

# Industry Matters

Weekly Updates

December 23, 2022



## Economy, Industry and Policy

**Manufacturing gains momentum as Make in India shifts into overdrive:** India's manufacturing prowess is gradually gaining prominence in the aftermath of the Covid pandemic as global companies expand their supply chains to reduce dependence on China and other low-cost Asian manufacturing hubs. *[The Economic Times]*

**Global growth set to lose momentum due to tightening financial conditions - RBI Bulletin:** The Reserve Bank of India's (RBI) bulletin on Tuesday stated that global growth is set to lose momentum due to the tightening of financial conditions caused by monetary policy actions. *[The Economic Times]*

**Note in circulation rise 8 pc annually to Rs 32 lakh crore - FM:** Finance Minister Nirmala Sitharaman on Monday said note in circulation (NiC) has witnessed an annual growth of 7.98 per cent to Rs 31.92 lakh crore as of December 2, 2022. *[The Economic Times]*

**Govt plans to auction six mineral blocks in Odisha, Rajasthan in January:** The government plans to put on sale next month six mineral blocks in the states of Odisha and Rajasthan. *[The New Indian Express]*

**Attract global supply chains, expand PLI scheme to spur manufacturing - Ficci Prez:** India needs to attract global supply chains, expand the scope of production-linked incentives, extend lower corporate tax rate of 15% for five years, and continue improving ease of doing business to spur manufacturing. *[The Economic Times]*

**PLI scheme to deliver modest capex push across sectors - Credit Suisse study:** The study points out the annual incremental increase in capex by PLI players in speciality steel will be the highest, at 17 per cent, followed by textiles (14 per cent), auto (10 per cent), pharma (4 per cent). *[Business Standard]*

**BSNL waiting for NLMC to prepare land asset monetisation strategy:** Government-owned Bharat Sanchar Nigam Limited (BSNL) is waiting for the National Land Monetization Corporation (NLMC), to prepare a strategy for the sale of the large portfolio of land and properties that it owns across the country, and which have been earmarked for auction. *[Business Standard]*

**Government clears Rs 357 crore sop for Foxconn India unit under PLI scheme:** The government has cleared incentives worth Rs 357.17 crore for a Foxconn unit, which will become the first global company to receive sops under India's ambitious production-linked incentive (PLI) scheme for mobile manufacturing. *[The Economic Times]*

**Indian govt raises over Rs 4 trillion via disinvestment since 2014:** The government has raised over Rs 4.04 lakh crore through disinvestment and strategic sale of public sector enterprises since the Modi government came into power in 2014, the Finance Ministry said on Tuesday. *[Business Standard]*

**58% Indians cut 'Make in China' purchases across products in 2022:** About 58 per cent of Indians have reduced their 'Make in China' purchases due to the current geo-political situation while 26 per cent said they found Indian alternatives to be better in price and quality when it comes to fashion, apparel, vehicle accessories and gadgets categories, a new survey has shown. *[Business Standard]*



## Foreign Investment

**Govt says 3,291 foreign companies active in India till September 2022:** As many as 3,291 foreign companies were active out of the 5,068 overseas companies that had registered their place of business in India till September this year, according to the government. *[The New Indian Express]*

**Tata Communications to acquire US-based Switch Enterprises for Rs 485.3 crore:** Tata Communications announced on Thursday that it has entered into a definitive agreement through its wholly-owned international subsidiary Tata Communications (Netherlands) B. V to acquire New York-based video production and transmission services provider, The Switch Enterprises LLC. With this acquisition, Tata Communications will gain a strong foothold into the US media and entertainment market. *[Business Today]*

**FPIs, foreign VCs pin hopes on tax residency proof to avoid hit:** Many Foreign portfolio investors (FPIs), offshore venture capital funds and corporates from Mauritius, Singapore and The Netherlands are likely to be on firmer ground to avoid capital gains tax on earlier investments in Indian stocks as long as they have tax residency certificates (TRC) from these jurisdictions. *[The Economic Times]*

**Ericsson ramps up 5G equipment production:** Swedish telecom gear maker Ericsson announced that it is ramping up its production capacity and operations with its partner Jabil in Pune to meet the needs of 5G network deployments in India. The company said the high-technology production ramp-up will expand operations and will also generate employment for nearly 2,000 people in the country. *[The New Indian Express]*

**Vivo readying design in India strategy to support local market and export ambitions:** Vivo is ramping up its "design in India" efforts as part of its India strategy to focus more on software and camera engineering along with handset design to better serve the local market and to support its export ambitions. *[The Economic Times]*



## Trade Policy and Competitiveness

**Banks looking at possibility of rupee trade with Bangladesh, African nations:** India imported goods worth USD 3,520.83 million from Egypt, of USD 1,004.24 million from Algeria and USD 2,725.08 million from Angola in the last financial year. As far as Bangladesh is concerned, the import in the last year from the neighbouring country stood at USD 1,977.93 million, according to the data provided by the commerce ministry. *[The Economic Times]*

**India has signed 13 FTAs, six preferential pacts so far, says minister:** India has signed 13 free trade agreements (FTAs) and six preferential pacts so far with its trading partners for ensuring greater market access for domestic goods and promoting exports, Union minister Anupriya Patel said on Wednesday. The country has recently signed three such agreements with Mauritius, the UAE and Australia. *[The Economic Times]*

**Software exports from Technopark grow 15% to touch Rs 9,775 crore:** IT exports from the Technopark campus in Thiruvananthapuram grew 15 per cent to touch Rs 9,775 crore for fiscal 2021-22 fiscal, according to the figures released on Wednesday. During the fiscal 2020-21, the total exports stood at Rs 8,501 crore. *[The Economic Times]*

**Maruti Suzuki signs 5-year pact with Kamarajar port for PV exports:** Under the agreement starting December 2022, Kamarajar Port will be used for exports to Africa, Middle East, Latin America, ASEAN, Oceania and SAARC regions by the company, Maruti Suzuki India Ltd (MSIL) said in a statement. *[The Economic Times]*

**Working on more than 200 quality control orders - DPIIT Secretary:** The commerce and industry ministry is working on bringing quality control orders (QCOs) for about 200 products, a top government official said on Wednesday. *[The Economic Times]*

**India's export destinations: Netherlands and Brazil leapfrog ahead:** Citing commerce department data, the report highlights that the Netherlands is now India's third-largest export destination. Brazil, India's 20th biggest export destination between April and October 2021, is currently in the eighth position. US & UAE remain on top. *[The Economic Times]*

**Arvind Panagariya cautions against cutting trade ties with China:** Amid demands for snapping trade ties with China for its transgressions on the border, former NITI Aayog Vice-Chairman Arvind Panagariya has opined that cutting trade ties with Beijing at this juncture would amount to sacrificing India's potential economic growth. *[The Hindu]*

**India imposes anti-dumping duty on stainless steel tube imports from China:** India has imposed an anti-dumping duty on stainless steel seamless tubes and pipe imports from China for five years to remove "injury" to the domestic industry. *[The Economic Times]*

**Defence, aerospace exports treble to Rs 12,815 cr in 5 years - Govt:** Painting a mixed picture of defence exports and imports, the defence ministry told Parliament on Monday that foreign procurement in defence has risen to Rs 50,061 crore in 2021-22 from Rs 37,030 crore in 2017-18. *[Business Standard]*

**IT companies at STPI, SEZs export software worth Rs 11.59 lakh crore in 2021-22:** IT units registered with state-run Software Technology Parks of India (STPI) and Special Economic Zones have exported software worth Rs 11.59 lakh crore in 2021-22, Parliament was informed on Friday. *[The Economic Times]*

**Apparel exports arrest fall, rise by 11.7% in November - AEPC Chairman:** Apparel Export Promotion Council (AEPC) Chairman Naren Goenka said that exports of ready-made garments (RMG) from India witnessed a rough patch in the past few months since most of the traditional markets such as the UK, the EU and the US have been witnessing recession and global headwinds. *[The Economic Times]*



## Corporate Governance

**Edelweiss Alternatives to acquire L&T IDPL for Rs 6000 crore:** Edelweiss Alternatives' Infrastructure Yield Plus Strategy, has signed definitive agreements with Larsen & Toubro Limited (L&T) and Canada Pension Plan Investment Board (CPP Investments) to acquire 100% equity stake in L&T Infrastructure Development Projects Limited (L&T IDPL) for Rs 6,000 crore. *[The Economic Times]*

**Reliance Retail arm takes on Tatas, ITC - Launches FMCG brand 'Independence':** Reliance Consumer Products — the fast-moving consumer goods (FMCG) arm and a fully owned subsidiary of Reliance Retail Ventures (RRVL) — launched its consumer packaged goods brand, Independence, in Gujarat, the company said in a release on Thursday. *[Business Standard]*

**Reliance Retail to acquire Metro Cash & Carry India for Rs 2,850 crore:** Reliance Retail has signed an agreement to acquire 100 per cent stake in METRO Cash & Carry India for a total consideration of Rs 2,850 crore, which is subject to closing adjustments. *[Business Standard]*

**Reliance Strategic Business Ventures buys 23.3% stake in Exyn Tech for \$25 mn:** This deal is expected to have synergies with Reliance's investments and strategic initiatives in drone, industrial safety and security, and robotics areas. RIL announced the development in its regulatory filing. *[Mint]*

**Tata Consumer, Hindustan Unilever in talks to buy tea major Girnar:** Top consumer product companies Hindustan Unilever (HUL) and Tata Consumer Products, among others, are believed to be in the race to acquire Girnar Food & Beverages, the Gujarat-based tea major, at a valuation of Rs 1,000-1,500 crore. *[Business Standard]*

**Torrent highest bidder for RCap with Rs 8,640 cr:** Gujarat-based Torrent Group has won the race to acquire the entire assets of debt-laden Reliance Capital (RCap) with the highest bid of ₹8,640 crore. The bidding was reduced to a two-horse race with Hinduja Group being the only other participant in the e-auction process. *[Financial Express]*

**Shyam Metalics enters stainless steel business with Mittal Corp buyout:** Indian metal producer Shyam Metalics seeks to conclude its acquisition of Mittal Corp to strengthen its metal portfolio by entering the stainless steel/ wire rod & bar mill business. *[The Economic Times]*

**NCLT admits VHM Industries for insolvency:** The bankruptcy court has admitted VHM Industries to undergo the corporate insolvency resolution process (CIRP) and appointed Sunil Kumar Agarwal as the interim resolution professional for the Mumbai-based textile manufacturer. *[The Economic Times]*



## MSMEs and Start-ups

**Low demand, rise in raw material prices key problems of MSMEs:** The decline in demand and rise in raw material prices due to high transportation costs are the major problems faced by micro, small and medium enterprises in the last 27 months, according to a survey. *[The Economic Times]*

**58% of govt-recognised start-ups centred in 5 states; Maharashtra tops list:** A total of 84,012 start-ups have been recognised by the government (as on November 30, 2022). However, the latest government data showed that nearly 60% of the total government recognized start-ups are from the states including Maharashtra, Karnataka, Delhi, Gujarat and Uttar Pradesh. *[Business Standard]*

**Google to focus on investing in women-led early-stage startups:** Google will focus on investing in women-led early-stage startups through its Rs 75,000 crore India Digitisation Fund, a senior company official said on Monday. *[The New Indian Express]*

**Over \$55 m has been invested in Indian legal tech start-ups:** The report highlights that while the legal services market in India is a small fraction of the much-evolved US market, India ranks second in the world in terms of the number of start-ups. India has over 650 legal tech start-ups and the US has over 2,500 such start-ups. *[Business Line]*

**GST Council - Unregistered sellers can make intra-state supply of goods via e-commerce from October 2023:** E-commerce sellers supplying goods with a turnover of up to Rs 40 lakh and services with a turnover of up to Rs 20 lakh but unregistered under the Central Goods and Services Tax (CGST) Act will be allowed to make intra-state supply with effect from October 1, 2023, the GST Council noted on Saturday. *[Financial Express]*



## Employment and Industrial Relations

**EPFO adds 1.29 million members in Oct, 30% MoM fall:** The Employees' Provident Fund Organization made 1.29 million net additions in October, a dip of 30.2% as compared to 1.68 million net new subscribers added in September, the labour ministry said on Tuesday. *[Mint]*

**Jobs under Indian Staffing Federation members went up by 6% in July-September quarter:** Buoyed by a rise in demand for workers across sectors on the back of a strong festive season, the number of jobs under the Indian Staffing Federation members went up by 6% in the July-September quarter with addition of 78,000 new jobs compared to the April-June quarter. *[The Economic Times]*

**Ficci releases roadmap to achieve 600 mn jobs, 6x rise in income by 2047:** A roadmap for India to increase its workforce to 600 million and increase its per capita income by six-fold to Rs 10 lakh, by the year 2047, was released by India's century initiative on Friday. *[Business Standard]*

**SaaS major Freshworks lays off 90 employees globally; 60 in India:** Nasdaq-listed Software-as-a-Service (SaaS) major Freshworks has said that it has laid off around 2 per cent or 90 of its total workforce, to fuel business growth. Out of this, around 60 affected employees are from India. *[Business Standard]*



## Industrial Finance

**Loans worth Rs 10.09 lakh cr written off in last 5 fiscals - Nirmala Sitharaman:** Scheduled commercial banks have written off loans amounting to Rs 10,09,511 crore in the last five financial years and the process of recovery of dues from the borrowers continues. *[The Economic Times]*

**Bank credit grows 17.5% in a fortnight; deposits up 10% - RBI data:** Bank credit grew by 17.5 per cent year-on-year (YoY) to Rs 131.06 trillion in the fortnight ended December 2, reflecting the continuation of firm demand for loans in the economy, latest Reserve Bank of India (RBI) data showed. *[Business Standard]*

**NARCL makes offer for Rs 67,000 crore distressed assets:** In a bid to clean up the balance sheets of banks and reduce bad loans, National Asset Reconstruction Company Limited (NARCL) has made a binding offer to acquire over Rs 67,000 crore of distressed assets of 12 entities. *[The New Indian Express]*

**Yes Bank completes bad loan transfer:** In a single-largest non-performing asset (NPA) sale ever in the Indian banking sector, private sector lender Yes Bank has announced the completion of the assignment of its NPAs totalling `48,000 crores of principal outstanding. *[The New Indian Express]*

**Indian banks may set new credit growth record at Rs 19 lakh crore:** Incremental credit growth in FY2023 is expected to remain at an all-time high of Rs.18-19 lakh crore in FY2023, which will be significantly higher than the previous high of Rs. 11.4 lakh crore in FY2019. *[The Economic Times]*

**Microfinance loans grow 11% to Rs 71,916 crore in Q2 FY23:** Microfinance loans in the country grew by nearly 11 per cent to Rs 71,916 crore during the second quarter of the current fiscal, industry data showed. Microfinance loans worth Rs 64,899 crore were disbursed during the same period a year ago. *[Business Standard]*

**Govt to amend insolvency law to reduce time taken for resolution process:** The government is preparing to amend the insolvency law as it looks to reduce the time taken for completion of resolution process of stressed assets and prevent significant erosion of value of the assets. *[Financial Express]*



## Technology and Innovation

**ONDC requires massive efforts before it goes public, says DPIIT secy:** “The Open Network for Digital Commerce, or ONDC, will basically democratise the e-commerce space and this will pave the way for small businesses and retailers to reap its benefit, but it requires huge efforts before it is in a position to get launched publicly. *[Business Standard]*

**Centre working to develop its own GPS:** The Central government is working on a new project called the time dissemination project, which will make us to have our own GPS satellite system in near future, said Rohit Kumar Singh, Secretary of the Department Of Consumer Affairs on Thursday. *[Mint]*

**DoT forms 4 task forces to boost domestic telecom mfg, remove hurdles:** The Department of Telecom (DoT) has formed four task forces to recommend to the government measures that will boost the domestic telecom manufacturing ecosystem and remove the bottlenecks. *[Business Standard]*

**Ecommerce order volumes grow a whopping 37% in 2022:** India’s e-commerce industry recorded a 36.8% year-on-year growth in 2022 although more shoppers returned to the physical stores as Covid-19 fears receded, according to ecommerce enabler Unicommerce. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**Budget may allocate Rs 4,500 crore to promote districts as export hubs for specific products:** The commerce and industry ministry is working on an integrated scheme that combines Districts as Export Hub (DEH) and One District One Product (ODOP), which is likely to be announced in Budget FY24. *[The Economic Times]*

**IIFCL has sanctioned Rs 8,244 crore loans to develop 20 ports, says MD:** State-owned IIFCL has sanctioned Rs 8,244 crore loans to about 20 projects to help add 836 million tonnes per annum (MTPA) of ports capacity, which is one-fourth of India's total cargo volumes. *[Business Standard]*

**Adani group to invest Rs 10,700 crore to expand Lucknow airport:** The Adani group will invest Rs 10,700 crore into Lucknow airport’s expansion so that its annual passenger handling capacity zooms from 4 million passengers per annum (MPPA) to 39 MPPA. *[Business Standard]*

**Gadkari launches 8 National Highway projects worth Rs 1,800 crore in Maharashtra's Nashik:** Union Minister of Road Transport and Highways Nitin Gadkari on Sunday inaugurated and laid the foundation stone of 8 National Highway projects of 226 kms worth Rs 1,800 crore at Igatpuri, Nashik, Maharashtra. *[The Economic Times]*

**JSPL to invest Rs 7,930 crore under PLI scheme for steel - MD Bimlendra Jha:** Jindal Steel and Power Limited (JSPL) will spend Rs 7,930 crore under the PLI scheme for specialty steel to manufacture eight types of high-end alloy in the country. *[Business Standard]*

**364 infrastructure projects show cost overruns of Rs 4.52 lakh cr:** According to the Ministry of Statistics and Programme Implementation, which monitors infrastructure projects of Rs 150 crore and above, out of 1,476 projects, 364 reported cost overruns and as many as 756 projects were delayed. *[The Economic Times]*



## Sustainable Industrialisation

**Renewable energy sector to boom with likely investments of over USD 25 billion in 2023:** With an oil price shock threatening to derail economies globally, the focus has shifted to renewable energy with over USD 25 billion or Rs 2 lakh crore investment planned in India for using sunlight, water and air to produce energy. *[Financial Express]*

**NTPC Group crosses 3GW of operational renewable energy capacity:** State-owned power giant NTPC on Tuesday said that the NTPC Group including joint ventures and arms crossed 3GW of operational renewable energy (RE) capacity. *[Business Standard]*

**India's subsidies for renewable energy, EVs more than doubled in FY 2022:** The study, titled 'Mapping India's Energy Policy 2022 - Tracking Government Support for Energy', found that subsidies for renewable energy rose from Rs 5,774 crore in 2021 to Rs 11,529 crore in 2022, while support for electric vehicles jumped 160 per cent from Rs 906 crore to a record-high of Rs 2,358 crore. *[The Economic Times]*

**HZL to spend over \$1 bn in shift to turn into a green energy user:** The Vedanta group firm Hindustan Zinc (HZL), which is the world's second-largest manufacturer of the metal, is planning to invest over USD 1 billion (around Rs 8,270 crore) to convert its diesel-fired mining vehicles into battery-operated ones and also to fully turn a green energy user. *[Business Standard]*

**Vedanta rolls out electric vehicle policy for all employees:** Vedanta Ltd on Tuesday said it has rolled out an electric vehicle policy for its employees, as part of its commitment towards net-zero carbon. *[The Economic Times]*

**ReNew signs pact with Microsoft India to supply 150 MW green energy:** ReNew has signed a renewable energy agreement of 150 MW with Microsoft India, in one of the largest such deals in the country. *[Business Standard]*



## Sectoral News

**Top industry official offers blueprint for wider adoption of sustainable aviation fuel:** Adoption of Sustainable Aviation Fuel (SAF) can be quickened through government action and the rollout of a global framework allowing carriers to buy the fuel from anywhere in the world, a senior official with the global trade body of world airlines has advocated. *[Business Today]*

**Oil & gas sector contributed ₹3.57-lakh crore to govt exchequer in H1 FY22:** The petroleum sector's contribution to the government's exchequer stood at ₹3.57-lakh crore in H1 FY23, of which the Centre's share was around ₹1.97-lakh crore, while the share of the State governments stood at ₹1.60-lakh crore. *[Business Line]*

**Auto industry looks to sustain growth momentum in 2023:** While the passenger vehicles (PV) segment is set for record sales in 2022 despite the lingering effects of supply chain constraints and semiconductor shortages, the two-wheeler space is yet to see sustained sales buoyancy after having suffered for most of the year. *[The Economic Times]*

**Office leasing to witness 10-15% growth - CRISIL:** Global recessionary fears are not stopping the take up of office spaces in India, as the leasing is expected to grow 10-15% next financial year as well. Also, despite growth momentum tempering, credit profiles of commercial realtors would remain healthy, according to CRISIL. *[Financial Express]*

---

**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



---

**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](#)