

Industry Matters

Weekly Updates

October 04, 2024



Economy, Industry and Policy

Govt picks three new external members for MPC ahead of key RBI meet: Six days ahead of the crucial meeting of the interest rate-setting panel, the government on Tuesday appointed three external members to the reconstituted Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI). *[Business Standard]*

Goyal holds discussions with 140 firms getting production-linked incentives: Commerce and Industry Minister Piyush Goyal on Sunday held a detailed discussions with companies that are getting fiscal benefits under the production linked incentive (PLI) scheme. *[Business Standard]*

Centre approves Rs 11,000 crore for strengthening road networks in Chhattisgarh: The Union government has approved Rs 11,000 crore to enhance road connectivity in Chhattisgarh. Key projects include the development of four national highways, with a collective length of 236.1 km, and additional road improvements to promote industrial growth and timely project completion. *[The Economic Times]*

Industrial sector growing at fast pace, can aim 9% growth - NITI CEO: India's industrial sector is growing at a fast pace and the country can now aim to achieve 9 per cent plus economic growth. *[Business Standard]*

India's fiscal deficit for April-August at Rs 4.35 lakh crore, narrows to 27% of FY25 aim: India's fiscal deficit for the first five months of this fiscal year through August stood at 4.35 lakh crore rupees, or 27% of annual estimates. *[The Economic Times]*

India's September GST collection rises 6.5% YoY at Rs 1.73 lakh crore: India's Goods and Services Tax (GST) collections in September hit Rs 1.73 lakh crore, marking a growth of 6.5 per cent year-on-year. *[The Economic Times]*

India second best global market in H1FY25 behind Hong Kong: India was the second-best performing major global market during the first half of financial year 2024-25 (H1FY25) after Hong Kong. *[Business Standard]*

India's manufacturing PMI cools to 8-month low in Sept as output slows: Growth in India's manufacturing sector slowed to an eight-month low in September as factory production and sales eased slightly. *[Business Standard]*

Retail inflation for industrial workers inches up at 2.44% in August: Retail inflation for industrial workers inched up marginally to 2.44 per cent in August against 2.15 per cent in July this year. *[Business Standard]*

ELI schemes likely to favour large companies - Labour Ministry: Large companies with greater hiring capacities and resources may be better positioned to take advantage of the incentives offered under the three newly announced employment-linked incentive (ELI) schemes. *[Business Standard]*

Investments in sectors under PLI schemes may hit Rs 2 trn in coming years: The 14 sectors covered under the production linked incentive (PLI) schemes have witnessed investments of Rs 1.46 trillion till August and the capital infusion is expected to reach Rs 2 trillion in the coming years, the commerce and industry ministry said. *[Business Standard]*

India's consumer durables market to be world's 4th largest by 2027- CII: India's consumer durables market is expected to touch a size of Rs 5 lakh crore by FY30 and will become the fourth largest in the world by 2027, industry body CII said. *[Business Standard]*

India aims to become \$3 trillion tourism economy by 2047: As India aims to become a \$3 trillion tourism economy by 2047, it is fast becoming one of the world's most sought-after travel destinations with 14.3 million international tourists in 2022 and \$17.6 billion in revenue. *[The Statesman]*

330 million mobile phones being manufactured in India a year- Govt: India's electronics sector is currently employing about 1.2 million people all over the country, as 325 to 330 million mobile phones are being manufactured every year, the government said. *[The Statesman]*

Centre proposes 2022-23 as new base year for GDP computation: The Statistics Ministry is likely to publish economic growth data, measured in terms of GDP (Gross Domestic Product) with new base year of 2022-23 in February 2026, a senior Government official has said. *[Business Line]*

Make in India played tremendous role in latest GVA numbers - Piyush Goyal: Union Minister of Commerce and Industry, Piyush Goyal, on Monday, said that the "Make in India" initiative has significantly contributed to the positive trends reflected in the latest gross value added (GVA) figures. *[Business Standard]*

India's external debt at \$682 billion as of end June: India's external debt rose to \$ 682.3 billion as of June 2024, up 2 percent over March 2024 and 8.5 percent over June 2023. *[The Economic Times]*

Industrial survey shows sustained recovery, but wage growth sluggish: Industrial output grew more than a fifth in 2022-23, compared with 35% in 2021-22, indicating that the decline reported in the previous two years due to the pandemic have been quickly offset, according to the results of the annual survey of industries released by the ministry of statistics. *[Financial Express]*

For the first time in 42 months, core sectors' output tanked in August: Output levels in India's core sectors slipped to a nine-month low in August, even as year-on-year growth slipped 1.8%, marking the first contraction in three and a half years. *[The Hindu]. [Financial Express]*



Foreign Investment

Govt considering foreign investment regulatory mechanism for FDI supervision: The government is considering setting up a foreign investment regulatory mechanism for post-investment review and monitoring in the country. *[The Economic Times]*

Maharashtra still tops in attracting FDI: Maharashtra continues to attract more FDI though it is losing out on project investments. *[The Economic Times]*

Realty sector gets institutional investment worth \$1.1 bn in Q3: The Indian real estate sector received institutional investments of \$1.1 billion during the third quarter of the calendar year 2024 (Q3 2024). *[Business Standard]*

Ford plans to make EVs at TN plant, seeking re-entry into Indian market: Ford Motor Co. is discussing plans to manufacture electric vehicles at its southern India plant in Tamil Nadu for re-entering the world's third-largest car market three years after announcing shutting its local factories. *[Business Standard]*

Statsguru - FPI investments rise on India's strong growth outlook, IPO boom: Foreign portfolio investor (FPI) investments are on the rise, driven by stronger economic growth projections for India, a buoyant initial public offering (IPO) market, and the country's inclusion in global indices. *[Business Standard]*

Regulatory, policy reforms crucial for future of India's pharma R&D: India's regulatory and policy reforms are crucial for shaping the future of pharmaceutical research and development by streamlining approval processes, strengthening IP protections and incentivising innovation, as several policy challenges continue to hinder the growth of R&D in the sector. *[Business Line]*



Trade Policy and Competitiveness

Uzbekistan keen to join INSTC for full implementation of BIT with India: Central Asian states - Uzbekistan & Turkmenistan express interest to join International North South Transport Corridor (INSTC) to trade with India. *[The Economic Times]*

Government extends export benefits under RoDTEP till September 2025: The government on Monday extended benefits under the RoDTEP scheme for exports made from domestic tariff area (DTA) units for one year till September 30, 2025. *[The Economic Times]*

Interest equalisation scheme for exporters extended for another 3 months; capped at Rs 50 lakh: The government has extended the interest equalisation scheme on pre- and post-shipment rupee export credit for three more months till December 31 to promote the country's outbound shipments. *[The Economic Times]*

India initiates dumping probe on six products imported from China: India has initiated a probe into alleged dumping of as many as six products, including certain chemicals, and cold rolled electrical steel and black toner powder cartridge, imported from China following separate complaints from domestic players. *[The Economic Times]*

Semicon 2.0: Let the chips fall: Following an agreement between India and the US, the two nations will work to set up a semiconductor fabrication plant that will make infrared, gallium nitride and silicon-carbide semiconductors. *[Financial Express]*



Corporate Governance

CCI's latest merger overhaul may push deal timelines, increase filings: The latest combination regulations have brought within their purview a deal value threshold (DVT) and criteria for substantial business operations in India in what experts have termed the "single largest overhaul of the Indian merger control regime". *[Business Standard]*

DGCA grants approval for merger of AIX Connect, Air India Express: The Directorate General of Civil Aviation (DGCA) on Tuesday granted the requisite regulatory approval for the merger of AIX Connect ("AIXC"), formerly known as AirAsia, into Air India Express ("AIX"). *[Business Standard]*

Mankind Pharma gets CCI nod for BSV acquisition: Mankind Pharma Ltd. said it had obtained regulatory approvals including the approval from the Competition Commission of India for 100% acquisition of Bharat Serums and Vaccines Ltd. (BSV). *[The Hindu]*

India M&As back in action, up 14% in the first nine months of 2024: After a year of decline, mergers and acquisitions (M&As) in India increased 13.8 per cent, reaching \$69.2 billion in the first nine months of 2024, as against \$60.8 billion during the same period in 2023. *[Business Standard]*

Adani Power signs agreement to acquire Dahanu Power for Rs 815 crore: Thermal power producer Adani Power has signed a business transfer agreement to acquire Dahanu Power for a cash consideration of Rs 815 crore. *[Business Standard]*

PepsiCo to buy Texas-based tortilla-chip maker Siete Foods for \$1.2 billion: PepsiCo will buy tortilla-chip maker Siete Foods for \$1.2 billion, the Frito-Lay owner said on Tuesday, beefing up its portfolio amid a shift among cost-conscious consumers to private label brands. *[Business Standard]*



MSMEs and Start-ups

India SME Forum launches 'Start Exporting in Eight Weeks' programme: India SME Forum (ISF), a not-for-profit organisation for Small and Medium Enterprises (SMEs), launched a programme on Saturday titled "Start Exporting in Eight Weeks", to work with e-commerce export leaders like Amazon towards promoting 'Make in India' products. *[Business Standard]*

FM Sitharaman tells Arunachal govt to adopt cluster development approach: Union Finance Minister Nirmala Sitharaman on Tuesday advised the Arunachal Pradesh government to adopt the cluster development approach as a key strategy for enhancing productivity and competitiveness as well as capacity building of micro and small enterprises (MSEs) in the state. *[Business Standard]*



Employment and Industrial Relations

Govt's big job plan - Labour ministry to announce new employment schemes: The labour ministry is expediting discussions with various stakeholders about the employment-linked incentive (ELI) schemes. *[Business Standard]*

Govt needs to promote labour-intensive industries for jobs - Raghuram Rajan: With 7 per cent economic growth, India is not creating enough jobs as reflected by the number of applicants for vacant posts in some states, Reserve Bank's former governor Raghuram Rajan said. *[Business Standard]*

Total employment in manufacturing industries up 7.5% in FY23 - Govt survey: The number of persons employed in manufacturing industries rose 7.5 per cent in 2022-23 to 1.85 crore from 1.72 crore in the previous year. *[Business Standard]*

Tech layoffs 2024 - Over 100,000 IT jobs cut in second half of the year: Layoffs in the tech industry continued into the second half of 2024, with numerous prominent companies cutting around 100,000 jobs as part of their restructuring plans. *[Business Standard]*

Samsung to slash thousands of jobs as part of worldwide restructuring: Samsung Electronics Co. is laying off workers in Southeast Asia, Australia and New Zealand as part of a plan to reduce global headcount by thousands of jobs. *[Business Standard]*



Industrial Finance

Loans to industry, agri pick-up, while retail and services loans slow: Credit growth remained at 15% in August 2024 compared to last year. Lending to industry and agriculture accelerated, with industry credit growing 9.8% and agriculture at 17.7%. *[The Economic Times]*

Lenders have recovered Rs 3.5 lakh cr under IBC - Ravi Mital: Lenders have recovered Rs 3.5 lakh crore through resolution of stressed assets under the insolvency process in the last eight years. *[The Economic Times]*



Technology and Innovation

UPI crosses 500 million daily transactions; value falls flat in September: Unified Payment Interface (UPI) daily transactions crossed 501 million in September, the highest ever since UPI turned operational in 2016. *[Business Standard]*

Foxconn plans to invest up to Rs 424 crore in semiconductor JV with HCL: Taiwanese electronics manufacturing giant Foxconn will invest up to Rs 424 crore in a semiconductor joint venture it has set up with HCL Group. *[Business Standard]*

Centralised portal for internship scheme set to go live on October 3: Under the Prime Minister's Internship Scheme, the government is expected to launch a centralised portal on October 3. *[Business Standard]*

Hybrid, multicloud to continue as the norm - HCLTech report: Hybrid and multicloud strategies will continue to dominate business operations, according to HCLTech's latest report, Cloud Evolution: Mandate to Modernize. *[Financial Express]*

Accenture, Nvidia partner to push AI adoption among global enterprises: Accenture and NVIDIA on Wednesday announced an expanded partnership, including Accenture's formation of a new NVIDIA Business Group, to help global enterprises rapidly scale their AI adoption. *[The Hindu]*

AI and digital tech will reduce construction costs by 2-3% - L&T Construction Head Ganesan: AI and digital tech help in minimising waste across key commodities such as steel, cement, and diesel, all of which are vital in large-scale projects, Ganesan says. *[Business Line]*



Industrial Infrastructure, Clusters and SEZs

3 Adani Group firms join World Economic Forum's 'Industrial Clusters' initiative: The Adani Mundra Cluster will become one of the world's largest integrated green hydrogen hubs, with a planned capacity of 1 million metric tonnes per annum (MMTPA) of green hydrogen production by 2030, expanding up to 3 MMTPA by 2040. *[The Statesman]*

Each of 12 smart cities to be a dedicated industrial hub: Twelve new smart cities in India will be developed as dedicated industrial hubs focusing on sectors like electric vehicles, pharmaceuticals, and food processing. *[The Economic Times]*

Uttar Pradesh expected to get Rs 1.5 trillion investment in energy sector: With Uttar Pradesh's peak energy demand expected to top 53,000 megawatt (mw) by 2028, the state is expected to garner public and private sector investment of Rs 1.5 trillion in the next 4 to 5 years. *[Business Standard]*



Sustainable Industrialisation

Energy firms look to make green hydrogen cheaper: As green hydrogen becomes the buzzword in renewable energy, companies such as Avaada Group, Hygenco Green Energies, and Thermax are working on reducing its cost to make it more economical. *[Financial Express]*

Governments earmarked almost \$2 trillion in direct investment support for clean energy since 2020-IEA: Governments around the world have earmarked almost \$2 trillion in direct investment support for clean energy since 2020, a new International Energy Agency (IEA) report revealed. *[Business Line]*

Nearly 40,000 km of rural roads constructed using plastic waste - Govt: Nearly 40,000 km of rural roads constructed using plastic waste till date with 13,000 km completed in the last two years alone. *[Business Standard]*

India can emerge as a hub for green shipbuilding - Maritime expert: India has "great potential" to emerge as a hub for green shipbuilding, backed by the government's strong focus on alternative fuels and renewable energy. *[Business Standard]*

Govt launches PM E-DRIVE Scheme worth Rs 10,900 cr for EVs: The Union Government has launched the PM E-DRIVE Scheme with an outlay of Rs 10,900 crore for the electric vehicles (EVs). *[The Statesman]*

AMPIN Energy aims to add 25 GW of RE capacity by 2030: AMPIN Energy Transition is targeting to add 10 gigawatt peak (GWp) of renewable energy capacity in the next few years, spread across various segments including manufacturing of solar cells & modules and storage capacity. *[Financial Express]*



Sectoral News

Vistara experience to remain, flights will have 'AI2' prefix - Air India: Ahead of the merger, Air India said Vistara experience will remain, and the the flights operated with Vistara aircraft will have numbers starting with the prefix 'AI2'. Vistara's planes, crew and service will continue to operate as before. *[The Statesman]*

To counter Chinese dumping, double import duty - Steel Ministry to FinMin: Steel Ministry is seeking a 100 per cent increase in basic customs duty on the import of the metal, raising it to 15 per cent, from the existing 7.5 per cent. *[Business Line]*

Telecom ministry to cut off 21.7 million mobile connections linked to fraud: The Union Ministry of Telecommunications has notified the Centre's high-level inter-ministerial panel about plans to disconnect around 21.7 million mobile connections that were obtained using forged documentation or are associated with cybercrime activities. *[Business Standard]*

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