

INDIA FOCUS



Bharat is not a very lucky country and so armed forces should remain alert

RAJNATH SINGH,
Defence Minister



There has been a 180-degree change in the infrastructure after 2014

JYOTIRADITYA SCINDIA,
Union minister



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FDI inflow touches \$1 trillion since April 2000



A testament to India being an FDI magnet: Boeing has set up a \$200 million engineering and technology centre in Bengaluru to support commercial and defence sectors. This is the aviation giant's largest such investment outside the US.

Foreign direct investment (FDI) inflow has touched \$1 trillion since April 2000. During the first half of the fiscal year, inflow rose by 26% to \$42.1 billion.

Such growth reflects India's growing appeal as a global investment destination, driven by a proactive policy framework, a dynamic business environment, and increasing international competitiveness, say government sources.

Over the last decade (April 2014 to

September 2024), total FDI inflows amounted to \$709.84 billion, accounting for 68.69% of the overall FDI inflow in the past 24 years. This robust inflow of investments underscores India's pivotal role in shaping the global economic landscape, say industry observers.

According to RBI's November 2024 bulletin, gross inward FDI grew to \$42.1 billion during April-September 2024 from \$33.5 billion during the corresponding period last year.

One reason for the spurt in FDI is that Taiwanese companies are increasingly shifting their supply chains to India due to global trade tensions. FDI from Taiwan surpassing \$665 million between 2018 and 2024.

In June 2024, India saw an increase in outward FDI commitments to \$2.14 billion when compared with \$1.14 billion in June 2023, despite a decrease from \$2.22 billion in May 2024.

Commerce and Industry Minister Piyush Goyal said global investors are showing keen interest in India as the country offers several advantages such as strong domestic market, skilled and talented workforce and rule of law.

“I can clearly see FDI (foreign direct investment) in India once again growing rapidly and creating millions of jobs. Countries in the Middle East, EFTA region, Japan, and investors from the EU and the US are all realising that India continues to be the most preferred destination for FDI,” Goyal told PTI.

India’s stable and predictable regulatory framework, coupled with a favourable business environment and progressive policies aimed at enhancing ease of doing business, is attracting an increasing number of investors from around the world, the minister said. “Last month I met a CEO of one of the largest funds in the US, who is also the largest investor in India, and he shared with me that his investments in India over the last 10 years have been some of the best investments his funds have ever done.”

The US fund, Goyal said, informed him that they are investors in India for the last 20 years, but more than 80% of their investments happened in the last few years.

The FDI path was eased in April 17, 2024, when the finance ministry made a key policy change on FDI in the space sector, facilitating expanded investment opportunities for Indian space startups.

FDI has played a transformative role in India’s development by providing substantial non-debt financial resources, fostering technology transfers, and creating employment opportunities. Initiatives like Make in India, liberalised sectoral

policies, and the Goods and Services Tax (GST) have enhanced investor confidence, while competitive labour costs and strategic incentives continue to attract multinational corporations.

The government has attributed the increase in FDI to factors such as improvements in competitiveness and innovation.

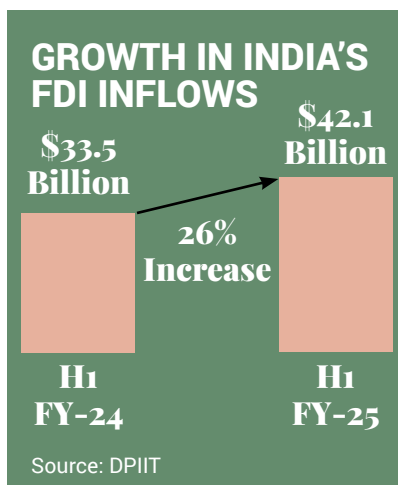
India’s ranking in the World Competitive Index 2024 has jumped three positions to 40th, from 43rd in 2021. Additionally, India was named the 48th most innovative country among the top 50 nations, securing the 40th position out of 132 economies in the Global Innovation Index 2023, a significant improvement from its 81st position in 2015. These rankings highlight the country’s progress in enhancing its innovation ecosystem and competitive edge.

India was the third-largest recipient of greenfield projects with 1,008 greenfield project announcements, according to the World Investment Report 2023. The number of international project finance deals in India has increased by 64%, making it the recipient of the second-largest number of international project finance deals. These statistics underscore India’s growing prominence on the global investment stage.

India made remarkable progress in improving its business environment, climbing from 142nd in 2014 to 63rd in the World Bank’s Doing Business Report (DBR) 2020, published in October 2019 before its discontinuation. This 79-rank jump over five years reflects the government’s sustained efforts to simplify regulations, reduce

bureaucratic hurdles, and create a more business-friendly environment, significantly boosting investor confidence, says industry observers.

To promote FDI, the government has put in place an investor-friendly policy, wherein most sectors, except certain strategically important sectors, are open for 100% FDI under the automatic route. Further, to simplify tax compliance for startups and foreign investors, the Income Tax Act, 1961 has been amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company. ■



One reason for the spurt in FDI is that Taiwanese companies are increasingly shifting their supply chains to India due to global trade tensions. FDI from Taiwan surpassing \$665 million between 2018 and 2024.



ECO WATCH

India to see resilient growth in 2025: S&P

Written using agency reports

S &P Global Ratings said the Indian economy is set for "resilient growth" in 2025 and the inflation pressure would recede which will lead to "modest" easing of the monetary policy by the Reserve Bank of India (RBI).

In its India outlook for 2025, S&P also retained India's growth forecast for the current fiscal year at 6.8%, followed by 6.9% growth in 2025-26.

"The Indian economy is set for resilient growth in 2025 on the back of strong urban consumption, steady service sector growth and ongoing investment in infrastructure," Vishrut Rana, Economist at S&P Global Ratings, said. "We expect the central bank to ease monetary policy modestly during 2025 as inflationary pressures recede."

Last week, the RBI retained the benchmark interest rate at 6.5% to control inflation but cut the cash reserve ratio (CRR) by 50 basis points to infuse liquidity into the system.

India's economy grew 8.2% in 2023-24.

The RBI said the GDP growth print for fiscal year Q2 (June-September 2024) was weaker than expected at 5.4%. The fiscal impulse was slower, and pockets of weakness such as the urban middle class held back. Manufacturing growth puts some downside risk to our forecast of 6.8% growth for FY 2025, it said.

There are various challenges for the economy, including post-pandemic weakness in the public sector and household balance sheets, a highly competitive global manufacturing environment and weak agriculture sector growth.

Creating enough jobs for India's higher labour force participation, further infrastructure and technology improvement, and stronger public and household balance sheets can support economic growth, Rana said. ■

Lower Q2 GDP growth a temporary blip, says FM Sitharaman

Written using agency reports

Finance Minister Nirmala Sitharaman said the lower-than-expected GDP growth of 5.4% in the second quarter of the financial year was a "temporary blip" and exuded confidence that the economy will see healthy growth in the coming quarters, according to a PTI report.

"A generalised slowdown in manufacturing is not expected, as it is restricted to few segments... out of 23 manufacturing sectors in the Index of Industrial Production, about half of them remain strong even now"

NIRMALA SITHARAMAN
Finance Minister



Replying to a debate in the Lok Sabha, she said India has seen "steady and sustained" growth and its GDP growth rate has averaged 8.3% in the last three years.

"The real growth rate for Q1 and Q2 of this financial year (FY25) has been 6.7% and 5.4%, respectively. At 5.4%, the Q2 rate is slower than expected...Q2 of this financial year has been a challenging quarter for India and most other economies of the world," she said.

India continues to be the fastest-growing major economy in the world, Sitharaman said, adding that the credit goes to the people of India who are struggling and meeting their aspirations, thereby, contributing to the economy.

Terming the second quarter's less-than-expected growth as a "temporary blip", she said the economy will see healthy growth in the coming quarters.

The finance minister further said there is no broad-based slowdown in the manufacturing sector. Half of the sectors within the overall manufacturing basket continue to remain strong.

"A generalised slowdown in manufacturing is not expected, as it is restricted to few segments...out of 23 manufacturing sectors in the Index of Industrial Production, about half of them remain strong even now," she said.



6.8%
growth
forecast for
2024-25

6.9%
growth
forecast for
2025-26

Source: S&P

Besides, she said, the capital expenditure of the Union Government has grown by 6.4% between July and October 2024.

The government has allocated Rs 11.11 trillion toward capex during the current financial year.

"I think steps that we are taking to push for growth and to sustain growth are going this route of capital expenditure so that the multiplier effect will spread through the economy and therefore give a greater traction," she said. ■

India's economic growth to be back on track by end of FY: Goyal

Written using agency reports

Commerce and Industry Minister Piyush Goyal has expressed confidence that India's economic growth will be back on track by the end of this financial year despite global uncertainties.

He said that India will be the world's fastest growing economy this year also. "We had an election in the first quarter and during the election, obviously policy-making and decisions on next steps of growth or infrastructure spending does slow down and there is a lag effect. But from what the initial numbers for this quarter, the third quarter, show, the festive spending, the rebound in rural growth, the way banks are now seeing traction back again, the way infrastructure spending has come back on track, I think by the time we close the year in March, we will be back on track," Goyal said at Times Network's India Economic Conclave.

The latest government data showed India's economic growth slowed to near two-year low of 5.4% in the July-September quarter due to poor performance of manufacturing and mining sectors, but the country continued to remain the fastest-growing large economy. The previous low level of GDP growth at 4.3% was recorded in the third quarter (October-December 2022) of financial year 2022-23.

However, India remained the fastest-growing major economy as China's GDP growth in the July-September quarter this year was at 4.6%. ■

India's potential GDP growth in range of 6.5-7%, says CEA Nageswaran

Written using agency reports

The Economic Survey has projected India's GDP to grow at 6.5-7% in 2024-25, down from a high of 8.2% in the preceding financial year.

Addressing IVCA's GreenReturns Summit, Chief Economic Advisor to the Government of India V Anantha Nageswaran said, "India's potential GDP growth is in the range of 6.5-7%

and we should be able to achieve it on the back of things that we have done in the last 10 years, whether it is in terms of augmenting the physical infrastructure or achieving financial inclusion."

Emphasising the investment areas, he said, "We all know about the issue of intermittency. The investment shouldn't focus on setting up solar power plants or wind energy plants as we need to take into consideration the increasing cost of recycling solar panel waste and wind turbine waste. That is an area to invest in."

The other areas to invest in are grid capabilities and technologies which will be able to withstand the intermittency of supplies from these renewable energy sources, he said.

With 45 years remaining for India to meet its commitment to achieving net-zero carbon emissions by 2070, the CEA talked about the complex challenge of balancing robust economic growth with the urgent need for environmental sustainability. ■



"India's potential GDP growth is in the range of 6.5-7% and we should be able to achieve it on the back of things that we have done in the last 10 years, whether it is in terms of augmenting the physical infrastructure or achieving financial inclusion"

V ANANTHA NAGESWARAN,
Chief Economic Advisor, Government of India

India will continue to grow at 6-8% for next 5 years: Vaishnaw

Written using agency reports

India will continue to grow at 6-8% for the next five years due to the transformative changes ushered in by Prime Minister Narendra Modi in the face of global turmoil and geopolitical tensions, said Information and Broadcasting Minister Ashwini Vaishnaw.

Addressing an event in New Delhi, Vaishnaw said India's growth story was based on four pil-

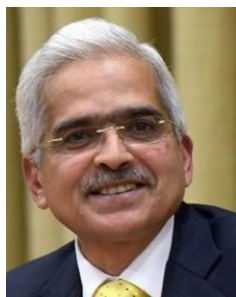
lars of massive public investments, focus on manufacturing and innovation, inclusive growth and simplification of laws. The world saw India as a ray of hope in times of global turmoil, two wars, disruption of supply chains and the hit taken by the world economy due to the Covid-19 pandemic. The minister credited Modi's "considered thought process" and "clearly laid out plans" for India's sustained economic growth.

"We can say with a very high degree of confidence that India will continue to grow at 6-8% real growth, 10-14% nominal growth and a very moderate inflation for the coming five years and this confidence is due to the change that has happened in people's lives," Vaishnaw said. ■



"... the world is in a state of turmoil, in a sense.... Amid all this, if there is one country that the world has hope from, it is India. It is not a coincidence that we are growing at a sustained rate of 6-8%."

ASHWINI VAISHNAW,
Information and Broadcasting Minister



"The horse (inflation) has made a valiant effort to bolt out, our effort is to keep it on a tight leash... there is no scope for knee-jerk reactions. We need more evidence before we take any action and the action has to be timely"

SHAKTIKANTA

DAS,
before his term
as Reserve Bank
Governor ended

tions. We need more evidence before we take any action and the action has to be timely," he told journalists. ■

half (April-September period) of the current fiscal. RBI lowered its growth projection for the current financial year to 6.6% from 7.2% projected earlier.

Das said, the second half looks better than the first half of the current fiscal year. The better projection for the second half is based on healthy kharif crop production, higher reservoir levels and better rabi sowing. Besides, industrial activity is expected to normalise and recover from the lows of the previous quarter. Mining and electricity are also expected to normalise post the monsoon-related disruptions.

With regard to inflation, Das said, it has to be brought down in the interest of sustainable growth. "The horse (inflation) has made a valiant effort to bolt out, our effort is to keep it on a tight leash... there is no scope for knee-jerk reac-

Expect economic growth of 6.5-7 % this fiscal: FICCI President

Written using agency reports

Terming the 5.4% GDP growth in the second quarter as a "temporary phenomena", FICCI President Harsha Vardhan Agarwal said the industry body expects India to achieve 6.5-7% economic growth in the current financial year, while projecting a pick-up in private investment.

In an interview to PTI, Agarwal, who is also the Vice Chairman & Managing Director of Emami Ltd, said the RBI needs to do a "balancing act" between inflation and economic growth. The FICCI president said he sees "less of a challenge" for India once the Donald Trump-led administration in the US assumes office next month.

According to him, investment in capital expenditure by the private sector in India should pick up soon, with the level of capacity utilisation reaching almost 75%.

"We believe that Q3 will be significantly higher

Growth in second half to be better than Apr-Sep: Outgoing RBI Governor

Written using agency reports

Before his term as the Reserve Bank Governor ended, Shaktikanta Das exuded confidence that growth in the second half of the fiscal year would be much better than the April-September period even as the central bank significantly trimmed growth projection for FY25 to 6.6%.

The downward revision in growth forecast follows the second quarter GDP print of 5.4%, the lowest in the last seven quarters. It was also below 6.7% growth recorded in the first quarter (April-June).

India recorded a growth of 6% in the first

than Q2 and even in Q4 and on an average yearly, we still expect somewhere around 6.5 to 7% GDP growth for this fiscal," he added. ■

PILLARS OF GROWTH

Indian tourism sector to double in 10 years to \$523 bn

Written using agency reports

The Indian tourism sector is expected to double to \$523 billion in the next 10 years, according to World Travel and Tourism Council (WTTC) President and CEO Julia Simpson.

WTTC works with governments on issues of the travel and tourism industry, and is the global authority on the economic and social contribution of the sector.

"The travel and tourism sector employs 45 million people in India, and is going to double in its value. In 10 years, the sector is going to be worth \$523 billion in India, more than double the present size of \$ 256 billion," Simpson told PTI in an interview. "In 10 years, the tourism sector in India will be providing jobs to 63 million people," she said.

Tourism represents about 7% of the Indian economy and in 2019 it was about \$211 billion, said the CEO, adding that now it is about \$ 256 billion and gives jobs to 45 million.

Almost 50% of global tourism happens near coastal resorts and areas close to sea, she said. People want to see the pristine beaches and go for amazing water sports. However, coastal areas are very vulnerable to global warming, in terms of dangerous weather changes and rising sea levels, she added. ■



"The travel and tourism sector employs 45 million people in India, and is going to double in its value. In 10 years, the sector is going to be worth \$523 billion in India, more than double the present size of \$ 256 billion"

JULIA SIMPSON,
President and CEO of WTTC

Indian Railways electrifies 97% of its broad gauge network

Written using agency reports

Indian Railways (IR) has taken up electrification of broad gauge (BG) railway lines in a mission mode. Since 2014-15, Indian Railways has completed electrification of about 45,200 route-km on the BG network. There is a substantial jump in electrification from about 1.42 km/day during 2004-14 to about 19.7 km/day during 2023-24.

Currently, about 97% of the total BG network of the Indian Railways has been electrified, said Union Minister of Railways, Information & Broadcasting and Electronics & Information Technology, Ashwini Vaishnaw, in a written reply in Lok Sabha.

Electric traction is more environmentally friendly and also about 70% more economical than diesel traction. ■

MOVERS OF ECONOMY

Capex by ministry of shipping up by 54%

Written using agency reports

Over the past three years, there has been a 37% increase in capital expenditure to Rs 75.7 billion in 2023-2024 from Rs 55.3 billion in 2021-2022 by the Ministry of Ports, Shipping and Waterways. Around 75 port development projects have been awarded for enhancement of cargo handling capacity and operational efficiency, said Union Minister of Ports, Shipping & Waterways, Sarbananda Sonowal in Parliament.

The Maritime India Vision (MIV) 2030 provides a comprehensive framework for the holistic development of India's maritime sector, encompassing ports, shipping, and waterways. MIV 2030 outlines 150 initiatives aimed at propelling India to global maritime leadership.

Its 10 interconnected themes such as port infra-

PROGRESS OF MIV 2030 (FY 2022 TO FY 2024)

- Major port capacity up from 1,598 MTPA to 1,630 MTPA
- Vessel turnaround time down from 53 hours to 48 hours
- Berth day output up from 16,000 MT to 18,900 MT
- Cargo volume handled by National Waterways up from 108 MT to 133 MT

Source: PIB

structure development, enhancing logistics efficiency, improving Indian shipbuilding tonnage, increasing coastal and waterway traffic, fostering technology innovation and policy support, promoting sustainability and global collaboration, address every facet of the maritime ecosystem, ensuring a well-rounded approach to transforming India into a leading maritime nation. ■

SMOOTH SAILING

Govt spends Rs 60 bn to improve Inland Waterways

Written using agency reports

The government has invested over Rs 60 billion for the rejuvenation of inland waterways, as a viable alternative of cargo movement as well as improving passenger connectivity.

The Union Minister of Ports, Shipping & Waterways, Sarbananda Sonowal, highlighted the progress made in inland waterways rejuvenation since 2014 during the Parliament session. “The Modi government has invested more than Rs 6,000 crore (Rs 60 billion) in the past decade for the revival of inland waterways as a viable alternative of cargo movement as well as improving passenger connectivity using the rich web of waterways,” he said.

The sector had seen an investment of Rs 16 billion in the previous 28 years since the inception of the Inland Waterways Authority of India in 1986.

India boasts an extensive network of inland waterways comprising rivers, canals, backwaters, and creeks. Of the total navigable length of 20,236 km, 17,980 km consists of rivers, and 2,256 km is made up of canals, both suitable for mechanised craft. However, freight transportation via waterways remains significantly under-utilised compared to countries. ■

Sonowal unveils ‘Jalvahak’ to boost inland waterways

Written using agency reports

The Union Minister of Ports, Shipping & Waterways, Sarbananda Sonowal, has unveiled a major policy for cargo promotion – “Jalvahak” – incentivising movement of long-haul cargo via National Waterways 1 (river Ganga) as well as for National Waterways 2 (river Brahmaputra) and National Waterways 16 (river Barak).

“With its advantage of being an economical, ecologically sound and efficient mode of transportation, we want to boost cargo movement via waterways, to decongest the railways and roadways. Jalvahak ... provides an opportunity

for the trade interests to explore movement of cargo via waterways with a positive economic value proposition,” said the Minister.

The scheme offers reimbursement up to 35% of total operating expenditure incurred while transporting cargo via waterways on NW 1, 2 and 16.

To encourage the business proposition of vessel operators, the scheme encourages cargo owners to hire vessels owned or operated by organisations other than Iwai or ICSL. The incentive scheme is ideal for major shipping companies, freight forwarders, trade bodies and associations that handle bulk and containerised cargo. By opting for the scheme, it provides them an opportunity to optimise their supply chain network. The scheme is initially valid for 3 years. ■



Minister Sarbananda Sonowal launches the Jalvahak scheme to incentivise cargo movement via inland waterways

COUNTRY CONNECT

Optical fibre cable network rose to 4.19 mn km

Written using agency reports

The optical fibre cable network increased from 1.75 million km in March 2018 to 4.19 million km in October 2024.

The National Digital Communication Policy-2018 was launched by the government in 2018 with a vision to fulfil the information and communication needs of citizens and enterprises through the establishment of a ubiquitous, resilient, secure, accessible and affordable digital communications infrastructure. This has led to improvement in the telecom infrastructure and increase in the coverage and affordability of the telecommunication services across the country. In the last six years, following improvements have taken place in respect of infrastructure, affordability of broadband, coverage, etc, promoting digital empowerment and creating a vibrant digital ecosystem.

As of September 2024, out of 6,44,131 villages in the country (village data as per Registrar General of India), 6,22,840 villages are covered with mobile connectivity. The number of broadband subscribers has increased from 0.48 billion in September 2018 to 0.94 billion in June 2024. ■

POWERING UP

Govt targets natural gas in energy mix to 15% by 2030

Written using agency reports

India's energy sector is undergoing a significant transformation, with a growing focus on cleaner sources of energy. To realise the vision, the government has set a target to raise the share of natural gas in the energy mix to 15% in 2030.

Minister of State in the Ministry of Petroleum and Natural Gas Suresh Gopi, in a written reply in the Rajya Sabha, said various steps have been taken in this direction, including expansion of the National Gas Grid Pipeline, expansion of the city gas distribution (CGD) network, setting up of LNG terminals and allocation of domestic gas to CNG, among others. ■

India's renewable energy capacity up 14.2%

Written using agency reports

The Ministry of New and Renewable Energy (MNRE) has reported significant progress in India's renewable energy sector from November 2023 to November 2024.

As of November 2024, the total non-fossil fuel installed capacity has reached 213.70 GW, rising 14.2% from last year's 187.05 GW. Meanwhile, the total non-fossil fuel capacity, which includes both installed and pipeline projects, surged to 472.90 GW, a substantial 28.5% increase from the previous year's 368.15 GW.

During 2024-25, a total of 14.94 GW of new RE capacity was added till November 2024, nearly doubling the 7.54 GW added during the corresponding period of FY 23-24. In November 2024 alone, 2.3 GW of new capacity was added — marking a dramatic fourfold increase from the 566.06 MW added in November 2023. ■

India's top arms makers log \$6.7 bn 2023 revenue: Sipri

Written using agency reports

Combined revenues from sales of arms and military services of the three Indian companies that number among the world's 100 largest arms producers increased to \$6.74 billion in 2023, growing 5.8% compared with \$6.37 billion in 2022, according to data released on Monday by the Stockholm International Peace Research Institute (Sipri).

Hindustan Aeronautics Limited (HAL), Bharat Electronics Limited (BEL), and Mazagon Dock



“There was a marked rise in arms revenues in 2023, and this is likely to continue in 2024. The arms revenues of the top 100 arms producers still did not fully reflect the scale of demand, and many companies have launched recruitment drives, suggesting they are optimistic about future sales”

LORENZO SCARAZZATO,
Researcher, Sipri Military Expenditure and Arms Production Programme

Shipbuilders Ltd (MDL) — the three Indian companies on Sipri's list of the 100 largest companies in the industry — are all defence public sector undertakings (DPSUs).

Bengaluru-headquartered aerospace and defence company HAL, which ranked 43, saw its arms revenues rise to \$3.71 billion in 2023, up 6.9% from \$3.47 billion a year ago. There was no change in its rank between the two years. Also headquartered in Bengaluru, aerospace and defence electronics company BEL clocked \$1.94 billion in 2023, up 0.5% from \$1.93 billion in 2022. However, it saw its rank fall to 67 from 65 a year ago. Mumbai-headquartered shipbuilder MDL saw its arms revenues grow 12.4% to \$1.09 billion in 2023 from \$0.97 billion in 2022. Its rank also went up to 94 from 96 a year ago.

The world's top arms producers have seen their revenues rise on the back of wars and regional tensions, said Sipri's annual report. "Revenues from sales of arms and military services by the 100 largest companies in the industry reached \$632 billion in 2023, a real-terms increase of 4.2% compared with 2022," noted the institute's media release about the report.

Sipri explained that arms revenues refer to revenues generated from the sales of military goods and services to military customers domestically and abroad.

Noting that many arms producers ramped up production in 2023 in response to surging demand, the Sipri report revealed that the total arms revenues of the Top 100 companies

bounced back after a dip in 2022. "Almost three quarters of companies increased their arms revenues year-on-year. Notably, most of the companies that increased their revenues were in the lower half of the Top 100," said Sipri. ■

GLOBAL RECOGNITION

Putin praises PM Modi's 'India-first' policy

Written using agency reports

Russian President Vladimir Putin praised Prime Minister Narendra Modi's "India-first" policy and the "Make in India" initiative, at the 15th VTB Russia Calling Investment Forum.

President Putin acknowledged India's efforts to foster a stable environment for growth, emphasising how these policies have contributed to India's development.

The Make in India initiative, aimed at boosting manufacturing and attracting foreign investment, has played a key role in strengthening India's position in the global economy, he said.

He lauded the Indian government and its efforts in creating "stable conditions" for small and medium-sized enterprises (SMEs), particularly highlighting the economic initiatives spearheaded by the Prime Minister, with a special focus on the Make in India programme.

President Putin drew parallels between Russia's import substitution programme and India's "Make in India" initiative, expressing Russia's willingness to establish manufacturing operations in India. Investments in India are profitable, he added. He also emphasised that India's leadership has focused on prioritising its national interests. ■

HEALTHY VALUATION

India's pharmaceutical market valued at \$50 billion

Written using agency reports

India's pharmaceutical market for 2023-24 is valued at \$50 billion with domestic consumption valued at \$23.5 billion and export valued at \$26.5 billion, said Union Minister of State for Chemicals and Fertilisers Anupriya Patel in the Rajya Sabha.

India's pharma industry is considered to be the world's third-largest by volume and 14th in terms of value of production. The Union Minister said with an extremely diversified product base covering generic drugs, bulk drugs, over-the-counter drugs, vaccines, biosimilars, and biologics, the Indian pharmaceutical industry has a strong presence at the global level.



"India's pharmaceutical market for 2023-24 is valued at \$50 billion with domestic consumption valued at \$23.5 billion and export valued at \$26.5 billion"

ANUPRIYA PATEL,
Union Minister of State for Chemicals and Fertilisers

According to National Accounts Statistics 2024, published by the Ministry of Statistics and Programme Implementation, the output for industry (pharmaceuticals, medicinal and botanical products) is Rs 4.5 trillion in 2022-23 at constant prices, of which value added is Rs 1.8 trillion. ■

INVESTMENT FLOW

40 Indian startups secure over \$787 mn

Written using agency reports

Nearly 40 Indian startups have secured more than \$787 million in funding during the week ended December 15 against \$250 million raised cumulatively across 18 deals last week.

These deals included 16 growth-stage deals and 23 early-stage ones.

Cloud kitchen unicorn Rebel Foods led the funding with \$210 million led by Temasek in a mix of primary and secondary share sales. Rebel Foods is planning a public listing next year.

Fintech startup Mintifi raised \$180 million in its Series E round led by TVG and Prosus. Mintifi plans to deploy the fresh capital to expand its footprint across key sectors.

CarDekho SEA, the Southeast Asia business unit of digital automotive solutions provider CarDekho Group, raised its first external funding round of \$60 million. The round was led by prominent growth and private equity investors Navis Capital Partners (Navis) and Dragon Fund. Following this round, the cumulative fundraise now stands at more than \$100 million.

Haber, a leading industrial AI startup, raised \$44 million in its Series C funding round, which included \$38 million in equity and \$6 million in debt. The funding round was led by Creaegis, BEENEXT, and Accel.

SolarSquare, India's leading home solar startup based in Mumbai, secured \$40 million in its Series B funding round, marking the largest venture capital raise in the Indian solar sector. The round was led by Lightspeed with participation from Lightrock.

K12 Techno Services secured \$40 million in funding from Kenro Capital, a growth-stage secondary venture capital firm.

Moreover, 23 early-stage startups secured funding worth \$54.01 million during the week. ■

GUIDING HAND

DPIIT inks MoU with Flipkart to invest in and mentor Indian startups

Written using agency reports

The Department for Promotion of Industry and Internal Trade (DPIIT) has partnered with Flipkart, India's homegrown e-commerce marketplace, to support and empower tech startups across India.

Aimed at encouraging the growth of innovators and entrepreneurs, the partnership further catapults efforts under the Flipkart Leap and Ventures initiative with its \$100 million fund. Till date, the company has invested in 20 companies and continues to identify startups with high growth potential.

The collaboration will enable access for startups to industry reports, research papers, datasets and other studies published by government authorities for market research and fast-track patent applications filed by startups for timely opportunities.

Rajneesh Kumar, Chief Corporate Affairs Officer, Flipkart Group, said the MoU reflects the company's goal of empowering startups through

strategic support, resource access, and global market connections. With the continued association and combined synergies, Flipkart aims to unlock opportunities for entrepreneurs with a \$100 million venture fund to pioneer breakthroughs that shape the future of technology and business in India and beyond. He said that Flipkart will provide resources, guidance, and support for different milestones, such as prototype development and offer connections and insights for international expansion. ■

DEFENCE MUSCLE

MSMEs & startups gets Rs 12.6 bn from govt for defence tech

Written using agency reports



Several initiatives aimed at transforming India into a global hub for defence research and technology – involving projects worth an estimated Rs 12.64 billion and significant participation from MSMEs, startups and academia – have been rolled out by the government, according to Minister of State for Defence Sanjay Seth.

Among the key initiatives is the Technology Development Fund (TDF) scheme, a flagship programme under the MoD, executed by the Defence Research and Development Organisation (DRDO).

To date, 79 projects worth Rs 3.34 billion have been sanctioned under the TDF scheme for the development of defence technologies, Seth told the Lok Sabha.

The TDF scheme is designed to encourage industries, particularly micro, small, and medium enterprises (MSMEs) and startups, to develop cutting-edge defence technologies.

Another significant development is the establishment of the DRDO Industry Academia Centres of Excellence (DIA-CoEs), which aim to foster collaboration between academia, industry, and DRDO. The DRDO has established 15 DIA-CoEs across the country and sanctioned approximately Rs 9.3 billion for 264 projects under its Grants-in-Aid scheme, according to Seth's written reply. ■



Bilateral Developments

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Strengthening India-Singapore maritime cooperation

Indigenous offshore patrol vessel ICGS Shaunak completed a port call at Changi Naval Base, Singapore, on December 20 and 23, 2024.



Celebrating the youngest world chess champion in history

The High Commission of India in Singapore and the Indian community in Singapore felicitated Gukesh Dommaraju for his spectacular achievement of becoming the youngest world chess champion, when he defeated Ding Liren at the World Chess Championship 2024. The event took place on December 14, 2024.



India Pavilion for Asia TV Forum

Asia TV Forum was held in Singapore from December 3-6, 2024. The High Commissioner, Dr Shilpak Ambule, inaugurated the India Pavilion for Asia TV Forum and Market. The event saw the largest participation ever by the Indian entertainment industry at the ATF.



Forthcoming Events In India

I. India Electronics Expo (INDELXPO)

Date & Venue: March 19-21, 2025; New Delhi
Organiser: Electronics and Computer Software Export Promotion Council (ESC)
Contact: Vikas Gupta, Additional Executive Director, ESC, Mobile / WhatsApp: +91 9968369723

Details: INDELXPO is a comprehensive showcase of Indian expertise in consumer electronics, telecom devices, medical electronics, security systems, solar-powered

products and more. A vast range of electronic components are put on display at the event, including semiconductors, active and passive components, and interconnect solutions. Cutting-edge electronics technologies that can be seen at the event include IoT, drones, smart city solutions and embedded systems. The electronic manufacturing segment will also participate in the expo. The India Electronics Expo 2025 will offer overseas buyers an opportunity to explore high-quality, competitively priced products and cutting-edge solutions across the electronics value chain.

Website: www.indiaelectronicsexpo.com

II. India Steel 2025

Date & Venue: April 24-26, 2025; Bombay Exhibition Centre, Mumbai
Organiser: Ministry of Steel, Government of India, and FICCI
Contact: Mr Sudhanshu Gupta, Joint Director; Email: sudhanshu.gupta@ficci.com; Mob: +91-9873311557

Details: The Ministry of Steel along with the

Federation of Indian Chambers of Commerce and Industry (FICCI) is organising India Steel 2025 from April 24-26, 2025, at the Bombay Exhibition Centre, Goregaon, Mumbai, India. The Ministry of Commerce & Industry is extending support to the event. The event comprises an international exhibition, conference and a series of concurrent events such as a CEOs' forum and a reverse buyer-seller meet (RBSM), among others.

Website: www.indiasteelexpo.in

For feedback & comments, please contact:

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