

Industry Matters

Weekly Updates

August 02, 2024



Economy, Industry and Policy

India ranks second in anti-dumping duties, lowers average tariffs in 2023: India was the second country after the US in initiating and imposing anti-dumping duties among World Trade Organisation (WTO) members last year. *[Business Standard]*

India actively taking steps to become global manufacturing centre - Lazard: India has maintained its fastest economic growth and is actively taking steps to become a global manufacturing centre. *[The Economic Times]*

New milestone - GST collection rises 10.3% to third highest at Rs 1.82 trn: GST collection in July rose 10.3 per cent to over Rs 1.82 trillion, mainly driven by domestic transactions in goods and services. *[Business Standard]*

Manufacturing sentiments and domestic demand up in Q1 FY25 - FICCI survey: Manufacturing sentiments in India improved in Q1 FY 2024-25, with 78% of respondents expecting higher or unchanged production levels. *[The Economic Times]*

India needs to strive to be \$30 tn economy with per capita income of \$18,000 - NITI document: India needs to strive to be a USD 30 trillion economy with a per capita income of USD 18,000 per annum by 2047. *[The Economic Times]*

Fiscal gap at 8.1% of FY25 target: The Centre reported a comfortable fiscal position at the end of the first quarter, helped by the large dividend from the Reserve Bank of India (RBI) and muted expenditure during the general election. *[The Economic Times]*

Incentives worth Rs 9,721 cr claimed under PLI scheme for 9 sectors - Piyush Goyal: Commerce and Industry Minister Piyush Goyal on Tuesday informed the Lok Sabha that incentives worth Rs 9,721 crore have been claimed under the PLI scheme for nine sectors, including large scale electronics manufacturing and pharmaceuticals. *[The Economic Times]*

Indian economy likely to record over 7 pc growth - NCAER: The Indian economy could grow higher than 7 per cent and possibly closer to 7.5 per cent in the current fiscal on the back of normal monsoon and receded electoral uncertainty. *[The Economic Times]*

Ind-Ra ups FY25 GDP growth forecast to 7.5%: India Ratings & Research (Ind-Ra) on Wednesday upped India's GDP growth forecast for the current fiscal to 7.5 per cent from 7.1 per cent projected earlier on expectation of improved consumption demand. *[The Economic Times]*

Core growth drops to 20-month low of 4 per cent: The Index of Eight Core Industries -coal, crude oil, steel, cement, electricity, fertilisers, refinery products and natural gas - has a 40% weight in the Index of Industrial Production (IIP). *[The Economic Times]*

India's total market cap touches all-time high of \$5.5 trn for first time: India's market cap crossed \$5.5 trillion for the first time on Tuesday, just over two months after it first crossed \$5 trillion. *[Business Standard]*

On the table - Fitment panel working on 2 sets of 3-slab GST structure: The fitment panel under the Goods and Services Tax Council is discussing two options to replace the current four-slab rate structure for making its proposal to a group of ministers (GoM) tasked with recommending changes towards GST rationalisation. *[Business Standard]*

Farmers paid premium of Rs 32,440 cr under PMFBY; over Rs 1.63 lakh cr worth claims cleared: Insurance claims of 1.63 lakh crore have been paid to farmers, as against the premium paid at Rs 32,440 crore under the Pradhan Mantri Fasal Bima Yojana (PMFBY). *[The Economic Times]*

Government estimates its total debt to increase to Rs 185 trn in FY25: The government estimates its debt, including external borrowing, valued at current exchange rate and public account and other liabilities will increase to Rs 185 trillion, or 56.8 per cent of the GDP, during the current fiscal year. *[Business Standard]*

Govt mopped up Rs 98,681 cr from taxing long term capital gains in listed equities in FY23 - M0S Pankaj Chaudhary: The government has garnered Rs 98,681 crore from long term capital gains tax on listed equities in 2022-23, a 15 per cent growth over the previous year. *[The Economic Times]*



Foreign Investment

PM Modi urges states to attract FDI, suggests 'investor-friendly charter': Emphasising the need for the states to attract foreign direct investment (FDI) at a time when there is tremendous goodwill for India worldwide. *[Business Standard]*

Need to take nuanced approach for FDI from China: There is a need to take a nuanced approach towards foreign direct investments from China, and the government can consider FDI applications from Beijing in sectors involving high-end technologies like electric vehicles and batteries. *[The Economic Times]*

Strategic reforms needed to enhance India's appeal to global investors, attract FDI - GTRI: Strategic reforms are needed to enhance India's appeal to global investors as despite having huge potential, FDI data shows that the country has not fully capitalised on its opportunities. *[The Economic Times]*

Tobacco crackdown - India mulls stricter FDI norms: The Commerce and Industry Ministry is working on a proposal to further tighten the foreign direct investment norms in the tobacco sector to check promotional activities and curb smuggling in the segment as firms are trying to circumvent norms. *[The Economic Times]*



Trade Policy and Competitiveness

India, Japan have set \$42 billion investment target by 2027 - S Jaishankar: India and Japan have set an investment target of Yen 5 trillion (\$42 billion) by 2027, said External Affairs Minister S Jaishankar in Tokyo after the Quadrilateral Security Dialogue (Quad) ministerial meeting. *[Business Standard]*

India set to lead global labour supply, remittances to hit \$160 billion by 2029 - RBI: India is poised to be the world's leading supplier of labour, which will propel remittances to around \$160 billion in 2029 from \$115 billion in 2023. *[Business Line]*

Engineering exports rise 10.27% in June propped by machinery, vehicles, auto components, iron & steel products: Engineering exports gathered pace in June 2024 growing 10.27 per cent (year-on-year) to \$9.39 billion with a rise in shipments of electrical machinery, motor vehicles, products of iron and steel, auto components and parts, and Industrial machinery. *[Business Line]*

Key export scheme norms simplified for ease of business: To make it easier for exporters to do business, the government has simplified the Export Promotion Capital Goods (EPCG) scheme which allows import of capital goods at zero customs duty against an obligation to export. *[The Economic Times]*

Indian textile exports rise on demand from CIS, South Asian markets: Indian textile exports have increased 4.15% in the first quarter of the current fiscal year, driven by rising demand from Commonwealth of Independent States (CIS) and South Asian markets. *[Mint]*

Vietnam PM sets ambitious target of \$20 billion in bilateral trade with India: Vietnamese Prime Minister Pham Minh Chinh has called for stronger economic cooperation between Vietnam and India, setting an ambitious target of \$20 billion in bilateral trade. *[The Economic Times]*

Comprehensive Economic Partnership Agreement helped trade between UAE, India increase by 15%: The Ambassador of the United Arab Emirates to India, Abdunasser Alshaali, on Thursday said here that bilateral trade between the Middle Eastern country and India rose by 15 per cent to USD 83.6 billion in fiscal 2023-24, powered by the Comprehensive Economic Partnership Agreement. *[The Economic Times]*

Cotton exports up 68 per cent at 26 lakh bales till June-end: India's cotton exports in the first nine months of marketing year 2023-24 were up 68 per cent at 26 lakh bales of 170 kg each compared with 15.50 lakh bales during the same period a year ago. *[Business Line]*

Steel ministry seeks probe into cheaper imports from China, Vietnam: India's federal Ministry of Steel has asked the trade ministry to investigate cheaper steel imports from China and Vietnam. *[The Economic Times]*

India's major mineral imports rise 80% over five years to ₹68,633 crore: India's major mineral imports – mostly non-critical – saw a nearly 80 per cent rise in value terms over five years to ₹68,633 crore in FY24. Imports, however, dipped 2 per cent on a y-o-y basis from ₹70,125 crore. *[Business Line]*

Pulses import jumps 90% in FY24 to 4.7 mn tonnes to meet domestic demand: India's import of pulses rose 90 per cent annually to 47.38 lakh tonnes during 2023-24 to meet domestic demand. *[Business Standard]*



Corporate Governance

Hinduja Group ready to pay Rs 2,750 crore now for Reliance Capital resolution, files intervention application before NCLT: Hinduja Group-backed IndusInd International Holdings (IIHL) filed an intervention application on Tuesday before the Mumbai bench of the National Company Law Tribunal (NCLT). *[The Economic Times]*

Vivo working with over 30 local component suppliers for its smartphones: Chinese smartphone major Vivo said it is now working with over 30 local component suppliers for its smartphones in a bid to shore up the local component ecosystem and enable exports. *[The Economic Times]*

CCI approves merger of Mangalore Chemicals & Fertilisers with Paradeep Phosphates: The Competition Commission of India on Tuesday said it has approved the proposed amalgamation of Mangalore Chemicals & Fertilizers with Paradeep Phosphates Ltd. Mangalore Chemicals & Fertilizers Ltd (MCFL) is a company under the Adventz group and is engaged in the production and marketing of complex phosphatic fertilizers. *[The Economic Times]*

Adani Ent to demerge food FMCG biz and transfer to Adani Wilmar: The Board of Adani Enterprises Limited on Thursday approved a Scheme of Arrangement to demerge its Food FMCG business and transfer it to Adani Wilmar Limited. *[The Economic Times]*



MSMEs and Start-ups

MoD and NSE collaborate to empower MSMEs in defence sector with capital market access: The Ministry of Defence (MoD) and the National Stock Exchange of India Limited (NSE) on Monday signed a Memorandum of Understanding (MoU) to facilitate capital market access for micro, small, and medium enterprises (MSMEs) for fund raising. *[Business Line]*

With no angel tax, startups and investors hope for better funding scenario: The recent Budget announcement to abolish angel tax, which affected the Indian startup ecosystem, is being seen as a sentiment booster for investors, promising to incentivise high net-worth individuals, family offices, and foreign venture capitalists to loosen their purse strings. *[Business Standard]*



Employment and Industrial Relations

Govt to form a core group to integrate multiple data sources on employment generation: The government will form a core group of officials of 20 central ministries and industry to integrate multiple data sources on employment generation under different schemes of the government. *[The Economic Times]*

EPFO adds 6.2 crore members in 6 years: The EPFO has added about 6.2 crore members in the last 6 years, government officials told ANI. About 19 lakh new registrations were recorded in EPFO in the month of May 2024. *[The Economic Times]*

Unemployment rate of tribals declines to 1.8 pc in 2022-23 from 5.3 pc in 2017-18: The unemployment rate among the tribal communities has seen a noticeable decline, as it stood at 1.8 per cent in 2022-23. *[The Economic Times]*

India is doing a factory reset on the jobs scene: Manufacturing is seeing a turnaround in India and the government's budget boost for factory jobs might just be the catalyst to turn a swell into a wave. *[The Economic Times]*

10 mn youth to get internships at top companies over next 5 yrs - Mandaviya: Union Minister Mansukh Mandaviya on Saturday said that a scheme has been introduced in the budget for skill development in the country under which top companies will provide internships to 10 mn youth over the next five years. *[Business Standard]*



Industrial Finance

MIGA to expand India footprint, help in energy transition: The World Bank's Multilateral Investment Guarantee Agency (MIGA) is to bolster its partnership with India substantially to help boost the country's energy transition and other development initiatives. *[The Economic Times]*

ADB to give \$200 mn loan to India for solid waste management in 100 cities: Asian Development Bank and the Government of India recently signed a \$ 200 million (about Rs 1,700 crore) loan to improve solid waste management and sanitation in 100 cities across eight states in the country. *[Business Standard]*

Indian fintech NBFCs sanctioned 9 cr loans worth record Rs 98,111 cr in FY24: Contributing to India's digital inclusion, fintech Non-Bank Financial Companies (NBFCs) sanctioned nearly 9 crore loans worth Rs 98,111 crore in FY24, doubling their share in six years. *[The Economic Times]*

Corporate loans of up to Rs 25,000 cr in pipeline, UCO Bank MD: Kolkata-headquartered UCO Bank has Rs 20,000-25,000 crore of corporate loans in the pipeline from sectors including steel, renewable energy, textile and non-bank lenders. *[Financial Express]*



Technology and Innovation

Meity receives lion's share of PLI scheme and semiconductor outlay: The Ministry of Electronics & Information Technology (Meity) has received a lion's share of 62 per cent of the total allocation of Rs 21,085 crore earmarked in the Union Budget 2024-25 (FY25) for two flagship projects focused on enhancing manufacturing and Make in India initiatives. *[Business Standard]*

RBI proposes new ways to authenticate e-payments: The Reserve Bank of India (RBI) has asked acquiring banks to update KYC (know your customer) of all touchpoint operators where financial transactions have not been performed continuously for six months to prevent fraud through the Aadhar-enabled payment system (AePS). *[The Economic Times]*

Digital payments clock 50% volume growth between FY18 and FY24 - RBI: Digital payments have recorded a compounded annual growth rate (CAGR) of 50 per cent and 10 per cent in volume and value terms, respectively, in the last seven years (between 2017-18 and 2023-24). *[Business Line]*

Average cost of data breaches in India lower than global average - RBI: The average cost of data breaches in India stood at \$2.18 million in 2023 — a 28 per cent increase since 2020, albeit less than the global average cost of data breach of \$4.45 million. *[Business Line]*

Qualcomm launches India-made chip to compete with MediaTek in 5G market: Qualcomm launched its new affordable, India-designed chipset, the Snapdragon 4s Gen 2, on Tuesday. This chipset will enable mobile device makers to sell 5G smartphones operating on a standalone (SA) network for Rs 8,300 or less. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

India to get 12 new industrial cities to boost manufacturing; DPIIT to approach Cabinet: The country will have 12 new industrial cities in different states like the ones developed in Greater Noida, Uttar Pradesh and Dholera in Gujarat to further boost domestic manufacturing. *[The Economic Times]*

NHAI sets up an asset monetisation cell; aims to achieve over Rs 50,000 crore monetisation target for 2024-25: The National Highways Authority of India (NHAI) has set up an asset monetisation cell to drive its future monetisation plans besides overseeing the monetisation of completed and operational highways assets. *[The Economic Times]*

Construction of Delhi-Mumbai Expressway will be completed by Oct, 2025 - Gadkari: The construction of Delhi-Mumbai Expressway, India's longest Greenfield Expressway, will be completed by October, 2025. *[The Economic Times]*

Dixon Technologies to open factory in Chennai, will manufacture laptops: Electronics contract manufacturer Dixon Technologies is close to opening a new factory in Chennai where it will be making laptops for four of the top five notebook brands in the country. *[The Economic Times]*

Toyota to set up manufacturing plant in Maharashtra; likely to invest Rs 20,000 cr: Automaker Toyota Kirloskar Motor on Wednesday said it will set up a new manufacturing plant in Maharashtra at an investment of around Rs 20,000 crore. *[The Economic Times]*

Road projects worth Rs 70,000 crore underway in Delhi, nearby areas: Union Minister Nitin Gadkari has said that the National Capital is seeing road projects worth over Rs 70,000 crore underway, along with some of its nearby areas. The projects include construction of roads, highways and expressways. *[Financial Express]*



Sustainable Industrialisation

Just 5% of annual electricity use by India's top 33 companies comes from renewables: India's leading 33 companies source only about five percent of their total annual electricity consumption from renewables (solar and wind). *[The Economic Times]*

India generates 61.8 BU renewable energy in 2024-25 up to May 2024 - Pralhad Joshi: India generated 61.84 billion units (BU) of renewable energy in 2024-25 up to May 2024. *[The Economic Times]*



Sectoral News

India may lead global growth in light-vehicle production - S&P Global: India is projected to lead global growth in light vehicle production with a compound annual growth rate (CAGR) of 4.6 per cent from 2023 to 2033. *[The Economic Times]*

India's telecom sector eyes 6G development amid ongoing 5G rollout: While 5G is still being rolled out across India, telecom companies are already exploring the development of 6G, which is expected to rely heavily

on artificial intelligence (AI). Industry experts anticipate that 6G networks will be autonomously driven by AI algorithms. *[Business Line]*

India's iron ore production rises 9.7 pc to 79 MT in April-June: The country's iron ore production grew by 9.7 per cent to 79 million tonnes (MT) in the first quarter of the ongoing fiscal. *[The Economic Times]*

Govt introduces bill to replace 90-year-old Aircraft Act; aims to improve ease of doing biz: To further improve the ease of doing business in the aviation space, the government on Wednesday introduced a bill in the Lok Sabha to replace the 90-year-old Aircraft Act. *[The Economic Times]*

Govt plans to operationalise Car Nicobar, 11 other airports under UDAN this year: The government plans to operationalise 12 more airports across 8 states and Union Territories, including one at Shibpur in Car Nicobar, under the regional air connectivity scheme this year. *[The Economic Times]*

India's gross sugar output may fall 2% to 33.3 mn tonnes in 2024-25 - Isma: India's gross sugar production is estimated to decline 2 per cent to 33.3 mn tonnes in 2024-25 marketing year starting October. *[Business Standard]*

India's domestic steel production likely to cross 300 mn tonnes by 2030: The ministry also does not foresee any hurdles in capacity addition due to decarbonisation efforts in the steel sector and will soon release a draft roadmap seeking public opinion to reduce the carbon footprint in the steel sector. *[Business Standard]*

India's power consumption rises 3.5 pc to 145.40 billion units in July: India's power consumption rose a meagre 3.5 per cent to 145.40 Billion Units (BU) in July compared to the year-ago period as rainfall brought down temperatures from the scorching heat. *[The Economic Times]*

Passenger vehicle sales drop for first time in 2.5 years: Passenger vehicle sales fell for the first time in two and a half years in July amid sluggish demand and high dealer inventory, reflecting a broader slowdown in consumer spending across sectors after a two-year post-pandemic boom. *[The Economic Times]*

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