

# Industry Matters

Weekly Updates

January 03, 2025



## Economy, Industry and Policy

**Rate cut would help revive economy without worsening inflation-MPC member Nagesh Kumar:** Nagesh Kumar, who voted for a 25 basis points (bps) cut in the repo rate in the last two consecutive monetary policies, told Hitesh Vyas and George Mathew that a rate cut would revive economic growth without worsening the inflationary situation. *[The Indian Express]*

**Indian economy and the financial system remain strong and stable-Financial Stability:** Softness in industrial activity, moderation in urban demand, global spillovers and protective trade and industrial policies pose risks to the outlook, says report. *[Business Line]*

**Entry to global markets essential for success of electronics components PLI Scheme:** Global market access and funds support necessary for the success of PLI Scheme for electronics components manufacturing. *[Business Line]*

**Working group formed to revise WPI base year to 2022-23 from 2011-12:** The government has set up a working group under NITI Aayog member Ramesh Chand for revising the base year of the current series of Wholesale Price Index (WPI) to 2022-23 from 2011-12 currently. *[The Economic Times]*

**CCI tightens oversight, sets up confidentiality rings in Big Tech probes to prevent data leaks:** The Competition Commission of India (CCI) is increasingly deploying confidentiality rings in its inquiries into big tech companies, to prevent data leaks. *[Business Line]*

**India's economic challenges in 2025- Reforms key to sustained growth:** To achieve Viksit Bharat, India must tackle slowing growth and global headwinds. *[Business Standard]*

**Industry seeks tax relief, capex boost, reforms at FinMin's pre-budget meet:** Industry representatives stressed that, given the uncertainty caused by persisting global headwinds, government's focus on public capex in physical, social, and digital infrastructure will be crucial. *[Business Standard]*

**India Inc thrived, witnessed robust growth in 10 yrs of Manmohan Singh govt:** Corporate India witnessed robust revenue and profit growth during the two-term tenure of the Manmohan Singh-led government. *[Business Standard]*

**Economic prospects to improve in 2025- RBI governor:** Even as the medium term outlook for global economy remains challenging, the prospects for the Indian economy are expected to improve driven by high consumer and business confidence. *[Financial Express]*

**November core sector growth rebounds to 4.3%, led by cement and coal:** Six sectors, including cement (13%), coal (7.5%), and electricity (3.8%), posted positive growth, while crude oil and natural gas output contracted by 2.1% and 1.9%, respectively. *[Business Line]*

**India's \$30 trillion dream-Digital economy and rural telecom hold the key:** Viksit Bharat by 2047 requires bridging rural telecom gaps and boosting digital growth. *[Business Standard]*

**2025 & beyond-Govt spending that stimulates pvt investment, key to over 6% growth-Dr Rangarajan:** The growth rate in recent years has been stimulated by the government capital expenditures. *[Financial Express]*

**Year Ender 2024- India's key rankings and achievements on global landscape:** India ranked 39th out of 133 economies in the 2024 Global Innovation Index, an improvement from 40th in 2023. *[The Statesman]*

**Indian household debt rising but relatively low compared to other emerging markets-RBI:** The Reserve Bank of India (RBI) has reported a rise in household debt in India over the past three years, though it remains relatively low compared to other emerging market economies (EMEs). *[Financial Express]*

**Manmohan's perspective on agri reforms:** He pushed for better pricing of farm produce and emphasised moving people out of agriculture on favourable terms. *[Business Line]*

**Indian manufacturing ends strong 2024 with a soft note, Dec PMI at 56.4:** According to the HSBC Final India Manufacturing PMI, compiled by S&P Global, this was the joint weakest growth rate of 2024. *[Business Standard]*

**Budget FY26- Economists urge govt to focus on consumption, tax reforms:** Economists say Budget's focus should be to stimulate consumption, manufacturing, and propel employment. They also want the Centre to continue support to the MSME sector. *[Business Standard]*

**Rural, urban food spending rises amid inflation pressure, shows HCE report:** The share of monthly per capita consumption expenditure (MPCE) on food items edged up slightly in both rural and urban areas during the August 2023-July 2024 (2023-24) period compared to the previous year. *[Business Standard]*

**Budget 2025-26- Assocham seeks further ease of doing biz, credit flow for MSMEs:** To further empower micro, small and medium enterprises (MSMEs) and ensure ease of doing business, there is a need to establish integrated infrastructure townships and universities to promote skill development and entrepreneurship training. *[The Statesman]*

**Manmohan Singh's foreign policy-Vision, achievements, and challenges:** Manmohan Singh, who served as India's Prime Minister from 2004 to 2014, is widely regarded for his measured, pragmatic, and diplomatic approach to foreign policy. *[Financial Express]*



## Foreign Investment

**Indian economy to grow at 6.5-6.8% in FY25 on high consumption-Deloitte:** The government's continued focus on infrastructure development, digitisation, and attracting FDI will be the additional growth booster, enhancing overall efficiency. *[Business Standard]*

**Cheap imports, declining FDI challenge India's textile export ambitions:** India has set an ambitious target of textile exports worth \$100 billion by 2030, but the recent data released by the Ministry of Textiles pertaining to India's textile and apparel trade puts achievement of the goal in jeopardy. *[Business Standard]*

**If FPIs outflows remain constant, India's Balance of Payments will be neutral for FY25:** India's current account deficit widened to USD 11.2bn in Q2, with Balance of Payments potentially heading into negative territory due to FPI outflows and a widening trade deficit. *[The Economic Times]*



## Trade Policy and Competitiveness

**The India story-Striving for a stronger share of the global trade pie:** India's trade relations with the world have evolved in the last 25 years. New partnerships have been forged, old ones have been strengthened, but challenges remain. *[Business Standard]*

**India's exports to Australia rise 64.4% in Nov, trade doubles after ECTA-Commerce Ministry:** India's exports to Australia rose 64.4 per cent year-on-year to USD 643.7 million in November on account of healthy growth in sectors such as textiles, chemicals and agricultural products. *[The Statesman]*

**India's goods, services exports likely to cross USD 800 bn in 2024- GTRI:** India's exports of goods and services are expected to surpass USD 814 billion in 2024, a 5.58 per cent increase from 2023. *[The Economic Times]*

**Trade, tariff and Trump-How India can beat the big likely disruption in making:** India should seek comprehensive engagement with the incoming Trump administration to address issues in trade, investment, technology, and finance. *[The Economic Times]*

**India-EFTA trade pact likely to be implemented before end of 2025-Piyush Goyal:** The implementation process of free trade agreement (FTA) between India and the four-nation European bloc EFTA is progressing fast and is expected to come into force before the end of this year. *[The Economic Times]*

**India's textile exports grew 7 pc to USD 21.35 bn during Apr-Oct period of FY25:** India's textiles and apparel exports, including handicrafts, grew 7 per cent during the April-October period to USD 21.35 billion. *[The Economic Times]*

**Trade war with India will not be in the interest of US, says RIS:** Initiating a trade war with India is not beneficial for the US as previous policy shifts under the Trump administration showed temporary setbacks followed by recovery. *[The Economic Times]*



## Corporate Governance

**India Inc gets relief-MCA extends CSR return filing deadline to March 31:** The Ministry of Corporate Affairs (MCA) has extended the deadline for Corporate India to file the standalone CSR return (CSR-2) for 2023-24 to March 31, 2025. *[Business Line]*

**Tata Motors, M&M to get incentives worth Rs 246 crore under PLI scheme:** Tata Motors and Mahindra & Mahindra (M&M) have claimed around Rs 246 crore as production-linked incentives (PLIs) for incremental production. *[Business Standard]*

**Vedanta parent plans \$1 bn raise to refinance high-cost debt:** Vedanta Resources, the London-based parent of the Indian metals grouping Vedanta, plans to raise up to \$1 billion to prepay and refinance high-yield debt. *[The Economic Times]*



## MSMEs and Start-ups

**MSMEs in 2024-Key policy announcements that shaped the sector:** The MSME sector witnessed significant developments in 2024 to address delayed payments, enhance support, and boost entrepreneurship. *[Financial Express]*

**Budget 2025-FISME urges Nirmala Sitharaman to rework on framework for revival of stressed MSMEs:** FISME said the SMA framework should not stop just at the identification of stressed accounts and halting of banking operations of the accounts but must also posit suitable guidelines for their revival. *[Financial Express]*

**DPIIT and boAt partners to mentor and support Indian Startups:** This collaboration aims to drive innovation and provide essential resources to DPIIT-recognized startups, particularly those in direct-to-consumer (D2C) and manufacturing sectors. *[Financial Express]*

**After rough ride in 2024, Indian startups look for a promising new year:** Despite facing global economic challenges, India's startups showcased remarkable resilience, adeptly navigating changing market conditions, while continuing to attract investments. *[Financial Express]*



## Employment and Industrial Relations

**Electronics sector in India projected to create 12 million jobs by 2027:** The electronics sector in the country is projected to create 12 million jobs by 2027 — 3 million direct and 9 million indirect roles a report said. *[The Statesman]*

**Tata Group to create 5 lakh manufacturing jobs over next half decade-N. Chandrasekaran:** The Tata Group plans to create 500,000 manufacturing jobs over the next half-decade in sectors like battery, semiconductors, electric vehicles and solar industries. *[The Statesman]*

**Employment rate jumps 36% to 64.33 cr in Modi tenure- Mansukh Mandaviya:** Union labour minister Dr Mansukh Mandaviya on Thursday said employment in the country has increased by 36 per cent to 64.33 crore in 2023-24 from 47.15 crore in 2014-15. *[Business Standard]*

**ILO agrees to reassess India's social protection:** The International Labour Organisation (ILO) has agreed to India's request to reassess its social protection coverage by considering financial implications of in-kind benefits under the public distribution system (PDS), such as free ration, and state-level social security schemes. *[The Economic Times]*



## Industrial Finance

**Stress in microfinance sector doubles in April to September 2024-RBI:** Asset quality stress in the microfinance sector doubled from April to September 2024, with loans overdue increasing from 2.15% to 4.30%. Borrower indebtedness also rose, impacting credit growth and prompting RBI to take supervisory actions against high interest rates. Banks are de-risking by limiting book growth. *[The Economic Times]*

**Banking credit growth to remain subdued around 10% for FY26-ICRA:** Credit growth may ease to 9.7-10.3 per cent in FY26, weighed down by the persisting high CD ratio and implementation of the proposed changes in the liquidity coverage ratio (LCR) framework. *[Business Standard]*

**India's macro fundamentals strong, all key indicators in positive zone: RBI Financial Stability Report:** The Reserve Bank of India (RBI) released the December 2024 Financial Stability Report (FSR) on December 30, assessing the Indian financial system's resilience. *[The Economic Times]*



## Technology and Innovation

**'Emerging tech to create 1 mn jobs'-Here are the salaries you can expect:** Emerging technologies like Quantum Computing and Generative AI are expected to create over 1 million jobs by 2030. *[Business Standard]*

**Transforming retail industry in 2025-AI & automation to play crucial role:** With the rapid evolution of channels like quick-commerce and the emergence of ONDC, the Indian retail industry is 'cautiously optimistic' for 2025, in which new-age technologies such as AI and automation will play a crucial role. *[Business Standard]*

**Increased regulatory scrutiny awaits e-commerce firms in 2025:** Artificial Intelligence (AI) is expected to redefine e-commerce operations, enhancing personalisation and customer engagement. *[Financial Express]*

**India second most targeted nation in terms of cyberattacks-CloudSEK:** India emerged as the second most targeted nation in terms of cyber attacks in the world as 95 Indian entities came under data theft attacks in 2024. *[Business Standard]*

**Air India becomes country's first airline to introduce in-flight wi-fi on domestic flights – Here's how passengers can access it:** Air India has launched Wi-Fi internet connectivity on its domestic and international flights, becoming the first airline in India to offer in-flight Wi-Fi. *[Financial Express]*

**Acronis aims to strengthen India business, sees 48% growth in data centres by 2030:** Acronis targets 48% growth in India's data centers by 2030 with AI-driven cybersecurity solutions. Discover more about their strategic plans. *[Financial Express]*



## Industrial Infrastructure, Clusters and SEZs

**Railways in 2024- The positives and the negatives:** There is impressive infra improvement and North-East connectivity; safety, passenger comfort remain concerns. *[Business Line]*

**Adani Ports orders Rs 450 crore in eight harbour tugs from Cochin Shipyard:** Adani Ports has placed a significant order worth Rs 450 crore with Cochin Shipyard Ltd for eight advanced harbour tugs. *[The Economic Times]*

**Gadkari announces roadworks worth Rs 12,000 cr to ease Delhi's traffic woes:** Union Minister Nitin Gadkari on Thursday announced roadworks with an outlay of Rs 12,000 crore for Delhi and its connected roadways, with the stated aim of decongesting traffic entering the Delhi-NCR region. *[Business Standard]*

**Visakhapatnam Port signs Rs 300 cr deal for flyover to ease cargo traffic:** The Visakhapatnam Port Authority signed a Rs 300 crore agreement with Rail Vikas Nigam Ltd (RVNL) on Thursday to construct a flyover aimed at reducing congestion and enabling seamless cargo movement via road and rail traffic towards the port. *[Business Standard]*

**NHAI explores ways to enhance the enforcement of global standards:** After Prime Minister Narendra Modi instructed officials from the Ministry of Road Transport and Highways (MoRTH) to address quality shortcomings in national highways, the ministry and the National Highways Authority of India (NHAI) are exploring ways to enhance the enforcement of standards. *[Business Standard]*



## Sustainable Industrialisation

**PLI and renewable energy incentives to be packed into green steel mission:** The government is developing a ₹15,000 crore 'Green Steel Mission' aimed at decarbonizing the Indian steel industry. *[The Economic Times]*

**India at high table of clean energy superpowers with over 200 GW capacity; investments to double in 2025:** India's renewable energy capacity has surpassed 200 GW. The country plans to reach 500 GW by 2030. *[The Economic Times]*

**Union Budget 2025- The revolution Sitharaman could bring for EV industry's boom on Feb 1:** Budget 2025: Union Finance Minister Nirmala Sitharaman will present the 2025-26 Budget in February. *[The Economic Times]*

**NGT issues notice to Centre, others over improper recycling of used solar panels:** The National Green Tribunal has sought a response from the Centre on the improper disposal and recycling of photovoltaic (PV) solar panels. *[The Economic Times]*

**Waaree Renewable Technologies bags 2 GW solar project in Bikaner:** Waaree Renewable Technologies Ltd (WRTL) has secured its largest-ever order for a 2 GW solar project from Sunbreeze Renewables Nine Pvt Ltd, a Special Purpose Vehicle (SPV) of Jindal Renewables. *[The Economic Times]*



## Sectoral News

**The India story-The journey to becoming the 'pharmacy of the world':** Critical tweaks in laws, spirit of enterprise and the pandemic brought about this transition. Tech and innovation will now define the industry's future. *[Business Standard]*

**India hopes to reverse rising trend in steel imports in 2025:** India is likely to end FY25 as a net importer of steel, with mills anticipating continued headwinds on the export front. *[Business Line]*

**Cement deals slowing down? 2025 will see smaller, strategic acquisitions:** India's cement industry is expected to continue its consolidation trend in 2025, following significant buyouts in 2024 by leaders UltraTech Cement and Adani Cement. *[The Economic Times]*

**Centre to mediate high state taxes stifling mining operations:** The Centre intends to consult with states to curb excessive taxation on mining operations, addressing concerns from the sector. *[The Economic Times]*

**Hard-hit by rising imports, steel sector eyeing policy initiatives to safeguard its interests in 2025:** India's steel industry faces challenges from rising imports and fluctuating raw material prices in 2025. *[The Economic Times]*

**Private equity interest shows potential of healthcare sector'-Hedley Goldberg:** Foreign and domestic private equity firms are increasing their investments in India's healthcare services, indicating strong growth prospects. *[The Economic Times]*

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