

INDIA FOCUS



**PM E-DRIVE Scheme
will accelerate
EV adoption**

HD KUMARASWAMY,
Minister for Heavy Industries & Steel

**Indian economy is
contributing more than
18% to global growth**

SHAKTIKANTA DAS,
RBI Governor



INSIDE

Bilateral Developments
Union Minister for
Education Dharmendra
Pradhan visits Singapore



PAGE 15

**India rises to third spot,
surpasses Japan, in Asia
Power Index**

PAGE 04

**India to become \$10
trn economy by 2032:
Report**

PAGE 05

**India's renewable
capacity crosses 200 GW**

PAGE 07

**CEOs express interest in
investing in India**

PAGE 08

**India's manufacturing
share set to rise to 25%
of GDP by 2047: Goyal**

PAGE 10

**'Market for AI products
and services could reach
\$990 bn by 2027'**

PAGE 14

Make in India initiative turns 10: PM Modi calls it a 'roaring success'

Relentless efforts of Indians across industries transformed the initiative into a global movement that has showcased the country as a hub of manufacturing and innovation, says Modi



The Government of India's drive to develop the manufacturing segment of the country so that the nation can increase its exports and reduce its imports, and become a self-reliant economy, turned 10 on September 25, 2024.

Calling the initiative a "roaring success", Prime Minister Narendra Modi said the effort was started 10 years ago to ensure that the country's talent can realise its potential in strengthening India's economy. In a social media post, he praised the relentless efforts of Indians across industries who transformed the initiative into a global movement

**Prime Minister Narendra Modi
addresses the inauguration of the
Make in India initiative in New Delhi
on September 25, 2014**

that has showcased India as a hub of manufacturing and innovation.

In a post on X, the Prime Minister wrote, "We mark #10YearsOf-MakeInIndia. I compliment all those who are tirelessly working to make this movement a success over the last decade. 'Make in India' illustrates the collective resolve of 140 crore (1.4 billion) Indians to make our nation

THE WINS OF MAKE IN INDIA

Prime Minister Narendra Modi listed these in his social media page to illustrate the progress made over the past decade:



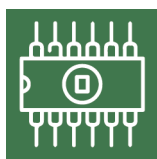
Mobile manufacturing:

- 2 units in 2014; 200 now
- Exports up 7,500% to Rs 1.2 trn



Steel industry:

- India is net exporter of finished steel
- Production up by 50% since 2014



Semiconductors:

- Rs 1.5 trn worth investments made
- New plants to produce more than 70 million chips daily



Renewable energy & electric vehicles:

- India is fourth-largest producer of renewable energy; 400% increase in capacity over last decade
- Electric vehicle industry valued at \$3 bn



Defence exports:

- Production exports up from Rs 10 bn to Rs 210 bn
- Indian-made products reach over 85 countries

a powerhouse of manufacturing and innovation. It's noteworthy how exports have risen in various sectors, capacities have been built, and thus, the economy has been strengthened."

The Prime Minister also discussed the subject in the 114th edition of the Mann Ki Baat broadcast. The Make in India campaign has contributed to making India a manufacturing powerhouse resulting in increased exports in electronics, defence, textiles, aviation and automobiles, among other sectors, along with a continuous rise in foreign direct investment (FDI), he said. The PM also emphasised the role of the production-linked incentive (PLI) schemes, which have driven substantial investments and created thousands of jobs, as well as the government's efforts to enhance the ease of doing business.

Modi urged India's youth to take Make in India to even greater heights, with a focus on quality and excellence. He emphasised that India is now seen as a key player in the global supply chain, blending democracy, demography and demand to power global growth.

While celebrating the 10th anniversary of Make in India, Minister of Commerce and Industry Piyush Goyal said there has been significant progress in manufacturing, increased investments and job creation. He asked the industry to focus on prioritising the production of high-quality goods to promote Brand India through sustainable practices in line with the Prime Minister's vision of Make in India with "Zero Effect; Zero Defect". He urged CEOs to focus on increasing domestic value addition in

Business Reforms Action Plan to strengthen Make in India

In a major push to further strengthen the Make in India initiative, the Business Reforms Action Plan (BRAP) 2024 is set to establish a seamless business regulatory framework across the country, enhancing the ease of doing business. Led by the Department for Promotion of Industry and Internal Trade (DPIIT), BRAP 2024 next-generation reforms address the needs of both businesses and citizens.

The framework introduces an innovative assessment methodology, blending evidence and feedback-based evaluations for a more comprehensive and dynamic approach. With a focus on reducing approval times,

integrating online service delivery, and leveraging initiatives like the National Single Window System and PM Gati Shakti, BRAP 2024 promises to create a more transparent, efficient, and dynamic regulatory environment.

Launched in 2014-2015, BRAP has been a transformative force in reshaping India's business landscape, embodying the spirit of competitive federalism, with six successful editions already completed. BRAP's unique approach, which involves evaluating states and UTs based on reform implementation, is rare among countries. The focus has been on easing sectoral challenges and building multiple investment hubs nationwide by creating a favourable business environment.



“The Government of India is committed to encouraging ‘Make in India’ through all possible ways. India’s strides in reforms will also continue. Together, we will build an Atmanirbhar and Viksit Bharat”

NARENDRA MODI,
Prime Minister



“This initiative aligns with PM Modi ji’s vision of positioning ‘Brand India’ as a global benchmark for innovation and quality. To bring this vision to life, major initiatives have been undertaken In essence, Make In India has laid a robust foundation, setting the stage for the nation’s ambitious journey towards becoming a Viksit Bharat by 2047”

PIYUSH GOYAL,
Minister of Commerce & Industry

PLI IMPACT

**Rs 1.46 trn
investment realised
till August 2024**

**Rs 2 trn
likely investment in a
year or so**

**Rs 12.50 trn
worth goods being
made or sold**

**0.95 mn
direct & indirect
employment; likely to
reach 1.2 mn soon**

**Rs 4 trn+
exports; major
contribution from
electronics, pharma
& food processing**

their products to make India self-reliant. He also urged the industry to support domestic manufacturers in this regard.

“We have achieved great success and a brilliant future is ahead for manufacturing in the country as the Make in India programme is celebrating its 10 years,” Goyal said.

According to a PTI report, the minister said that the Modi government started with “very” tough times as the mood of investments both domestically and internationally was “very” low in 2014 and businesses were not sure about the future. Internationally, the image of the country was down and the country was categorised as a “fragile five” economy, he said adding it took this government some time to earn the trust of investors. “But that happened very quickly under Prime Minister Narendra Modi because he took very bold decisions whether it is one nation, one tax – GST – whether it is IBC (Insolvency and Bankruptcy Code), or putting in place a transparent process for auction of mines,” he said.

The government also gave investors stable and predictable policies, with a commitment not to do retrospective amendments. Due to measures like digitisation and simplifying procedures, India’s rank in the ease of doing business climbed 14 rungs to 63 among 190 countries. “Zero tolerance for corruption, and the focused effort on emerging sectors for promoting Make in India ignited the investments both domestically and internationally,” Goyal said. “And 10 years later, we are both redeemed by the results and excited about the future. In many areas, we have seen significant progress like in mobiles, we are now world’s second largest manufacturers with production going on from only two factories to 200 in this field. ■

India rises to third spot, surpasses Japan, in Asia Power Index

India has now surpassed Japan to become the third-largest power on the continent, according to the Asia Power Index (API), released by an Australian think tank.

This shift in dynamics reflects India's "increasing geopolitical stature, dynamic growth, youthful population, and expanding economy", the Ministry of Information and Broadcasting said in a release.

The Sydney-based Lowy Institute has put the US at the top of its Asia Power Index with a score of 81.7, followed by China with a score of 72.7, India (39.1), Japan (38.9), Australia (31.9) and Russia (31.1).

"India has shown remarkable post-pandemic economic recovery, contributing to a 4.2-point rise in its economic capability. India's massive population and strong GDP growth reinforce its standing as the world's third-largest economy in PPP terms," the think tank has said.

The ministry said: "One of the most significant findings in the 2024 Asia Power Index is India's steady rise in the regional power rankings. Witnessing a gradual rise, India is looking to achieve its full potential and exercise its influence in the region."

The key factors behind India's rise include economic growth, future potential, diplomatic influence, cultural influence, multilateral diplomacy and economic outreach.

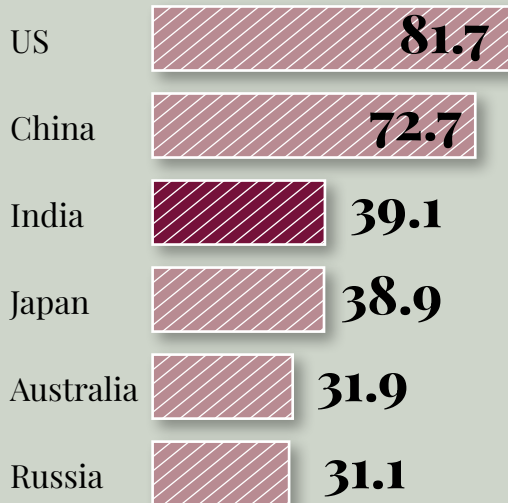
India's massive population and strong GDP growth reinforced its standing as the world's third-largest economy in PPP terms. Unlike its regional competitors, particularly China and Japan, India "benefits from a youthful population that will continue to drive economic growth and labour force expansion in the coming decades," the ministry noted.

India's non-aligned strategic posture has allowed New Delhi to navigate complex international waters effectively, the release added. It noted that in 2023, India ranked sixth in terms of diplomatic dialogues, reflecting its active engagement in multilateral forums.

India's large population and economic capabilities offer substantial promise. India's score in cultural influence has also remained relatively strong, underpinned by its global diaspora and cultural exports. India's role in multilateral diplomacy and security cooperation was also emphasised.

The country's economic outreach, though limited, has seen incremental improvements, particularly in defence sales, such as the BrahMos missile deal with the Philippines, the ministry said. It added that these small developments suggest that "India is beginning to flex its geopolitical muscles beyond its immediate neighbourhood".

POWER LIST: ASIA POWER INDEX



REASONS FOR INDIA'S RISE

- Economic Growth
- Future Potential
- Diplomatic Influence
- Cultural Influence
- Multilateral Diplomacy
- Economic Outreach

Source: Sydney-based Lowy Institute

The ministry added that the 2024 Asia Power Index shows India as a "power to reckon with in Asia", with "immense potential for future growth".

"The outlook for India is optimistic. With continued economic growth and a burgeoning workforce, India is well-positioned to expand its influence in the years ahead. In particular, India's rising diplomatic influence and its strategic autonomy make it a key player in the Indo-Pacific Region," it added.

The Asia Power Index, launched by the Lowy Institute in 2018, is an annual measure of power dynamics in the Asia-Pacific region. It evaluates 27 countries across the Asia-Pacific, examining their ability to shape and respond to the external environment. The 2024 edition offers one of the most comprehensive assessments of power distribution in the region to date. Timor-Leste has been included for the first time, reflecting its growing importance in Southeast Asia. The index focuses on states' material capabilities and the influence they exert on the international stage.

MACRO WATCH

India to become \$10 trn economy by 2032: Report

Written using agency reports

The Indian economy is set to add \$1 trillion to its gross domestic product (GDP) every 1.5 years over the next six years, according to a report by IDBI Capital. The report highlighted that India is on the verge of a major transformation, aiming to become a \$10 trillion economy by 2032, positioning itself as the third-largest economy globally by 2030.

“By adding \$1 trillion every 1.5 years, India is forecasted to emerge as the third-largest global economy over the next six years,” said the report.

It noted that this accelerated growth will be driven largely by the manufacturing sector, which is expected to contribute 32% to the incremental gross value added (GVA).

The report also highlighted the role of initiatives like Make in India, which as per the report are designed to strengthen India's manufacturing base and transform the country into a global manufacturing hub. The data also highlighted that India took 63 years, from 1947 to 2010, to reach a GDP of \$1 trillion. However, growth has significantly accelerated in the past decade.

Between 2024 and 2032, as per the report, India is expected to hit \$10 trillion in GDP, driven by strong manufacturing demand, export potential, and favourable government policies such as Production Linked Incentive (PLI) schemes. The report also projected India will overtake major global economies in manufacturing, surpassing countries like the United States, China, Germany, South Korea, and Japan in terms of the Industrial Production Index (IIP).

The report mentioned that rising domestic demand fuelled by increasing disposable incomes, global realignment of supply chains, high export potential, and a supportive financial ecosystem are the key factors which are propelling India's manufacturing and export growth. With public and private capital expenditure rising and a demographic dividend in its favour, India is on course to establish itself as a global economy.



“By adding \$1 trillion every 1.5 years, India is forecasted to emerge as the third-largest global economy over the next six years”

IDBI CAPITAL

Macroeconomic fundamentals and buffers better now: RBI Guv

Written using agency reports

The Indian economy today demonstrates vastly improved macroeconomic fundamentals and robust buffers, said Reserve Bank of India (RBI's) Governor Shaktikanta Das.

“The Indian economy has rebounded strongly from the pandemic and is contributing more than 18% to the global growth. Inflation is on a declining trajectory. External sector remains resilient with strong buffers. The health of the banking and corporate sectors remains strong. Fiscal consolidation is underway,” Das said at the inaugural Himalaya Shumsher Memorial Lecture, organised by the Nepal Rastra Bank, Kathmandu.

The governor noted that, unlike many central banks which are narrowly focused on price stability using monetary policy, the Reserve Bank has a wider canvas of functions. “It is not just responsible for maintaining price stability, but also has the larger responsibility of maintaining financial stability as the regulator and supervisor of banks and other financial sector entities, financial markets and payment systems. This helps us to take a holistic view of the economy, appreciate the synergy and trade-offs involved in various objectives, and act appropriately using multiple instruments at our disposal,” he said.

The governor cautioned that continuing geopolitical disturbances and geoeconomic fragmentations will pose daunting challenges to the central banks.



“The Indian economy has rebounded strongly from the pandemic and is contributing more than 18% to the global growth”

SHAKTIKANTA DAS,
RBI Governor

“Experience of the past few years shows that the journey ahead may be marked by dynamic shifts in geopolitics, with frequent incidences of supply chain disruptions and greater barriers in trade, technology and capital flows. These will be the new sources of shocks, often not well captured in existing macroeconomic models. It has become important for central banks to remain vigilant and respond in a nimble, timely and calibrated manner while navigating such turbulences,” Das said. ■

ADB retains FY24 economic growth forecast at 7%

Written using agency reports



“India’s economy has shown remarkable resilience in the face of global geopolitical challenges and is poised for steady growth. Agricultural improvements will enhance rural spending, which will complement the effects of robust performance of the industry and services sectors”

MIO OKA,
ADB Country Director for India

The Asian Development Bank (ADB) has projected sustained strong growth for India’s economy, forecasting a 7% increase in gross domestic product (GDP) for the financial year ending March 2025 and 7.2% next fiscal year. The projections were outlined in the bank’s Asian Development Outlook report for September 2024.

Mio Oka, ADB Country Director for India, said, “India’s economy has shown remarkable resilience in the face of global geopolitical challenges and is poised for steady growth. Agricultural improvements will enhance rural spending, which will complement the effects of robust performance of the industry and services sectors.”

The report indicates that above-average monsoon across much of India is expected to stim-

ulate strong agricultural growth, positively impacting the rural economy in FY2024. The ADB maintains a positive outlook for the industrial and services sectors, along with private investments and urban consumption for both FY2024 and FY2025. Furthermore, a new government initiative providing employment-linked incentives for workers and companies could boost labour demand and facilitate job creation starting in FY2025, the bank said.

Due to the government’s efforts toward fiscal consolidation, central government debt is projected to decline from 58.2% of GDP in FY2023 to 56.8% in FY2024. “The general government deficit, which includes state governments, is expected to fall below 8% of GDP in FY2024,” the report mentioned.

Potential near-term growth risks include geopolitical tensions that could disrupt global supply chains and affect commodity prices, as well as weather-related challenges impacting agricultural production. The outlook assumes that the central government will meet its capital expenditure goals in FY2024, the report said.

These risks could be mitigated by increased foreign direct investment, which may bolster growth and investment, particularly in the manufacturing sector. “Additionally, improvements in the supply of agricultural products may reduce food prices, potentially lowering consumer inflation below the forecast,” the report said. ■

FOOD SECURITY

India’s foodgrain production hits record in 2023-24

Written using agency reports

India’s foodgrain production reached a record 332.22 million tonnes in 2023-24 crop year ended June, driven by bumper wheat and rice output, the agriculture ministry said.

The final estimate for 2023-24 shows an increase of 2.61 million tonnes from the previous year’s 329.6 million tonnes.

Rice production touched a record 137.82 million tonnes, up from 135.75 million tonnes in 2022-23. Wheat output also hit a high of 113.29 million tonnes as compared to 110.55 million tonnes the previous year.

FOOD BASKET IN 2023-24 CROP YEAR

332.22 mt
foodgrain production

2.61 mt
more than previous year’s 329.6 mt

137.82 mt
rice production

113.29 mt
wheat output

However, pulses production declined to 24.24 million tonnes from 26.05 million tonnes and oilseeds output fell to 39.66 million tonnes from 41.35 million tonnes.

The ministry attributed the decline in pulses, coarse cereals, soybean and cotton production to “drought-like conditions in southern states, including Maharashtra and prolonged dry spell during August especially in Rajasthan”.

Sugarcane production decreased to 453.15 million tonnes from 490.53 million tonnes, and cotton output fell to 32.52 million bales (1 bale equals to 170 kg) from 33.66 million bales. ■

AGRI BOOSTER

Cotton exports likely to double in 2023-24 season

Written using agency reports

Cotton exports are expected to almost double to 2.85 million bales in the 2023-24 season against 1.5 million bales in the previous crop year, 2022-23, as the average prices of Indian cotton were cheaper in the world market, Cotton Association of India (CAI) said.

“Indian cotton was ruling at a much cheaper rate during February-March compared to the global market. During this period, a lot of exports took place, including 2 mn bales to neighbouring Bangladesh,” CAI president Atul S Ganatra told PTI.

He said that for the current season, which starts from October 1, the average rate of cotton is Rs 57,500 per candy, while in the previous year, it was Rs 62,500 per candy. ■

POWERING UP

India's renewable capacity crosses 200 GW

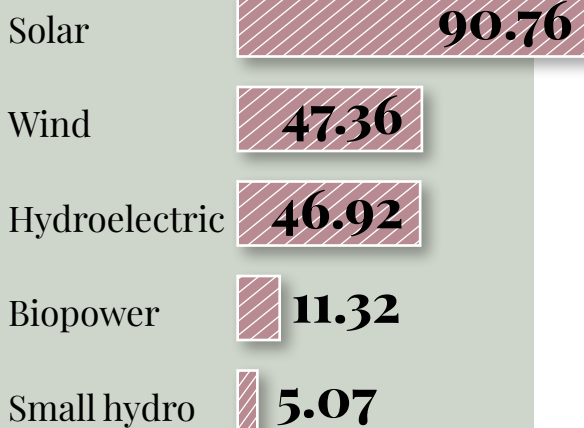
Written using agency reports

India has reached a significant milestone in its renewable energy journey, with the renewable energy capacity crossing 200 GW (gigawatt) as on October 10, 2024. According to the Central Electricity Authority, the total renewable energy-based electricity generation capacity now stands at 201.45 GW. This achievement underscores India's growing commitment to clean energy and its progress in building a greener future.

This milestone reflects the result of years of dedicated efforts to harness India's natural resources. When factoring in the 8,180 MW (megawatt) of nuclear capacity, the total non-fossil fuel-based power now accounts for almost half of the country's installed electricity generation capacity, signalling a strong move toward clean energy leadership on the global stage. ■

POWER MIX

GW (gigawatt)



India's total electricity generation capacity has reached 452.69 GW, with renewable energy contributing a significant portion of the overall power mix. As of October 2024, renewable energy-based electricity generation capacity stands at 201.45 GW, accounting for 46.3% of the country's total installed capacity. This marks a major shift in India's energy landscape, reflecting the country's growing reliance on cleaner, non-fossil fuel-based energy sources. ■

CRUISE ECONOMY

New Cruise Bharat Mission targets 5 mn tourists

Written using agency reports

Cruise Bharat Mission aims to double cruise calls from 254 in 2024 to 500 by 2030 and 1,100 by 2047. The mission was launched from the Mumbai port to double cruise passenger traffic 2029.

“We are expecting a rise in passengers from 0.46 million in 2024 to 5 million by 2047. The mission also aims to create 0.4 million employment in the cruise sector during this period,” said Union Minister of Ports, Shipping & Waterways (MoPSW), Sarbananda Sonowal.

The Cruise India Mission will be implemented in three phases, beginning from October 1, 2024, to March 31, 2029.

The mission aims to continuously work towards the development of world-class infrastructure and destinations while leveraging technology to provide a seamless experience for embarkation, disembarkation, and destination visits. It will promote the cultural, historical, and natural circuits of the Subcontinent, ensuring inclusive and equitable growth for all stakeholders, including ports, cruise lines, vessel operators, tour operators, service providers, and local communities. ■

PORT INFRA

India's container handling capacity to double in 5 years

Written using agency reports

Container handling at Indian ports is set for a twofold increase from 20 million TEUs to 40 million TEUs in the next five years, said Union Minister of Ports, Shipping and Waterways Sarbananda Sonowal. These projects are expected to create two million jobs.

In a press conference to update the milestones achieved by his ministry during the first 100 days, he highlighted Prime Minister Narendra Modi's focus on holistic development and his mantra of "transformation through transportation" leading to a complete overhaul of India's maritime landscape.

Highlighting some of the important projects, he said container handling capacity at the Jawaharlal Nehru Port would increase from 6.5 million TEUs to 10 million TEUs by this year. He underscored the foundation of Vadhvan Port, India's first major port project of the 21st century, poised to become one of the largest all-weather deep-water ports with a capacity of 298 MMTPA. This mega port is expected to create 1.2 million employment opportunities and place an Indian port among the top 10 container ports globally, significantly improving international shipping connectivity and reducing transit times and costs.

Another key project he highlighted was the Tuticorin International Container Terminal on the East Coast, which will serve as a major transshipment hub, saving up to \$200 per container and providing an estimated annual foreign exchange savings of \$4 million.

"Recognizing the strategic importance of shipbuilding and ship repair, the ministry is developing dedicated clusters in Maharashtra, Kerala, Andhra Pradesh, Odisha, and Gujarat. We are also allocating more than 3,900 acres in Kandla and VOC Port for the development of hydrogen manufacturing hubs, positioning India as a leader in clean energy. Additionally, we are eagerly looking forward to the upcoming

'Sagarmanthan: The Great Ocean Conference,' which will be held in Mumbai this November, further emphasising focus on ocean sustainability and blue economy growth," the minister said. ■

Cabinet approves Rs 2 bn pay scheme for port workers

Written using agency reports

The Union Cabinet has approved the modification of the productivity linked reward (PLR) scheme for major ports and dock labour board employees/workers from 2020-21 to 2025-26. The total financial implication for the entire period will be about Rs 2 billion.

The modified scheme will benefit about 20,704 employees of major port authorities.

PLR has been calculated on the wage ceiling for calculation of bonus at Rs 7,000 per month. PLR shall be paid annually by enhancing the port specific performance weightage from 50% to 55% and further increasing to 60%.

This Scheme will foster better industrial relationship and congenial work atmosphere in the sector, apart from stimulating better productivity. ■

LOOKING FOR COLLABORATION

CEOs express interest in investing in India

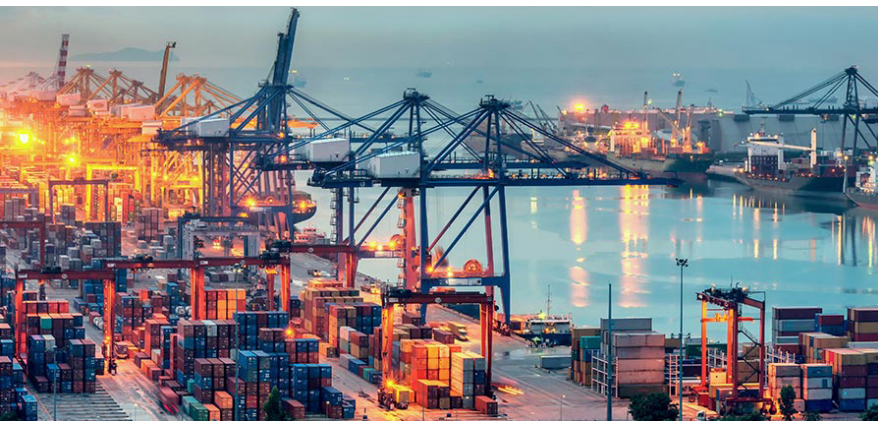
Written using agency reports

Prime Minister Narendra Modi has asked 15 top tech CEOs from across key sectors to "co-develop, co-design, and co-produce in India for the world", the Ministry of External Affairs (MEA) has said.

During his 3-day US tour last month, Modi met with CEOs of US-based technology-oriented corporations and multinationals in New York, the MEA said. He asked them to take advantage of India's growth story for collaboration and innovation.

While technology giants like Google and IBM were present in the room, the list of CEOs had a relatively large number of executives from the semiconductor manufacturing and biotechnology industries. "The CEOs participated in a deep dive with the Prime Minister on the evolving technology landscape at a global level and how these cutting-edge technologies are contributing to the well-being of people around the world including in India," the MEA said.

The CEOs also expressed their strong interest in investing and collaborating with India. India's growing prominence as a global technology hub, driven by its innovation-friendly policies and flourishing market opportunities, got much





appreciation from the tech-leaders, said MEA.

They also agreed that investing in startups would be a synergistic opportunity to innovate and develop newer technologies in India, they added

The Prime Minister also assured the business leaders of India's deep commitment to protection of intellectual property and to fostering tech-innovation. ■

CLEANER INDIA INC

'Market cap of IBBI resolved firms rose to Rs 6 trn'

Written using agency reports

A recent study by the Indian Institute of Management-Ahmedabad to assess the effectiveness of the Insolvency and Bankruptcy Board of India (IBBI) indicated a substantial increase in market capitalisation for companies resolved under the IBC, rising from Rs 2 trillion to Rs 6 trillion.

Additionally, average sales for these firms increased by 76% within three years of resolution, while average employee expenses rose by 50% during the period, reflecting enhanced employment intensity among the resolved firms. The study also noted a significant 50% increase in the average total assets of these firms' post-resolution, alongside a remarkable 130% increase in capital expenditure.

V Anantha Nageswaran, Chief Economic Advisor, Ministry of Finance, characterised the IBC as a creative force driving economic growth and national progress.

Ravi Mitta, Chairperson of IBBI, reflected on the significant achievements during the eight-year journey of the IBC. He noted that approximately 1,000 resolutions have been passed by the National Company Law Tribunal (NCLT) in this period, with 450 of those occurring in the last two years alone. This statistic indicates that 45% of all resolutions have taken place within the past two years. ■

MACRO WATCH

Manufacturing gross value added grew 7.3%

Written using agency reports

India's manufacturing gross value added (GVA) grew a robust 7.3% in 2022-23 at Rs 21.97 trillion (Rs 20.47 trillion), the latest Annual Survey of Industries (ASI) released showed.

The ASI for 2022-23 was released by the Ministry of Statistics and Programme Implementation (MOSPI) and NITI Aayog.

Industrial output for 2022-23 grew more than 21%. Total employment in the manufacturing sector showed a robust growth of 7.4% in 2022-23 over the previous year, ASI report showed.

In 2022-23, growth was witnessed in the manufacturing sector for the majority of the important economic parameters like invested capital, input, output, GVA, employment and wages; it even surpassed the pre-pandemic level in absolute value terms, an official release said.

The main drivers of this growth in 2022-23 were industries like basic metal, coke & refined petroleum products, food products, chemical and chemical products and motor vehicles. These industries, taken together, contributed about 58% of the total output of the manufacturing sector.

Among the major states, in terms of GVA, Maharashtra ranked first in 2022-23 followed by Gujarat, Tamil Nadu, Karnataka and Uttar Pradesh. The top five states contributed more than 54% of the total manufacturing GVA of the country in 2022-23.

The top five states employing the highest number of persons in the manufacturing sector were Tamil Nadu, Maharashtra, Gujarat, Uttar Pradesh and Karnataka. These states contributed about 55% of total manufacturing employment in the year 2022-23. ■

STATE BOOSTERS

Top on GVA list

- Maharashtra
- Gujarat
- Tamil Nadu
- Karnataka
- Uttar Pradesh

Top on job list

- Tamil Nadu
- Maharashtra
- Gujarat
- Uttar Pradesh
- Karnataka

Source: ASI

India's manufacturing share set to rise to 25% of GDP by 2047: Goyal

Written using agency reports

Manufacturing share will go up to 25%, providing jobs to millions of people, said Commerce and Industry Minister Piyush Goyal.

The mood about India across the world is phenomenal in terms of investment interest, and the country's manufacturing share is set to increase to 25% of the GDP over the next two decades as it proceeds towards becoming a developed nation, Goyal said in an interview to a newspaper.

"Everywhere I go, there's huge investment interest, both in manufacturing and services, and I can clearly see that in this 'Amrit Kaal'



"Our overall electronic manufacturing ecosystem is something that makes us proud"

PIYUSH GOYAL,
Commerce and
Industry Minister

...that, our overall electronic manufacturing ecosystem is something that makes us proud." ■

FDI MAGNETS

Expecting FDI to rise to \$100 bn per annum: DPIIT Secy

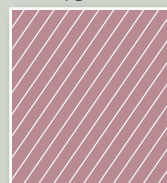
Written using agency reports

India is receiving foreign direct investments (FDI) of \$70-80 billion every year and that is expected to hit \$100 billion per annum in the coming years, said Secretary in the Department for Promotion of Industry and Internal Trade (DPIIT) Amardeep Singh Bhatia.

The government has taken a series of measures to promote investments into the country such as easing the norms in sectors such as defence, railways, insurance and telecom.

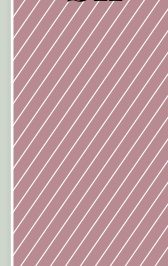
FDI INFLOWS

**\$304.1
bn**



2004-14

**\$667.4
bn**



2014-24

Top attractions:

- Automobiles
- Telecommunications
- Pharmaceuticals

"We are targeting much higher investment flows. We have about \$70 billion to \$80 billion which is coming in every year. But we are expecting this to increase to at least \$100 billion a year in the years to come," he told reporters here.

Bhatia said FDI in most sectors are permitted under the automatic route, barring few that still remain in the restricted category.

The overseas inflows in the last 10 years (2014-24) stood at \$667.4 billion as against \$304.1 billion during 2004-14.

The FDI equity inflow reported in manufacturing sectors in the last 10 financial years (2014-24) was \$165.1 billion, an increase of 69% as compared to \$97.7 billion received during the previous 10 financial years (2004-14).

Automobiles, telecommunications and pharmaceuticals were the sectors that saw the highest FDI.

Speaking at the briefing, Additional Secretary in the DPIIT Himani Pande said during the first quarter of this fiscal year, India attracted FDI worth \$22.49 billion as against \$17.56 billion in April-June 2023-24. "While challenges remain in areas such as job creation and SME growth, the Make in India initiative has significantly enhanced India's industrial capacity and export competitiveness over the last decade," it said. ■

MANUFACTURING PUSH

India to add 50 pharma greenfield plants: Pharma Secy

Written using agency reports

India is set to add 50 greenfield pharma manufacturing plants in the next two years under the Production-linked Incentive (PLI) scheme for pharma and medical devices,

Arunish Chawla, Secretary, Department of Pharmaceuticals (DoP), said while addressing a pharma summit.

“The PLI schemes in the pharma and med-tech sectors have been a success, with more than 50 brand-new greenfield pharma and medical device manufacturing plants already becoming operational, and 50 more in the pipeline,” he added.

Elaborating on the success of the PLI schemes, Chawla said that PLI plants have catalysed \$10 billion worth of exports from India to countries with high regulatory standards in the last two years alone.

Stating that the notion of India being an importer of bulk drugs and hugely dependent on certain destinations is a myth, Chawla said that in the last year, India exported as much bulk drugs as it imported.

“The Indian pharma industry has achieved a trade balance in bulk drugs, with more than 50% of drugs and pharmaceuticals produced in the country being exported in both volume and value last year,” he added. ■



“With this, pharma and medtech have now officially become the fourth-largest sector for merchandise exports, after the automobile and automotive sector, petrochemicals and petroleum products and electronics”

ARUNISH CHAWLA,
Secretary,
Department of
Pharmaceuticals

JOB MARKET

Employment rose by nearly 36% during 2016-17 and 2022-23

Written using agency reports

India has witnessed significant employment growth over the years. Employment has increased by nearly 36%, adding around 170 million jobs during 2016-17 and 2022-23.

The government has attributed robust democracy, dynamic economy and a culture that celebrates unity in diversity. According to a release, recent data and economic analysis challenge the notion of “jobless growth” in India, a concept that suggests GDP growth occurs without corresponding increases in employment.

Contrary to the claims of “jobless growth,” data shows that employment in India increased by 36% (170 million jobs) between 2016-17 and 2022-23. During the same period, GDP grew at an average rate of over 6.5%, said an official release

from the Ministry of Labour & Employment.

Employment data from the Reserve Bank of India’s KLEMS database, which relies on surveys like the Employment and Unemployment Survey and Periodic Labour Force Survey, indicates a steady rise in employment since the 1980s.

India’s growth has been driven by consumption, which is closely tied to employment. A rise in consumption implies that employment generation is occurring, as consumption would decline if employment were predominantly in unpaid or low-wage jobs. ■

SKY IS THE LIMIT

Airbus to increase sourcing of components from India

Written using agency reports

Airbus is planning to increase sourcing of components from India, which offers plenty of opportunities, according to the aircraft maker’s CEO Guillaume Faury.

The European major, which has bagged huge aircraft orders from IndiGo and Air India, doubled its sourcing of components and services from India to 1 billion euros during 2019-2024, he said.

The company has more than 100 suppliers in India. At a press briefing, Faury said there are plenty of opportunities in India. “We will be continuing to grow (sourcing of components)... We will continue to double around every 5 years, that is in the next decade to come. It is a stable pace,” he said.

Meanwhile, Airbus has an order book for around 8,600 aircraft and expects to produce about 770 planes this year. IndiGo and Air India together have placed orders for more than 1,000 planes with Airbus. ■



About the Indian market, Faury said it is the fastest growing civil aviation market in the world and there is also fierce competition among airlines.

A high-level delegation of GIFAS, with more than 60 companies and over 100 people, is on a visit to India as they look to further boost partnerships and business opportunities between the two countries. ■

India plans new PLI scheme for drones sector

Written using agency reports

The government plans to come out with a new Production-Linked Incentive (PLI) scheme for the drones sector that will be more effective in terms of implementation, documentation and other aspects, Civil Aviation Secretary Vumlunmang Vualnam said.

The first PLI scheme for drones was introduced in 2021 with an outlay of Rs 1.2 billion for three financial years starting from 2021-22, he added.

Acknowledging that some procedures under the first scheme were onerous for startups and the Ministry of Micro, Small and Medium Enterprises (MSMEs) in the drone sector, the civil aviation secretary said the government will look at a more efficient PLI scheme in terms of implementation, documentation and processes.

Vualnam said that the drone sector has to be segregated into three segments including civilian use, security/ defence forces use, and the rogue or unregulated use of drones. "We have to be very clear about how we approach the three areas," he said, and highlighted that certain incidents of rogue use of drones could become impediments when youngsters, startups and women self-help groups are to use more drones. ■

MANUFACTURING BOOSTER

Govt plans to launch green steel mission by end of 2024

Written using agency reports

The Centre is planning to launch a mission on green steel by the end of 2024, as part of its efforts to drive more sustainable steel production in India, said Sandeep Poundrik, Secretary, Ministry of Steel. The initiative, modelled on the National Green Hydrogen Mission, will incentivise industry players to scale up green steel output.

The move comes on the backdrop of India's plan to cut carbon footprint in manufacturing, notably a move by the European Union to impose a 25% carbon tax on its imports of steel and aluminium among other goods.

A key aspect of the mission will focus on

increasing the share of green steel in government procurement. "Right now, say, 10% to 20% of steel which is procured by government entities may be in the green steel bracket. But it may increase in coming years as the green steel production increases," Poundrik said.

To support this shift, the government may consider reallocating unused funds from the earlier production-linked incentive (PLI) scheme for specialty steel. With approximately Rs 30 billion left unutilised from the scheme's original Rs 63 billion outlay, these funds could be redirected to incentivise green steel production, subject to necessary approvals. "If the competent authority approves, we would like to use some part of that to provide incentives to companies," Poundrik added. ■

TRADE WINDS

Exports from India up by 4.86% during April-September 2024

Written using agency reports

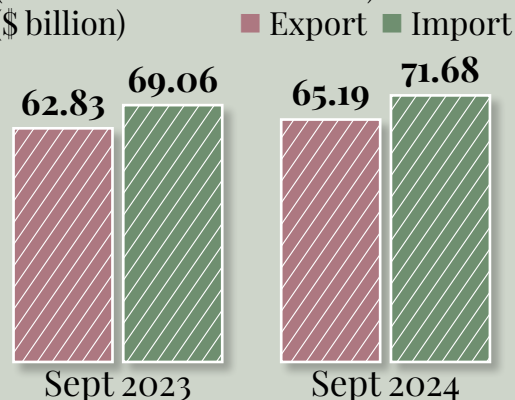
India's exports during April-September 2024 is estimated at \$393.22 billion as against \$375 billion during the corresponding period a year ago – an increase of 4.86%. Imports during April-September 2024 is estimated at \$448.05 billion registering a growth of 6.89%.

Merchandise exports during April-September 2024 were \$213.22 billion as compared to \$211.08 billion during April-September 2023. Merchandise imports during April-September 2024 were \$350.66 billion as compared to \$330.32 billion during April-September 2023.

Non-petroleum and non-gems & jewellery exports in April-September 2024 were \$162.77 billion, compared to \$153.71 billion in April-September 2023.

Non-petroleum, non-gems & jewellery (gold, silver & precious metals) imports in April-September 2024 were \$222.72 billion, compared to \$211.34 billion in April-September 2023.

TOTAL TRADE (\$ BN) (Merchandise + Services) (\$ billion)



Source: Ministry of Commerce & Industry

The estimated value of service exports during April–September 2024 is \$180 billion as compared to \$163.92 billion in April–September 2023. The estimated value of service imports during April–September 2024 is \$97.39 Billion as compared to \$88.86 Billion in April–September 2023. ■

POWER PUSH

India signs pact to focus on clean economy

Written using agency reports

India has signed a 14-member IPEF (Indo-Pacific Economic Framework for Prosperity) bloc's agreements on a clean and fair economy, with an aim to enhance cooperation in these areas.

The agreements would help facilitate development, access and deployment of clean energy and climate-friendly technologies; catalyse investment; strengthen measures for anti-corruption, tax transparency; and improve the business environment, the commerce ministry said in a statement. ■

CEA targets 500 GW of renewable energy by 2030

Written using agency reports

The Central Electricity Authority (CEA) has set a target of transmitting 500 GW of renewable energy installed capacity by 2030 and over 600 GW of renewable energy installed capacity by 2032, according to the Nation Electricity Plan (Transmission) that was launched by Union Minister Manohar Lal.

The plan has also taken into consideration the requirement of battery energy storage systems, pumped storage plants and renewable energy. It also covers cross-border interconnections – with Nepal, Bhutan, Myanmar, Bangladesh, Sri Lanka as well as probable interconnections with Saudi Arabia and the UAE. The plan also explores new technology options in the transmission sector. ■



MARKET OUTREACH

Ficci furniture mission explores collaboration with Singapore businesses

Written using agency reports

Federation of Indian Chamber of Commerce and Industry's (Ficci) furniture industry mission has explored new avenues for collaboration with furniture businesses in Singapore as a market outreach programme.

"This mission is an important milestone in deepening the relationship between the Indian and Singaporean furniture industries," Ficci Furniture Committee Chair Rudra Chatterjee, who led the industry delegation to the city state, said. "We are excited to explore new avenues for collaboration, which can drive growth and prosperity in both markets." The delegation had an interaction with the Singapore Furniture Industries Council (SFIC).

The roundtable, supported by a state-led business promotion agency Enterprise Singapore, explored opportunities for collaboration to support the growth of the furniture industry in both nations.

The initiative aims to strengthen the partnership between India and Singapore, ensuring mutual benefits for their economies through enhanced business relationships and trade. ■

HELPING HAND FOR NEIGHBOURS

India to help ASEAN nations explore linking payment systems

Written using agency reports

India will share its knowledge and experiences in using digital public infrastructure (DPI), including Aadhaar and Unified Payments Interface (UPI), with ASEAN nations and explore collaboration to address diverse challenges in education, healthcare, agriculture and climate change, a joint statement said.

The 10 member countries of ASEAN are Singapore, Indonesia, Malaysia, the Philippines, Thailand, Brunei, Vietnam, Laos, Myanmar and Cambodia.

In the joint statement issued after the 21st India-ASEAN summit, which was attended by Prime Minister Narendra Modi, the two sides also declared that they would explore collaboration of cross-border linkages between payment systems in ASEAN and India through innovative digital solutions.

The two sides also issued a joint statement on Strengthening the ASEAN-India Comprehensive Strategic Partnership for Peace, Stability and Prosperity in the Region. It reaffirmed

the importance of maintaining and promoting peace, stability, maritime safety and security, freedom of navigation and overflight in the region, and other lawful uses of the seas, including unimpeded lawful maritime commerce and to promote peaceful resolutions of disputes.

The two sides said they intend to expand cyber security cooperation to support the digital economy. "As we gradually move towards growing digital economies, we shall endeavour to ensure the security and resilience of digital infrastructure and services," the joint statement said.

The two sides also agreed to support collaboration in the development of necessary knowledge, skills, infrastructure, risk management frameworks and policies to effectively and responsibly leverage AI technologies and applications to harness the potential of AI advancements. ■

AYE AI

'Market for AI products and services could reach \$990 bn by 2027'

Written using agency reports

The market for AI-related hardware and software is expected to grow between 40% and 55% annually, reaching between \$780 billion and \$990 billion by 2027, according to new research released by Bain & Company.

The fifth annual Global Technology Report provides insights on the new waves of growth in the technology sector as a result of disruptions from the fast-changing AI advancements. Three areas of opportunities – bigger models and larger data centres, enterprise and sovereign AI initiatives, and software efficiency and capabilities – could enable the AI hardware and software market to come close to a trillion-dollar industry in the next three years.

"Generative AI is the prime mover of the current wave of change, but it is complicated by post-globalisation shifts and the need to adapt business processes to deliver value. Companies are moving beyond the experimentation phase and are beginning to scale generative AI across the enterprise. As they do, CIOs will need to maintain production-grade AI solutions that will enable companies to adapt to a landscape that is quickly shifting. Essentially, they need to adopt an 'AI everywhere' approach," said David Crawford, Chairman of Bain's Global Technology practice.

AI workloads could grow 25–35% per year through 2027, Bain estimates. As AI scales, the need for computing power will radically expand the scale of large data centres over the next five to 10 years. AI will spur growth in data centres, from today's 50–200 megawatts to more than a gigawatt, Bain reports. The AI-driven surge in demand for graphics processing units



"Generative AI is the prime mover of the current wave of change, but it is complicated by post-globalisation shifts and the need to adapt business processes to deliver value"

DAVID CRAWFORD,
Chairman of Bain's Global Technology practice

(GPUs) could increase total demand for certain upstream components by 30% or more by 2026, Bain predicts. Another area that Bain says will add an additional layer of complexity for technology companies is the emergence of "sovereign" AI blocs. Governments worldwide are spending billions of dollars to subsidise sovereign AI. They're investing in domestic computing infrastructure and AI models developed within their borders and trained on local data. As the sovereign AI push picks up steam, those who emerge as leaders will be based on several determining factors. ■

AI help for healthcare, agriculture, sustainable cities

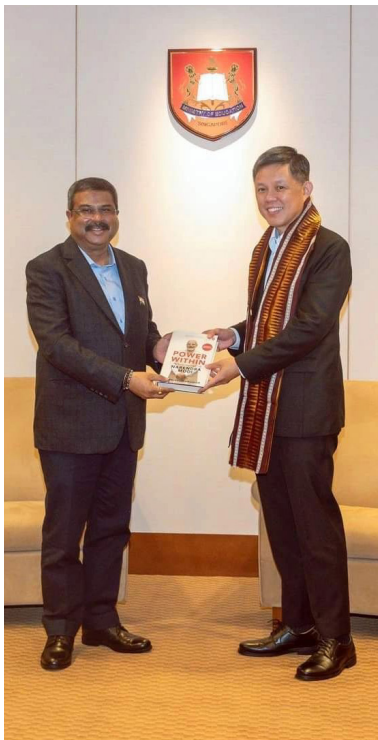
Written using agency reports

Union Education Minister Dharmendra Pradhan has announced three artificial intelligence centres of excellence (CoEs) focused on healthcare, agriculture and sustainable cities. The CoEs will be led by top educational institutions, in consortium with industry partners and startups.

"The three CoEs in AI – healthcare, agriculture and sustainable cities – will democratise AI innovations and research to revolutionise healthcare delivery, strengthen food security and address critical urban challenges. These CoEs led by our top academic institutions will strengthen India's AI capabilities and power the growth of India's AI ecosystem," Pradhan said. "The CoEs in AI will emerge as temples of global public good. The talent and zeal that Bharat is blessed with, in the times ahead, these CoEs will be a key element of global public policy and also emerge as solution-providers of the world." ■

Union Minister for Education Dharmendra Pradhan visits Singapore

In a major effort to strengthen bilateral cooperation in the education sector, Union Minister for Education Shri Dharmendra Pradhan visited Singapore during October 21–22, 2024. The visit aims to promote collaboration and synergy in key areas of mutual interest in education. During the two-day visit, Pradhan addressed the members of the Indian diaspora. This was followed by courtesy calls on the Prime Minister of Singapore, H.E. Lawrence Wong; Deputy Prime Minister H.E. Gan Kim Yong; Education Minister H.E. Chan Chun Sing; and Foreign Minister H.E. Vivian Balakrishnan. Pradhan visited the National University of Singapore, which is ranked No.1 in Asia. He also visited a local secondary school to discuss the scope of syllabus integration, keeping AI in focus. He met academicians, eminent representatives from alumni of IITs and IIMs and engaged in discussions related to the education ecosystem of both the countries.



Bengaluru Tech Summit 2024 Singapore Roadshow

On October 1, 2024, BTS 2024 Singapore Roadshow was organised in Singapore as a prelude to the Bengaluru Tech Summit 2024, scheduled to be held in Bengaluru, India, from November 19-21, 2024. While mobilising participation for BTS 2024, Dr. Ekroop Caur, Secretary, Department of Electronics, Information Technology, Biotechnology and Science & Technology, Government of Karnataka, interacted with key industry leaders and companies from Singapore's IT, biotechnology, ESDM and the startups sectors. The secretary invited them to invest in Karnataka, a preferred destination for innovation, investment and technology partnerships. The mentioned sectors are vital to Karnataka's economy and have substantial opportunities for Singapore-based companies and investors. On the occasion, the Singapore High Commission played promotional videos to mark the 10th anniversary of the "Make in India" initiative as well as videos from the National Industrial Corridor Development Corporation (NICDC), highlighting the investment opportunities in India's greenfield industrial smart cities.



Incredible India Pavilion @ITB Asia 2024



From October 23 to 25, the Ministry of Tourism presented the Incredible India Pavilion at ITB Asia in Singapore, recognised as Asia's Leading Travel Trade Show. This premier B2B event, held annually, brings together tourism professionals and agencies from around the globe to foster partnerships and explore industry trends. This year, the pavilion showcased eight tour operators and was inaugurated by Deputy High Commissioner Smt. Pooja M. Tillu, highlighting India's commitment to promoting its rich cultural heritage and diverse travel opportunities. With a strong turnout and excellent visitor engagement, the event significantly enhanced India's outbound marketing efforts and tourism connections. The mission also provided ushers, yoga sessions, henna artists and photographers, creating an engaging and immersive experience for all attendees. The states of Uttar Pradesh and Goa also showcased their pavilions.

Indian Diaspora Event During the Rising Rajasthan Singapore Investors Meet

On October 8, 2024, a diaspora event was held at Novotel Singapore as part of the Rising Rajasthan Singapore Investors Meet. It was led by Colonel (retd) Rajyavardhan Rathore. The gathering engaged with the Indian community in discussions ways to promote investments in Rajasthan across sectors like manufacturing, tourism and renewable energy. Organised by the CII with support from the Indian Mission, the event showcased Rajasthan's investor-friendly policies and tapped into the diaspora's economic influence. The event fostered partnerships and encouraged NRI contributions, marking a significant step forward in Rajasthan's economic development strategy.

Forthcoming Events In India

17

I. 3rd India Sports Goods Fair 2025

Date & Venue: March 24-25, 2025;
Yashobhoomi Convention
Centre, New Delhi
Organiser: Sports Goods Export
Promotion Council (SGEPC)
Contact: Email secretary@sgepc.in

Details: The 3rd India Sporting Goods Fair (ISGF) 2025 is scheduled to take place at the

Yashobhoomi Convention Centre, New Delhi, on March 24-25, 2025. Organised by the Sports Goods Export Promotion Council (SGEPC) under the Ministry of Commerce & Industry, Government of India, this event has rapidly grown in its past two editions and now attracts a significant number of participants and international delegates. It has established itself as a premier networking and sourcing platform in the sports industry.
http://www.isgfair.com/

II. 8th edition of Advantage Healthcare India 2024

Date & Venue: December 18-20, 2024;
India Expo Mart, Greater Noida
Organiser: Federation of Indian Chambers
of Commerce & Industry (FICCI)
Contact: Email anshu.varshney@ficci.com,
jishan.khan@ficci.com

Details: Advantage Healthcare India (AHCI) is an initiative aimed at promoting India as a

premier destination for healthcare services. AHCI 2024 builds upon the success of previous editions and focuses on further enhancing India's position in the global healthcare market. Following the resounding success of the past editions of Advantage Healthcare India (AHCI), FICCI is now coming up with the 8th edition of the event. It is tentatively scheduled to be held in December 2024 at India Expo Mart, Greater Noida.

Website: https://ficci.in/api/event_details/27225

INDIA FOCUS

ISSUE: 343
NOVEMBER 2024
HIGH COMMISSION OF INDIA, SINGAPORE

For feedback & comments, please contact:

High Commission of India,

31, Grange Road, Singapore-239702

Email: com2.singapore@mea.gov.in; com.singapore@mea.gov.in

URL: www.hcisingapore.gov.in