

# Industry Matters

Weekly Updates

December 30, 2022



## Economy, Industry and Policy

**India to rise to 3rd spot on the World Economic League Table by 2037 from 5th in 2022 - CEBR:** The Centre for Economics and Business Research (CEBR) on Monday said that India's growth trajectory will see the country rise from fifth place on the World Economic League Table in 2022 to third in the global rankings by 2037. *[The Economic Times]*

**Gross direct tax collections up by 30% at Rs 10.93 trn in current fiscal:** Gross direct tax collections for 2022-23 (up to November 30) are up by 29.66 per cent at Rs 10,93,385 crore, which was over Rs 8,43,301 crore collected during the corresponding period of last year. *[Business Standard]*

**India's total debt increases to Rs 147 lakh crore in Q2:** The government's total debt increased to Rs 147.19 lakh crore at the end of September from Rs 145.72 lakh crore at the end of June this fiscal year, stated a report by finance ministry. *[The Economic Times]*

**PLI scheme for textiles attracts Rs 1,536 cr in investments - Govt:** The Rs 10,683-crore production-linked incentive scheme for India's textiles sector attracted investments of Rs 1,536 crore as approval letters were issued to 56 applicants who met the eligibility criteria. *[The Economic Times]*

**Rs 10,000-12,000 crore PLI sops soon for hi-tech IT, mobile components:** The Ministry of Electronics and IT (MeitY) is working on an incentive scheme, with a likely financial outlay of around Rs 10,000 crore to Rs 12,000 crore, to promote domestic manufacturing of high-end components that could go into products such as smartphones, servers and personal computers. *[The Economic Times]*

**Proposed investments under PLI scheme in automobile sector overshoot target estimate:** The Production-Linked Incentive scheme for automobile and auto components has managed to attract a proposed investment of worth Rs 67,690 crore against the target estimate of investment of Rs 42,500 crore, over a period of five years. *[The Economic Times]*

**Coal ministry identifies 4 coking coal blocks for auction to private sector:** The Coal Ministry has identified four coking coal mines to be offered in subsequent rounds of auction for the private sector to further increase domestic raw coking coal supply. *[The Economic Times]*

**DPIIT seeks views of different ministries on draft national retail trade policy:** The Department for Promotion of Industry and Internal Trade (DPIIT) has sought the views of 16 departments and ministries on its draft national retail trade policy, which is aimed at the overall development of all formats of the sector. *[The Economic Times]*

**No plan to lower e-invoicing threshold to Rs 5 crore - CBIC:** The Central Board of Indirect Taxes and Customs on Monday said there is no proposal at present to reduce the threshold limit to Rs 5 crore for e-invoicing under the Goods and Services Tax regime from January 1, 2023. *[Financial Express]*

**Govt raised Rs 4.06 trn via dated securities in July-Sept - FinMin:** The Government raised Rs 4,06,000 crore through dated securities as against notified amount of Rs 4,22,000 crore in the borrowing calendar, according to the quarterly report on debt management for July-September released by the finance ministry on Tuesday. *[Business Standard]*

**Credit offtake grows 17.5% for fortnight ended Dec 2 - CARE Ratings:** The credit offtake in India remained at elevated levels of 17.5 per cent year-on-year (YoY), reporting robust growth for the fortnight ended December 2. *[Business Standard]*

**ICAI bats for India Inc, pitches for 100% tax deduction for CSR expenses:** The CA Institute has urged Finance Minister, Nirmala Sitharaman, to allow 100 per cent tax deduction of Corporate Social Responsibility (CSR) spends by corporates in the upcoming budget. *[Business Line]*



## Foreign Investment

**India emerges as leading investment destination for billionaires worldwide:** The report is based on surveys, questions and information from the UBS Evidence Lab on over 2,500 billionaires across 75 markets. Billionaires are looking to put more of their money in India due to the strong growth of the region's economy. *[The Economic Times]*

**FPIs pull out Rs 1.34 lakh cr in 2022 in a highest-ever yearly outflow:** Foreign portfolio investors (FPIs) pulled out from the Indian markets in a big way in 2022 with the highest-ever yearly net outflow of Rs 1.34 lakh crore. *[The Indian Express]*

**Govt's manufacturing push not yielding results; FDI continues to chase less-complicated services sector:** Despite the Narendra Modi government's high-octane push to boost manufacturing through the 'Make in India' initiative, foreign investors continue to chase bets in the services sector, a domestic rating agency said on Wednesday. *[Financial Express]*

**FDI inflows in pharma sector reach Rs 8,081 cr; 21 proposals approved for brownfield projects:** Reflecting on FDI performance in pharmaceutical sector, the Ministry of Chemicals and Fertilizers revealed on Thursday that Department of Pharmaceuticals has approved 21 FDI proposals worth Rs 4,681 crore for brownfield projects during January 1 to November 30, 2022. *[KNN India]*

**Startups will attract significant foreign direct investments in 2023 - DPIIT Secretary Anurag Jain:** The country's startups will attract significant foreign direct investments (FDI) in 2023 on account of steps being taken by the government to strengthen the ecosystem for budding entrepreneurs. *[Financial Express]*



## Trade Policy and Competitiveness

**India-Australia pact kicks in; zero duty for 96.4% exported goods:** Australia is offering zero-duty access to India from day one for about 96.4% of the products exported, including many that currently attract 4-5% customs duty in Australia, such as leather, textiles, and gems and jewellery. *[The Economic Times]*

**Indian textiles tally \$21.15 bn exports in Q1, Q2 of FY23:** From April to October, 2022 the textile exports from India has touched USD 21.15 billion so far, said Union MoS for Textiles, Darshana Jardosh in a written reply to a question in Rajya Sabha on Friday. *[KNN India]*

**Russia, India plan to drop use of US dollar, euro in bilateral trade - Russian diplomat:** Russia and India plan to drop all use of the US dollar and the euro in bilateral settlements and conduct all trade transactions in rupee and rouble, a senior Russian official has said. *[The Economic Times]*

**Expect to sign at least 2 more FTAs in 2023, says Piyush Goyal:** Union Commerce Minister Piyush Goyal on Thursday said he expects at least two more free trade agreements to be signed up in 2023. Negotiations are scheduled with the UK, European Union and Canada. *[The Economic Times]*

**Pharma exports likely to touch all-time high of \$27 bn in FY23 riding on EU:** In FY22 India had exported pharmaceutical products worth \$24.62 billion. So far, India has exported pharma products worth \$16.57 bn during April-November this year. *[Business Standard]*

**Trade agreements with Australia, UAE to help boost exports, says EPCs:** Various export promotion councils (EPCs) on Wednesday lauded the trade agreements signed by India with the UAE and Australia, saying the pacts will help the country in boosting exports by granting preferential access to those markets for Indian products. *[Business Standard]*

**India-Australia FTA to help bilateral trade cross \$70 billion in next five years:** The free trade agreement (FTA) between India and Australia, which comes into effect from Thursday, will help boost bilateral trade in goods and services to cross USD 70 billion in the next five years, according to economic think tank GTRI. *[The Economic Times]*

**Steel imports from Russia jump over 400% in Apr-Nov period:** Shipments coming into India stood at 218,000 tonnes for the eight month period under review at \$253 million; while for the same period last year, Russia exported just 38,400 tonnes and valued at \$61 million. *[Business Line]*

**Gems and jewellery industry achieved its annual export target of \$48 billion till last quarter of FY23:** India's gems and jewellery industry has achieved its annual export target of USD 48 billion till the last quarter of the current financial year, an official said on Friday. *[The Economic Times]*

**Engineering goods exports register y-o-y decline, fifth month in a row:** Amid the Covid surge in China and subdued global demand especially from Europe, engineering goods exports recorded a year-on-year decline for the fifth straight month to November 2022 but the pace of decline moderated to a marginal 0.30% due to a lower statistical base. *[The Economic Times]*

**China Covid surge stokes supply fears among Indian traders:** Indian traders are keeping a close watch on the Covid-19 surge in China as that could disrupt supply of critical imports including active pharmaceutical ingredients (API), electronics, chemicals, and plastics. *[The Economic Times]*



## Corporate Governance

**India sees record M&As in 2022 at \$152 billion:** India saw a record level of mergers and acquisitions in 2022, as companies sought to consolidate positions, and enter new segments, leading to some of the largest-ever transactions in sectors such as banking, cement and aviation. *[Mint]*

**Retail brands registering 8-10% higher conversions over pre-Covid levels - Deloitte's Rajat Wahi:** "The business seems to be recovering well, at least in metros and tier-I cities even as there is slow growth in the tier-II and tier-III towns in terms of overall consumption. *[Financial Express]*

**FMCG industry hopes to recover lost volume, margins in 2023; to shrug off shrinkflation:** Shrinkflation or reducing the size or quantity of a product while keeping the price unchanged was a little-known term in India but a surge in raw material costs following the war in Ukraine pushed several FMCG companies to resort to such a practice to ensure there is no impact on the fragile recovery in demand. *[The Economic Times]*

**Appliances, consumer electronics sector aim for double-digit growth in 2023:** Bolstered by premiumisation trends, pent-up demand and policy initiatives, the country's appliances and consumer electronics sector expects to continue on the double-digit growth trajectory in 2023, as companies seek to expand capacity and roll out new-age smart products. *[Business Standard]*



## MSMEs and Start-ups

**Indian Railways kickstarts a mega infra project to promote MSMEs:** The DFC project comprises Western Dedicated Freight Corridor (WDFC – from Dadri to Jawaharlal Nehru Port Trust – 1506 Km) and Eastern Dedicated Freight Corridor (EDFC – from Ludhiana to Sonnagar -1337 Km) with a total cover span of 2,843 km route. *[Financial Express]*

**Startup India Seed Fund Scheme- 126 incubators approved, 656 startups selected so far - Govt:** Under the Startup India Seed Fund Scheme (SISFS) being implemented from April 1, 2021, a total of 126 incubators have been approved and they have selected 656 startups as on November 30, 2022. *[The Economic Times]*

**Govt to announce revised digital scheme for MSMEs to gain competitiveness:** In an endeavor to empower Indian MSMEs digitally, the Government of India is going to soon launch Revised Digital Scheme for the MSME sector. Through this MSMEs will be supported to adopt ICT tools and applications for production and business processes. *[KNN India]*

**15 healthcare and agri startups make it to first cohort of NIRMAN accelerator:** The NIRMAN Accelerator Program launched by Start-ups Incubation and Innovation Centre (SIIC) IIT Kanpur has selected 15 startups for its first cohort where they will develop sustainable solutions in the healthcare and agriculture sector. *[KNN India]*

**41% higher payment made by steel CPSEs to MSMEs during April-Nov 2022 from year-ago period - Govt:** The steel ministry on Monday in its 2022 year-end review said its central public sector enterprises (CPSEs) have made a payment of Rs 4,747.53 crore to MSMEs during the April-November period. This was 41.35 per cent higher than the payment of Rs.3358.61 crore made during the corresponding period last year. *[Financial Express]*

**Coming soon - Udyam-like registration portal for MSMEs:** The upcoming portal Udyam Assist Platform (UAP) by SIDBI will cater to the registration of informal units as part of the endeavour by the government and SIDBI to enhance the formalisation of the MSME sector. *[Financial Express]*

**Kerala govt aims to transform 1,000 MSMEs into Rs 100 crore turnover companies:** Kerala Industries Minister, P. Rajeev on Tuesday said that the state government has set up a target to scale up 1,000 micro, small and medium enterprises (MSMEs) and turn them into Rs 100 crore turnover companies in the next three years. *[Financial Express]*

**Credit card scheme soon for MSMEs:** The government is giving the final shape to a Merchant Credit Card (MCC) Scheme for traders and a Vyapar Credit Card (VCC) for microunits, in a move aimed at giving them further credit support. *[The Economic Times]*



## Employment and Industrial Relations

**Index for skills development in the works:** The ministry of skill development and entrepreneurship is mulling over developing a Skills Development Index to monitor the progress of skilling programmes and fine-tune the national skills policy in line with the assessment done for the country as a whole as well as industries based on certain parameters developed for the index. *[The Economic Times]*

**India's pension regulator proposes bringing gig workers into pension fold, says PFRDA chairman:** India's pension fund regulator has recommended the federal government introduce a UK-like pension scheme for the country's gig workers, a move aimed at bringing about 90% of the overall workforce into the pension fold. *[The Economic Times]*

**SMBs emerge as top job creators in India, clocks 60% surge:** Jobs posted by small and midsize businesses (SMBs) clocked a 60 per cent (year-on-year) surge, with emerging small businesses from tier 1 and 2 cities posting more than 2.1 million jobs in 2022 alone. *[Business Standard]*

**Contractual workforce in CPSEs crosses pre-pandemic level in FY22:** The number of contractual workers hired by the Central Public Sector Enterprises (CPSEs) crossed the pre-pandemic level in FY22, while regular workers further declined, according to the latest Public Enterprises Survey released on Monday. *[Business Standard]*

**Implementing labour reforms, expanding social security coverage for informal workers to be focus areas in 2023:** With India set to host G-20 leaders' summit for the first time next year, the Union labour ministry will also pursue key employment-related agenda touching upon global skill gaps, gig and platform economy, sustainable financing of social security schemes and other issues. *[The Economic Times]*



## Industrial Finance

**Gross NPA ratio falls to seven-year low of 5 per cent - RBI:** The RBI on Thursday said banks' gross NPA ratio has fallen to a seven-year low of 5 per cent and the banking system remains sound and well-capitalised. *[The New Indian Express]*

**HDFC gets \$400-million loan from IFC for homes, affordable and green:** IFC, a member of the World Bank Group, has extended a \$400-million loan to India's largest mortgage lender, HDFC, to boost green housing in the affordable segment. IFC's funding will help HDFC especially focus on its green affordable housing portfolio, with 75% or \$300 million of the proceeds earmarked for this sector. *[The Economic Times]*

**Banks to favour mid and small NBFCs on improved performance:** Banks have increasingly gained confidence on mid and small-size non-bank financing companies based on their improved performance. Bank lending to NBFCs grew by 31% in September 2022. *[The Economic Times]*

**Over 80% of Stand-Up India loans sanctioned to women entrepreneurs - Govt data:** Women entrepreneurs have emerged as the biggest beneficiaries of the government's Stand-Up India scheme with 80.2 per cent of bank loans sanctioned till early December belonging to women-led business units since its launch in April 2016. *[Financial Express]*





## Technology and Innovation

**Modi govt has an opportunity to help create the next TCS and Infosys:** The future of the data centre sector is promising in India. The presence of significant hyperscalers who have begun outsourcing their storage requirements to third-party data centre operators is propelling the Indian data centre market forward. Come Feb 2023, India has a chance to create the next TCS and Infosys. *[The Economic Times]*

**Not Amazon or Flipkart, but B2B e-commerce is silently turning the wheels of the economy:** Driven by necessity during the pandemic and by the government's broader push for digitisation of commerce, B2B marketplaces are now an integral part of the operations of retailers, wholesalers, distributors, and even your friendly neighbourhood kiranas. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**Make In India initiative - Defence ministry go ahead for Rs 84,000 crore projects:** The domestic defence industry would soon get to compete for a slew of Make in India projects as proposals worth ₹84,328 crore were cleared by the Rajnath Singh-led Defence Acquisition Council on Thursday. *[The Economic Times]*

**Rajasthan govt approves revised proposal of Rs 4,279 crore for construction of 16 state highways:** The Rajasthan government has approved a revised financial proposal of Rs 4,279.70 crore for the construction of 16 state highways. The state government is constantly working to develop a strong road network in Rajasthan. *[The Economic Times]*



## Sustainable Industrialisation

**Goal set for up to Rs 50,000-crore green investments in Uttar Pradesh:** The state has set a target to generate 22,000 megawatt (Mw) of solar power over the next five years. It would comprise 14,000 Mw from solar parks and 6,000 Mw through rooftop solar power plants. *[Business Standard]*

**Nokhra solar project's 50MW capacity to begin commercial operation from Dec 30 - NTPC:** NTPC on Thursday said a 50 MW solar power capacity of Nokhra project in Bikaner will begin commercial operation from December 30. Earlier this month, a 100 MW unit of the project started commercial operation. *[The Economic Times]*

**India plans \$2 billion incentive for green hydrogen industry:** India is planning a \$2 billion incentive programme for the green hydrogen industry, three sources told Reuters, in a bid to cut emissions and become a major export player in the field. *[Business Standard]*

**Over Rs 118 crore diesel cost saved from April-November by using environment-friendly tech:** The East Coast Railway has saved Rs 118.29 crore on diesel costs by using a technology called Head On Generation (HOG) in trains between April and November this year. In HOG, power is drawn from an overhead electric supply and the power generator cars provide a noise-free and pollution-free environment for passengers in stations. *[The Economic Times]*



## Sectoral News

**Modi's building boom setting up India as global steel savior:** With China's massive construction sector still in a funk and the US and Europe likely heading into recessions, India has emerged as a savior for flagging global steel demand. [*The Economic Times*]

**Airbag market to grow to ₹7,000 crore by FY27 - Icra:** The airbag industry will grow to Rs. 6,000-7,000 crore by FY2027 from the current levels of Rs. 2,400-2,500 crores at a four-year CAGR of 25-30%, according to a new report on Tuesday. [*Mint*]

**Domestic, semi-regulated markets to drive pharmaceutical industry's growth:** After recording 7 per cent growth last fiscal, the pharmaceuticals industry is projected to grow 9-11 per cent in this and next fiscal years. This will be led by steady domestic demand following price hikes across key therapy areas. [*Business Standard*]

**India's housing sale hits all-time high in 2022 due to robust demand - Anarock:** India's housing sales recorded an all-time high in 2022 breaching the previous high of 2014 on the back of strong demand for residential properties despite a hike in mortgage rates. [*The Economic Times*]

---

**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](#)