

Industry Matters

Weekly Updates

November 11, 2022



Economy, Industry and Policy

Manufacturing sector growth to continue till next 6-9 months - FICCI survey: As per the recent survey, the Indian economy recovered in the fiscal year 2021-22, and growth momentum maintained in the following quarters of Q1 (April-June 2022-23) and Q2 (July-Sept 2022-23), with more than 61% of respondents reporting increased output levels in Q2 (July-September 2022-23). [*The Economic Times*]

India faces global shocks with better balance sheets; medium-term growth outlook good: Chief Economic Adviser V Anantha Nageswaran on Saturday said that India is facing global shocks with a position of strength backed by far better household, corporate and financial sector balance sheets and its medium term growth outlook is good. [*The Economic Times*]

Indirect tax receipts to exceed budget estimate by Rs 50,000 crore: The Centre's indirect tax revenues – before devolution to states– may exceed the budget estimate (BE) for the current fiscal by around Rs 50,000 crore, as higher goods and services tax (GST) revenues will more than offset a shortfall in excise revenues. [*Financial Express*]

Two tax devolution installments worth Rs 1.16 lakh crore cleared: The Union Government has released two instalments of tax devolution to State Governments amounting to Rs. 1,16,665 crore today, as against normal monthly devolution of Rs. 58,333 crore. [*The Economic Times*]

iPhone maker Wistron turns biggest investor under PLI: Wistron InfoComm, the Indian unit of one of the world's largest iPhone contract makers, emerged as the single biggest investor under the government's production-linked incentives (PLI) scheme for large-scale electronics manufacturing, bringing in ₹1,250 crore. [*Mint*]

Fresh push for APIs under PLI scheme to counter Chinese dominance: The Department of Pharmaceuticals rolled out three PLI schemes—bulk drugs with an outlay of ₹6,940 cr, medical devices (₹3,420 cr) and pharmaceuticals (₹15,000 cr) to help cut dependency on China. [*Mint*]

69 pc Indian households struggle with financial insecurity: Despite robust growth in financial inclusion and the burgeoning financial services industry, almost 69 per cent of Indian households struggle with financial insecurity and vulnerability, according to a personal finance survey conducted by Money9. [*The Economic Times*]

Government says 214 mineral blocks put on sale since 2015: The number of blocks put on sale per year has gone up three times since amendments were made to the regulations last year. [*The Economic Times*]

Inflation keeps grip on FMCG, volumes dip again in July-September: Consumption of packaged consumer goods in the country fell for the fifth straight quarter in July-September, when the fast-moving consumer goods (FMCG) market shrank 0.5% on-year by volume - driven by food products - amid rising prices. [*The Economic Times*]

Centre allows 13 private agencies to do mining exploration operations: The government on Tuesday said that so far 13 private agencies have been accredited for carrying out the exploration of minerals in the country. With this, the total number of government agencies engaged in mineral exploration comes to 22. *[The Economic Times]*

Demonetisation - Big jump in cash with public at Rs 30.88 trn in 6 yrs: Currency with the public has jumped to a new high of Rs 30.88 lakh crore as of October 21, illustrating that cash usage is still robust even six years after the demonetisation move. *[Business Standard]*

India could trim spending for first time in 3 years: Total expenditure for the 2022/23 fiscal year that started on April 1 could come in 700 billion rupees to 800 billion rupees (\$8.59 billion to \$9.82 billion) below the budgeted 39.45 trillion rupees. *[The Economic Times]*



Foreign Investment

Singapore tops Mauritius in FPI inflows into India: Singapore has overtaken Mauritius to become second-largest source of foreign portfolio investment (FPI) inflows into India, latest data from depositories show. *[The Economic Times]*

1,096 security clearances given to FDI projects in 2021-22 - Union home ministry: After nearly two years, 1,096 security clearances were granted to projects, which includes foreign direct investment (FDI) proposals from the United States, Mauritius, Singapore, Netherlands and the UAE among others in 2021-22. *[The Economic Times]*

Apple adds a new iPhone 14 supplier in India in shift from China: Apple Inc.'s Taiwanese contract manufacturer Pegatron Corp. has started assembling the latest iPhone 14 model in India. *[The Economic Times]*



Trade Policy and Competitiveness

India, Russia vow to expand economic cooperation, including energy sector: EAM Jaishankar said India would be supportive of any initiative that "de-risks" the global economy and stabilises the global order at this stage. *[Business Standard]*

Commerce ministry to release exports, imports data once every month: The commerce ministry has decided to resume the practice of releasing monthly exports and imports data only once in a month with a view to providing a clear picture of the country's trade. *[Business Standard]*

Great potential for India-US trade to grow, says Treasury Secretary Janet Yellen: Asserting that India and the United States share a strong bilateral relationship, US Treasury Secretary Janet Yellen has said there is a great potential for the trade to grow between the two countries that will benefit their working people. *[Financial Express]*

Down 60% - How iron ore trade crashed in 5-months: Industry observers point out that India's exports of iron ore and pellets in H1 FY23 (April-September) declined 63% to 6.98 million tonnes (mt) from 18.91 mt in the corresponding period of the last financial year. *[The Economic Times]*

US-India CEO Forum officially launched: They were joined by Forum's Private Sector Co-Chairs James Taiclet (Chairman, President, and CEO, Lockheed Martin Corporation) and Natarajan Chandrasekaran (Chairman, Tata Sons), as well as other members of the US and Indian CEO sections. *[The Economic Times]*

India seeks to include steel in export incentive scheme: The Remission of Duties and Taxes on Export Products (RoDTEP) scheme offers refunds against various embedded taxes to exporters across sectors such as automobiles and agricultural produce, with steel exports presently outside its remit. *[The Economic Times]*

Panel on tax refunds for exports from SEZs, EOUs to submit report on Dec 20: The government panel tasked to determine tax refund rates for overseas shipments from special economic zones and export-oriented units under export promotion scheme RoDTEP will submit its report on December 20. *[Business Standard]*

India, Russia aim to push bilateral trade to \$30 billion by year-end: A dynamic growth of bilateral trade turnover was noted, which, by the end of this year, may come close to the goal set by the leaders of the two countries - \$30 billion. The bilateral trade has jumped by 310 per cent this year. *[The Economic Times]*

Centre allows export incentives for those settling trade in rupee: The Centre on Wednesday amended the foreign trade policy (FTP) to enable traders to claim export benefits even if payment is settled in the rupee. So far, export incentives were available only when the trade was settled in a foreign currency. *[Business Standard]*

India's October thermal coal imports grow at slowest pace in 5 months, shows Coalmint Data: India's imports of thermal coal grew at the slowest pace in five months in October, data from Indian consultancy Coalmint showed, as higher domestic production slashed demand for seaborne coal. *[The Economic Times]*

FTA with India to be expedited in next few months - British envoy: India and the United Kingdom are set up for the final ascent on signing a Free Trade Agreement (FTA) and expediting the pact in the next few months is one of the main aims of the two sides, British High Commissioner to India Alex Ellis said on Friday. *[Business Standard]*

India looking at greater market access for pharma products in UK under FTA: The best part in the proposed agreement is that both sides have highlighted their red lines and sensitivities. Ever-greening and touching manufacturing of generic medicines is completely non-negotiable. *[Business Standard]*



Corporate Governance

Dixon to Lava, Indian firms in JV talks with Chinese electronics players: Home-grown companies, including electronics manufacturing services (EMS) firm Dixon Technologies and mobile device maker Lava International, have started exploratory talks with Chinese sub-assemblies and component players for setting up joint ventures (JVs) in the country. *[Business Standard]*

Reliance Industries India's best employer, in top 20 worldwide - Forbes: Reliance Industries, the country's largest company by revenues, profits and market value, is India's best employer and the world's 20th best firm to work with, according to Forbes' World's Best Employers rankings 2022. *[Business Standard]*

Active companies in India close to 15,00,000, registrations fall in Sept: There was an overall decrease of 6.42 per cent in the number of new registrations in September 2022 compared to previous month, coinciding with the launch of version 3 of the new MCA portal. *[Business Standard]*

Voltas to invest Rs 1,000 cr for capacity expansion: Voltas will invest over ₹1,000 crore to expand its manufacturing capacity including a new plant near Chennai while another proposed ₹500-crore compressor plant in partnership with China's Highly International is yet to receive government clearance. *[The Economic Times]*



MSMEs and Start-ups

MSMEs hold the key to \$5-trn economy: A proactive and cohesive approach by the government to support micro, small and medium enterprises could raise their contribution to GDP to about 50 per cent in the foreseeable future. *[Business Standard]*

SME lending startup ftcash gets NBFC licence from RBI; aims to disburse ₹100 cr in FY23: SME lending startup, ftcash has received a licence from the Reserve Bank of India to set up a non-banking financial company. With this, the company aims to disburse loans worth ₹100 crore in FY23. *[Mint]*

Media tech startup Amagi raises \$109 million in funding, valued at \$1.4 billion: The fresh investment includes \$80 million in primary capital from global growth equity firm General Atlantic, and the rest is via secondary stake sales. *[The Economic Times]*

Kerala govt launches scheme to reimburse tech license cost to startups: Under the project titled 'Technology Transfer Scheme', implemented through Kerala Startup Mission (KSUM), the government will reimburse upto Rs 10 lakh to startups purchasing or sourcing technology from government research institutions and working on them to develop products that could be commercialised. *[Business Standard]*



Employment and Industrial Relations

Over 8.5 million jobs added during Sept-Oct 2022 - CMIE: Over 8.5 million salaried jobs were added during September and October 2022 taking the total number of salaried workers in the country to 85-86 million with highest addition in urban salaried jobs. *[The Economic Times]*

Indian employees prefer hybrid work model due to improved productivity, better work-life balance: According to a global survey by technology firm HP, Indian employees strongly favour the hybrid work model as they believe it improves their productivity and gives them a much-needed work-life balance. *[The Economic Times]*

Mahindra Group joins hands with Gates Foundation to support women's empowerment in India: Mahindra group has inked a memorandum of understanding with the Bill & Melinda Gates Foundation to support women's economic empowerment in India. *[The New Indian Express]*



Industrial Finance

Adani to raise ₹2,000 crore through retail bond sale: AEL is looking to sell bonds maturing in three years and five years and may pay a coupon of around 9%, said one of the bankers, seeking anonymity. *[Mint]*

Vodafone Idea clearing dues to banks first to avoid a visit to bankruptcy court: Loss-making Vodafone Idea (Vi) is prioritising clearing its dues to banks and financial institutions over vendor payments to possibly avoid getting dragged to the bankruptcy court. *[The Economic Times]*

Govt notifies enhanced financial support for Central, state PPP projects: The Centre has revamped and broadened the India Infrastructure Project Development Fund Scheme with an aim to provide financial assistance in meeting the cost of transaction advisors and consultants engaged in the development of Public-Private Partnership projects. *[Business Standard]*



Technology and Innovation

Indian semiconductor race heats up as Reliance, HCL eye entry via ISMC: The oil-to-telecom conglomerate as well as the Shiv Nadar-founded software group HCL are likely to invest through subsidiaries, said the sources who estimate the total investment from both parties may be over Rs 4,000 crore (\$500-600 million). *[The Economic Times]*

Single-window exports clearance system roll-out likely next year, in phases: A new web-based system for faster export consignment clearance is likely to be rolled out in a graded manner, starting early next financial year (2023-24). *[Business Standard]*

Reforms in satellite communication industry to reduce cost - Broadband India Forum: Broadband India Forum (BIF) on Monday said the reforms introduced by the Department of Telecommunication (DoT) in satellite communications will significantly enhance the ease of doing business (EoDB) and help reduce costs in the sector. *[The New Indian Express]*



Industrial Infrastructure, Clusters and SEZs

IndoSpace inks MoU with Karnataka govt to invest Rs 3,000 crore: IndoSpace, India's largest developer and owner of grade A industrial real estate, has entered a Memorandum of Understanding (MoU) to invest Rs 3,000 crore in Karnataka to boost its warehousing and logistics sector. *[The Economic Times]*

Centre may axe 116 infra projects worth Rs 1.26 trn lagging for decades: Some 116 infrastructure projects worth Rs 1.26 trillion could be shut down due to unresolved obstacles ranging from land acquisition to Centre-state tussles. *[Business Standard]*

DMRC, BEL sign pact for development of indigenous communication-based train control system: The DMRC is developing this indigenous system with Bharat Electronics Limited (BEL) and C-DAC as part of the 'Make in India' initiative of the Government of India under the aegis of the Union Ministry of Housing and Urban Affairs. *[The Economic Times]*

Nitin Gadkari approves Rs 68,000 crore worth of road projects in four NE states: Union Minister of Road Transport and Highways Nitin Gadkari on Wednesday approved a slew of new road projects, valued at Rs 68,000 crore, in four Northeastern states to make international standard surface connectivity. *[The Economic Times]*

Tamil Nadu aims to attract Rs 75,000 cr investments in aerospace & defence sectors: Tamil Nadu on Tuesday released an aerospace and defence industrial policy as it eyes to garner investments to the tune of Rs 75,000 crore over a period of 10 years, according to Chief Minister M K Stalin. *[The Economic Times]*

Gadkari inaugurates 8 National Highway projects in Jabalpur, MP: The total length of the projects inaugurated is 214 km at a cost of Rs. 4,054 crores. *[Mint]*



Sustainable Industrialisation

India saved \$4 bn in fuel costs via solar power in first 6 mnths: India saved USD 4.2 billion in fuel costs through solar generation in the first half of 2022 and 19.4 million tonnes of coal that would have further stressed an already strained domestic supply. *[Business Standard]*

SJVN bags 83 MW floating solar project in Madhya Pradesh: State-run SJVN Ltd on Thursday said it has bagged a contract to build, own and operate a 83 MW floating solar project worth Rs 585 crore in Madhya Pradesh. *[The Economic Times]*

Tata Power Renewable Energy to set up 150 MW solar project in Solapur: With this, The total renewables capacity of TPREL has reached 5,786 MW with an installed capacity of 3,877 MW (solar - 2,949 MW and wind - 928 MW) and 1,909 MW under various stages of implementation. *[Business Standard]*

KKR ties up with Sterlite Power to create new clean energy platform Serentica Renewables: Global investment firm KKR, has joined forces with Vedanta Group's newly formed arm Serentica Renewables to create a new energy platform that aims to help large industrial clients decarbonise. *[The Economic Times]*

New coal plants may be asked to have mandatory renewable power generation: The power ministry plans to make it mandatory for thermal power producers to build or purchase renewable energy if they set up anew or expand coal-based power generation. *[Business Standard]*



Sectoral News

With 117 crore subscribers, India is world's 2nd largest telecom market, says TRAI chairman PD Vaghela: Dr P. D. Vaghela Chairperson Telecom Regulatory Authority of India (TRAI) said that India is the second largest telecom market in the world now with 117 crore telecom subscribers and 825 million broadband subscribers. *[The Economic Times]*

Telecom operators to step up pace of 5G network rollout from December: Telecom operators have assured the department of telecommunications (DoT) that they will increase the pace of 5G roll out from December by adding 8,000 towers per week. *[Business Standard]*

300 drug formulations to have mandatory bar codes on packages soon to curb sales of spurious medicines: The government is in final stages of the process of mandating pharmaceutical companies to print bar code on the packages of 300 drug formulations so that information such as manufacturing licence and batch number can be accessed upon scanning. *[The Economic Times]*

Pharma sector marketing practices under government scanner: A high-level committee formed under Niti Aayog's VK Paul held a meeting on Friday with the representatives of pharma lobby groups to review the matter. *[The Economic Times]*

Vehicle sales surge over 47% in October - FADA: According to data available with vehicle retailers body Federation of Automobile Dealers' Association (FADA), 2,094,378 vehicles were retailed in October, which is an increase of 47.62% compared to 1,418,726 units sold in the same period last year. *[The Economic Times]*

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