

Industry Matters

Weekly Updates

February 14, 2025



Economy, Industry and Policy

Which road to Viksit Bharat? Charting India's path to development by 2047: There is a lot of chatter about how India can become prosperous ever since the current regime decided to offer one more slogan for us to live by: Viksit Bharat or a developed India by 2047. *[Business Standard]*

How India's economy will be affected by US tariffs: The anticipated shift in tariff policy in the US under the new administration is increasing uncertainties around the world. With this shift, the US is aiming to address trade imbalances with its major partners and boost domestic manufacturing. *[Business Line]*

RBI's policy- Flexible, adaptable & balanced: The first deliberations of the new Monetary Policy Committee (MPC), under a new stewardship of the Reserve Bank of India (RBI), has the clear imprint of a technocrat batting for less rules, more reforms ushering in a troika of stability, consumer protection, and economic interests. *[Financial Express]*

Market concentration increased across India's key industries in FY24: Market concentration continued to increase in India's key industries as top players grabbed a larger share of the business in 2023-24 (FY24) either through organic growth or acquisition. *[Business Standard]*

India to introduce new policies for toys, footwear manufacturing-Piyush Goyal: Union Minister of Commerce and Industry, Piyush Goyal, announced that the government will soon introduce new policies to further promote the manufacturing of toys and footwear in India. *[The Economic Times]*

Net direct tax collections rise 15% to Rs 17.78 lakh crore till Feb 10: Net direct tax collection grew 14.69 per cent to over Rs 17.78 lakh crore so far this fiscal, according to data by Central Board of Direct Taxes (CBDT). While gross direct tax mop up till February 10 grew 19.06 per cent to more than Rs 21.88 lakh crore. *[The Economic Times]*

Centre releases Rs 1.11 lakh crore interest-free loan to states in April-January: The Centre has released about Rs 1.11 lakh crore loan to states during April-January under the scheme for special assistance to states for capital expenditure. *[The Economic Times]*

Industrial output growth slowed to 3.2% in December 2024: India's industrial production growth slowed to 3.2% year-on-year in December 2024 from a six-month high of 5.2%, primarily due to a slowdown in the manufacturing sector. *[The Economic Times]*

January retail inflation at 5-month low of 4.3%: India's retail inflation dropped to a five-month low of 4.3% in January, driven down by a sharply lower food inflation. *[The Economic Times]*

India on the path to hit record \$800 billion in exports in FY25: India is on the path to achieve \$800 billion in exports in the 2024-25 fiscal for the first time, according to the government, signalling a robust economy and continued growth across sectors. *[The Statesman]*

How India can achieve rapid growth to achieve 'Viksit Bharat 2047' goal?: India, a country with the largest population on the planet, is pursuing the objective of rapid growth and development after successfully reducing the number of people suffering from abject poverty. *[Business Standard]*

Govt counts on tax, interest rate cut to revive economy; investors cautious: Prime Minister Narendra Modi is counting on a two-pronged stimulus of tax and interest rate cuts to turn around India's slowing economy, but investors may need more convincing that the measures will be enough. *[Business Standard]*

Banks may have to change tack: Budget 2025-26 centres around the 'middle class.' This time, in the run-up to the Budget, an unprecedentedly large number of commentators had urged the Finance Minister to focus on this hitherto neglected section of the society. *[Business Line]*

Monetary policy-Banks get breather on draft LCR norms for at least a year: In a much-needed relief to banks regarding the impending implementation of the proposed liquidity coverage ratio (LCR) guidelines, which was to come into effect from April 1, Reserve Bank of India (RBI) Governor Sanjay Malhotra on Friday said these regulations would not be enforced before March 31, 2026. *[Business Standard]*

Fiscal, monetary measures to boost consumption, pvt investment-FM: Finance Minister Nirmala Sitharaman on Saturday said fiscal and monetary measures announced recently will help boost consumption and promote private investment. *[Business Standard]*

India launches OALP X at IEW; invites foreign investors: Launching the latest bidding round on the side lines of the India Energy Week (IEW), Puri said this is the largest bid round in terms of acreage offered in a single OALP bid round under the Hydrocarbon Exploration and Licensing Policy (HELP) regime. *[Business Line]*

India's gig economy set to boom- Navigating the future of work: India's gig economy employment is expected to double in five years. Regulation must balance flexibility with inclusivity, addressing factors like mobility, social security, and bargaining power. *[The Economic Times]*



Foreign Investment

Govt looking at procedural easing to further promote FDI: The government is looking at further easing of procedures in certain sectors to attract more foreign direct investments (FDI) into the country, a government official said. *[Business Standard]*

FDI with EFTA can catalyse \$500 billion investment-Piyush Goyal: India and European Free Trade Association (EFTA) nations on Monday launched a 'dedicated desk' to provide structured support to the European businesses to looking to invest, expand, or establish operations in India. *[Business Standard]*

FDI and exports need a policy boost: The recently published Economic Survey flagged the challenges for India's external sector, particularly exports, amidst the change of power in the US and the shifting trade stances by other economies. *[Business Line]*



Trade Policy and Competitiveness

India may cut tariffs on 30 items imported from US to prevent higher reciprocal tariffs-Nomura: India is considering reducing tariffs on more than 30 items and increasing its purchases of US defence and energy products to prevent higher reciprocal tariffs from the United States. *[The Economic Times]*

Trade between India and France has increased slightly to USD 20 billion, primarily focused on defence and aerospace- Coumar Ananda: Ahead of Prime Minister Narendra Modi's visit to France to co-chair the AI summit, Coumar Ananda, President of the Chambers of Commerce and Industry France-India, claimed that trade between India and France has remained below USD 20 billion. *[The Statesman]*

India sets up EFTA desk to promote trade, investment, biz facilitation: India is setting up a dedicated platform - EFTA (European Free Trade Association) desk - to promote trade, investment, and business facilitation between the two regions, an official statement said on Monday. *[Business Standard]*

Trade pact with Israel will depend on industry views: A free trade agreement between India and Israel would hinge on recommendations to be made by their respective industries after the ongoing interactions, Israel's minister of economy and industry Nir Barkat said on Tuesday. *[Financial Express]*

Reciprocal tariffs call for reciprocal strategies-How will India be impacted? Will PM Modi succeed in striking a deal with the US?: Nomura said that India is considering reducing tariffs on over 30 items and preparing to increase purchases of US defense and energy. Thailand is also looking to increase imports of US goods, like ethane and agricultural products. *[Financial Express]*

India's electronics industry pushes for boosting US trade ties: The electronics industry is pushing the government to further enhance trade ties with the US and boost bilateral trade to \$750 billion by 2032 including \$100 billion worth of electronics by leveraging existing policies and incentive frameworks. *[The Economic Times]*

Govt to focus on 20 countries, certain sectors to boost exports: The government has identified 20 countries such as Australia, Brazil, China, and France, and six focus sectors each in commodities and services to further increase India's exports. *[The Economic Times]*



Corporate Governance

SEBI proposes stricter rules for listed companies to strengthen corporate governance: The Securities and Exchange Board of India (SEBI) has proposed new rules to improve corporate governance at listed companies. *[The Statesman]*

Tata Sons' CSR money may go to Ratan Tata endowment trust, foundation: The Tata Group is giving finishing touches to a plan to direct the entire corporate social responsibility (CSR) fund of the group holding company, Tata Sons, to the Ratan Tata Endowment Trust and the Ratan Tata Endowment Foundation, which will use the money to support social sector projects. *[Business Standard]*

Morgan Stanley buys 1.5% in Sterling & Wilson Renewable Energy: Morgan Stanley has acquired a 1.5% stake in Sterling and Wilson Renewable Energy for ₹103 crore via an open market transaction. Meanwhile, Goldman Sachs offloaded a 1.47% stake in the firm, selling 34.27 lakh shares for ₹97 crore. *[The Economic Times]*

TPG and GIC-backed firms seek CCI approval for healthcare restructuring in India: A group of investment firms, including TPG Growth and GIC-backed entities, have submitted a formal notification to the Competition Commission of India (CCI) seeking approval for a multi-step corporate restructuring and share acquisition in India's healthcare sector. *[Business Line]*



MSMEs and Start-ups

Small can be beautiful-MSME sector gears up for transformational changes: The Small Industries Development Bank of India's 'MSME Outlook Survey Round One October-December 2024' shows the sector is bullish. The MSME Business Expectations Index – it ranges between 0 and 100 – is consistently above 60 for the next four quarters: From January-March 2025 to October-December 2025. *[Business Standard]*

Budget 2025-MSME definition revision a 'good decision,' says India Inc; seeks more 'aha moments' for ease of doing business: Experts have hailed certain measures announced in the Budget aimed at supporting MSMEs and exports; however, they are advocating for further streamlining of processes that can enable ease in customs and regulatory updates. *[The Economic Times]*

How Union Budget 2025 will amplify MSMEs' global competitiveness: MSMEs are crucial to India's economy, employing millions and contributing 36% to GDP. The 2025 Union Budget addresses key barriers such as credit, technology, and skilling, focusing on women and marginalized groups. *[The Economic Times]*

Industry 4.0 for 2,000 SMEs-Gunjan Krishna on the state's training and incentive push ahead of Invest Karnataka 2025: In conversation with Gunjan Krishna, Commissioner for Industrial Development and Director of Industries and Commerce, Government of Karnataka, on the evolution of SMEs from producers to collaborators and envisioning green, inclusive growth, ahead of the Global Investors Meet, Invest Karnataka 2025. *[The Economic Times]*



Employment and Industrial Relations

Link Aadhaar and activate UAN by February 15 to secure your EPFO benefits: The Employees' Provident Fund Organisation (EPFO) has extended the deadline to February 15 for Universal Account Number (UAN) activation and linking bank accounts with Aadhaar. This process is essential for employees to access benefits under EPFO's Employment Linked Incentive (ELI) Scheme. *[Business Standard]*

Unified Pension Scheme to be operational from April 1-Key features, benefits, eligibility: The Central government has recently notified the Unified Pension Scheme (UPS) for Central government employees, which will come into effect from April 1, 2025. *[Financial Express]*

TeamLease Degree Apprenticeship reports record 76% Net Apprenticeship Outlook for Jan-Mar 2024-25: With skilling emerging as a national priority, India's apprenticeship ecosystem is witnessing unprecedented momentum, solidifying its role as a key driver of workforce transformation. *[The Economic Times]*



Industrial Finance

Karnataka draws investment proposals worth \$115 billion-spokesperson: Investment proposals worth nearly Rs 10 lakh crore have been made for Karnataka, prioritizing renewable energy, steel, semiconductors, and automobiles. Companies including Mahindra & Mahindra, JSW Group, Bosch, Toyota, and Foxconn are part of this drive. *[The Economic Times]*

India to prioritise energy infrastructure in capex shift from FY25-30: India's capital expenditure from FY25-30 is forecasted to shift towards energy infrastructure investments, enhancing electricity generation and power grid integration. The stable yield of India's 10-year bond, in contrast to the rising US bond yields, could pressurize the INR. *[The Economic Times]*

Creditors recover Rs 3.58 lakh cr through resolution plans under insolvency law: Creditors have recovered Rs 3.58 lakh crore through the resolution of 1,119 cases under the insolvency law by December 31, 2024. Minister Harsh Malhotra informed that 2,707 cases ended in liquidation, and 1,274 cases yielded Rs 0.13 lakh crore for creditors. *[The Economic Times]*



Technology and Innovation

AI-powered trade revolution: Opportunities and challenges for India: With exponential increases in data generation and computational power, artificial intelligence (AI) is becoming more complex yet offers simpler solutions for several real-life problems. AI is being used in business, educational, scientific, governmental, and consumer applications, thus having far-reaching implications for international trade. *[Business Standard]*

Industry leaders push for MNC participation in semiconductor design: India is building the physical and digital infrastructures, driving the country's intent to have the semiconductor and electronics ecosystem not just as a consumer, but as a global contributor. *[Business Line]*

India AI needs a deep market: China's development of its foundational artificial intelligence (AI) model, DeepSeek, has inadvertently settled a crucial debate in India: whether to invest in large language models (LLMs) or focus on small language models (SLMs). *[Financial Express]*

Budget 2025-A catalyst for AI-driven innovation and entrepreneurship: Budget 2025 underscores India's dedication to driving AI innovation and entrepreneurship. With measures like extended startup benefits, ₹100 crore for AI Centres of Excellence, and investment in grassroots education, the budget aims to position India as a global AI powerhouse while ensuring inclusive growth. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

Arkade Developers bags cluster redevelopment project with GDV of ₹1,700 cr: Arkade Developers has secured a cluster redevelopment project with a gross development value of Rs 1,700 crore in Dahisar, a micro-market in the Mumbai Metropolitan Region (MMR). *[Business Standard]*

Adani Ports targets 3x international growth by 2029-30, expands capacity at key ports: Adani Ports and Special Economic Zone aims to triple its international operations by 2029-30, with significant investments in Israel, Tanzania, and Sri Lanka. The company is enhancing capacity at key domestic ports, targeting new acquisitions, and expecting significant growth in international revenue and cargo handling efficiency. *[The Economic Times]*

Domestic shipping companies to gain from new tonnage tax law in IT Bill 2025: The new Income Tax Bill, 2025, proposes to expand the tonnage tax scheme to include Indian inland vessels, previously excluded from this benefit. This change aims to promote inland waterways as a mode of transportation and improve the financial viability of shipping companies, encouraging new investments in the sector. *[The Economic Times]*

AP set to power up port economy: Andhra Pradesh targets handling an ambitious 20 per cent of all cargo countrywide within two decades, through the development of additional port terminals and industrial clusters in the vicinity of the leading ports in the State. *[Business Line]*

Mega ports to begin operations in 2029- Sarbananda Sonowal: The year 2029 may be watershed moment for India's maritime trade with the first phase of mega port construction projects in both VadHAVAN (Maharashtra) and Great Nicobar (Andaman and Nicobar) expected to complete. *[The Economic Times]*



Sustainable Industrialisation

India achieves historic milestone of 100 GW installed solar power capacity: India has achieved a historic milestone by surpassing 100 GW of installed solar power capacity, reinforcing its position as a global leader in renewable energy, informed Union Minister of New and Renewable Energy. *[The Statesman]*

Simple Energy unveils upgraded electric scooter, seeks aggressive expansion: Electric vehicle (EV) startup Simple Energy seeks a ten-fold growth in sales by the next financial year, banking on aggressive network expansion plans and upgrading its flagship scooter Simple One. *[Business Standard]*

India installing 100 GW solar capacity will inspire nations to accelerate energy transition-NSEF: India's milestone of 100 GW solar capacity, achieved through government commitment to renewable energy, is set to inspire other nations in accelerating their energy transitions, industry body NSEFI said. *[The Economic Times]*

Simple Energy announces Simple ONE Gen 1.5 electric scooter with range of 248 kilometers: Clean tech startup Simple Energy has launched the Simple ONE Gen 1.5 electric scooter, featuring an extended range of 248 kilometers and multiple software improvements. *[The Economic Times]*



Sectoral News

Exports of India's pharma industry to reach \$350 billion by 2047: Recent report by the Bain & Company in collaboration with Indian pharmaceutical bodies said exports of India's pharmaceutical industry are projected to reach \$350 billion by 2047. *[The Statesman]*

Firms hire global leaders as talent shortage hits Indian electronics sector: Dixon Technologies is expanding its talent pool by recruiting senior professionals from international markets like Taiwan, Japan, Mexico, and Europe. The company has already onboarded three expatriates from prominent firms such as Wistron Corp and HKC Co, with plans for further hires. *[Business Standard]*

Stainless steel industry expresses concern over US decision to impose tariffs: The Indian stainless steel industry is concerned about the US administration's announcement of new tariffs on steel and aluminium imports. These tariffs could limit market access for Indian manufacturers, escalate global competition, and strain trade relations between India and the US. *[The Economic Times]*

India's Pharma market to expand 2.4 times over next 5 years, share in global market to hit 5 pc: India's pharmaceutical industry is poised for significant growth, with its share in the global market expected to rise to 5 per cent by 2030, according to a report by Bain & Company. *[The Economic Times]*

Government extends deadline for small drug companies to comply with revised schedule M standards:

The government is expected to extend the deadline for small drug companies to comply with the revised Schedule M standards until December 31, 2025. This extension, prompted by industry requests for more time to upgrade manufacturing processes, [The Economic Times]

India's CDMO market set to double by 2028 amid Asia's healthcare boom:

India's CDMO market is set to grow from USD 7 billion to USD 14 billion by 2028. This growth is driven by its strong stance in API manufacturing and cost advantages over China. [The Economic Times]

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