

Industry Matters

Weekly Updates

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Economy, Industry and Policy

Remarkably resilient - World Bank ups FY23 India growth forecast to 6.9%: The World Bank on Tuesday raised its gross domestic product (GDP) growth forecast for India for the current financial year (FY23) to 6.9 per cent from 6.5 per cent because of the economy's relative resilience to external headwinds and the 'strong outturn' in the September quarter. *[Business Standard]*

India 'uniquely positioned' to help world bring on track for SDGs - UN official: India is "uniquely positioned" with its G20 presidency to help the world bring on track to achieve the Sustainable Development Goals (SDGs) as adopted by the United Nations for 2030. *[The Economic Times]*

Manufacturing PMI rises to 55.7 in Nov as factory activity hits 3-mth high: India's Purchasing Managers' Index (PMI) for manufacturing rose slightly to 55.7 in November from 55.3 in October to post a three month high amid an increase in new orders and production, and a slowdown in inflation. The headline figure is above its long-run average of 53.7. *[Business Standard]*

India's services PMI expands in November, input costs see 'marked' increase: The seasonally adjusted S&P Global India Services PMI Business Activity Index rose to 56.4 in November from 55.1 in October, as the new orders placed with service providers in India rose for the sixteenth straight month. *[The Economic Times]*

GST collection up 11% more than Rs 1.45 trn in Nov, gains from imports: Goods and services tax (GST) collection came down in November to Rs 1.45 trillion as against Rs 1.52 trillion in October, but remains more than the Rs 1.4-trillion mark for the ninth straight month, the official data released on Wednesday showed. *[Business Standard]*

Weak global demand affecting India's merchandise exports and imports, says RBI Governor Das: The external sector has been affected by strong global headwinds. Slowing global demand is weighing on our merchandise exports. The growth of merchandise imports is also decelerating. *[The Economic Times]*

Govt proposes issuance of one licence for all insurance businesses: The finance ministry has proposed a host of amendments to the insurance laws — from granting insurers a composite licence to allowing them to sell different financial products, and increasing the retirement age of the chairman and whole-time members of the Insurance Regulatory and Development Authority of India (Irdai). *[Business Standard]*

Govt working to extend Rs 3,500-crore PLI benefits to BIS-compliant toys: With many toy components not being manufactured in India, such as certain electronic parts and fabric used in soft toys, the government may incentivise toys made with imported parts. *[The Economic Times]*

DoT proposes to drop Bharatnet infra from its asset monetisation plan: The Department of Telecommunications (DoT) has proposed not to monetise rural broadband network infrastructure built under Bharatnet project and plans to replace it with alternate assets to achieve its target fixed under the National Monetisation Pipeline (NMP), sources said. *[Business Standard]*



Foreign Investment

Govt reforms resulted in increased FDI inflow in country: In a reply to a parliament question, the minister said that FDI inflows in India stood at USD 45.15 billion in 2014-15. "They have continuously increased since. India registered its highest ever annual FDI inflow of USD 84.84 billion in the financial year 2021-22." *[Mint]*

Infosys sets up center in Sweden: The new center represents another step to strengthening the strategic presence in Gothenburg, a major city on the west coast of Sweden and an emerging automotive, digital tech and green innovation hub in Europe, the company said in a statement. *[The Economic Times]*

Swiss investment firm to buy majority stake in Suresure Energy for \$400 million: Swiss investment firm Partners Group has agreed to acquire a majority stake in Gurgaon-headquartered renewable energy company Suresure Energy for \$400 million (about ₹3,290 crore). *[The Economic Times]*



Trade Policy and Competitiveness

India, Belarus to explore trade settlement in Indian rupees: India will explore with Belarus, a close ally of Russia, the option of replicating the deal it has struck with Moscow for settling international trade in rupees. *[The Economic Times]*

India's April-November finished steel exports plunge 55% y/y - data: Finished steel exports slumped 55% to 4.3 million tonnes during April to November period due to a slowdown in global demand and the decision by India to impose an export tax on some steel products. *[The Economic Times]*

Govt includes steel, pharma, chemicals in RoDTEP scheme as exports falter: Amid faltering exports, the department of commerce on Wednesday expanded the scope of the export boosting scheme, Remission of Duties and Taxes on Exported Products (RoDTEP), to include iron & steel, chemicals and pharmaceuticals. *[Business Standard]*

Port cargo traffic growth in November slows to 3% amid trade slowdown: State-owned ports handled 1.9 million tonnes (mt) of cargo in November, or just about 3 per cent more than last year, as international trade volatility and freight costs continued to dampen traffic at these ports, Indian Ports' Association (IPA) data showed. *[Business Standard]*

Indian Banks' Association, FIEO to organise sensitisation programmes on promoting rupee trade: Indian Banks' Association and apex exporters body FIEO will organise sensitisation programmes in different parts of the country to educate stakeholders on modalities of rupee trade. *[The Economic Times]*

Govt working on ways to contain surge in imports of non-essential goods: The commerce ministry has identified those products and have sent communications to the line ministries to work on remedial measures for cutting down those imports. *[Financial Express]*

Indian trade body seeks duty-free imports of cotton: Cotton imports into India, the world's biggest producer of the fibre, attract 11% duty, which makes the imports financially unviable, the Cotton Association of India (CAI) said in a letter to Textile Minister Piyush Goyal. *[Mint]*

After toys, govt looks to curb China electric fan, smart meter imports: The commerce and industry ministry will soon issue quality control orders (QCOs) to check imports of electric fans and smart meters-- especially from China-- after successfully reining in toy imports through stringent quality checks. *[Business Standard]*

UAE emerges second biggest tea importer from India after CIS bloc: CIS countries imported 38.06 million kilograms during that period in 2022, up from 33.34 million kilograms in the corresponding period of 2021. *[The Economic Times]*

India's forex reserves up at \$561.2 billion as on December 2, RBI Governor Shaktikanta Das says: India's foreign exchange reserves jumped to \$561.2 billion as on December 2. Reserve Bank of India Governor Shaktikanta Das said today. "The size of our forex reserves is comfortable and has increased", Das said while announcing the monetary policy decisions. *[The Economic Times]*

India may export handsets worth \$9 billion in FY23: India is likely to export mobile phones worth about \$9 billion in FY23, up from \$5.8 billion in the year before, as manufacturers step up production and outward shipments. *[The Economic Times]*



Corporate Governance

Reliance gears up for fight against D-Mart and hypermarkets as its looks to close Metro deal this month: Reliance Industry's mega acquisition of German retailer METRO AG's Cash & Carry business in India, which is likely to be finalised in time for the group's late founder Dhirubhai Ambani's birthday later this month. *[The Economic Times]*

Considering PAN for single window clearance - Piyush Goyal: The government is considering to allow businesses to use Permanent Account Number (PAN) as a unique identifier to enter into the national single window system (NSWS) for various clearances and approvals of central and state departments. *[The Economic Times]*

Jindal Steel and Power acquires Monnet Power through bankruptcy court: Jindal Steel & Power Limited (JSPL) on Thursday said that it has acquired Monnet Power through the bankruptcy court with a winning bid of Rs 410 crore. *[The Economic Times]*

Hindustan Unilever to acquire stake in Oziva and Wellbeing Nutrition: Hindustan Unilever (HUL) said it is investing in Zywie Ventures which sells plant-based supplement brand Oziva and Nutritionalab which owns nutritional products under Wellbeing to enter the health and wellness market worth Rs 30,000 crore. *[The Economic Times]*

HealthKart raises \$135 million in funding from Temasek, A91 Partners: Nutrition products firm HealthKart has raised \$135 million in a funding round led by Singaporean investor Temasek, with participation from homegrown venture capital firms A91 Partners and Kae Capital. *[Business Standard]*

Adani group becomes single-largest shareholder in NDTV with 37.4% stake: The 13-day open offer for an additional 26 per cent stake in New Delhi Television (NDTV) by the Adani group closed on Monday, with investors tendering 5.32 million shares or a third of the open offer size of 16.7 million shares, according to BSE data. *[Business Standard]*



MSMEs and Start-ups

Govt taking steps to make Indian MSMEs stronger, globally competitive: Micro, small and medium enterprises are among the most important pillars of India's economy and the government is working to make the sector stronger and more developed, Minister of State for MSME Bhanu Pratap Singh Verma said on Monday. *[The Economic Times]*

Flipkart, Walmart ink MoU with NSIC to speed up capacity creation for MSMEs: Homegrown e-commerce brand Flipkart and its parent, US retailer Walmart, have announced the signing of a Memorandum of Understanding (MoU) with the National Small Industries Corporation (NSIC) to jointly accelerate capacity building for micro, small and medium enterprises (MSMEs) across India. *[Business Standard]*

Startup funding dips by 35% to \$24.7 bn in 2022 YTD - Tracxn: Funding in Indian start-ups dropped 35% to \$24.7 billion in 2022 YTD from \$37.2 billion in the same period last year, primarily brought about by a significant decline in late-stage funding. *[Business Standard]*

Govt recognises 84,102 entities as startups as on Nov 30 - MoS Commerce: These startups are eligible for availing host of incentives, including income tax benefits under the Startup India scheme, launched in January 2016. *[Business Standard]*

Govt mulls exempting early stage startups from data protection bill provisions: The exemption may be for a limited period to assist startups in developing their business models and to ensure that innovation is not stifled due to compliance burden. *[The New Indian Express]*

Abu Dhabi invites Indian start-ups to establish hubs to diversify business activity: Abu Dhabi is seeking investments from India and has invited Indian start-ups to establish hubs in the capital city of UAE in order to diversify its business activity beyond hydrocarbons. *[The Economic Times]*



Employment and Industrial Relations

Rural India adds 4.3 million jobs in November - CMIE: Rural India witnessed the addition of 4.3 million jobs in November resulting in an increase in the employment rate from 37% in October to 37.5% while urban India witnessed a marginal increase from 34.2% to 34.4%. *[The Economic Times]*

India's hiring activity back to pre-festive levels, grows 27 per cent in November: India's job market rebounded to the pre-festive levels in November registering a growth of 27 per cent month-on-month, said the Naukri JobSpeak index. The annual growth rate stood at 43 per cent. This can be attributed to the post-festive recovery. *[The Economic Times]*

Ahead of budget, economists demand increase in social security pension and maternity benefits: This is a follow-up to our letters of 20 December 2017 and 21 December 2018 (addressed to your predecessor, Shri Arun Jaitley), where we tried to flag two priorities for the next Union Budget: an increase in social security pensions, and adequate provision for maternity benefits. *[The Economic Times]*

Gig workforce to add 9-11 million jobs by 2025 in India: The gig economy has been one of the most pivotal economic shifts in a long time and people are choosing gig jobs because it works with their lifestyle, they can choose when and how much they work, or it allows them to earn money between jobs. *[Business Standard]*

MGNREGA works of 25 states on Centre's radar: Works undertaken in 341 blocks across 25 states under the Mahatma Gandhi National Rural Employment Guarantee Act have come under the Centre's scanner. *[The Economic Times]*



Industrial Finance

Govt allows ESIC to invest up to 15% surplus funds in equity through ETFs: ESIC has a surplus of nearly Rs 65,000 crore which increases by over Rs 8000-9000 crore every year and could be higher than this in coming years as ESIC plans to substantially expand coverage by bringing even the gig workers in its fold. *[The Economic Times]*

The ScaleUp Summit 2022 opens door of opportunities for small businesses: The summit focuses on emerging opportunities in the MSME sector, finance and technological challenges facing MSMEs, conducive policies, democratising commerce with ONDC and digital transformation of MSMEs. *[Financial Express]*

Shriram Finance becomes India's largest NBFC post merger with 2 group entities: Shriram Finance Limited (Shriram Finance) has been established as the largest retail NBFC in India by the merger of Shriram Transport Finance Company, the largest financier of commercial vehicles, and Shriram City Union Finance, the largest financier of two-wheelers and a pioneer in financing to micro, small, and medium enterprises (MSME). *[Mint]*



Technology and Innovation

India records over 23 billion digital payments worth Rs 38.3 lakh crore in Q3: India logged 23.06 billion digital transactions worth Rs 38.3 lakh crore in the third quarter of FY23, stated a report on Monday. These digital transactions include payment done by Unified Payments Interface (UPI), debit and credit cards, prepaid payment instruments like mobile wallets, and prepaid cards. *[The Economic Times]*

Hyderabad gets India's first real-time Gold ATM: Unlike usual ATMs that dispense money, the Goldsikka ATM dispenses Gold coins. In what is India's first gold ATM, people can insert their debit or credit cards into the Goldsikka and buy gold coins. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

Amara Raja to invest Rs 9,500 crore in Telangana battery-making unit: Amara Raja Batteries, a leading industrial and automotive battery making company, signed a memorandum of understanding (MoU) with the government of Telangana on Friday, to set up state-of-the-art research and manufacturing facilities for lithium-ion battery-making in the state's Mahbubnagar district. *[Business Standard]*

SRAM & MRAM to invest Rs 2 lakh crore in Odisha, set up semiconductor unit: United Kingdom-based SRAM & MRAM Group vice-chairman Gurujee Kumaran Swami on Saturday announced that the group will invest Rs 2 lakh crore in Odisha to set up semiconductor unit in the state. *[The Economic Times]*

Adani's \$900 million Indian port build restarts as villagers end protest: The port has strategic importance for both India and Adani's owner Gautam Adani, an ally of Prime Minister Narendra Modi, as on completion it will be the country's first container transshipment hub, rivalling Dubai, Singapore and Sri Lanka. *[The Economic Times]*

Yogi govt eyes investment worth RS 7.3L cr in next 5 years: In an attempt to take the valuation of the state's economy to \$1 trillion, the Uttar Pradesh government aims to attract investments worth Rs 7.3 lakh crore in the real estate sector in the next five years. *[The Economic Times]*

Construction of 4,766 kms of national highways completed till Nov; target for FY23 is 12,200 kms: The Ministry of Road Transport and Highways (MoRTH) has set a target of constructing 12,200 kilometres of national highways during 2022-23, against which 4,766 kilometres have been constructed till November, 2022, Parliament was informed on Thursday. *[The Economic Times]*



Sustainable Industrialisation

Global renewables capacity set to double over next five years - IEA: Global renewable power capacity is set to double over the next five years, driven by energy security concerns in the wake of Russia's invasion of Ukraine, the International Energy Agency (IEA) said on Tuesday. *[The Economic Times]*

India achieves 166GW of renewable energy capacity till October: India has achieved 165.94GW of renewable energy capacity till October as against the target of 175GW by 2022, Parliament was informed on Thursday. *[The Economic Times]*

Rs 2.44-trn plan for 500-Gw renewable energy transmission launched: The plan — which entails connecting mega solar parks and wind power zones with the national grid — will see an investment of Rs 2.44 trillion in transmission projects. *[Business Standard]*

Airbus looking at India, Australia, Latin America for green hydrogen supplies: European aerospace major Airbus is looking to source green hydrogen from markets like India, Australia and Latin America as part of its decarbonisation efforts. *[The Economic Times]*

Jindal Stainless partners with ReNew Power to setup 300 MW renewable energy project: Stainless-steel manufacturer, Jindal Stainless today signed a contract with ReNew Power, to develop a utility-scale captive renewable energy project for the supply of power to its facility in Jajpur, Odisha. *[The Economic Times]*

India unveils \$30 billion plan to upgrade grid for clean power: India unveiled a Rs 2.44 lakh crore (\$29.6 billion) plan to build transmission lines to connect renewable generation, as it aims to nearly triple its clean-power capacity by 2030. *[The Economic Times]*

Adani Green commissions 450 MW wind-solar hybrid power plant in Rajasthan: Adani Green Energy Ltd (AGEL), the renewables arm of the Adani Group, has commissioned its third wind-solar hybrid power plant at Jaisalmer in Rajasthan. *[The Economic Times]*



Sectoral News

India's electricity consumption grows 14 per cent to 112.81 billion units in November: India's power consumption logged a double-digit growth of 13.6 per cent to 112.81 billion units in November 2022 compared to the year-ago period, according to government data. The robust growth of power consumption in the month mainly indicates an increase in economic activities as generally, it remains subdued in November. *[The New Indian Express]*

Amazon sees 'huge opportunity' for India grocery service - Executive: Amazon competes with Walmart-owned Flipkart, Reliance's JioMart and the Tata group for a share in India's grocery and food market, which analysts expected to be worth \$790 billion by 2024 from \$603 billion in 2019. "The opportunity is huge. *[Business Standard]*

Petrol, diesel sales see double-digit growth in November as demand rises: Petrol and diesel sales in India saw a double-digit year-on-year growth in November as increased demand from the agriculture sector helped build on the momentum generated by the festive season, preliminary industry data showed on Thursday. *[Business Standard]*

India's coal production rises 17 pc in Apr-Nov period: The country's coal production increased 17 per cent to 524.20 million tonnes in the April-November period of the ongoing fiscal. India's coal output was at 447.54 million tonnes in the year-ago period. *[The Economic Times]*

Indian advertising industry's revenue growth to accelerate to 16.8 pc in 2023: The advertising industry in the country, which has a relatively stronger economic outlook as compared to the world markets, will grow 15.8 per cent to USD 14.9 billion in 2022. *[The Economic Times]*

India's thermal power generation rises by 16% at 87,687 MU in November: India's thermal power generation registered a growth of 16.28 per cent at 87,687 MU (million units) in November this year as compared to 75,412 MU generated in the corresponding month of previous fiscal. *[Business Standard]*

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