

Industry Matters

Weekly Updates

March 10, 2023



Economy, Industry and Policy

FDI equity inflows hit by global slump: "FDI inflows in 2022-23 have been affected by the recessionary trends in the major source countries of FDI combined with high inflation rates forcing the central banks to adopt tight money policies leading to rising interest rates. As a result, the full potential of FDI inflows is currently held back by a rather uncertain global economic environment with the threat of recession looming large on the US economy, one of the largest sources of FDI for India, directly or indirectly through Mauritius," said Nagesh Kumar, Director, Institute for Studies in Industrial Development. *[Financial Express]*

Per capita income doubles since '14 but uneven distribution a challenge: Nagesh Kumar, Director, Institute for Studies in Industrial Development (ISID), said per capita incomes have increased in real terms and they do reflect rising prosperity. "However, the point to be noted is that per capita income is an average income of Indians. The averages mask the rising inequalities. Rising concentration of incomes at the high end means incomes of those at the lower rung of the income ladder may not be changing much," he said. *[Business Standard]*

India's services sector activity hits 12-year high in February - PMI: The Indian services sector expanded at the strongest rate in 12 years in February supported by favourable demand conditions and new business gains, a monthly survey said on Friday. The seasonally adjusted S&P Global India Services PMI Business Activity Index rose from 57.2 in January to 59.4 in February — its highest level in 12 years. *[The Hindu]*

Government to soon issue SOPs for Rs 26k crore auto PLI: The government will soon issue the standard operating procedure (SOP) for availing benefits under the Rs 25,938-crore performance linked incentive (PLI) scheme for the automobile and auto component industry. *[The Economic Times]*

Global companies eye India's digital model: India is becoming a digital hub for several global consumer and retail companies including Levi Strauss, Decathlon, Procter & Gamble, Mondelez, and Unilever, which are increasingly taking technological capabilities and learnings from the country to other markets. *[The Economic Times]*

Cess, surcharge collections rose 133% between FY'18 and FY'23: There has been a rise of 133 per cent in collection of major cess and surcharges levied by the Central government on various products during the five year period between 2017-18 and 2022-23, as it went up from Rs 2,18,553 crore in 2017-18 to Rs 5,10,549 crore in 2022-23. *[The Economic Times]*

Telecom PLI scheme attracts Rs 1.2K cr investment: The production linked incentive (PLI) scheme for telecom equipment manufacturers got an overwhelming response as the companies such as Samsung, Nokia and Jabil invested Rs 1,181.25 crore in the country. *[The New Indian Express]*

Atmanirbhar push - Rs 7,000-cr PLI boost for toys, bicycle components soon: The government has finalised two new production-linked incentive (PLI) schemes worth over Rs 7,000 crore to give impetus to domestic manufacturing of items, such as toys and bicycle components. *[Business Standard]*

PLI scheme to create jobs, employers expect hiring hike in next 2 years - TeamLease: The highest positive hiring sentiment is in the pharmaceutical industry (68%), followed by white goods industry (67%) and textile products (62%). The boost from the PLI scheme is also estimated to impact the MSME ecosystem and bring more women to the workforce. *[The Economic Times]*

Centre working to bring retail trade, e-commerce policies: The policy is expedited to focus on formulating strategies to provide a globally competitive and sustainable environment for the overall development of retail trade through targeted efforts. *[Business Standard]*

India's market capitalisation-to-GDP ratio slips to 95 in FY23: India's market capitalisation(m-cap)-to-gross domestic product (GDP) ratio for the current financial year (2022-23, or FY23) could end below 100. If so, this will be the first time since 2019-20 that the reading has been in double digits. *[Business Standard]*

Dividends from CPSEs may fetch govt Rs 55k cr: Aided by robust dividend payout from energy, power and commodity firms, the Centre's dividend receipts from Central Public Sector Enterprises (CPSEs) will likely be around Rs 55,000 crore in the current financial year — around 28% higher than the revised estimate (RE) of Rs 43,000 crore. *[Financial Express]*



Foreign Investment

Taiwan's Foxconn seeks chip, EV cooperation with India: Major Apple Inc. supplier Foxconn said on Saturday it was seeking cooperation in India in new areas like chips and electric vehicles (EVs) after a visit to the country by its chairman, Liu Young-way. *[The Hindu]*

US-based YouTube Ad Co forays into India: US-based YouTube advertising company Channel Factory has entered India through a strategic collaboration with advertising and marketing firm Y&A Transformation. The company will offer its ad tech solutions to YouTube advertisers in India. *[The Economic Times]*



Trade Policy and Competitiveness

Trade, critical minerals, defence expected to be focus of Modi-Albanese talks: Prime Minister Narendra Modi and his Australian counterpart Anthony Albanese will hold extensive talks on Friday with a focus on boosting overall bilateral ties in areas of trade and investment, defence and critical minerals. *[The Economic Times]*

Keen on chip tie ups with India - US commerce secretary Gina Raimondo: India and the United States of America are looking at both near-term commercial opportunities and longer-term strategic objectives in the semiconductor space, US commerce secretary Gina Raimondo said on Thursday. *[The Economic Times]*

India, Sri Lanka mulling over using Indian Rupee for economic transactions: India and Sri Lanka are exploring the possibility of using the Indian Rupee for economic transactions and have discussed the initiative that will help in building a stronger and closer partnership through trade and investment-led measures between the two countries. *[The Economic Times]*

Quality control - Govt to issue measures to stop imports of sub-standard goods: The government will come up with as many as 58 quality control orders (QCOs) for products such as aluminium, copper items and household electrical appliances in the next six months, in a move aimed at containing import of the sub-standard goods and boost domestic industry. *[The Economic Times]*

India's April-February finished steel exports slump 52% - Govt data: Between April and February, India produced 109.35 million tonnes of finished steel, 6.2% more than a year before, the data showed. Consumption rose by 11.6% to 107.2 million tonnes. *[Business Standard]*

India's oil buy from Russia surges, now more than one-third of total imports: India's imports of crude oil from Russia soared to a record 1.6 million barrels per day in February and is now higher than combined imports from traditional suppliers Iraq and Saudi Arabia. *[The Economic Times]*



Corporate Governance

Expect another strong year for mergers and acquisitions in India - JPMorgan: India sealed its busiest M&A year ever with about \$191 billion worth of transactions in 2022, bucking a global slump in deal activity, according to data compiled by Bloomberg. *[Financial Express]*

Sun Pharma completes acquisition of US-based Concert Pharmaceuticals: The drug major has successfully completed the acquisition of Concert Pharmaceuticals, Inc, a late-stage clinical biopharmaceutical company that is developing deuruxolitinib for the potential treatment of adult patients with moderate to severe alopecia areata. *[Business Standard]*

Seven entities in race to acquire Asian Hotels (West): Lenders of Asian Hotels (West) received seven expressions of interest, including from K Raheja Group entity, Devvrat Developers and Panchshil Corporate Park, said two people aware of the development. *[The Economic Times]*

India's top oil explorer ONGC signs MoU with France's TotalEnergies: India's top explorer Oil and Natural Gas Corp has signed a memorandum of understanding with French major TotalEnergies for exploration of deep-water blocks. *[The Economic Times]*

Acquisition of Bock augurs well for Danfoss India: The recent acquisition of German compressor manufacturer Bock GmbH by Danfoss would provide a huge opportunity in mobile air-conditioning for the latter's Indian subsidiary. *[The Hindu]*

Reliance brings Campa Cola back to life: Reliance Consumer Products, the fast-moving consumer goods arm of Reliance Retail Ventures Limited, has relaunched the homegrown cola brand Campa Cola in three new variants, setting up competition with category leaders Coca-Cola and PepsiCo. *[The Economic Times]*

Arvind, Donear, 10 others in race to buy Bombay Rayon: Lalbhai group promoted Arvind, entities of the Donear, Welspun and JM Financial are among a dozen suiters to acquire textile maker Bombay Rayon Fashion, which is undergoing insolvency proceedings. *[The Economic Times]*



MSMEs and Start-ups

Rs 3.7 lakh crore already released for MSME sector under ECLGS: Bhanu Pratap Singh Verma: Talking about how the government has ensured MSMEs chart their way ahead successfully, Union MoS for Micro, Small and Medium Enterprises (MSME) Bhanu Pratap Singh Verma said the government has given out approximately Rs 3.7 lakh crore out of the Rs 5 lakh crore earmarked for the sector under the Emergency Credit Line Guarantee Scheme (ECLGS). *[The Economic Times]*

Delayed payments, lack of formal financing in MSMEs affect job creation: The impact of delayed payments and the lack of formal financing for Micro, Small, and Medium Enterprises have adversely impacted the nation's ability to create jobs, according to a report by the Global Alliance for Mass Entrepreneurship. *[Business Line]*

Indian startups must tap \$430 bn digital market in Southeast Asia: The total digital economy of Southeast Asia (SEA), which stands at \$210 billion, is expected to grow at 15 per cent compound annual growth rate (CAGR) to reach \$430 billion and Indian startups looking to expand overseas should consider Southeast Asia. *[Business Standard]*

ONDC to support small retailers against large tech-based e-com firms - Goyal: ONDC is an initiative of the ministry to help small retailers expand their business and reduce the dominance of e-commerce giants. It aims to build an open, interoperable network on which buyers and sellers can transact without needing to be present on the same platform. *[Business Standard]*

Women-led startups raise \$4.3 bn in 2022, outperform those led by men: Women-led startups raised a total of \$4.3 billion in funding during 2022, amid a global funding winter when investments across the board saw a dip. *[Business Standard]*



Employment and Industrial Relations

Higher pension - 8,897 beneficiaries have applied online - EPFO: The Employees' Provident Fund Organisation, on Saturday, said 8897 beneficiaries of the Employees' Pension Scheme have applied online for contributing pension on higher salary under the EPS-95 scheme since February 27. *[The Economic Times]*

India's unemployment rate increases to 7.45% in February: Unemployment rate in India inched higher to 7.45% in February 2023 from 7.14% in January 2023, taking the total number of unemployed in the country to 33 million compared to 31.5 million in January. *[The Economic Times]*

India's female workforce participation witnessed a dip in past two decades: Over the past two decades, India's female workforce participation has witnessed a dip, with only one in five women working in formal workforce. *[The Economic Times]*

1% women migrated to other cities in search of job, 87% shifted owing to marriage - NSSO: Only 1 per cent women migrated from their hometowns to other places within the country for employment reasons, while 87 per cent women shifted out of their place of domicile due to their marriage. *[The Economic Times]*

White-collar jobs for women grow 35% YoY in February - Foundit data: The number of available jobs for women has surged 35 per cent year-on-year in February 2023, indicating a growing demand for female workers in the Indian white-collar economy. *[Business Standard]*

Facebook parent Meta to go for second round of layoffs: As layoffs continue in technology companies, social media giant Facebook parent firm Meta is reportedly planning to sack more employees as early as this week. *[The New Indian Express]*



Industrial Finance

Indian banks' gross NPAs likely to touch decadal low of sub-4 per cent by FY24 - Study: Bad loans of Indian banks are expected to decline 90 basis points to less than five per cent in FY23 and hit a decadal low of sub-four per cent by March 31, 2024. *[The Economic Times]*

RBI imposes Rs 3.06 crore penalty on Amazon Pay: The Reserve Bank of India (RBI) has imposed a monetary penalty of Rs 3.06 crore on Amazon Pay (India) Pvt. Ltd, the online payments processing service owned by US-based Amazon, for non-compliance with provisions on Prepaid Payment Instruments (PPIs) and know your customer (KYC) guidelines. *[The Indian Express]*



Technology and Innovation

India's digital payments market will more than triple to \$10 trillion by 2026: A recent report by PhonePe and Boston Consulting Group concluded that India's digital payments market will more than triple from \$3 trillion to \$10 trillion by 2026. *[The Economic Times]*

Many countries keen on entering into collaboration for UPI-linked payments - RBI governor: Reserve Bank governor Shaktikanta Das on Monday said since UPI's collaboration with Singaporean counterpart Paynow went live, many countries have expressed keen interest in entering into such partnerships on the payments front. *[The New Indian Express]*

Clear starts GST e-invoicing generating services for large taxpayers: Companies across the country can now generate their e-invoices under the goods and services tax (GST) on the invoice registration portal (IRP) launched by Clear (formerly ClearTax). *[Business Standard]*

A billion transactions a day can be processed through UPI - RBI governor: Currently the number of transactions done through UPI is 26 crore (260 million) per day. The system has the capacity to handle 100 crore (one billion) transactions per day. *[Business Standard]*

Centre saved \$27 bn in schemes using DBT method, says Economic Affairs Secy: India saved over USD 27 billion in key central government schemes through direct benefit transfer as it is swift and eliminates corruption, Ajay Seth, Secretary of Department of Economic Affairs said here on Sunday. *[The Economic Times]*

India working on single-window portal for drug regulation processes: Seeking to revamp India's drug regulatory system, the government is working on a unified digital portal that will bring together all stakeholders: regulators, manufacturers, distributors, state-run departments, and procurement agencies. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

World Bank commits \$1 billion to India for public healthcare infra: The World Bank said one of the loans will prioritise health service delivery in seven states—Andhra Pradesh, Kerala, Meghalaya, Odisha, Punjab, Tamil Nadu and Uttar Pradesh—in addition to the national level interventions. *[The Economic Times]*

Govt successfully bids out 29 coal blocks for commercial mining: The 29 coal blocks which have been successfully bid out for commercial mining by the government are expected to enhance the average dry fuel output by an additional 7 per cent in the next two years, as the combined peak rated capacity (PRC) of these reserves is around 91 million tonnes. *[The Economic Times]*

Genesis, IGL to invest Rs 110 cr to set up meter manufacturing plant: Genesis, an arm of Vikas Lifecare Limited (VLF), has inked a pact with Indraprastha Gas Limited (IGL) to set up a meter manufacturing plant at an estimated cost of Rs 110 crore. *[The Economic Times]*

Jindal to invest Rs 10,000 crore to set up 3 mn-tonne steel plant in AP: Jindal Steel & Power limited will be investing Rs 10,000 crore for setting up a 3 mn tonne per annum steel plant in Andhra Pradesh, its chairman Naveen Jindal said on Friday. This will lead to creation of 10,000 jobs. *[The Economic Times]*

Delhi-Dehradun Expressway to be complete by Dec end - Nitin Gadkari: Work on the Delhi-Dehradun Expressway project will be over by December end and from January 1 next year people will be travelling from Dehradun to Delhi in just two hours. *[The Economic Times]*



Sustainable Industrialisation

World's first bamboo-made crash barrier installed on Indian highway: An accomplishment towards achieving Aatmanirbhar Bharat has been made with the development of the world's first bamboo-made crash barrier, which has been installed on the Vani-Warora Highway in Vidarbha, Maharashtra. *[The Economic Times]*

Tata Steel Mining signs MoU with GAIL to get clean fuel: In order to reduce carbon footprint in its operations, Tata Steel Mining Limited has signed a Memorandum of Understanding (MoU) with GAIL (India) Limited for supply of natural gas to its Ferro Alloys Plant at Athgarh in Odisha's Cuttack district. *[The Economic Times]*

Hero MotoCorp to collaborate with US-based Zero Motorcycles on e-bikes: Two wheeler major Hero MotoCorp on Monday said it has inked a pact with the US-based Zero Motorcycles to collaborate on premium electric motorcycles. *[Business Standard]*



Sectoral News

Jio to become world's largest 5G standalone only network in 2023 with affordable services - Oommen: India's biggest telecom operator Reliance Jio expects to become the world's largest player having a pure 5G network this year with promise to provide services at affordable rates to the masses. *[The Economic Times]*

Sale of gold jewellery and gold artefacts hallmarked without six-digit code to be banned from April 1: Sale of gold jewellery and gold artefacts hallmarked without six-digit alphanumeric HUID -- unique identification number -- shall not be permitted from April 1, the government on Friday said. Food and Consumer Affairs Minister Piyush Goyal on Friday chaired a meeting to review the activities of Bureau of Indian Standards (BIS). *[The Economic Times]*

Retail vehicle sales up 16% in February 2023, festivals seen driving March 2023 - FADA: Retail sales of vehicles in India jumped 16% to around 1.8 million units in February 2023, helped in part by strong demand during the wedding season, an industry body of automobile dealers said on March 6, 2023. *[The Hindu]*

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