

Industry Matters

Weekly Updates

October 28, 2022



Economy, Industry and Policy

India's economy lighting up on peak festive season demand: This year's Diwali, the festival of lights that falls on Oct. 24 and the equivalent of Christmas in the West, will be India's first season of celebration since the pandemic began without virus-related restrictions. The return of shoppers will serve as a boost to consumption, the backbone of the economy. *[The Economic Times]*

Inflation to ease, economic activity to witness growth - 10 key takeaways from Finance Ministry's economic review for September 2022: Finance Minister Nirmala Sitharaman assured that the upcoming budget for FY24 will focus on two key challenges: Economic growth and rising inflation. *[The Economic Times]*

India's economy faces risks from the external sector, says finance ministry: India's fiscal and monetary authorities must remain watchful as prospects of an extended period of subdued global growth and trade, and continuous hike in US interest rates cast a pall of uncertainty over India's external sector. *[The Economic Times]*

A PLI scheme to defend power grids from Chinese cyber attacks: The Union government is looking to introduce a production-linked incentive (PLI) scheme for power transmission and distribution equipment. *[Mint]*

Rupee trade with few nations may start, internationalisation will take time: India is negotiating with a few countries to settle trade in the rupee to get a step closer to the internationalisation of the currency, a far cry at the moment. *[Business Standard]*

SAIL crosses Rs 10,000 crore procurement mark on GeM portal: Steelmaker SAIL on Thursday said it has made procurement worth Rs 10,000 crore through the Government-e-Marketplace (GeM) since the inception of the portal. *[Financial Express]*

Assets worth Rs 18,400 crore attached under Benami Act till July 31: Till July 31, the I-T Department had issued notices in 3,175 cases amounting to Rs 19,222 crore. Assets have been attached in 2,967 cases and are worth Rs 18,401 crore. *[Business Standard]*



Foreign Investment

FPIs sell Indian equities worth Rs 6k cr so far in Oct on strengthening USD: Foreign investors have pulled out close to Rs 6,000 crore from the Indian equity markets so far this month in the wake of strength in the US dollar against the rupee. *[Business Standard]*

India should liberalize its taxation regime for expats: India has undoubtedly emerged as an attractive destination for international investment, with foreign direct investment (FDI) inflows in 2021-22 at an all-time high of \$83.5 billion. However, as of October 2022, none of the top 50 Fortune 500 companies have chosen to locate their Asia-Pacific headquarters in the country. *[Mint]*

Hindustan Zinc eyeing acquisitions in US, Europe in new growth push: The company, the world's second-largest zinc producer, proposes to do this by acquiring zinc assets in the US and/or Europe, Misra said, as it looks to get to a targeted mining capacity of 1.5-2 million tonnes per annum over the next few years. *[Business Standard]*



Trade Policy and Competitiveness

No proposal yet to review export duties on iron and steel products: The finance ministry may not immediately review export duties imposed recently on a host of steel and iron products to calm down prices of critical inputs for infrastructure projects. *[Financial Express]*

Huge scope for value-added exports even in global turmoil - Commerce secy: India has a huge scope to move up the global supply chain and improve its share in world exports substantially from just 2% now, despite strong external headwinds, commerce secretary Sunil Barthwal said. *[Financial Express]*

India's textiles sector eyeing \$100-billion exports in 5-6 years - Piyush Goyal: India's textiles sector aims to hit \$100 billion exports in 5-6 years, which would take the industry's combined domestic and international economic value to USD 250 billion. *[The Economic Times]*

CII urges govt to consider lowering freight, power costs for exporters: Industry body CII on Thursday suggested the government a number of measures, including lowering freight and power costs for exporters and setting up a shipping regulator, to promote outbound shipments. *[Financial Express]*

Major items imported from China used for meeting demand of fast growing sectors: Major items imported from China such as electronic components, computer hardware and chemicals are used for meeting the demand of fast expanding sectors like telecom and power in India. *[The Economic Times]*

India, China trade crosses \$100 billion during January-September; trade deficit climbs to over \$75 billion: India and China bilateral trade continued to boom, crossing USD 100 billion for the second year in the first nine months of 2022 while India's trade deficit climbed to over USD 75 billion. *[The Economic Times]*

UK's political stability may give momentum to ongoing India-Britain trade pact talks: With Rishi Sunak becoming the UK's Prime Minister, the country has now achieved political stability and this, in turn, is likely to give much-needed momentum to ongoing negotiations for the proposed free trade agreement between India and Britain, as per the trade experts. *[The Economic Times]*

Textile industry hopeful of India signing FTA with U.K. soon: The Confederation of Indian Textile Industry said, in the last one year, textile and clothing exports to the U.K. saw a dip mainly because of issues in that country's economy. The FTA will benefit especially the clothing sector as it is a traditional market for Indian exporters. *[The Hindu]*

In boost to rupee trade mechanism, two Russian lenders open special vostro accounts: Russia's two largest banks - Sberbank and VTB Banks - opened the accounts after receiving the nod from the RBI. *[The Economic Times]*

India aims for 10% share in global exports by 2047: India aims to raise the share of its exports in global trade to 3% by 2027 and 10% by 2047 from the current 2.1%, promoting hundred Indian brands as global champions. *[The Economic Times]*

India's exports to China growing faster than inbound shipments: India's trade equation with China has been improving in recent years with outbound shipments rising faster than imports, whose growth is being driven largely by vital raw materials and to meet demand from high-growth sectors such as telecom and power.

[The Hindu]



Corporate Governance

BS Number Wise - Indian deal-making enters the slow lane, shows data: The September quarter had just under \$1 trillion worth of global deals - the first time since early 2020 that the value of transactions fell below that mark. Lower global interest rates to limit the economic impact of Covid-19 had spurred mergers and acquisitions worldwide after a slowdown in early 2020. *[Business Standard]*

Walmart reportedly raising up to \$3 bn for Flipkart to expand India biz: With new funds, Flipkart's valuation is set to soar to more than \$40 billion, giving a fillip to the Indian funding scene which is going through a harsh winter. *[Business Standard]*

Reliance and Adani are getting into diagnostics. So are Apollo Hospitals, Tata 1mg and many others. But why?: Among conglomerates, Reliance Industries, promoted by billionaire Mukesh Ambani, in August 2020, acquired a majority stake in Netmeds for Rs 620 crore (Reliance Retail). In June 2021, Tata Digital had acquired the online pharmacy 1MG for a cash consideration of Rs 720 crore, and then launched its own diagnostics wing. *[BusinessToday.in]*

Bain Capital is among bidders for Indian polyester film manufacturer: The Boston-based buyout firm has been sounding out financing for the potential offer, which could value Polyplex at more than \$1 billion including debt. *[Business Standard]*

Dabur to acquire 51% stake in Badshah Masala for Rs 588 crore: FMCG major Dabur India on Wednesday announced that it will be acquiring a 51% stake in Badshah Masala Private Limited for Rs 587.52 crore. With this, Dabur has entered into branded spices and seasoning market in India, worth over Rs 25,000 crore. *[The Economic Times]*

Fountain raises \$100 m in Series C: Fountain, a hiring platform, has announced raising \$100 million in Series C and has plans to foray into the Indian market. *[Business Line]*



MSMEs and Start-ups

Make in India - Over 125 MSME suppliers identified for IAF C-295 aircraft manufacturing project, says govt: More than 125 MSME suppliers in the country have been identified by a consortium of Tata companies including Tata Advanced Systems Limited (TASL) and Tata Consultancy Services (TCS) that will make 40 C-295 transport aircraft for the Indian Air Force along with the European defence major Airbus. *[Financial Express]*

OEMs to drive 16-18% rise in auto-parts MSME revenues - CRISIL SME Tracker: MSMEs in the automotive components sector should see higher growth as well, but will lag average industry revenue growth owing to lack of vertical integration. *[Business Standard]*

Several startups in India may lose their Unicorn status, says report: Several experts said that start-up founders are trying to avoid raising money due to unfavourable market conditions. But those who have already taken the "plunge" may lose the status quo as a unicorn. *[Business Standard]*

B2B ecommerce unicorn Udaan raises \$120 million: With this round, the total funds raised by Udaan through convertible notes and debt in the last four quarters have crossed \$350 million. The company is also aiming to become IPO-ready in 12-18 months. *[Business Line]*



Employment and Industrial Relations

One database for all welfare schemes in works: The Socio-Economic Caste Census (SECC) will be rolled into the Social Registry being jointly developed by the Ministry of Electronics and Information Technology and NITI Aayog. *[The Economic Times]*

Formal job creation in India slows down in August - MoSPI: The provisional payroll data released by the ministry of statistics and programme implementation on Tuesday shows net new subscriber addition under EPFO fell by 7.1% in August at 1.69 million compared to 1.82 million in July, 1.83 million in June, 1.68 million in May and 1.53 million in April. *[The Economic Times]*



Industrial Finance

'AP, Telangana, Punjab among states that frequently use RBI's short-term liquidity windows: The central bank offers three short-term liquidity windows -- special drawing facility (SDF; for 5 working days), ways and means advances (WMA, for 5 working days) and over draft (OD, for 14 working days) facilities to states to tide over their liquidity needs. *[The Economic Times]*

Future Retail insolvency - Deadline for bids extended to November 3: The deadline for submission of expression of interest for debt-ridden Future Retail Ltd (FRL) has been extended by almost two weeks to November 3. *[Business Standard]*



Technology and Innovation

97 pc phones used in country are made in India - Union Minister Rajeev Chandrasekhar: In 2014, over 92 per cent of mobile phones used in India were imported, today over 97 per cent of mobile phones used in India are made in India. Today we export electronic devices worth \$12 billion. *[The Economic Times]*

Shiprocket becomes first inter-city logistics provider to join ONDC network: Shiprocket, a shipping and logistics solutions provider, has gone live on the government's Open Network for Digital Commerce (ONDC) and made its first successful transaction on October 22. *[Business Standard]*

Google to end support for Windows 7, 8.1 in 2023: The tech giant will officially stop support for Windows 7 and 8.1 on February 7, 2023, when Chrome 110 is expected to be released, the company said on a support page. *[The New Indian Express]*

India plans to expand NavIC, make signals more secure, says Isro chief: India plans to expand its regional satellite navigation system NavIC in a bid to increase its use in the civilian sector and also by ships and aircraft travelling far from the country's borders. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Govt to develop 50 districts as export hubs: The programme will help domestic producers in these districts to scale up manufacturing and find potential buyers outside India. *[Mint]*

Indian Railways touches another milestone! North Central Railway is now 100 percent electrified: Moving towards the mission of 100 percent electrification, Indian Railways (IR) has touched another milestone. The North Central Railway (NCR) is now 100 percent electrified, informed the Ministry of Railways on Friday. *[Financial Express]*

PM Gati Shakti - 15 cargo terminals commissioned by Indian Railways; 100 terminals to be developed in next 3 years: Till now, 15 GCTs have been commissioned and about 96 more locations have been provisionally identified for the development of GCTs. Within the next three financial years, it has been targeted to commission 100 Gati Shakti Cargo Terminals. *[Financial Express]*

Meghalaya govt inks agreement with NEEPCO for 2 hydropower projects: The agreement for the development of 50-megawatt Wah Umiam Hydro Electric Project Stage-I and 100-MW Wah Umiam Hydro Electric Project Stage-II was signed between the two parties. *[The Economic Times]*

Jakson Green to invest Rs 22,400 cr in green hydrogen project in Rajasthan: Jakson Green will set up a 3,65,000 tons per annum Green Hydrogen & Green Ammonia plant along with an integrated hybrid renewable power complex in a phase wise manner, it stated. *[Business Standard]*

DP World aims to expand multimodal logistics operations, says India CEO Rizwan Soomar: DP World aims to expand its multimodal cargo services and infrastructure footprint in India as the country shrugs off Covid-19 woes and gears up for growth, said its CEO for the Indian subcontinent. *[The Economic Times]*



Sustainable Industrialisation

India to export green energy to Singapore from 2025: India will for the first-time export green energy from 2025, with the first shipments going to a Singapore power plant under an MoU signed by an India-based dispatchable renewables company and Singapore's energy business here on Tuesday. *[BusinessToday.in]*

India can accelerate green investments to USD 12.1 trillion by 2050: With the ongoing rate, India's net Green House Gas (GHG) emissions will rise to 11.8 gigatons of carbon dioxide equivalent by 2070 from the 2.9 gigatons in 2019, Mckinsey & Co said in a report. *[The Economic Times]*

Borosil Renewables acquires 86% stake in Interfloat Group: Borosil Renewables Ltd, India's first solar glass manufacturer has recently acquired 86% stake in Europe's largest solar glass manufacturer Interfloat Group for an undisclosed sum of money. *[The Economic Times]*

Global crises can speed up move to clean energy: Spiraling energy costs caused by various economic factors and the Ukraine war could be a turning point toward cleaner energy, the International Energy Agency said in a report Thursday. *[The Economic Times]*

One in ten petrol pumps now offers EV charging, CNG: More than 8,000 petrol pumps, or one in every ten pumps across the country, now offer facilities to charge an EV or refuel a compressed natural gas (CNG) vehicle in a boost to customers who own or plan to buy the less polluting vehicles. *[The Economic Times]*



Sectoral News

VIP Industries eyes 45% market share, bets on manufacturing shift from China: The world's second-largest luggage company is targeting a 45 per cent market share during this financial year and reducing dependency on China for input raw materials, says Dilip G Piramal, Chairman of VIP Industries. *[BusinessToday.in]*

Lab-grown diamond emerges from the shadows of natural diamonds: The global diamond industry has been facing headwinds lately while lab-grown diamonds seem to have emerged from the shadows of natural diamonds and established itself a growing footprint in the gems and jewellery industry. *[The Economic Times]*

PMI Electro Mobility gears up to launch small electric commercial vehicles: PMI Electro Mobility, a leading manufacturer of electric buses in India, is looking at launching a range of small electric commercial vehicles to cater to the burgeoning demand from e-commerce firms for last-mile delivery vehicles. *[The Economic Times]*

Vodafone Idea gets board of directors' nod to raise Rs 1,600 cr from ATC: The board approved the issue of 16,000 OCDs having a face value of Rs 10 lakh each to raise Rs 1,600 crore. These would be convertible into equity share of Rs 10 each that will be allotted to ATC Telecom Infrastructure Private Limited on a preferential basis. *[Business Standard]*

ISID **Institute for Studies in Industrial Development**
An institution of Indian Council of Social Science Research (Ministry of Education)
4 Vasant Kunj Institutional Area, New Delhi - 110070, India

Follow us at



Disclaimer: *Industry Matters* is a weekly news update on Indian economy, industry, and policy compiled at ISID from various newspapers and e-resources. ISID does not guarantee the truthfulness, accuracy, or validity of the news items linked in the above message. It is shared for informational and educational purposes to facilitate and support research and information on Indian industry. It is not a commercial product and all copyrights remain with those of the respective copyright holders. Images are sourced from the web.

Team Members: Satyaki Roy, Swati Verma, Sangeeta Ghosh, B. Dhanunjai Kumar, Amitava Dey & Rakesh Gupta.
Compiled by: Rakesh Gupta. Edited by Sangeeta Ghosh.

To unsubscribe please click [here](#)