

The Economic Potential Digest

Bringing industry insights to your fingertips

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From the Cofounders Desk:



Kanishk Maheshwari
Co-Founder & Managing Director

Dear Readers,

India, the world's fastest-growing major economy, presents a beacon of opportunity for investors. As the country's GDP continues to grow, achieving an impressive 6.5% growth in 2024-25 and a projected growth of 7% in 2025-2026, India solidifies its position as a shining star in the global economy and is projected to be the World's 3rd largest economy by 2027. Population of India is estimated to cross 150 Cr by 2036, offering world's largest market at one destination. Moreover, it will continue to have one of the youngest populations in the world till 2030. The government's investor-friendly policies, including the relaxation of FDI norms and the introduction of the Production-Linked Incentive (PLI) scheme, have created a conducive environment for investments to flourish.

While it is correct that India offers immense potential for growth and investment despite India's immense growth potential, several challenges persist, hindering the country's ability to unlock its full economic potential. The cost of capital and regulatory burden continues to remain a challenge for investors wherein some laws, rules, and regulations still need to be updated keeping in view the needs and requirements of contemporary times. Project execution timelines are also a significant concern, with India taking 2-3 times longer than its counterparts in Asia to complete projects. Further, the MSME sector, which employs over 120 million people and contributes to approx. 30% of the GDP, suffers from low productivity and growth.

At Primus Partners, we have built our practice of Economic Potential Realization that assists clients in identifying, pursuing, and closing investment opportunities in a market that is fuelled by high consumption amidst fundamental reforms, improved ease of doing business and newly introduced competitive federalism, which provides the best growth opportunities. Additionally, it helps corporations navigate this vibrant landscape, unlocking opportunities and driving growth. With India at its heart and Indian values



forming the core, our teams at Primus are dedicated to empowering businesses to thrive in India's dynamic economy. We work both with Government and private sector clients to ensure that we are working on both fronts of policy formulation and implementation of projects.

It is with great enthusiasm that we present the first edition of the Economic Potential Realization newsletter "The Economic Potential Digest". This publication is designed to be your go-to source for the latest industry news, sectoral analysis, and updates on trends being observed in the industry with a special focus on FDI, Exports among others. Each issue will feature a sector spotlight, insights into key events, and updates from within our organization. Our goal is to keep you well-informed and connected with the pulse of our industry. We are hopeful that our newsletter will bring industry insights to your fingertips thereby justifying the tagline and you enjoy reading as much as we did while working on it.

Hope you find this an insightful read!



Discover What's New: Our Newsletter Has Arrived!



Raksha Sharda

Vice President
Economic Potential Realization,
Primus Partners

As we navigate through an exciting and transformative period for our organization, I would like to introduce all the readers to the first edition of our newsletter. In this edition of our newsletter, you will find news highlights, new initiatives, and investment & trade insights amongst others. Each of these updates represents not just milestones but the collective effort and dedication of our entire team.

We at Primus Partners, particularly through our Economic Potential Realization Practice offer services related to Incentive Structuring, Support with Regulatory Compliance, Handholding for Effective Aftercare, Location Assessment & Site Identification, Policy formulation and Programme Management. Our team of experts has a deep understanding of the Indian market and regulatory landscape, conducts thorough analyses to identify opportunities and challenges, delivering actionable insights ensuring our clients receive the best possible guidance and support. Throughout the engagement, our priority lies in transparency, open communication, and collaboration to help our clients achieve their goals, thus ensuring long-term relationships with our clients. Our role in leading state-level events showcases our commitment to fostering economic growth and cross-border investments.



Highlights & Happenings: Catch Up with Us!



Sumit Chaudhary,

Vice President
Economic Potential Realization,
Primus Partners

Welcome to the first edition of our newsletter! We're excited to bring you a fresh batch of updates, insights, and stories from the industry. In this newsletter, you'll find a glimpse into the strides we've made recently and a look at what's on the horizon. From successful project launches to upcoming initiatives that promise to drive our goals forward, we have much to celebrate and anticipate. Each day, our dedication and innovation drive our collective success, and it's this spirit that makes our organization a truly remarkable place to work.

We have ensured a total investment of approximately INR 5000 crores in India's manufacturing sector, demonstrating our capability to drive economic growth. For instance, we are currently supporting a legacy Indian company in setting up their greenfield manufacturing facility in western India. Additionally, we are trusted adviser for private industrial parks as well as Industrial Development Corporations for strategic engagement in the planning, development, and promotion of industrial parks. Through our expertise and hands-on approach, we're committed to unlocking growth in India's manufacturing sector, supporting both private sector participation and industrial cluster development.

At Primus Partners, we are committed to unlocking growth potential for our clients through tailored solutions that transform "chaos into order". We enable data-driven decision-making and provide scenario visualization to foster resilient and sustainable growth.



01

Market Buzz

Quick look at the most relevant updates shaping the industry

MoU Signed Between Ministry of MSME and SBA, Government of USA



Shri S. C. L Das, Secretary, Ministry of Micro, Small and Medium Enterprises, Government of India and Ms. Isabel Casillas Guzman, Administrator, Small Business Administration (SBA), USA signed a **MoU for Promoting Cooperation on Small and Medium Size enterprises**.

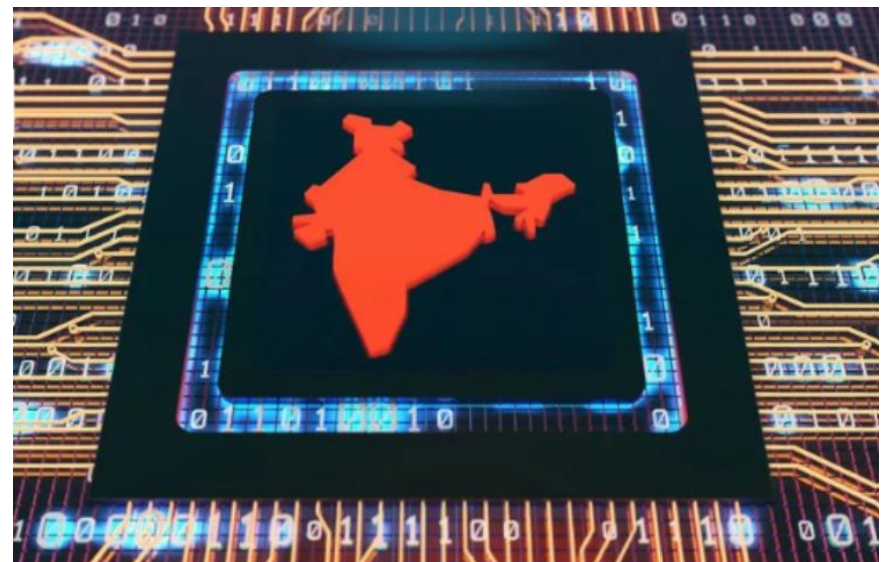
Our Take

The MoU between India and the USA to promote cooperation on MSMEs marks a significant step toward empowering small businesses, particularly women-owned enterprises. By sharing expertise in areas like access to capital, digital trade, and regulatory facilitation, this collaboration is poised to enhance MSME participation in the global market.

The focus on the green economy reflects a forward-looking approach, helping small businesses transition to sustainable practices. The initiative to create a "Business Matching Digital Platform" could be transformative, fostering stronger trade partnerships and opening of new business opportunities across both nations.

Read More at:
<https://pib.gov.in/PressReleaseframePage.aspx?PRID=2045004#~:text=Isabel%20Casillas%20Guzman%2C%20Administrator%2C%20Small,Cooperation%20on%20Small%20and%20Medium>

India Unveils \$15 Billion Plan to Boost Semiconductor Manufacturing



The Indian government has launched an ambitious **\$15 billion blueprint to strengthen the country's semiconductor manufacturing capabilities**. This initiative is part of India's broader strategy to become a significant player in the global semiconductor supply chain.

Our Take

India's \$15 billion initiative to bolster semiconductor manufacturing is a transformative move, positioning the country as a key player in the global semiconductor supply chain. By offering substantial incentives and infrastructure support, the government aims to attract top global semiconductor companies, reducing reliance on imports and boosting domestic production thereby giving push to Indian manufacturers.

The focus on research, development, and talent cultivation underscores the long-term vision for sustainable growth, creating a pool of skilled talent. As the global semiconductor market expands, this strategic investment could not only meet India's growing demand but also make the country a significant hub for international chip production.

Read More at:
<https://pib.gov.in/PressReleaseframePage.aspx?PRID=2045004#~:text=Isabel%20Casillas%20Guzman%2C%20Administrator%2C%20Small,Cooperation%20on%20Small%20and%20Medium>

Cabinet approves 12 industrial smart cities worth Rs 286 Bn in National Industrial Corridor Programme

The National Industrial Corridor Development Programme has been described as India's most ambitious infrastructure initiative, aimed at shaping the future of urban and industrial development.



Our Take

India's industrial and urban landscape is set for a transformative shift with the National Industrial Corridor Development Programme. By creating 12 smart cities equipped with cutting-edge technology and robust infrastructure, the initiative aims to catalyze manufacturing growth, spur economic development, and generate significant employment opportunities—12 lakh direct and 20 lakh indirect jobs.

This ambitious plan will enhance multi-modal connectivity and streamline urbanization, positioning India as a competitive global manufacturing hub. The programme's integrated approach not only promises substantial economic benefits but also sets a benchmark for sustainable, technology-driven urban development.

Read More at: <https://www.informistmedia.com/Home/Cabinet-approves-12-industrial-smart-cities-worth-286-bln-rupees>

A quick peek at the key developments from the Industry



India aims to clock \$2 trillion goods and services exports by 2030

India aims to clock \$2 trillion goods and services exports by 2030 amid the Red Sea crisis and two ongoing wars. E-commerce exports are growing rapidly and those done through the postal and courier routes are pegged at \$1.5 billion.

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-aims-to-clock-2-trillion-goods-and-services-exports-by-2030/articleshow/111467412.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst



MSMEs to get Rs 15,000-crore subsidy to boost recycling, and efficiency

The Centre is planning a Rs 15,000 crore green initiative aimed at micro, small, and medium enterprises (MSMEs), which will also include the development of an e-marketplace for recyclables to link manufacturers with waste collectors

https://www.business-standard.com/industry/news/msmes-to-get-rs-15-000-crore-subsidy-to-boost-recycling-efficiency-124081400664_1.html



Textile exports to reach \$65 bn by FY-26, \$350 bn by 2030

India's textile industry is on the brink of expansion, with total textile exports projected to reach USD 65 billion by FY26

<https://sundayguardianlive.com/business/textile-exports-to-reach-65-bn-by-fy-26-350-bn-by-2030>



India has trade surplus with 151 nations; deficit with 75 during Jan-June

The Global Trade Research Initiative (GTRI) said that India does not need to worry about the trade deficit from importing crude oil and coal, however, it must focus on reducing the industrial goods imports, especially from countries like China, as these threaten India's economic sovereignty.

https://www.business-standard.com/economy/news/india-has-trade-surplus-with-151-nations-deficit-with-75-during-jan-june-124090100125_1.html



Apple Expands Manufacturing in India with Tata's new assembly plant in Tamil Nadu

Apple Inc. is making significant strides in its manufacturing strategy in India, with the establishment of a new assembly plant by Tata Group in Hosur. This INR 6,000 crore facility is expected to commence operations in November, marking a crucial step in Apple's efforts to bolster its Production-Linked Incentive (PLI) program

<https://www.pronewstime.com/getdetailsStories/OTk1MA==/apple-expands-manufacturing-in-india-with-tata-s-new-assembly-plant-in-hosur>

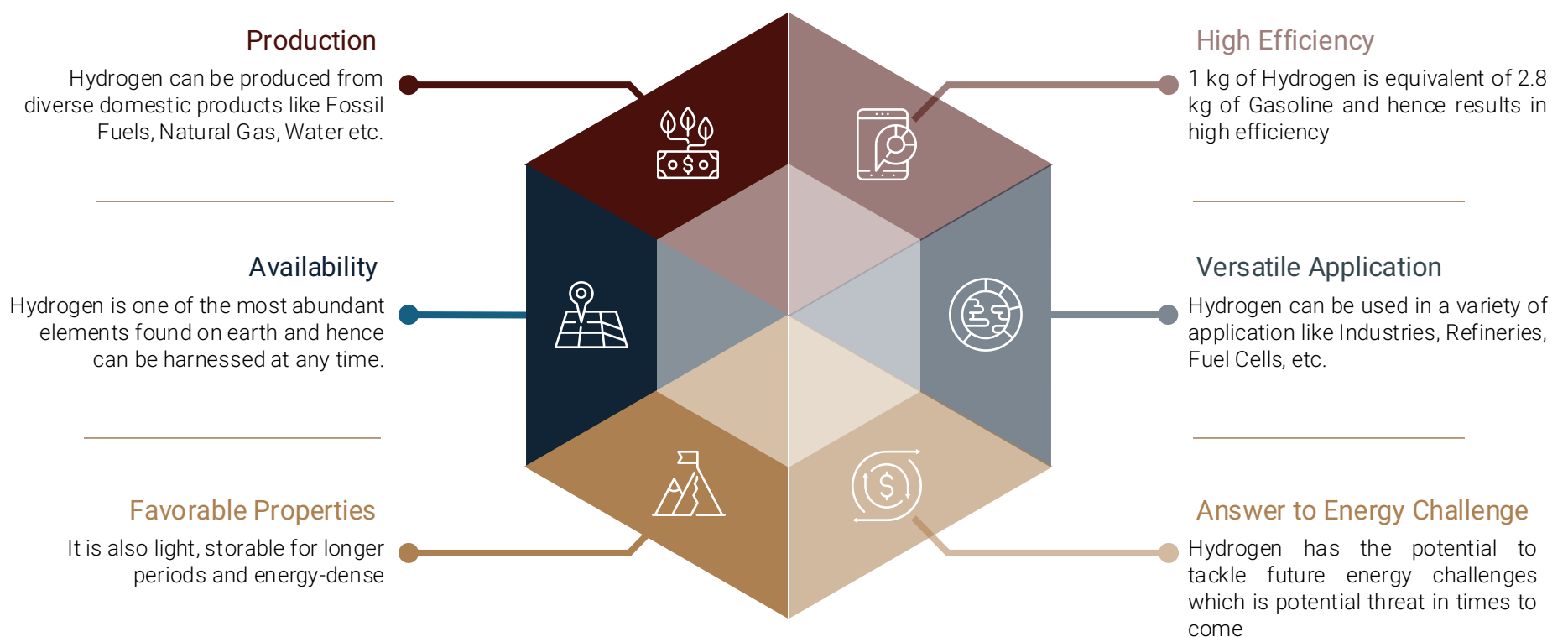
02 Unlocking India's Energy Future: The Promise of Green Hydrogen

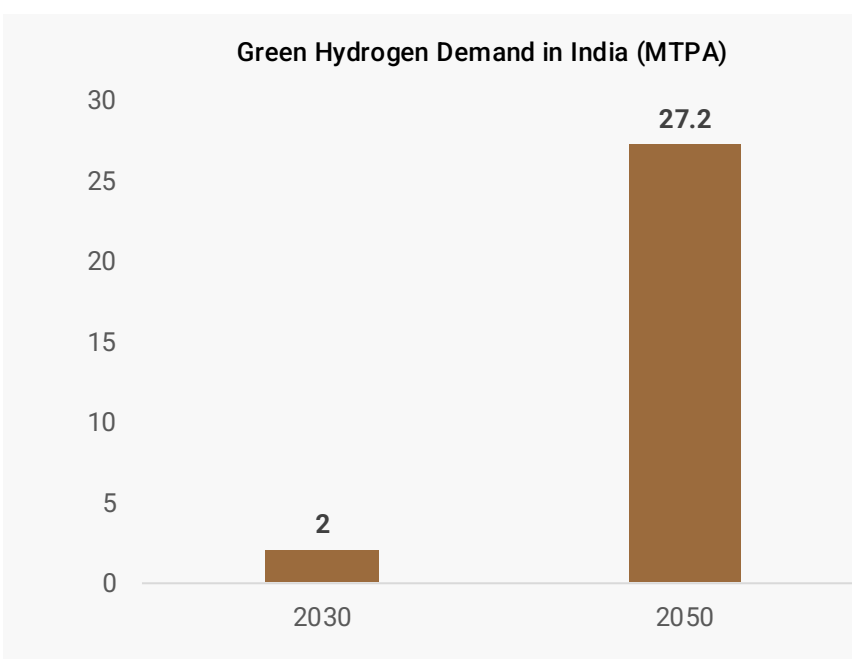
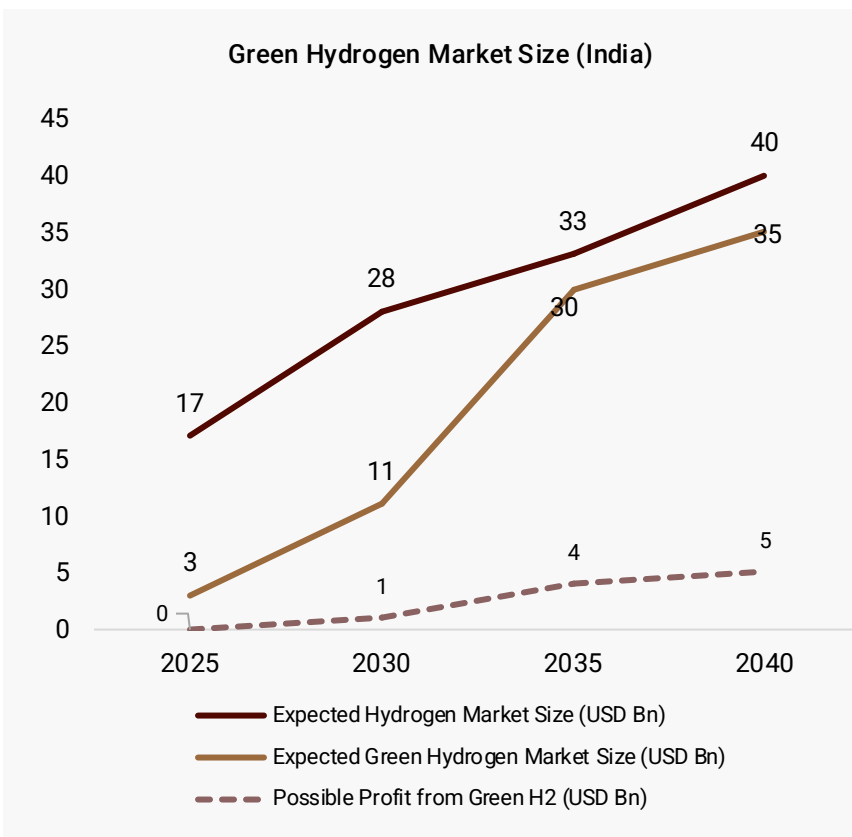
In a world increasingly focusing on sustainable energy solutions, green hydrogen emerges as a beacon of hope, offering a path to energy security. Green hydrogen, in particular, is emerging as a major potential alternative energy source akin to familiar renewable energy sources like the Wind and Solar. Considering India's status as the fifth-largest economy in the world, and with its energy demand projected to rise by 35% by 2030, green hydrogen could play a crucial role in meeting future energy needs. The Green Hydrogen Market Size in India is expected to grow from USD 3 Bn in 2025 to USD 35 Bn in 2040 with a CAGR of 18%. The demand for Green Hydrogen in India is also expected to rise to 27.2 MTPA by 2050 which will be primarily driven by Fertilisers, Steel, Petrochemicals, and Transportation amongst others. This shift aims to decrease dependence on imported fossil fuels and lower the cumulative cost of such imports by INR 1 trillion (approximately USD 12.03 Bn.).

Considering the pressing need to address the impact of climate change and to achieve ambitious emissions reduction goals, governments and other stakeholders need to shift their focus towards green hydrogen and the potential it holds in meeting the demand for clean and green energy. Its scalability, adaptability, and ability to reduce carbon emissions and the overall impact of climate change across different sectors make it a desirable solution for fulfilling not only India's but the cumulative global energy requirements.

Many governments across the globe are highlighting the vital importance of green hydrogen and are taking substantial initiatives in shifting towards a resilient and sustainable energy approach. Countries such as China, Saudi Arabia, Germany, Australia and various other nations have made significant investments towards developing large green hydrogen projects.

Hydrogen: Alternative fuel for future





Major Applications of Green Hydrogen

Power Generation

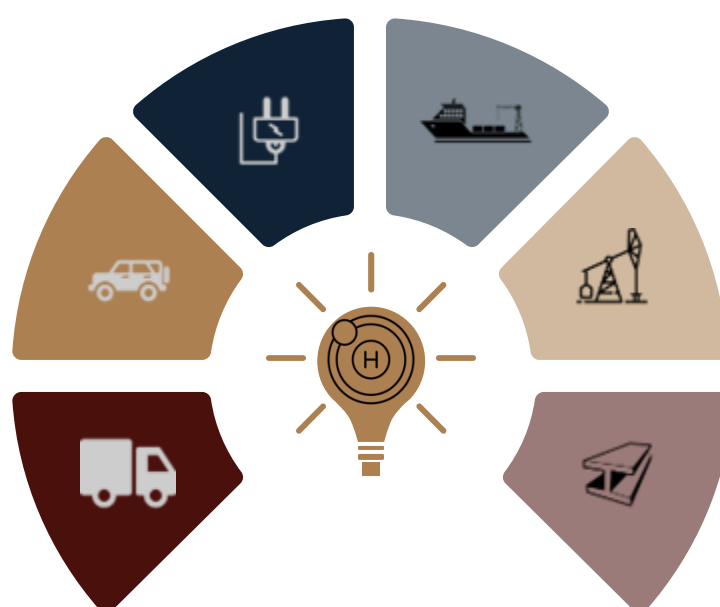
Green Hydrogen is used for the purpose of Generating Power which finds use in various Industrial and Domestic Application

Automotive Industry

Green Hydrogen is used for making Hydrogen Fuel Cells which finds its uses in automobiles

Transportation

Green Hydrogen can be used as a fuel for transportation purposes like freight, long distance heavy duty, short distance light duty. It can also be used to enrich CNG to make H-CNG.



Shipping

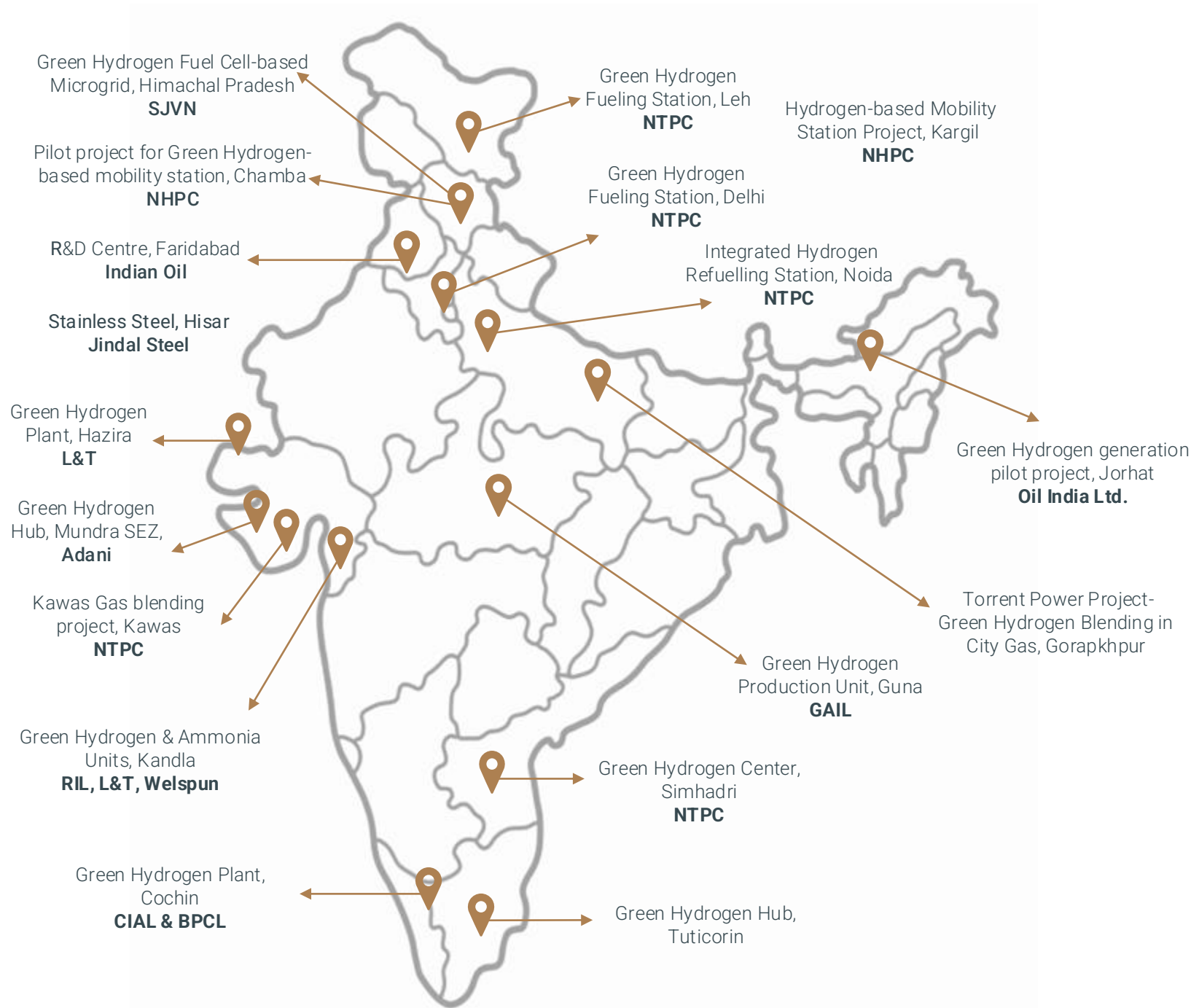
Green Hydrogen finds its use in Shipping and Logistics especially as shipping fuel

Refineries

Used for refining crude oil and reducing Sulphur content

Industrial Application

Green Hydrogen finds its application in various industries like Steel, where it is used as reducing agent; in production of Green Ammonia which can be further used in Fertilizers; Industrial Heat

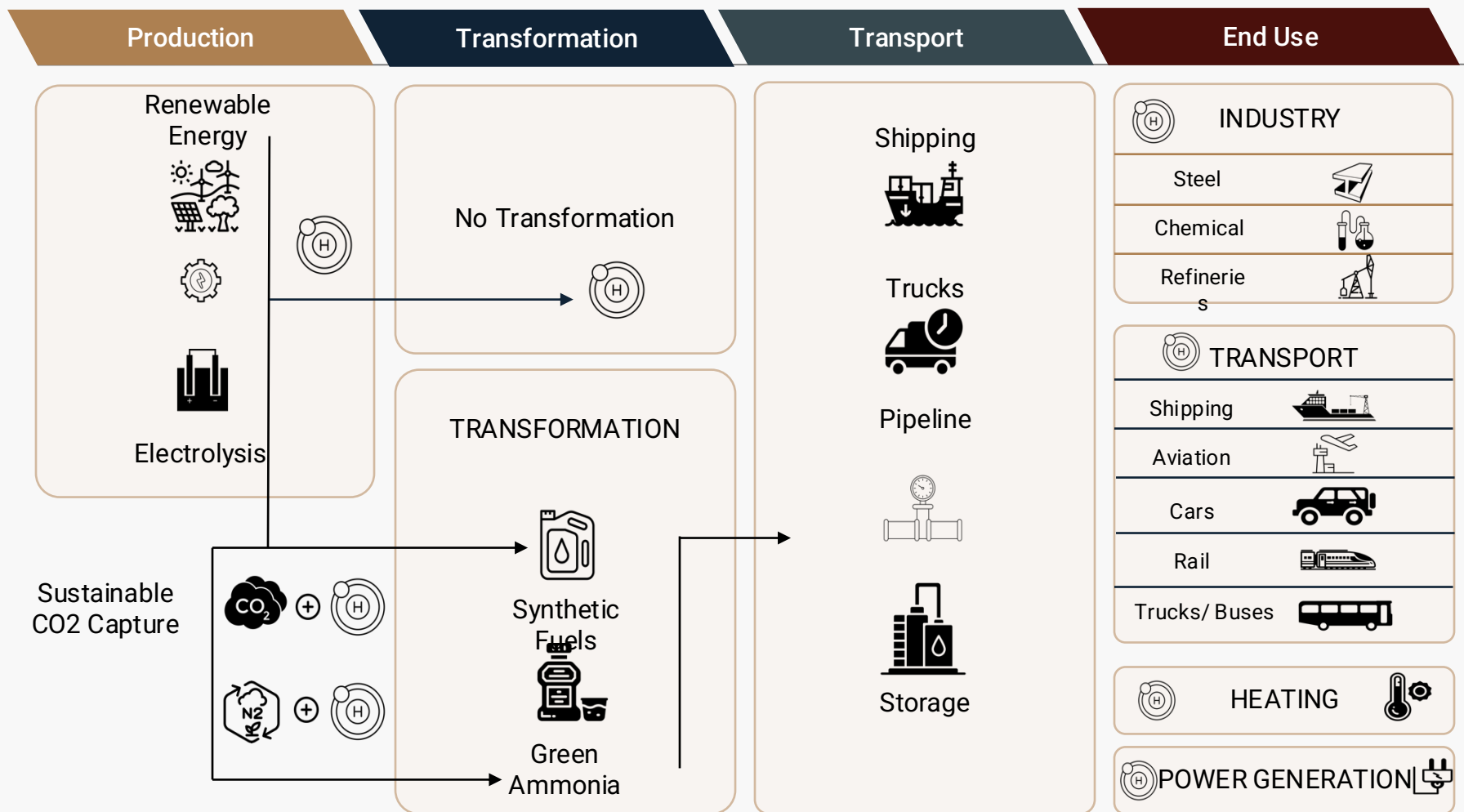


The Government of India launched the National Green Hydrogen Mission in early 2023 with an initial investment of **INR 19,744 crores** showcasing an increasing awareness of the potential of green hydrogen. The expected outcomes of the Mission, by 2030, are as follows:

- 1 Development of green hydrogen production capacity of at least **5 MMT** (Million Metric Tonne) per annum with an associated renewable energy capacity addition of about 125 GW in the country.
- 2 **Over INR 8 lakh crore** in total investments.
- 3 Creation of **over 6 lakh jobs**.
- 4 Cumulative reduction in fossil fuel imports over **INR 1 lakh crore**.
- 5 Nearly 50 MMT per annum of CO₂ emissions are expected to be averted through the production and use of the targeted quantum of Green Hydrogen.

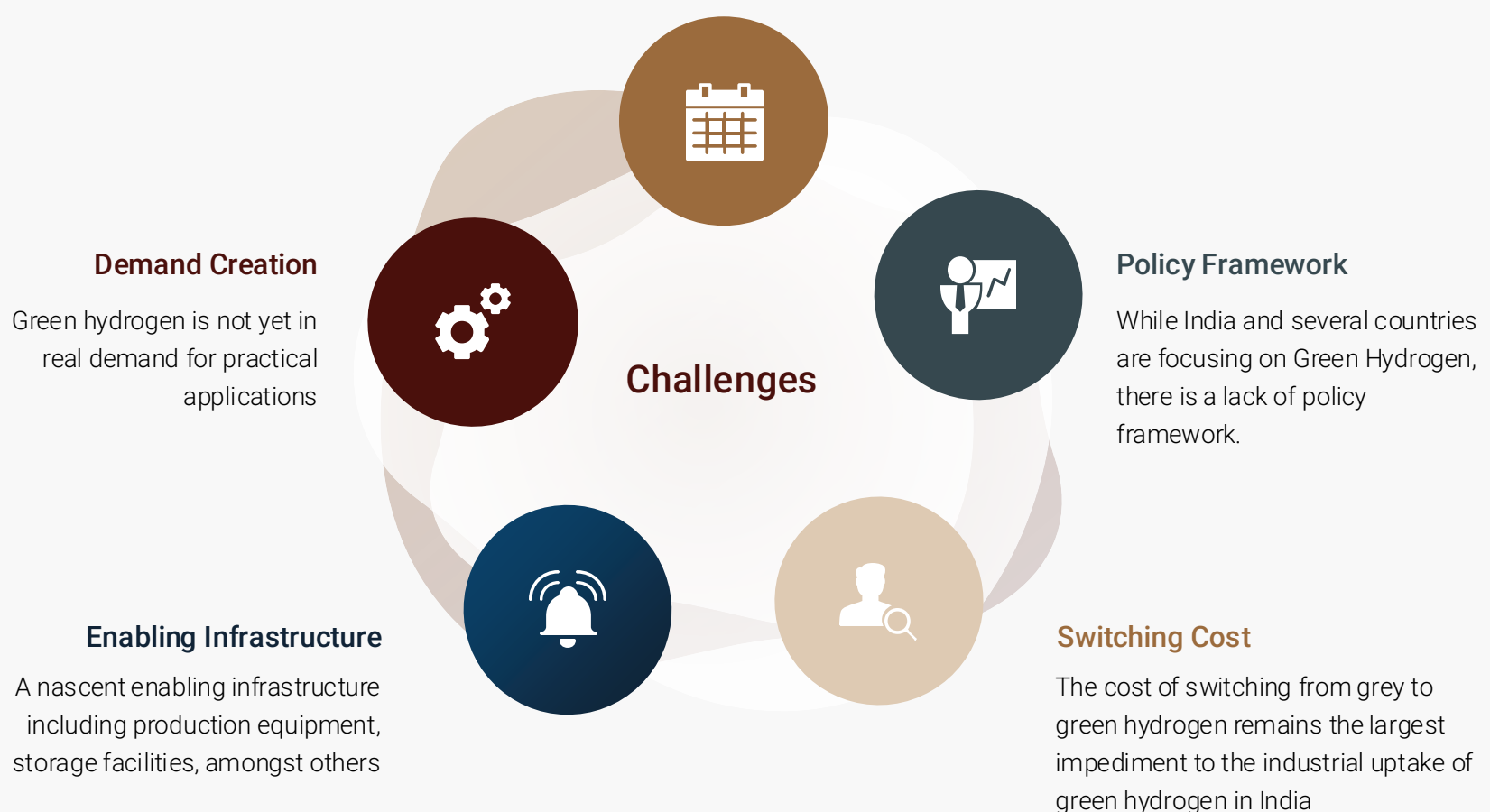


Green Hydrogen Production, Conversion and End Uses across the Energy System



Associated Costs

The production, storage and transportation of Green Hydrogen is often associated with high cost which makes it difficult to adopt in various sectors.



Strategic Interventions for Green Hydrogen Promotion & Adoption

Access to Finance

Open avenues to address issues related to finance, markets and viability gap funding



Industry Ready Workforce

Introduce skill development courses specifically designed to address the skill/ expertise requirements

Attract Investments

Attract FDI to establish green hydrogen production facilities (up to 100% FDI permitted under automatic route)



Regulatory Reforms

Establish a simplified regulatory regime to address the compliance need of the sector

Promote Allied Industries

Incentivize the establishment of allied manufacturing industries like electrolyser manufacturing



Research and Development

Promote research and development for the development of appropriate, cutting-edge technology

It is pertinent to note, that the Government of India is giving a significant push to the development of the green hydrogen sector. This is substantiated by the fact that this year, in budget 2024, **INR 600 Crore** was allocated to the National Green Hydrogen Mission, compared to **INR 100 crore** in 2023-24. A huge amount of **INR 19,100 crore** was allocated to the Ministry of New and Renewable Energy (MNRE) which is anticipated to provide impetus to the Green Hydrogen Manufacturing Value Chain.

Additionally, the central government through its Strategic Interventions for Green Hydrogen Transition (SIGHT) initiative intends to boost domestic electrolyser manufacturing capacities and reduce dependence on imports of electrolysers. The budget outlay for this is more than INR 4000 crores.

In addition to the efforts of the Central Government, various State Governments like Maharashtra, Odisha, Rajasthan, Andhra Pradesh, Uttar Pradesh and West Bengal have come up with sectoral policies to promote green hydrogen manufacturing and subsequently, adopt the same to meet the energy needs of the various sectors.



Expert Opinion

From Vision to Action: India Aims for 5 Million Tonnes of Green Hydrogen by 2030, Fuelling Global Clean Energy Progress



Ashok Kumar Singh

President - Solar Business
Novasys Greenergy Pvt. Ltd.

India is at the forefront of the Green Hydrogen revolution, committed to reducing its carbon footprint and spearheading the global clean energy transition. The nation has set an ambitious goal to produce 5 million tonnes of Green Hydrogen by 2030, a move that has the potential to cut 830 million tonnes of CO2 emissions annually.

Key to this transition are strategic global partnerships with nations such as Japan, Germany, and Australia. These collaborations are pivotal in providing India with cutting-edge technologies and specialized expertise, accelerating its

shift towards a low-carbon economy. By leveraging these international innovations, India is not only enhancing its domestic green energy capabilities but also positioning itself as a leading force in the global Green Hydrogen sector.

Through these global alliances, India is driving progress in clean energy, aligning with both national and international climate goals. This strategic approach is reinforcing India's role as a major player in the clean energy movement, contributing significantly to a sustainable future on both a domestic and global scale.



03

Investment and Trade Outlook

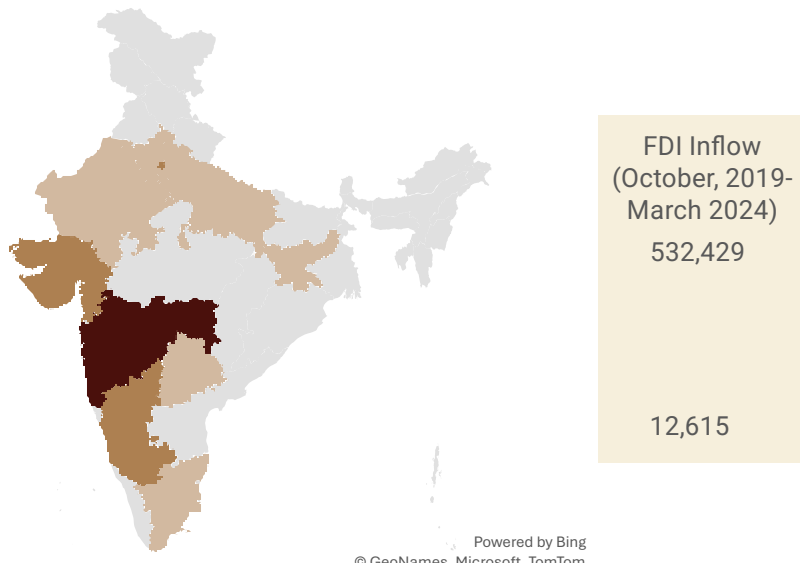
Updates on latest developments shaping Investment and Trade in India and Beyond

India's FDI Insights: Robust Performance in Key States and Sectors Fuels Investment Momentum Despite 22% Drop in Equity Inflows

India has established itself as a leading destination for Foreign Direct Investment (FDI), ranking among the top 10 economies for attracting FDI in 2022 (Source: UNCTAD). However, over the last two financial years, the country experienced a significant 22% decline in FDI equity inflows, which fell to INR 3.67 lakh crore. In contrast, Q4 of FY 2023-24 saw a 7% increase in equity inflows compared to Q3 of the same fiscal year, reaching INR 1.02 lakh crore. The sharp fall is attributed to increase in interest rates in advanced economies affecting capital intensive investments and limited absorption capacity of various sectors including IT and startups wherein investments are becoming saturated, mirroring a global trend.

The top 10 states attracting the highest amount of FDI over the last 5 years have cumulatively received INR 17.36 lakh Cr worth of FDI in India. Maharashtra, Karnataka, Gujarat and Delhi are the flag bearers of attracting the highest amount of FDI in India, contributing to 82% of total FDI received. The quarterly analysis of FDI inflows show that Uttar Pradesh, Karnataka and Delhi have attracted the maximum amount of FDI with Uttar Pradesh leading the way by almost tripling the size of investment by 191%. Computer Software and hardware followed by Automobile industry attracted highest FDI in the country at 134% and 67% respectively in the last quarter.

Top 10 States Attracting FDI (last 5 years)



Key Insights



Since FY 2000 Mauritius and Singapore have retained their positions as leading investors in India due to favorable tax agreements, strategic locations, and stable business environments. The USA, Netherlands, Japan, and the UK also continue to invest heavily, leveraging long-standing economic ties, diverse investment opportunities, and advanced technologies to maintain their prominent roles.



Netherlands and Japan have significantly increased their investments in India over the past year, especially in electronic components, healthcare, pharmaceutical, chemicals & IT sectors, nearly doubling their contributions.

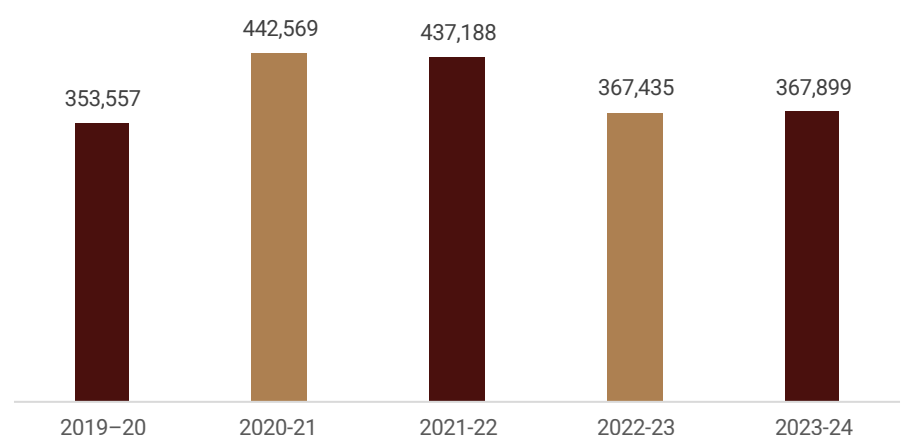












The current top investments are observed to accrue in the Construction and Power sector, showing government's emphasis on infrastructure development



The highest FDI is attracted by the Services sector in India since FY 2000, which includes services such as Financial, Banking, Insurance, Non-Financial, Business, Outsourcing, R&D, Courier, Technology Testing, Analysis etc.

Amount of FDI Equity inflow (INR Cr)



Sector Name	2022-23 (April-March) (in INR Cr.)	2023-24 (April-March) (in INR Cr.)	Percent increase in FDI over last year	Percent contribution out of total FDI inflow since FY 2000
 Services Sector	69,852	54,894	-21%	16%
 Computer Software & Hardware	74,718	66,090	-12%	15%
 Trading	38,060	32,080	-16%	6%
 Telecommunications	5,469	2,318	-58%	6%
 Automobile Industry	15,184	12,622	-17%	5%
 Construction (Infrastructure) Activities	13,588	35,076	158%	5%
 Construction Development: Townships, Housing, Built-Up Infrastructure and Construction-Development Projects	1,196	2,113	77%	4%
 Drugs & Pharmaceuticals	16,654	8,844	-47%	3%
 Chemicals (Other Than Fertilizer)	14,662	6,985	-52%	3%
 Power	5,483	14,141	158%	3%

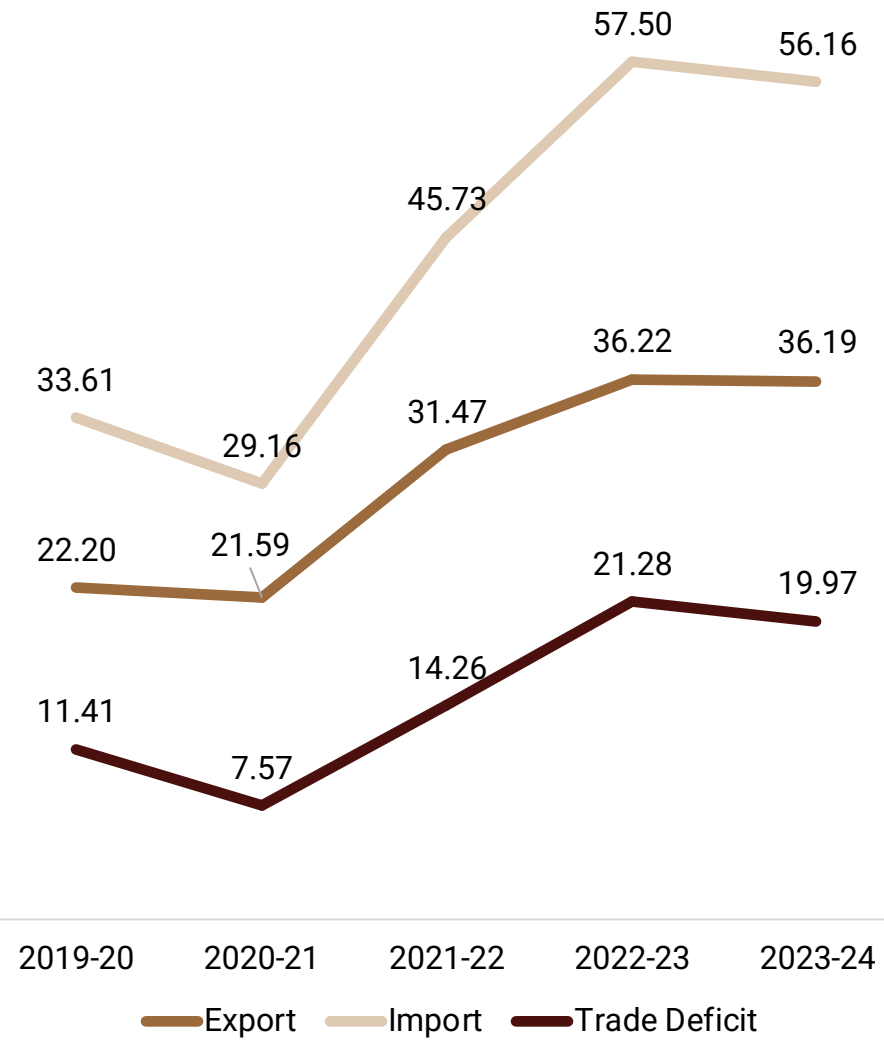
India's Foreign Trade Dynamics: Broadening Import Opportunities and Advancing Export Potential in FY 2024

India's growth in foreign trade is marked by a consistent rise in both exports and imports, which underscores the nation's expanding global economic engagement and its strengthening position in international markets..

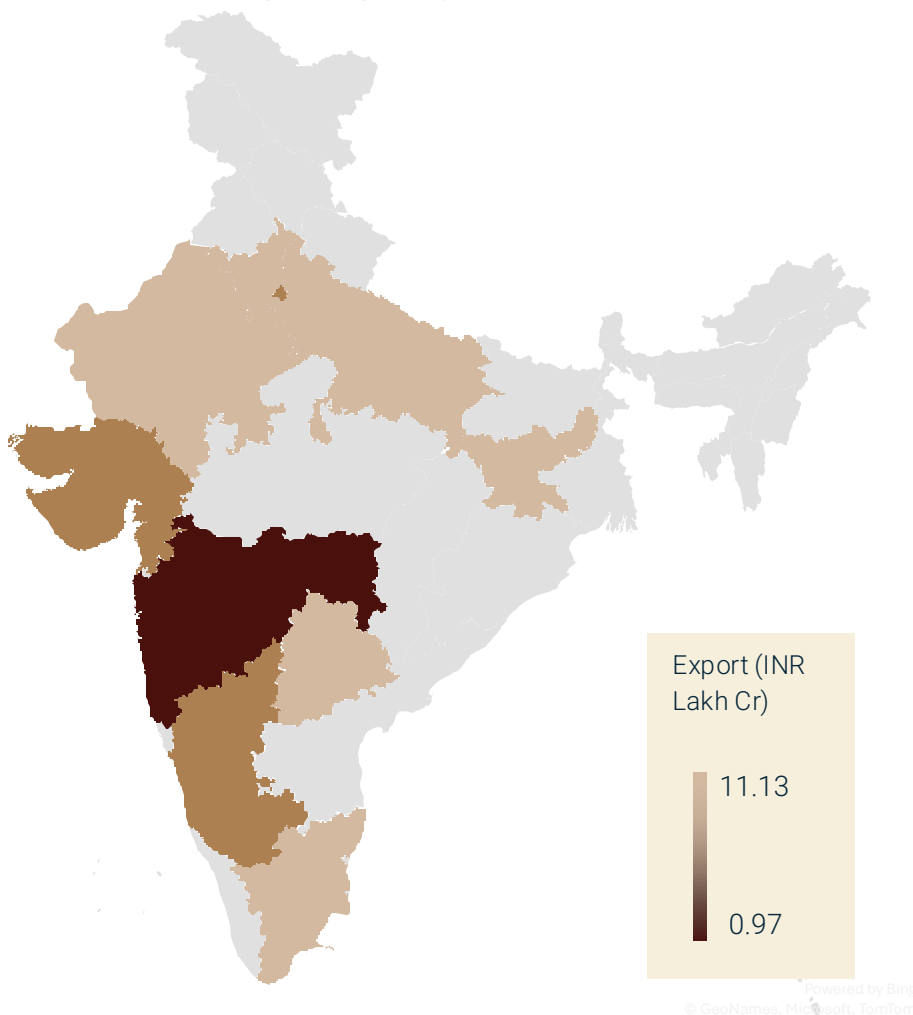
The foreign trade scenario is marked by a persistent trade deficit, driven by steadily increasing imports that have consistently outpaced export growth, reflecting the country's rising demand for foreign goods and services amid moderate gains in export performance.

The decrease in exports is more pronounced in Q1 of FY 2024-25, where exports dropped by 34% compared to the previous year, indicating a significant slowdown in export activities. The decline is primarily attributed to geopolitical conditions, demand contraction in the global market, export restrictions on agricultural products, and supply chain disruptions. The slowdown in export growth in recent years, combined with high import levels, suggests the need for measures to boost exports or manage imports to mitigate the trade deficit.

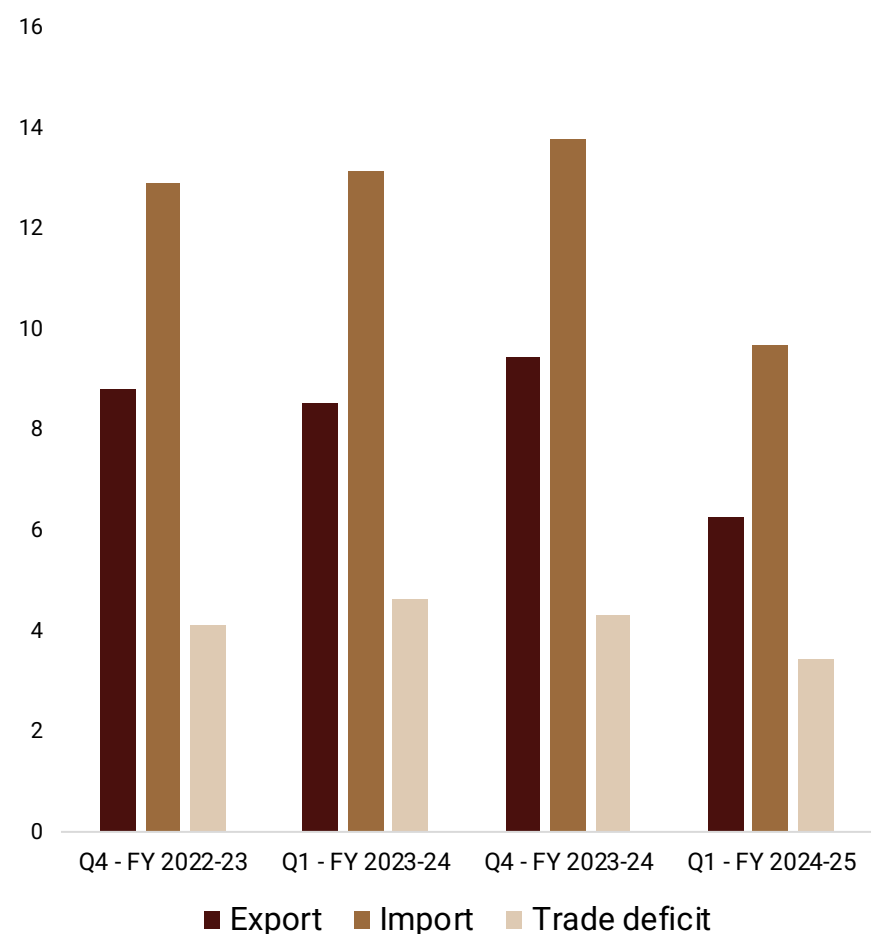
Foreign Trade Scenario of India (INR lakh Cr)













Top 10 Exporting States of India



Quarter-wise Trade flows of India (INR lakh Cr)



Details of top 10 export destinations, products and states for FY 2023-24 in with respect to total exports for the year is provided below:

	Countries	Export %	Products	Export %	State	Export %
	USA	18%	Petroleum Products	19%	Gujarat	31%
	UAE	8%	Drug Formulations, Biologicals	5%	Maharashtra	15%
	Netherlands	5%	Pearl, Precious, Semi-precious Stones	4%	Tamil Nadu	10%
	China	4%	Telecom Instruments	4%	Karnataka	6%
	Singapore	3%	Gold And Other Precious Metal Jewellery	3%	Uttar Pradesh	5%
	UK	3%	Electric Machinery and Equipment	3%	Andhra Pradesh	5%
	Saudi Arabia	3%	Iron And Steel	3%	Haryana	4%
	Bangladesh	3%	Products Of Iron and Steel	2%	Telangana	3%
	Germany	2%	Residual Chemical and Allied Product	2%	Odisha	3%
	Italy	2%	Motor Vehicle/Cars	2%	West Bengal	3%

Key Insights



The significance of the top 10 export destinations lies in their contribution of 50% to India's total exports. Similarly, the top 10 states account for 84% of the country's exports and the top 10 products make up 47% of the total export value.



India's top exporting states are predominantly located in coastal regions, benefiting from the presence of seaports and superior connectivity to international markets.



Quarterly trade data reveals a decline in exports in both Q1 of FY 2023-24 and Q1 of FY 2024-25.



The exports reached INR 36.19 lakh Cr in FY 2023-24 along with a rise in imports worth INR 56.16 lakh Cr, leading to a trade deficit of INR 19.97 lakh Cr.



04 Voices from the Industry

Expert Opinion

Unleashing Bihar's Growth Potential: INR 40,000 Cr. Union Budget sets Stage for Transformation



Prabhat Kumar Sinha

Chairman,
ICC Bihar State Council & Founder, Astric Group

The 2024 Union Budget marks a transformative moment for Bihar, heralding a new era of growth and development. With a substantial allocation of ₹40,000 crore, the budget is set to address crucial sectors including infrastructure, agriculture, education, and entrepreneurship. This comprehensive approach promises not just immediate improvements, but also lays the groundwork for long-term, sustainable progress.

The budget's focus on infrastructure is particularly noteworthy. Out of the total allocation, ₹15,000 crore is earmarked to revamp Bihar's roadways, railways, and digital infrastructure. This significant investment is poised to revolutionize the state's connectivity. Key road projects such as the Patna-Purnia Expressway, Buxar-Bhagalpur Expressway, and the development of spur roads linking Bodh Gaya, Rajgir, Vaishali, and Darbhanga will create a more integrated transport network. A major highlight is the proposed two-lane bridge over the River Ganga at Buxar, which promises to ease travel and foster economic activities across the river.

On the rail front, the budget outlines plans to upgrade existing railway lines and develop new ones. This effort will not only enhance connectivity but also integrate Bihar more effectively into the national rail network, reducing travel times and logistics costs. Furthermore, the development of an industrial node in Gaya as part of the Amritsar-Kolkata

Industrial Corridor underscores a strategic push to boost Bihar's industrial capacity and economic footprint.

Agriculture, the backbone of Bihar's economy, receives a dedicated ₹10,000 crore allocation aimed at modernization and improved market access. The budget envisions expanding irrigation through micro-irrigation projects to maximize water use and enhance crop yields. Investments in cold storage and food processing units are set to address post-harvest losses, thus ensuring better profitability for farmers and more stable food supplies.

A particularly ambitious initiative is the announcement of a 2,400 MW power plant in Pirpainti, Bhagalpur district, with a colossal investment of ₹21,400 crore. This project not only aims to bolster the state's energy infrastructure but also promises to generate significant economic activity and job opportunities.

In essence, the 2024 Union Budget is more than just a fiscal blueprint; it is a bold statement of intent for Bihar's future. By targeting critical infrastructure, enhancing agricultural productivity, and expanding industrial capacity, the budget sets the stage for a prosperous and inclusive growth trajectory. Bihar stands on the cusp of a transformative journey, with these strategic investments serving as the catalyst for a new era of development and opportunity.

Expert Opinion

India on Path to Stability Through FTAs and Competitiveness



Sandeep Kumar Jain

Chief Financial Officer,
DCM Nouvelle Limited

According to the Global Trade Research Initiative (GTRI), India has achieved a trade surplus with 151 countries, including major economies like the US and the Netherlands, while grappling with trade deficits with 75 nations, such as China and Russia, in the first half of this year. This mixed trade performance underscores the need for strategic measures to address trade imbalances and stabilize the currency.

One of the key tools in managing trade imbalances is Free Trade Agreements (FTAs). FTAs play a crucial role in mitigating the negative impacts of trade deficits by lowering tariffs and making Indian products more competitive in international markets. This increased competitiveness can boost demand for Indian exports, thus helping to balance trade flows. Moreover, FTAs provide an opportunity to diversify export markets, reducing over-reliance on a few countries and spreading economic risk.

FTAs also facilitate trade in intermediate goods, which is vital for Indian companies to integrate more effectively into global supply chains. By easing access to foreign markets and resources, FTAs can enhance India's position in these global networks. Furthermore, these agreements often lead to increased Foreign Direct Investment (FDI), bringing new production facilities and advanced technologies to India, which in turn enhances productivity and drives economic growth.

To improve global competitiveness, Indian exporters must focus on reducing costs through incentives for technology adoption, research and development (R&D), and quality certifications. Embracing high-quality standards helps build credibility and secure premium positions in international

markets. Additionally, promoting import substitution is essential for developing resilient domestic supply chains, fostering economic self-sufficiency, and supporting global integration.

Therefore, by leveraging FTAs and enhancing cost competitiveness, India can better manage trade imbalances and boost export performance. This approach not only helps to address current trade deficits but also contributes to a more balanced and sustainable trade ecosystem in the long run.



05 Food for Thought: Creating a Unified Source for Industrial Records Through AI and Data Triangulation

As India continues its impressive ascent in global business rankings, moving from 142nd in 2014 to 63rd in 2019, the journey towards an even more favourable business environment remains ongoing. Despite the significant progress driven by key reforms and digitization, operational challenges still impede industrial growth.

A pressing issue is the redundant submission of essential documents such as PAN and TAN and other documents across various departments, which, despite digital advances, continues to complicate and delay approvals. Imagine a future where such hurdles are minimized through a unified "Single Source of Truth" for industrial data. This vision involves using AI to integrate data from different regulatory domains, creating a streamlined, efficient system where documents are securely stored and easily accessible through a digital wallet, like 'Digilocker'.

The potential benefits are substantial: reduced processing times, enhanced transparency, and a more attractive environment for foreign investment. But to fully harness these advantages, India must embrace cutting-edge technology and integrate backend systems more effectively. By doing so, the country can not only enhance its industrial efficiency but also set a new standard for global business facilitation.

As India strives toward its ambitious economic goals, the next steps in digital transformation and AI adoption will be crucial in shaping the future landscape of business.



06

Events around the Corner

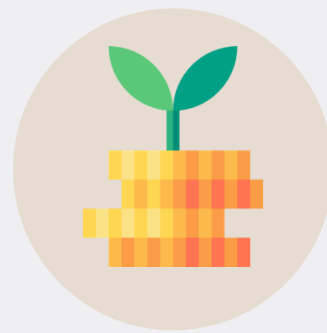


Annual Meeting of the Global Future Councils

15th – 17th October 2024 | UAE, Dubai

Over 500 experts will convene at the 2024 Annual Meeting of the Global Future Councils, uniting thought leaders from academia, business, government, international organizations, and civil society. Grouped into 30 thematic councils, they will address topics like artificial intelligence, geopolitics, energy transition, jobs and growth, and clean air.

Read more: <https://www.weforum.org/events/annual-meeting-of-the-global-future-councils-2024/>



2024 Investment Policy Forum

16th – 18th October 2024 | Manila, Philippines

The 16th Investment Policy Forum, hosted by the Government of the Philippines, will gather investment policy-makers from developing countries. Investment policy-makers and negotiators will strategize and share experiences to advance fair and sustainable international investment governance.

Read more: <https://www.iisd.org/events/2024-investment-policy-forum>

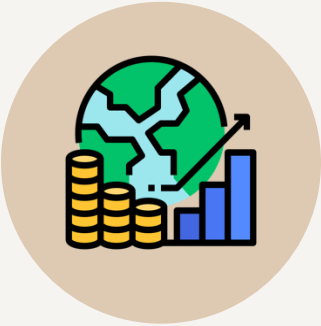


OECD Sustainable Investment Days

5th – 6th November 2024 | Paris, France

The Sustainable Investment Days 2024 will gather policymakers, investment promotion agencies, business leaders, international organizations, and academics to discuss global investment policies and strategies. Participants will share insights, explore best practices, and identify steps to promote an investment climate aligned with global sustainability goals.

Read more: <https://www.oecd-events.org/investment-days>



CII Global Economic Policy Forum 2024

11th – 12th December 2024 | Delhi, India

CII Global Economic Policy Forum is a platform for thought-provoking discussions on contemporary global and Indian economic policy issues. It aims to enrich the economic policy debate by bringing to the fore the research and evidence-based perspectives from global experts, academics and think tanks and experience-based perspectives from industry leaders.

Read more: <https://cam.mycii.in/OR/EventDetailOR.html?id=E000065276>



World Economic Forum

20th – 25th January 2025 | Davos, Switzerland

The Annual Meeting 2025 convenes global leaders to address key global and regional challenges. These include responding to geopolitical shocks, stimulating growth to improve living standards, and stewarding a just and inclusive energy transition.

Read more: <https://www.weforum.org/events/world-economic-forum-annual-meeting-2025/>



GulFood 2025

17th – 21st February 2025 | Dubai, World Trade Centre

Gulfood is the gold standard for the global F&B community, offering trusted opportunities for lucrative deals, knowledge, and networking. It's the ultimate platform for retailers, suppliers, distributors, and industry leaders to discover products, connect with key players, and explore trends shaping the future of the F&B industry.

Read more: <https://www.gulfood.com/>



07 About Economic Potential Realization

Navigating Markets, Securing Futures

India's economic potential is both vast and intricate, presenting a wealth of opportunities for investors willing to engage deeply. To effectively capitalize on the burgeoning market, characterized by rising consumption, significant reforms, an improved business environment, and competitive federalism, businesses must navigate this dynamic landscape with strategic insight.

Primus Partners specializes in guiding clients through this complexity, offering comprehensive services to identify, pursue, and close promising investment opportunities. Our team of seasoned professionals brings a diverse range of expertise and are adept at facilitating large-scale industrial projects.

With unparalleled experience in providing seamless end-to-end investment realization solutions for both government and private sectors, Primus Partners is committed to enhancing domestic manufacturing in line with the government's "Make in India" vision.

By leveraging our deep understanding of the Indian market and our robust relationships with key stakeholders, we offer invaluable guidance to investors. We help navigate regulatory complexities, pinpoint lucrative sectors, and maximize returns on investment, empowering you to unlock India's economic potential.

Our Approach

Primus Partners' Economic Potential Realization Practice is tailored to support a diverse array of clients, including domestic and international investors, government agencies, and private enterprises across multiple sectors manufacturing, technology, infrastructure, food processing, textiles, ESDM etc. Our sector-focused approach combines strategic planning, regulatory expertise, and policy advocacy with in-depth market insights to identify, assess, and maximize investment opportunities in India. With extensive hands-on experience, we deliver customized solutions that enable clients to drive growth, enhance profitability, and improve operational efficiency. By leveraging our strategic tools and expert guidance, we help clients navigate the complex regulatory landscape, unlocking the full potential of their investment projects



Service Offerings & Strategic Tools



Location Assessment & Site Identification

We conduct thorough assessments to identify optimal locations for businesses, analyzing factors such as infrastructure, connectivity, resources, and regulations to align goals and maximize ROI. By leveraging our in-depth knowledge of the Indian landscape, we help our clients make informed decisions and secure prime locations that provide a competitive advantage.

- **Cost of Doing Business:** We evaluate utility tariffs, wage rates, land prices, and taxes to identify regions with favorable economic conditions.
- **Ease of Doing Business:** We assess regulatory compliance and investor perception to gauge the overall business climate.
- **Site Readiness & Industrial Ecosystem:** We examine infrastructure availability, existing industries, and skilled labor to meet project needs
- **Social Infrastructure & Safety:** We assess educational and healthcare facilities, along with environmental and safety standards, to ensure a conducive work environment.



Incentive Structuring

We help clients secure attractive incentives from state governments. We analyze incentive schemes, assist in proposal preparation, and negotiate customized packages to maximize ROI.

- **Financial Modelling:** We create financial models to project performance, including ROI and job creation benefits.
- **Structuring of Incentives:** Using tools like the Incentive Calculator, we design tailored packages, including tax breaks and subsidies.
- **Project Reports:** We prepare comprehensive reports outlining investment rationales and risk assessments.
- **Policy Benchmarking:** We analyze leading industrial states' incentive policies to ensure competitiveness



Regulatory Compliance

Our 4-pillar approach evaluates the regulatory environment critical for successful investments

- **Ease of Doing Business:** We use Business Reform Action Plan (BRAP) rankings to identify states with favourable frameworks.
- **Quality of Service Delivery:** We rank states based on government service efficiency.
- **Investor Perception:** We conduct investor perception surveys to gather feedback on the regulatory environment from businesses operating in India.
- **Incentive Application:** We assess compliance costs and complexities to guide clients in selecting favourable regions.



Handholding for Effective Aftercare

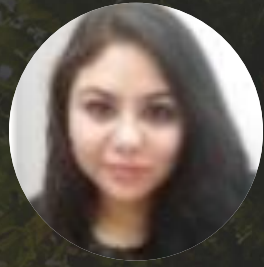
We support clients beyond initial investments with comprehensive aftercare services

- **Incentive Disbursement:** We assist in claiming incentives, ensuring compliance for timely disbursement.
- **Policy Updates:** We keep clients informed of national and state policy changes.
- **Regulatory Scans:** Regular assessments help identify impacts of regulatory changes.
- **Grievance Mitigation:** We assist in resolving issues, facilitating smooth operations.

Contributors



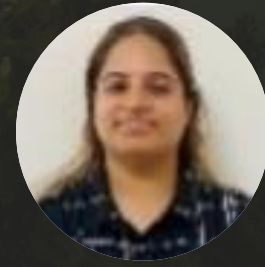
Raksha Sharda
Vice President



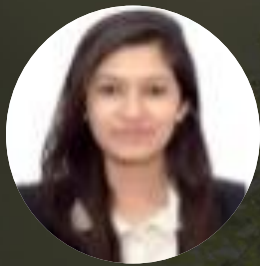
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Assistant Vice President



Ravi Kumar Chandra
Assistant Vice President



Dimple Nagpal
Manager



Garima Rawat
Manager



Kamakshi Verma
Manager



Sarim Khan
Manager



Hanskar Ajey
Manager



Yazur Rajora
Sr. Consultant



Umar Adil
Sr. Consultant

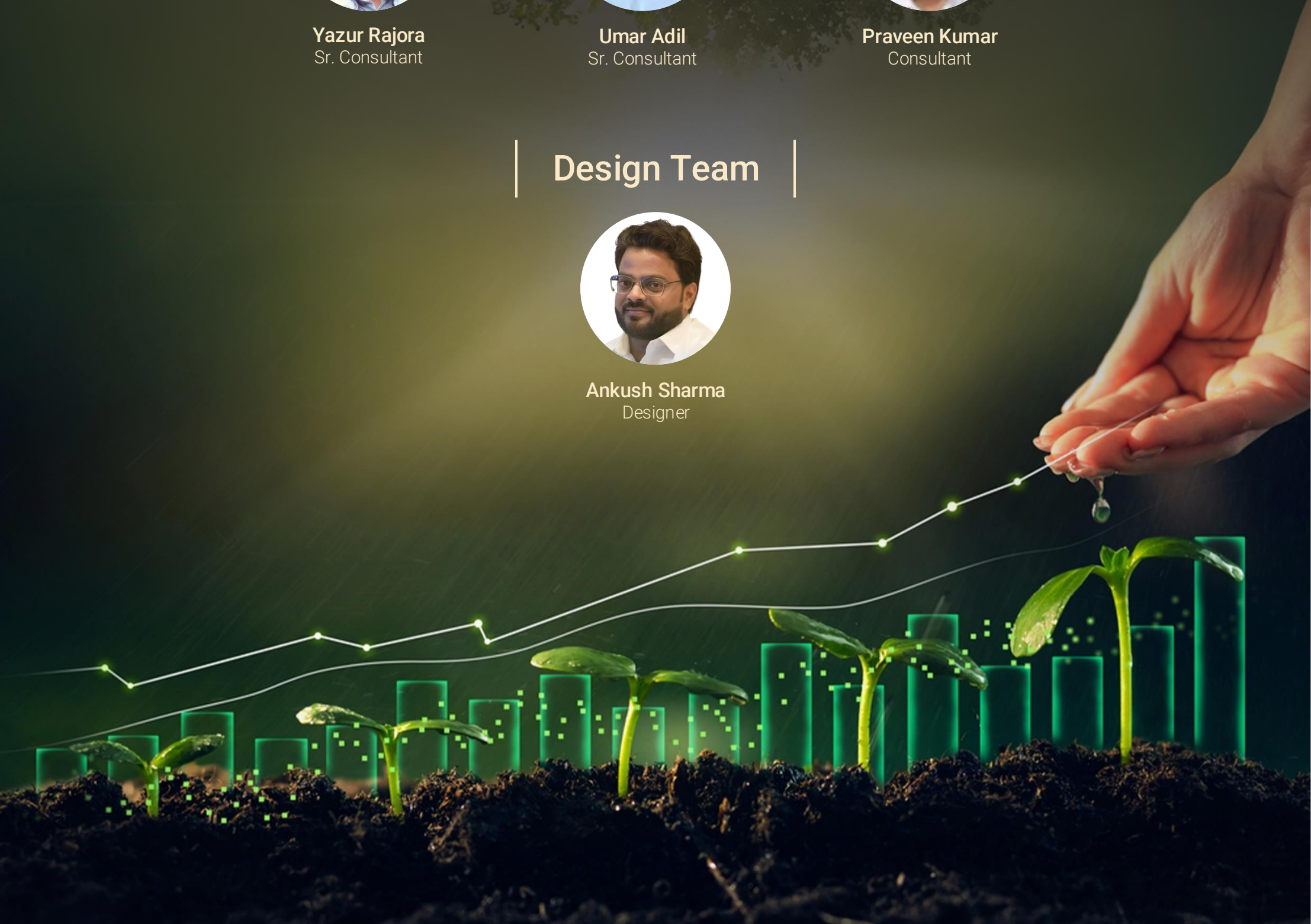


Praveen Kumar
Consultant

Design Team



Ankush Sharma
Designer





PASSION

for providing solutions to help clients achieve their goals

RESPECT

for all and alternate viewpoints

INTEGRITY

of thoughts and actions

MASTERY

of our chosen subject to drive innovative and insightful solutions

US

representing the Primus collective, where each individual matters

STEWARDSHIP

for building a better tomorrow



PRIMUS PARTNERS®

Solutions for Tomorrow

Primus Partners has been set up to partner with clients in 'navigating' India, by experts with decades of experience in doing so for large global firms. Set up on the principle of 'Idea Realization', it brings to bear 'experience in action'. 'Idea Realization' – a unique approach to examine futuristic ideas required for the growth of an organization or a sector or geography, from the perspective of assured on ground implementability.

Our core strength comes from our founding partners, who are goal-oriented, with extensive hands-on experience and subject-matter expertise, which is well recognized in the industry. Established by seasoned industry leaders with extensive experience in global organizations, Primus Partners boasts a team of over 250 consultants and additional advisors, showcasing some of the finest talent in the nation.

The firm has a presence across multiple cities in India, as well as Dubai, UAE. In addition, the firm has successfully executed projects across Africa, Asia Pacific and the Americas.

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