

Industry Matters

Weekly Updates

November 18, 2022



Economy, Industry and Policy

The unique opportunity that G20 presidency offers India to drive a global narrative: On December 1, India will take over the mantle of G20 presidency. It's a significant moment as it offers New Delhi the opportunity to anchor a powerful global bloc that comprises both elites and emerging nations. *[The Economic Times]*

Stumbling 'Bloc' - Why India Is Yet to Join The Biggest Trading Group of Nations: There are other sensitive issues like digital economy, labour laws, trade practices and sovereignty issues, and environment protection that India is particularly concerned about, particularly after the language used by the US in the IPEF fact sheet, says Professor Dr Nagesh Kumar, director, Institute for Studies in Industrial Development (ISID). ISID is a Delhi-based autonomous institution run by the Government of India. *[News18.com]*

Govt to Speed Up PLI Nods, Help Investors: India will fast-track permissions and handhold investors putting up capacities under the various production-linked incentive (PLI) schemes as it seeks to reinvigorate manufacturing in the country. *[The Economics Times]*

Govt plans to roll out PLI scheme to encourage container manufacturing: Currently, India does not have a robust container manufacturing market, and a large portion of its containers come from China. During the pandemic, container supply from China had taken a severe hit, causing a massive frenzy in global container markets. *[Business Standard]*

Govt gets Rs 3,839 cr from Axis Bank stake sale; disinvestment kitty swells: With the sale of the SUUTI stake, the disinvestment proceeds mopped up so far this fiscal increased to Rs 28,383 crore. The budget target from disinvestment in the current fiscal (Apr-March) is pegged at Rs 65,000 crore. *[Business Standard]*

CDPQ-backed Maple Highways completes Rs 6,267 crore acquisition of Eastern Peripheral Expressway: Valued at Rs. 6,267 crore, the purchase of the toll operate transfer (TOT) project from the National Highways Authority of India (NHAI) is the largest road transaction to occur as part of the Union Government's Asset Monetization Programme this year. *[The Economic Times]*

Gross direct tax revenue jumps 31 pc to Rs 10.54 lakh cr; net collections cross 61 pc of Budget target: Gross collection of tax on corporate and individual earnings jumped nearly 31 per cent so far in the current fiscal year to Rs 10.54 lakh crore. *[The Economic Times]*

Retail sales in October jump 15% from year-ago, 19% from pre-pandemic levels: Survey: Retailers including micro, small and medium units across the country saw 15 per cent growth in sales in October in comparison to the year-ago period and 19 per cent vis-a-vis the pre-pandemic sales level as of October 2019. *[Financial Express]*

Rs 32,500 cr transferred to states as capex loan: The Centre has disbursed about Rs 32,500 crore as 50-year interest-free capex loans to the state governments so far, as against sanctioned amount of Rs 65,000 crore. *[Financial Express]*

India contributes additional \$5 mn to ASEAN-India science and tech fund: India on Saturday announced an additional contribution of USD 5 million to the ASEAN-India science and technology fund to enhance cooperation in sectors of public health, renewable energy and smart agriculture. *[Business Standard]*

Per capita income rose in real terms by 33.4 per cent since enactment of NFSA: Centre to SC: Per capita income of population in India has increased in real terms by 33.4 per cent since the enactment of National Food Security Act (NFSA) in 2013, the Centre has told the Supreme Court. *[The Economic Times]*

Industrial output rises 3.1 per cent in September from negative 0.7 per cent in August: The index for industrial product (IIP) grew 3.1% in September after hitting an 18-month low in the month of August. The IIP had contracted by 0.7% in August, as per the Ministry of Statistics and Programme Implementation. *[The New Indian Express]*

WPI breaks 18-mth double-digit streak in October, eases to 8.39%: India's wholesale price index-based inflation in the month of October eased to 8.39% on an annual basis, from 10% recorded in September and 13.83% in October 2021, provisional data from the Commerce Ministry showed on Monday. *[The Economic Times]*

States to get capex loan of Rs 1 trn or higher in FY24: The Centre is likely to offer a large capex loan to the state governments in FY24 as well. The facility will be similar to the 50-years Rs 1 trillion soft loan extended to them in FY23 to help them bolster their capital expenditure. *[Financial Express]*

SBI, ICICI, IDFC, HDFC in RBI's list for digital currency pilot: State Bank of India, ICICI Bank, IDFC First Bank, HDFC Bank and Yes Bank are among a shortlist of at least five lenders that the Reserve Bank of India (RBI) has roped in to work on the retail pilot project of the central bank digital currency (CBDC). *[The Economic Times]*



Foreign Investment

UAE sovereign wealth fund invested over \$10 billion in last 5 years in India - Ambassador of India to UAE: In last five years alone, more than 10 billion dollar have been invested by UAE sovereign wealth fund across renewable energy, telecom, road infrastructure, affordable housing and startups. *[The Economic Times]*

India puts its plan to snatch factories from China on fast-track: India will fast-track permissions and handhold investors putting up capacities under the various production-linked incentive (PLI) schemes as it seeks to reinvigorate manufacturing in the country. *[The Economic Times]*

FDI in Indian media - How the scene changed since post liberalization: When FDI started coming in various sectors of the Indian economy, it impacted the Indian media in a big way. The Government of India approved 26 per cent FDI in print and 49 per cent FDI in TV media in 1991. *[Firstpost]*



Trade Policy and Competitiveness

India's Foreign Trade - October 2022: India's overall exports (Merchandise and Services combined) in October 2022* are estimated to be USD 58.36 Billion, exhibiting a positive growth of 4.03 per cent over the same period last year. *[Press Information Bureau]*

India to start talks for new FTA next week - Piyush Goyal: Though the minister did not disclose the name of the region, there is a likelihood that the talks may start with the Gulf Cooperation Council (GCC) as the region was keen to increase economic engagement with India. *[The Economic Times]*

Govt terminates anti-dumping probe against China, Thailand and Vietnam: The commerce ministry has terminated an anti-dumping investigation into import of solar cells from China, Thailand and Vietnam following a request from the Indian Solar Manufacturers Association (ISMA). *[Business Standard]*

Nine special vostro accounts opened for trade in rupee after RBI approval: The move to open the special vostro account clears the deck for settlement of payments in rupee for trade between India and Russia. *[The Hindu]*

India's export to UAE rises 17.6 pc to USD 18 bn in Apr-Oct this fiscal: India's exports to the UAE, with which a free trade agreement was implemented on May 1, rose by 17.6 per cent to about USD 18 billion during April-October this fiscal, according to the commerce ministry's data. *[Financial Express]*

Rupee-denominated exports may touch USD 8-10 billion soon - FIEO DG: Rupee-denominated exports may soon touch USD 8-10 billion on the back of strong demand for Indian goods from Russia and the completion of groundwork by both governments to create a new regime in international trade. *[Financial Express]*

FTA talks with EU to focus on goods and investments: India and the European Union are likely to discuss issues related to investment and trade in goods during the third round of free trade agreement (FTA) talks, which will begin in Delhi on November 28. *[The Economic Times]*



Corporate Governance

Anil Agarwal-led Vedanta looks to sell Electrosteel and exit steel business: Four years after scooping up Electrosteel Steels Limited to make a big splash in the steel industry, Anil Agarwal-led Vedanta Group has decided to sell business to focus on its core mining and industrial businesses. *[The Economic Times]*

LTI-Mindtree merger receives NCLT approval: Larsen & Toubro Infotech (LTI) and Mindtree said that they have got clearances to operate as a single company from November 14, marking the closure of an over six-month merger process that is creating India's fifth largest software company. *[The Economic Times]*

Adani's open offer to acquire 26% more in NDTV gets Sebi approval: The Securities and Exchange Board of India has approved the Adani Group's proposal to make an open offer to acquire an additional 26% stake in New Delhi Television from the media company's public shareholders. *[The Economic Times]*

Tata Sons kicks off process to bring all airlines under Air India wings: Tata Sons has initiated consolidation of its airline entities Vistara, AirAsia India and Air India Express under Air India. *[The Economic Times]*

Sembcorp acquires 100% stake in GIP-backed Vector Green for Rs 2,780 cr: Singapore-listed utility company Sembcorp Industries on Sunday said it will acquire clean energy platform Vector Green Energy for Rs 2,780 crore to expand its renewable energy footprint in India to 3 gigawatts (Gw). *[Business Standard]*

Voltas Ltd enters technology license agreement with Denmark's Vestfrost Solution: Tata-owned appliance manufacturer Voltas Ltd has entered into a technology license agreement with Denmark's Vestfrost Solutions to develop, manufacture, sell and service medical refrigeration and vaccine storage equipment in India. *[The Economic Times]*



MSMEs and Start-ups

16-18% MSME credit growth likely this fiscal and next vis-a-vis 10-12% growth in corporate credit - Crisil: Bank credit to MSMEs is expected to grow at a “reasonable clip” of 16-18 per cent during the current fiscal and FY24 given the MSMEs’ role in Atmanirbhar Bharat initiative and the flow-through impact of schemes such as the Productivity Linked Incentive (PLI) scheme should sustain credit demand. *[Financial Express]*

MSMEs' revenues to touch pre-COVID levels: The overall MSME sector is expected to bounce back to 1.27 times of the pre-Covid level in terms of revenue this fiscal. *[The Economic Times]*

Sustainability - Indian SMEs lead key Asian markets in according high priority to ESG measures in business: According to a survey of more than 800 SMEs across key Asian markets viz., Singapore, Hong Kong, India, Indonesia, and Mainland China, more than nine in 10 SMEs in India rated environmental, social and governance (ESG) measures as high priority for their business. *[Financial Express]*



Employment and Industrial Relations

Finance ministry likely to give additional Rs 25,000 crore for MGNREGS: The finance ministry is likely to accept the rural development ministry's demand for an additional Rs 25,000 crore for the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for the current fiscal year (FY23). *[Business Standard]*

Hiring activity in India's IT & BPM sector down 41% in September, shows Ciel HR survey: The study titled 'Latest Employment Trends in IT & BPM Sector' shows that in Top 50 IT & BPM companies, hiring in September has declined by 41% and for senior management roles it has dropped by 61%. *[The Economic Times]*

India's gaming industry to add 1 lakh new jobs by FY23-end - TeamLease Digital: The gaming industry in India is slated to grow 20-30% and will likely add 1 lakh direct and indirect new jobs by the time FY23 draws to a close, according to a new report by staffing firm, TeamLease Digital. *[Mint]*



Industrial Finance

State Bank of India sees 14%-15% corporate credit growth in FY23: Demand for corporate loans is being driven by improved capacity utilisation, higher working capital and to a small extent, by a shift in demand from bond markets to bank loans, SBI Managing Director Swaminathan Janakiraman said. *[Business Standard]*

Crisil sees bank credit to grow at 15 pc this and next fiscals: Riding on a broad-based economic recovery and stronger, cleaner balance sheets, lenders are expected to see their credit growing at 15 per cent this fiscal and the next. *[The Economic Times]*

Govt asks state-owned firms to consider insolvency court to shut loss-making units: India has asked state-owned firms to consider moving the country's insolvency court to shut loss-making units, hoping for speedier resolutions as the government looks to slim down its public sector holdings. *[The Economic Times]*

Keep eye on macroeconomic scene - RBI to banks amid deposit growth concern: According to the latest RBI data, bank credit has grown 17.9 per cent year-on-year (YoY), a 10-year high, for the fortnight ended October 21. *[Business Standard]*

Centre plans to double loan amount for street vendors: Under the PM-SVANidhi, a special micro credit facility introduced for street vendors in July 2020 amid the first lockdown after the Covid-19 outbreak, loans are offered in three tranches - ₹10,000, ₹20,000 and ₹50,000. *[The Economic Times]*



Technology and Innovation

Preparations underway for Vikram S's launch - ISRO Chairman S Somanath: Preparations are underway for the upcoming launch of Vikram S, India's first privately made rocket, on Friday, at Sriharikota's Satish Dhawan Space Centre by India's first space startup, Skyroot, said S Somanath, Chairman, Indian Space Research Organisation (ISRO). *[The Economics Times]*

Industry agrees to type-C chargers for smartphones, tablets & laptops: Mobile device makers and associations representing technology companies in India have agreed to adopt USB Type-C as the standard charging port for electronic products, including smartphones, tablets and laptops, government officials said on Wednesday. *[The Economics Times]*

Over 400 cooperatives registered on GeM portal in last 3 months - Govt: On June 1, the Union Cabinet had given its approval for expanding the mandate of GeM to allow procurement by cooperatives as buyers on GeM. But it was on August 9, the cooperatives were formally onboarded the portal. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

PM Narendra Modi launches infra projects worth Rs 15,233 cr in Andhra Pradesh: It is the deepest gas discovery project with a production potential of about three million metric standard cubic metres per day (MMSCMD). *[The Economic Times]*

Telangana to develop dedicated industrial park for Taiwanese companies: The Telangana government has enacted the "Telangana State Industrial Project Approval and Self-Certification System (TS-iPASS) Act, 2014" for speedy processing of applications for issue of various clearances required for setting up of industries at a single point based on the self-certificate provided by the entrepreneur. *[Business Standard]*

Nitin Gadkari lays foundation stone for highway projects in West Bengal: Union Minister of Road Transport and Highways on 17 November laid the foundation stone of three national highway projects worth ₹1,206 crore in Siliguri area of north Bengal. *[Mint]*

RIL awarded project to make India's first multimodal logistics park: Reliance Industries Ltd (RIL) has been awarded the project to build India's first multimodal logistics park (MMLP) in Chennai, Tamil Nadu. *[Business Standard]*

Indian warehousing needs \$3.8 bn to meet 223 mn sq ft demand in next 3 yrs: India needs to create adequate supply in order to meet an absorption of approx 223 million sq ft of Grade-A warehousing demand over the next three years, according to a Credai-Anarock report. *[Business Standard]*

Investment in logistics and industrial market in 2022 expected to surpass last year's numbers: India's logistics and industrial market continues to attract global funds and investments in the sector in 2022 are expected to surpass last year's investments, according to a Cushman and Wakefield report. *[The Economic Times]*



Sustainable Industrialisation

Cummins Inc and Tata Motors collaborate to offer solutions in hydrogen-powered commercial vehicle space: Under the pact, the two partners will collaborate on the design and development of low and zero-emission propulsion technology solutions for commercial vehicles in India. *[The Economic Times]*

Green energy open access portal launched, consumers with 100Kw sanctioned load to get renewables supply: Under the new system, any consumer with a sanctioned load of 100 kW or more "can get renewable energy through open access portal from any renewable energy generating plant set up by himself or by any developer. *[The Economic Times]*

India has the potential to become a world leader in production of electric vehicles - Berkeley Research: India has the potential to become the world leader in electric vehicles production, a research by Berkeley National Laboratory and UCLA said, underlining that making the transition from diesel-fuelled trucks to electric-charged will enable the country to meet the goal of net zero greenhouse gas emissions by 2070. *[The Economic Times]*

India Inc rises to take on green challenge: Even as the Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC – COP27) is underway in Egypt, India is well committed to embrace sustainability across industries, with a number of targets to making environmental sustainability and net-zero emissions achievable. *[Financial Express]*



Sectoral News

Auto component suppliers to log an 8-10 pc growth in revenue this fiscal - ICRA: Auto component suppliers are expected to log an 8-10 per cent growth in revenue this fiscal driven by healthy domestic original equipment manufacturers (OEMs) and pent-up demand from the aftermarket even as headwinds persist on the exports front, credit ratings agency ICRA said in a report. *[The Economic Times]*

Small tea farmers have biggest role to shape tea sector - Piyush Goyal: The tea sector had played a pivotal role in employment generation in the country. Not just the growers, producers and exporters, but also various startups and business models have emerged solely based on tea," Goyal said. *[Mint]*

C-DOT emerges as govt's biggest bet for India's ongoing 5G rollout: After decades of relative obscurity as an autonomous body of the Department of Telecommunications, the Centre for Development of Telematics (C-DOT) has emerged as the government's biggest bet for India's ongoing 5G rollout. *[Business Standard]*

India bucks global trend with robust copper demand this year: Unlike global economy, Indian is regaining pace of its economic growth post COVID slowdown. With its growing economy, rising income and boosted consumption, India will become one of the fastest growing copper markets in the world in 2022. *[Mint]*

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

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