



November 22, 2022 – Tuesday

Economy

Crisil, Icra revise India's growth projections for FY23, Q2 GDP slashed

Rating agencies Crisil and Icra on Monday revised down their India growth projections for the current fiscal and the second quarter mainly due to the ripple effect of slowdown in global growth and mixed crop output. Crisil downgraded the India growth forecast by 30 bps to 7 per cent while Icra pegged the economic expansion at 6.5 per cent for the second quarter of FY2022-23. "We have revised down our forecast for real gross domestic product growth to 7 per cent for fiscal 2023 from 7.3 per cent, primarily because of the slowdown in global growth that has started to impact our exports and industrial activity. This will test the resilience of domestic demand," Crisil chief economist Dharmakirti Joshi said in a note. Aditi Nayar, his counterpart at Icra, in her report pencilled a 6.5 per cent growth in Q2 of the current fiscal, nearly half of the year-ago quarter when the economy had clipped at 12.7 per cent, but which is still a tad higher than the monetary policy committee's September forecast of 6.3 per cent and at 6.5 per cent in gross value added (GVA) less than half of 13.5 per cent a year ago.

https://www.business-standard.com/article/economy-policy/crisil-icra-revises-india-s-growth-projections-for-fy23-q2-gdp-slashed-122112100689_1.html

Goldman Sachs slashes India's GDP forecast for 2023 to 5.9%

The Indian economy which claimed the title of the fastest-growing major economy title in the previous fiscal is likely to lose its momentum in 2023 owing to higher borrowing costs and fading benefits from the Covid pandemic reopening, said Goldman Sachs in a note. Gross domestic product (GDP) may expand by 5.9% in the calendar year 2023 from an estimated 6.9% this year, Goldman economists led by Andrew Tilton wrote in a report Sunday as per Bloomberg. "Growth will likely be a tale of two halves, with a slower first half as the reopening boost fades, and monetary tightening weighs on domestic demand. In the second half, growth is likely to re-accelerate as global growth recovers, drag from net exports diminishes, and investment cycle picks up."

<https://economictimes.indiatimes.com/news/economy/indicators/goldman-sachs-slashes-indias-gdp-forecast-for-2023-to-5-9/articleshow/95651040.cms>

Banking and Finance

Insolvency Law likely to see 2 key tweaks

The Insolvency and Bankruptcy Board of India (IBBI) is set to propose two key amendments to the law governing bankruptcies to enable quicker debt resolutions and distribution of recovery proceeds despite continuation of litigation. At this weekend's unusual closed-door brainstorming sessions, stakeholders agreed that banks must be allowed to restart a resolution plan in case a successful resolution applicant backs off. There was also agreement to permit distribution of proceeds from recovery even if there is pending litigation in the case, top banking sources told ET. The meeting was attended by bank executives, lawyers, consultants, officials from the finance ministry, the IBBI and even from the prime minister's office (PMO).

<https://economictimes.indiatimes.com/news/economy/policy/insolvency-law-likely-to-see-2-key-tweaks/articleshow/95671303.cms>

Credit demand from women-led MSMEs doubled during festive season, survey shows

Data from a private survey has shown that the credit demand from women-led MSMEs doubled by the end of the festive months of 2022 as compared to the pre-Covid-19 festive season of July - October 2019. According to a NeoGrowth survey, the two-fold rise in credit requirements of women-led small businesses is driven by strong consumer demand post economic revival and subdued festive season spending over the past two years. NeoGrowth is a digital lender which focuses on MSMEs. Bengaluru, Hyderabad, and Mumbai saw the highest credit demand from women-led MSMEs, as per the survey.

<https://economictimes.indiatimes.com/news/economy/indicators/credit-demand-from-women-led-msmes-doubled-during-festive-season-survey-shows/articleshow/95659911.cms>

Indian states' fiscal deficit rose nearly 79 per cent after lockdown: RBI

The gross fiscal deficit of the Indian states rose nearly 79 per cent after the lockdown. According to the latest data from the Reserve Bank of India (RBI), the fiscal deficit rose from Rs 5.2 trillion in FY20 to Rs 9.3 trillion in 2020-21 (FY21). In FY22, the deficit fell to Rs 8.1 trillion but stood much higher than the pre-pandemic level. A fiscal deficit is a difference between the state's revenue and spending. It shows the shortfall in revenue. The data released in the RBI's Handbook of Statistics on the Indian States showed that except Arunachal Pradesh, Haryana, Sikkim and Odisha, all the states saw a higher fiscal deficit in FY21 as compared to FY20. In the case of the Centre, the fiscal deficit jumped from 4.6 per cent in FY20 to 9.3 per cent of the Gross Domestic Product (GDP) in FY21. In FY21, the highest fiscal deficit was recorded in Tamil Nadu at Rs 1.04 trillion. Maharashtra follows it with Rs 87,697 crore and Uttar Pradesh with Rs 80,852 crore.

https://www.business-standard.com/article/economy-policy/indian-states-fiscal-deficit-rose-80-per-cent-after-lockdown-rbi-122112100297_1.html

India government likely to miss asset monetisation target for this fiscal year, say sources

The Indian government has monetised assets worth Rs 33,422 crore under the National Monetisation Pipeline so far in this fiscal year that started Apr. 1, but New Delhi is feared to lag the overall asset monetisation target, sources told PTI. Sources told PTI that according to the government's latest estimate, there may be a shortfall of Rs 38,243 crore in realising the overall asset monetisation target of Rs 1,62,422 crore in 2022-23. Finance Minister Nirmala Sitharaman in a meeting with Niti Aayog CEO Parameswaran Iyer on November 14 reviewed the progress of NMP implementation. "Likely realisation from asset monetisation under NMP in the current fiscal has been now estimated at Rs 1,24,179 crore," they said.

<https://economictimes.indiatimes.com/news/economy/finance/india-government-likely-to-miss-asset-monetisation-target-for-this-fiscal-year-say-sources/articleshow/95665663.cms>

Cumulative stamp duty, registration fee revenue jumps 35% in H1: Report

Cumulative revenue collection from stamp duty and registration fees across 27 states and the Union Territory of J&K rose to Rs 94,800.47 crore in the first half of 2022-23 (H1FY23), logging in a robust 35 per cent on-year growth from Rs 70,100.20 crore in the year-ago period, shows a report. The average monthly revenue collection from these levies rose to Rs 15,800.07 crore in the reporting first half period, up from Rs 11,600.87 crore in H1FY22, according to the data collated by Motilal Oswal Financial Services. Being the largest state in terms of the size of its economy and the sky-high Mumbai property prices, it is not surprising that Maharashtra leads the table with the highest collection of revenue from this head at Rs 18,600 crore which grew 65 per cent from the previous year, the report said, adding this is 20 per cent of the overall stamp duty and registration charges for the country in H1.

https://www.business-standard.com/article/economy-policy/cumulative-stamp-duty-registration-fee-revenue-jumps-35-in-h1-report-122112100961_1.html

Industry

Centre issues guidelines to curb fake reviews online, effective Nov 25

The Centre on Monday issued standard guidelines on fake reviews for e-commerce platforms. The new rules will come into effect on November 25. The framework has been formulated by the Bureau of Indian Standards (BIS). E-commerce companies such as Zomato, Swiggy, Reliance Retail, Tata Sons, Amazon, Flipkart, Blinkit, Google, Meta and Meesho formed part of the committee constituted in June for the purpose. These firms have already committed

to the adherence of these standards. Under the guidelines, e-commerce firms will have to develop a code of practice along with stipulations for terms and conditions like accessibility, criteria, and ensuring content doesn't contain financial information etc. The companies will also have to develop filtering and control tools and algorithms, verification and control processes and a process to measure the reliability of review collection. The guidelines also enlist methods for verification of review author through email address, identification by telephone call or SMS, confirming registration by clicking on a link, using captcha system etc. to check traceability and genuineness of the review author.

https://www.business-standard.com/article/companies/centre-issues-guidelines-to-curb-fake-reviews-online-effective-nov-25-122112100859_1.html

Winter products from apparels to honey see hot demand from consumers

Stocking of winter products by traders is good this year, including in rural markets, indicating the possibilities of a better season leading to the recovery in overall demand, several companies selling consumer goods said. Some segments like winter apparel are already seeing a pickup in sales. Consumer demand has also started to pick up in fast-moving goods like skin cream, chyawanprash and honey to durables such as geysers, as night temperatures have started to dip in the North, East and Northeast, even as day temperatures still remain high, companies said. However, tea, coffee and thermal wear companies said unsold inventory in the market from last year was weighing on dispatches from factories.

<https://economictimes.indiatimes.com/industry/cons-products/fmcg/winter-products-from-apparels-to-honey-see-hot-demand-from-consumers/articleshow/95667372.cms>

Drone manufacturing, portable petrol pumps, biomass pellet manufacturing to be included under NIC code

The MSME Ministry in an office memorandum published on its portal has noted the request received from stakeholders in the MSME ecosystem to include multiple activities under the National Industrial Classification (NIC) codes. According to the office memorandum signed by the MSME Deputy Director of Policy RK Parmar on November 18, 2022, the request pertains to the inclusion of drone manufacturing, portable petrol pump/portable service stations, biomass pellet manufacturing, etc. According to the memorandum, the codes suggested by the Ministry of Statistics and Programme Implementation in a letter dated August 23, 2022, were 26515 for the inclusion of drone manufacturing, 47300 for the inclusion of portable petrol pump/portable service stations and 38300 for the inclusion of biomass pellet manufacturing. The MSME Ministry also received a request for the inclusion of technical textiles which according to the statistics ministry is already covered under NIC code bearing code 13999.

financialexpress.com/industry/sme/msme-eodb-drone-manufacturing-portable-petrol-pumps-biomass-pellet-manufacturing-to-be-included-under-nic-code/2871915/

India's food service market to reach \$79.65 bn by 2028, says report

India's food service market is expected to reach USD 79.65 billion by 2028, growing at a CAGR of 11.19 per cent from USD 41.1 billion in 2022, according to a report. Despite over 20 lakh jobs lost during the peak of the COVID-19 pandemic, the industry is expected to reach employment figures of 1 crore by 2025, as per the Food Service and Restaurant Business Report 2022-23, by Francorp and restaurantindia.in. The restaurants and food service market in the country is divided into two segments with the unorganised segment accounting for the major share, the report said, adding that the organised sector also grew at a strong rate between 2014 and 2020. "India's food service market is anticipated to project robust growth in the forecast period with an impressive CAGR of 11.19 per cent and reach USD 79.65 billion by 2028," it said.

https://www.business-standard.com/article/economy-policy/india-s-food-service-market-to-reach-79-65-bn-by-2028-says-report-122112100665_1.html

Agriculture

Govt says number of beneficiaries under PM-KISAN has crossed 10 crore

The Centre on Monday said the number of beneficiaries under the PM-KISAN scheme has crossed 10 crore, increasing more than three-fold from 3.16 crore farmers covered under the first instalment period in early 2019. The statement came hours after Congress President Mallikarjun Kharge attacked the government over the scheme,

alleging that the number of beneficiaries has gone down with every instalment. Under the scheme, announced in February 2019 but made operational with effect from December 2018, the Centre provides an income support of Rs 6,000 per year in three equal instalments to all land holding farmer families. "The release of benefits for any instalment period under PM-KISAN has now crossed 10 crore farmers from 3.16 crore for the first instalment period -- more than 3 times increase in over 3 years," the Union Agriculture Ministry said in a statement.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-says-number-of-beneficiaries-under-pm-kisan-has-crossed-10-crore/articleshow/95667864.cms>

Infrastructure

Housing prices up by 5% across major cities: Report

Average housing prices have increased by nearly 5% since the beginning of this calendar year on account of rise in input cost and a strong revival in demand, according to PropTiger.com. As per the report, the average prices of residential properties in primary markets across eight cities stood at Rs 6,600-6,800 per square feet. The prices have appreciated by nearly 5: from Rs 6,300-6,500 since the end of the December quarter. "We are witnessing a modest price increase in the primary housing market. This is mainly because of the sharp rise in prices of key raw materials like cement and steel. Apart from rising input cost, a strong revival in demand after the second wave of the COVID pandemic has put an upward pressure on prices," said Vikas Wadhawan, Group CFO, PropTiger.com.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/housing-prices-up-by-5-across-major-cities-report/articleshow/95665900.cms>

Energy

Govt invites bids for solar PV manufacturing under PLI scheme

The government has floated a proposal inviting bids worth ₹19,500 crore from solar PV module manufacturers (SMM) for setting up manufacturing capacities for high efficiency modules under the Production Linked Incentive (PLI) scheme. State-run Solar Energy Corporation of India (SECI) has floated the request for selection (RFS) document inviting bids under the second tranche of the PLI scheme with a corpus of ₹19,500 crore. The aim is to create a Giga Watt (GW) scale manufacturing capacity for high efficiency solar photovoltaic (PV) modules. The last date for submitting bids is January 11, 2023, and the bids will be opened the next day. In September 2022, Cabinet approved the Ministry of New & Renewable Energy's (MNRE) proposal for implementing the second tranche of the PLI scheme. Government expects it to lead to an installed manufacturing capacity of about 65,000 megawatt (MW) per annum of fully and partially integrated solar PV modules and direct investment of around ₹94,000 crore.

<https://www.thehindubusinessline.com/companies/govt-invites-bids-for-solar-pv-manufacturing-under-pli-scheme/article66165164.ece>

Telecom

Need incentive scheme for data centres, separate economic zones: TRAI

India's telecom regulator has recommended swift roll-out of the proposed Data Centre Incentivisation scheme, creation of data centre-specific economic zones, and a new data centre readiness index for states to boost the digital infrastructure ecosystem in the country. The recommendations are part of an exercise initiated by the Centre to create a regulatory framework for the setting up of more data centres (DCs), content delivery networks (CDNs), and interconnect exchanges (IXPs) in India. In its recommendations released over the weekend, the Telecom Regulatory Authority of India (Trai) said the scheme aimed at establishing data centres and that DC Parks should be quickly formulated. It said the Centre can create guidelines on the issue, leaving enough flexibility for the states to announce fiscal incentives through their policies.

https://www.business-standard.com/article/economy-policy/need-incentive-scheme-for-data-centres-separate-economic-zones-tra-122112100679_1.html

Telecom Bill: Nasscom flags mandating of caller ID display

Nasscom has raised concerns about the Centre's move to make caller identity display mandatory as it could impinge on the privacy of users. "An apprehension on fundamental rights to privacy can also arise under Clause 4(8) (of the

new telecom bill) which mandates the disclosure of identities of senders of messages to their recipients in all scenarios.... There are various scenarios where users, rightfully, do not wish to have their identities placed on record on others' devices, such as conversations by victims of domestic abuse, journalists, or whistle-blowers, or conversations bound by professional secrecy. At most, the bill should limit obligations of user identity display systems to specific service providers of a certain threshold, and further, consumer-facing (natural persons) are given the option to opt into such systems," Nasscom wrote in its submission to the Centre.

<https://www.thehindubusinessline.com/info-tech/nasscom-flags-concerns-over-mandatory-user-identity-display-for-communication-services/article66165337.ece>

States

Red carpet for private investors in ITeS sector in Uttar Pradesh

The Uttar Pradesh government has announced a slew of incentives and subsidies to encourage private investors and create local jobs in the Information Technology and IT-enabled Services (ITeS) sector. Under the new UP IT Policy promulgated recently, the Yogi Adityanath government is developing an IT City in each of the four regions — Purvanchal (Eastern UP), Paschimanchal (Western UP), Madhyanchal (Central UP), and Bundelkhand. Similarly, it will set up IT Parks in each of the 18 administrative divisions of the state. To encourage investors, the government will provide a subsidy of 25 per cent or up to Rs 20 crore for setting up IT Parks. Additionally, it will offer up to 100 per cent stamp duty exemption. At the same time, the state will provide a subsidy of 25 per cent or up to Rs 100 crore on developing an IT City. The government will also encourage private IT firms to employ local youth to avail of more pecuniary benefits. For example, on employing 30 locals, the state will provide a single-time recruitment assistance of Rs 20,000 per student per year to the concerned enterprise.

https://www.business-standard.com/article/economy-policy/red-carpet-for-private-investors-in-ites-sector-in-uttar-pradesh-122112101085_1.html

Rajasthan govt to organise job fairs in every district: CM Ashok Gehlot

The Rajasthan government has decided to organise job fairs in every district of the state. Chief Minister Ashok Gehlot said this after seeing the response the state government got in the recent job fairs in Jaipur and Jodhpur. "I am happy that thousands of youths have got employment. In Jaipur, 3,000 youths have been given offer letters and 10,000 youths have been shortlisted for the next round," Gehlot said in a tweet. The chief minister said in Jodhpur around 3,500 youths had received offer letters and 9,200 had been shortlisted. The maximum package offered in these fairs was around Rs 18 lakh per annum. A senior official said the state government, apart from giving jobs in the government sector, was working on creating more employment in the private sector.

https://www.business-standard.com/article/economy-policy/rajasthan-govt-to-organise-job-fairs-in-every-district-cm-ashok-gehlot-122112100886_1.html

Kerala sets up 89,000 MSMEs in FY23

Kerala will soon meet the target of setting up 1,00,000 micro, small and medium enterprises (MSMEs) in the current fiscal, with 89,000 units registered under the special scheme launched earlier this year. According to an official with the directorate of industries and commerce, investment of more than Rs 5,500 crore has already been committed by these enterprises which is expected to generate employment of 200,000 in the next couple of years.

<https://www.financialexpress.com/industry/sme/kerala-sets-up-89000-msmes-in-fy23/2874076/>

Healthcare

Govt scraps requirement to fill out Air Suvidha form for foreign arrivals

The government on Monday scrapped the requirement to fill out Air Suvidha form for people flying into India from foreign countries amid declining coronavirus cases. The revised guidelines for international arrivals will be effective from November 22, according to a notification issued by the Union Ministry of Health and Family Welfare (MoHFW). Earlier, the guidelines had required that passengers arriving in India from overseas should fill up the Air Suvidha form. The form was introduced in the wake of the coronavirus pandemic. Last week, the civil aviation ministry said the use of masks is not compulsory during air travel but passengers should preferably use them. As per the MoHFW's

latest guidelines, air travellers should preferably be fully vaccinated as per the approved primary schedule of vaccination against COVID-19 in their country.

https://www.business-standard.com/article/current-affairs/govt-scraps-requirement-to-fill-out-air-suvidha-form-for-foreign-arrivals-122112101052_1.html

Community health centres lack 80% of health specialists needed: RBI data

Health specialists such as surgeons, obstetrician and gynaecologists, and physicians are awfully short of requirement of state community health centres (CHC), showed data from the Reserve Bank of India recently.

https://www.business-standard.com/article/economy-policy/community-health-centres-lack-80-of-health-specialists-needed-rbi-data-122112100396_1.html

External

Food security, regulatory measures likely on India-GCC trade talks agenda

India and the Gulf Cooperation Council (GCC) are likely to discuss issues related to food security, logistics and regulatory measures when they formally launch negotiations for a free trade agreement (FTA) on Thursday. GCC comprises Saudi Arabia, UAE, Qatar, Kuwait, Oman and Bahrain. In May, India had implemented an FTA with the UAE which is likely to form the basis for the pact with the GCC, said officials. "The GCC is keen to ensure food security while India's concerns relate to regulatory measures, especially in some food items," said one of the officials, who did not wish to be identified.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/food-security-regulatory-measures-likely-on-india-gcc-trade-talks-agenda/articleshow/95669280.cms>

India's 5G tablet shipments grow 61% QoQ in Q3 of Calendar 2022: CMR report

The shipments of 5G tablets in India grew 61 per cent QoQ (quarter-on-quarter) in Q3 of Calendar year 2022, a Cybermedia Research (CMR) report said. According to the report, the overall Indian tablet market grew 22 per cent QoQ, with 5G capable tablet shipments picking up steam in the run up to the festival season. In addition, tablet shipments are expected to record a healthy 10-15 per cent growth this year. "Shipments of 5G tablets continued to gain strength in Q3 2022. This is driven by the recent 5G auctions, and the beginning of the 5G era. The growth in 5G Tablets is consistent with the trends seen in the 5G smartphone market," said Menka Kumari, Analyst-Industry Intelligence Group (IIG), CMR. Kumari further stated that tablet shipments will see a robust increase in the upcoming festive quarter, driven by consumer and enterprise demand for hybrid work.

https://www.business-standard.com/article/companies/india-s-5g-tablet-shipments-grow-61-qoq-in-q3-2022-says-cmr-report-122112100655_1.html

Environment ministry grants huge relief to Indian handicraft exporters ahead of CITES CoP-19 meeting

The Ministry of Environment, Forest and Climate Change on Monday stated that any number of Dalbergia sissoo timber-based items can be exported as a single consignment in a shipment without CITES permits if the weight of each individual item of this consignment is less than 10 kg. The net weight of each item will only include timber and any other item used in the product like metal etc. will be ignored. This has come as a huge relief for the Indian artisans and furniture industry. The 19th meeting of the Conference of Parties to Convention on International Trade in Endangered Species of wild fauna and flora (CITES) is being held in Panama from November 14-25. As per the official statement of the Ministry of Environment, Forest and Climate Change, "Shisham (Dalbergia sissoo) is included in Appendix II of the convention, thereby requiring to follow CITES regulations for the trade of the species.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/environment-ministry-grants-huge-relief-to-indian-handicraft-exporters-ahead-of-cites-cop-19-meeting/articleshow/95665349.cms>

India imports 23.4 lakh tons of fertiliser in October

The country imported 23.4 lakh tonne of fertilisers, including urea and Di-ammonium Phosphate (DAP), in October this year, according to official data. Out of the total fertiliser imports, DAP was maximum at 14.70 lakh tonne, followed by urea at 4.60 lakh tonne, Muriate of Potash (MoP) at 2.36 lakh tonne and complexes at 1.70 lakh tonne in the said month, the data showed. Meanwhile, the domestic production of fertilisers was 36.19 lakh tonne in

October, lower than the target of 41.54 lakh tonne set for the month. Against the assessed requirement of 71.47 lakh tonne fertilisers for October, the availability was less at 64.28 lakh tonne, and sales stood at 53.34 lakh tonne during the period, as per the data. Barring urea and ammonia, prices of DAP and fertilisers had shown an increase in the global market in October when compared to the year-ago.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-imports-23-4-lakh-tons-of-fertiliser-in-october/articleshow/95658579.cms>

Data Bill may not lead to India joining e-commerce deal at WTO

India is unlikely to join the ongoing negotiations for a plurilateral deal on e-commerce at the WTO despite a change in stance on data localisation and cross border flow of data.

https://www.business-standard.com/article/economy-policy/data-bill-may-not-lead-to-india-joining-e-commerce-deal-at-wto-122112100850_1.html

Guidelines for receiving foreign hospitality revised

The Union government on Monday said that contribution by a foreign company cannot be treated as "foreign source" if it fulfils certain conditions. "Provided that where the nominal value of share capital is within the limits specified for foreign investment under the Foreign Exchange Management Act, 1999 then notwithstanding the nominal value of share capital of a company being more than one-half of such value at the time of making the contribution, such company shall not be a foreign source," stated the order issued by the union home ministry. The revised guidelines issued on Monday relate to laws that need to be adhered while accepting the foreign hospitality or contribution. Under the powers to the central government, it may further prohibit "any person or organization other than government officials from accepting any foreign hospitality." If the government is satisfied that the acceptance of foreign contribution is not likely to affect prejudicially-"the sovereignty and integrity of India, public interest, freedom or fairness of election to any legislature, friendly relations with any foreign State, harmony between religious, racial, social, linguistic or regional groups, castes," it stated.

<https://economictimes.indiatimes.com/news/economy/policy/guidelines-for-receiving-foreign-hospitality-revised/articleshow/95669886.cms>