Industry Matters

Weekly Updates

April 19, 2024



## Economy, Industry and Policy

**Toy sector requires a PLI-plus approach:** It is heartening to know that a performance-linked incentive (PLI) scheme for toys is on the anvil as indicated by the recent Budget. However, before the approval is made for the PLI, policymakers should note the complex nature of this industry. *[Business Line]*

**IMF raises India's FY25 growth forecast to 6.8%; FY26 outlook unchanged:** International Monetary Fund, on Tuesday, projected that Indian economy will likely grow at 6.8% in FY25, compared with 6.5% estimated in January. *[The Economic Times]*

**UNCTAD raises India's 2024 growth forecast to 6.5%:** Indian economy is likely to carry forward the momentum in 2024, growing 6.5% compared with 6.7% in the previous year. *[The Economic Times]*

**Moody's retains India's rating with stable outlook; projects over 6% growth in FY25 and FY26:** Global rating agency Moody's, Friday, retained India's rating, maintaining a stable outlook and projecting over 6% growth over the next two fiscal years. *[The Economic Times]*

**March wholesale inflation rises to a three-month high of 0.5%:** Wholesale inflation rose to a three-month high of 0.53% in March compared with 0.20% the previous month. *[The Economic Times]*

**States may get 15% more soft loans for capex; total kitty may swell to Rs 1.5 trillion:** The Centre is likely to top up the 50-year interest-free capex loans to states by 15% to Rs 1.5 trillion in 2024-25 from Rs 1.3 trillion provided in the interim Budget. *[Financial Express]*

**NHAI to monetise 2741 km through toll operate transfer, InvIT in FY25:** The National Highways Authority of India (NHAI) is looking to monetise 33 stretches of national highways during the current financial year (FY25) through its toll operate transfer (TOT) and infrastructure investment trust (InvIT). *[Business Standard]*



## Foreign Investment

**Govt notifies liberalised FDI norms for space sector to boost investment:** The government has notified amendments to the foreign direct investment policy in the space sector to attract offshore investors in satellite manufacturing and satellite launch vehicles segments. *[Business Standard]*

**Tesla's Musk likely to unveil \$2-3 billion India investment during visit:** Tesla chief Elon Musk is set to announce an investment in India of \$2-\$3 billion, mainly for building a new factory, when he visits New Delhi next week to meet Prime Minister Narendra Modi. *[Business Standard]*

**Nearly 46 FDI proposals pending - DPIIT writes to 17 govt departments:** The Department for Promotion of Industry and Internal Trade (DPIIT) has written to 17 government departments to expedite decision-making on foreign direct investment (FDI) proposals awaiting government clearance. *[Business Standard]*

**India's outward FDI rises to \$3.91 billion in March - RBI:** India's outward foreign direct investment (FDI) commitments rose significantly to \$3.91 billion in March 2024, compared to \$2.63 billion in March 2023. *[Business Standard]*

**Daimler India Commercial Vehicles to launch all-electric eCanter in India within next 6-12 months:** Daimler India Commercial Vehicles (DICV), the wholly-owned subsidiary of Germany's Daimler Truck AG (Daimler Truck), has announced its foray into the Indian battery electric market with the all-electric NextGeneration eCanter. (third generation). *[Business Line]*

**Election season may hit govt capital expenditure spending, FDI inflows:** A study by Bank of Baroda analysing the past data shows economic variables like government capital expenditure (capex) or foreign direct investment (FDI) inflows could be impacted by the election season. *[Business Standard]*



## Trade Policy and Competitiveness

**Powered by iPhone exports, electronics become India's fifth largest export:** Propelled by burgeoning mobile phone exports from India, especially from Apple, electronics exports have moved up one position to become India's fifth largest export, at \$29.1 billion, displacing drugs and pharmaceuticals at \$27.8 billion in the financial year ended March 31, 2024. *[Business Standard]*

**Our India deal pipeline for 2024 is \$5 bn, volumes have ramped up unprecedentedly: Jean Salata, EQT Chairman:** Foreign investors are getting more confidence in both public market and private market investments in the country. The biggest deployer of capital in recent years in the country. *[The Economic Times]*

**India's engineering exports edge up to USD 109 bn in FY24 despite geo-political tensions:** India's engineering exports edged up to USD 109 billion in 2023-24 despite a slowdown in some of the major global markets amid geo-political tensions. *[The Economic Times]*

**India's trade deficit with ASEAN expands since FTA of 2010:** India's trade deficit with the Association of Southeast Asian Nations (ASEAN) has surged, more than doubling since the implementation of the Free Trade Agreement (FTA) in 2010. *[The Economic Times]*

**After resolving WTO disputes, India opened up mkt for US - Biden admin:** After resolving half a dozen WTO disputes last year, India opened up its market for several US products which have benefitted American farmers. *[Business Standard]*

**Government imposes port restrictions for exporting essential commodities to Maldives:** Amid tensions between Maldives and India, the Directorate General of Foreign Trade on Monday issued a notification imposing port restrictions for export of essential commodities to the island nation during the fiscal year 2024-25. *[The Economic Times]*

**India's pharma exports to US surge 15% in 11 months of FY24:** After a lull, India's pharma exports to the US have surged 15% in the first 11 months of the last financial year despite regulatory challenges and rising pricing pressures. *[The Economic Times]*

**India's exports declined 0.7% in March; trade deficit at an 11-month low:** For the full year, the trade deficit, at \$240 billion, was 9.3% lower than the previous year. Exports tumbled 3.1%, as geopolitical tensions continued to plague trade. Imports during this period were down 5.4% from FY23. *[The Economic Times]*



## Corporate Governance

**Tata Motors to use new \$1 bn TN plant to make Jaguar Land Rover cars:** Tata Motors will manufacture Jaguar Land Rover (JLR) luxury cars at a \$1 billion plant that it is planning to build in the southern state of Tamil Nadu. *[Business Standard]*

**A Tata-Tesla deal has just won India a big strategic edge:** By the end of 2026, the first semiconductor chip from the new plant being set up by the Tata Group and Taiwan's Powerchip Semiconductor Manufacturing Corporation (PSMC) in Gujarat's Dholera, will be ready to roll out. *[The Economic Times]*

**Hindustan Zinc says it becomes 3rd largest silver producer globally:** Vedanta group firm Hindustan Zinc on Thursday said it has become the third largest producer of silver globally. *[Business Standard]*

**Adanis invest another Rs 8,339 cr in Ambuja Cements, promoter stake up 70%:** The Adani family on Wednesday converted the final tranche of warrants issued for Ambuja Cements, investing another Rs 8,339 crore in the cement company. With this, Adani's promoter stake in Ambuja Cements has increased to 70.3 per cent. *[Business Standard]*

**Jio Financial shares rally after company announces JV with BlackRock:** Jio Financial Services' plan to step into wealth management and stock broking business, in partnership with global asset manager BlackRock. *[Business Standard]*

**Bharti Airtel signs definitive agreement with Dialog, Axiata Group to merge Sri Lanka operations:** Bharti Airtel announced on Thursday the signing of a definitive agreement with Dialog Axiata PLC (Dialog) and Axiata Group Berhad (Axiata) to combine their operations in Sri Lanka. *[The New Indian Express]*

**Infosys to acquire 100% stake in Germany-based Engineering R&D services provider in-tech:** Infosys on Thursday announced a definitive agreement to acquire in-tech, an Engineering R&D services provider focused on the German automotive industry. *[Financial Express]*

**ITC Infotech to acquire Pune-based Blazeclan Technologies for Rs 485 crore:** ITC Infotech has entered into a share purchase agreement for the acquisition of 100 per cent of the share capital of Pune-headquartered Blazeclan Technologies Private Limited. *[Business Standard]*



## MSMEs and Start-ups

**Number of unicorns in India to rise by a fifth in FY25:** The number of unicorns in the Indian startup ecosystem is set to go up by around a fifth in FY25, with around 20-odd soonicorns rapidly closing in on the magic number. *[Business Line]*

**Sales and customer acquisition biggest pain points for MSMEs – Survey:** Intra-city delivery service Borzo in a survey on the growth of the MSME sector on Wednesday highlighted sales and customer acquisition as the biggest pain points in business growth for MSMEs. *[Financial Express]*



## Employment and Industrial Relations

**Unemployment rate to decline 97 basis points by 2028 - ORF report:** India's unemployment rate is likely to decline by as much as 97 basis points by 2028 as the country's economy hits the USD 5 trillion mark, fuelling a rise in employment. *[Business Standard]*

**Wider social security net on cards for unorganised sector workers:** The government is working on a strategy to empower millions of informal sector workers and help them avail of the benefits of several welfare schemes, such as housing, health care, insurance, pension, and foodgrain support. *[Business Standard]*

**Electronics industry sees 154% growth in hiring and skilling - Qess report:** India's electronics industry has recorded a 154 per cent growth in March 2024 as compared to the corresponding period last year in overall hiring. *[Business Standard]*



## Industrial Finance

**Indian banks among best-performing lenders versus peers in Asia - S&P Global Market Intelligence:** Three Indian banks, State Bank of India, HDFC Bank, and ICICI Bank, entered the top 50 banks in the Asia-Pacific region by assets in 2023, up from two in 2022. *[The Economic Times]*

**NaBFID eyes Rs 1 trillion sanctions for new infra projects in FY25:** The National Bank for Financing Infrastructure and Development (NaBFID) is eyeing fresh sanctions of Rs 1 trillion for new projects and refinancing through structured instruments in the current financial year (2024-25). *[Business Standard]*

**NIIF eyes \$1 billion for second Private Markets Fund:** India's quasi-sovereign National Investment and Infrastructure Fund Ltd (NIIF) is set to raise about \$1 billion for its second Private Markets Fund (PMF). *[The Economic Times]*



## Technology and Innovation

**Boost to local manufacturing: India-made chips may soon power iPhones:** Micron Technology, a global leader in memory and storage, is considering supplying Made-in-India chips from its Gujarat plant to one of its key global clients, Apple, whose vendors assemble iPhones in the country. *[Business Standard]*

**90% of companies plan to boost investments in key digital tech areas in 2024: Report:** At Least 71 per cent of enterprises have spent over 20 per cent of their tech spends on digital in CY23. Moreover, nearly 90 per cent of companies have signaled plans to boost investments in key digital technology areas in 2024. *[Business Line]*

**Hewlett Packard Enterprise expands 'Made in India' server deployment:** Hewlett Packard Enterprise (HPE) announced that its "Made in India" servers are being deployed on a large scale to serve the growing demands of Indian customers. *[Business Line]*

**Starlink may get satellite broadband services licence:** This Centre is set to grant a licence to Elon Musk-led Starlink for starting satellite broadband services in India in the next few days. *[The New Indian Express]*



## Industrial Infrastructure, Clusters and SEZs

**Proposed SEZ Amendment Bill may figure in 100-day agenda:** The government is considering several measures such as a flexible framework for the sale of products manufactured in SEZs in the domestic market, and streamlining approval processes for units. *[The Economic Times]*

**Road execution in India to grow 5-8% in FY25 to 12,500-13,000 km - ICRA:** Road execution in India is likely to grow 5-8 per cent to 12,500-13,000 km in the current fiscal, after recording a robust expansion of 20 per cent in 2023-24. *[Business Standard]*

**Noida Airport, BPCL to lay 35-km aviation turbine fuel pipeline for smoother oil transportation:** Road execution in India is likely to grow 5-8 per cent to 12,500-13,000 km in the current fiscal, after recording a robust expansion of 20 per cent in 2023-24. *[Financial Express]*



## Sustainable Industrialisation

**ReNew partners with Japan's JERA to evaluate joint development of green ammonia project in India:** Renewable energy company, ReNew Energy Global plc has signed an initial agreement with JERA Co., Inc, Japan's largest power generation company, to jointly evaluate the development of a green ammonia production project in India. *[The Economic Times]*

**Mahindra Group to invest nearly Rs 1,200 cr in renewable energy projects:** Mahindra Susten on Monday said it will foray into the hybrid renewable energy segment by setting up a Rs 1,200-crore 150-megawatt solar wind energy project in Maharashtra. *[Business Standard]*

**2023 was a record year for wind installations as world ramps up clean energy:** The world installed 117 gigawatts of new wind power capacity in 2023, a 50% increase from the year before, making it the best year for new wind projects on record. *[The New Indian Express]*

**Apple, Cleanmax form renewable energy JV to deploy solar solutions in India:** iPhone maker Apple has formed a joint venture with renewable energy firm Cleanmax to deploy solar solutions in India. *[Business Standard]*



## Sectoral News

**Max to invest Rs 2,500 cr in Lucknow, be UP's 'largest' pvt healthcare firm:** Max Healthcare Institute has said its plans to invest Rs 2500 crore for developing hospitals in Lucknow where it earlier acquired the 550-bed Sahara Hospital for Rs 940 crore, aiming to become "largest private sector player" in Uttar Pradesh in its field. *[Business Standard]*

**Coal India's capex rises 6.5% to Rs 19,840 crore in FY24:** State-owned CIL on Tuesday said its capital expenditure increased by 6.5 per cent to Rs 19,840 crore in FY24. The company's capital expenditure was Rs 18,619 crore in FY23. *[The Economic Times]*

**Vodafone Idea raised Rs 5,400 crore from nearly 60 anchor investors:** Vodafone Idea (Vi) raised Rs 5,400 crore from nearly 60 anchor investors on Tuesday, making it the third-largest anchor book after One 97 Communications and Life Insurance Corporation. *[The Economic Times]*

**India develops indigenous bullet train, targets over 250 km/h speeds:** India has begun the development of an indigenous bullet train expected to exceed speeds of 250 kilometres per hour (km/h). *[Business Standard]*

**India's population estimated at 144 crore, 24 pc in 0-14 age bracket - UNFPA:** India's population is estimated to have reached 144 crore, with 24 per cent in the 0-14 age bracket, according to a recent report by the UNFPA. *[Business Line]*

**Govt plans major capital goods production push:** India is proposing to expand the ambit of a key capital goods promotion scheme to include more sectors such as pharmaceuticals and textiles. *[The Economic Times]*

**Petrol sales up 7%, diesel declines 9.5% in April:** India's petrol consumption soared 7 per cent in the first half of April but diesel sales were down 9.5 per cent ahead of the onset of a harsh summer season that is set to crank up fuel demand. *[The Economic Times]*

**Passenger vehicle sales reach record high in FY24, two-wheeler sales grow by 13%:** Sales of passenger vehicles in the local market increased by 8.4% to its highest-ever mark at 4.22 million units in the financial year concluded March 31. *[The Economic Times]*

---

**ISID** Institute for Studies in Industrial Development  
An institution of Indian Council of Social Science Research (Ministry of Education)  
4 Vasant Kunj Institutional Area, New Delhi - 110070, India

Follow us at



---

**Disclaimer:** *Industry Matters* is a weekly news update on Indian economy, industry, and policy compiled at ISID from various newspapers and e-resources. ISID does not guarantee the truthfulness, accuracy, or validity of the news items linked in the above message. It is shared for informational and educational purposes to facilitate and support research and information on Indian industry. It is not a commercial product and all copyrights remain with those of the respective copyright holders. Images are sourced from the web.

**Team Members:** Satyaki Roy, Swati Verma, Sangeeta Ghosh, B Dhanunjai Kumar, Amitava Dey & Rakesh Gupta.  
Compiled by: Rakesh Gupta, Edited by Sangeeta Ghosh.