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Economy

Economic Survey 2023: Indian economy to grow 6.5 per cent next fiscal year

India's economy is projected to slow to 6.5 per cent in the fiscal year starting April but will remain the fastest growing major economy in the world as it fared better in dealing with the extraordinary set of challenges the globe has faced, the Economic Survey 2022-23 said on Tuesday. India's gross domestic product (GDP) growth of 6.5 per cent in 2023-24 compares with an estimated 7 per cent expansion in current fiscal year (April 2022 to March 2023) and 8.7 per cent in the previous year. Like the rest of the world, India too faced an extraordinary set of challenges in tightening financial conditions and supply chain disruptions from a prolonged war in Europe but "withstood them better than most economies", the annual document detailing the state of the economy said. The survey tabled in Parliament by Finance Minister Nirmala Sitharaman, stated that India is the world's third largest economy in PPP (purchasing power parity) terms and fifth largest in terms of exchange rate. "Economy has nearly recouped what was lost, renewed what had paused, and re-energised what had slowed during the pandemic and since the conflict in Europe," it said. While it indicated that inflation may not be too worrisome, borrowing costs are likely to remain 'higher for longer' as an entrenched inflation may prolong the tightening cycle.

<https://www.financialexpress.com/budget/economic-survey-2023-indian-economy-to-grow-6-5-per-cent-next-fiscal-year-2965845/>

Core sector growth at three-month high of 7.4% in December: Govt data

Production of eight infrastructure sectors rose at a three-month high of 7.4 per cent in December 2022 against 4.1 per cent in the same month of previous year on a better show by coal, fertiliser, steel, and electricity segments, according to the official data released on Tuesday. Crude oil output, however, contracted by 1.2 per cent in December last year. The production of eight key sectors rose by 5.7 per cent in November 2022. The growth rate of eight infrastructure sectors -- coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity -- stood at 8 per cent in April-December this fiscal as against 12.6 per cent during the same period last fiscal.

https://www.business-standard.com/article/economy-policy/core-sector-growth-at-three-month-high-of-7-4-in-december-govt-data-123013101236_1.html

Retail inflation for industrial workers rises marginally to 5.5% in December

Retail inflation for industrial workers rose marginally to 5.5 per cent in December 2022 from 5.41 per cent in November due to higher prices of certain food items. "Year-on-year inflation for the month stood at 5.50 per cent compared to 5.41 per cent for the previous month (November 2022) and 5.56 per cent during the corresponding month (December 2021) a year before," a labour bureau statement said. Similarly, it stated that the food inflation stood at 4.10 per cent against 4.30 per cent in the previous month and 5.93 per cent during the corresponding month a year ago. The All-India CPI-IW (consumer price index for industrial workers) for December 2022 decreased by 0.2 points and stood at 132.3 points. It was 132.5 points in November 2022.

<https://economictimes.indiatimes.com/news/economy/indicators/retail-inflation-for-industrial-workers-rises-marginally-to-5-5-in-december/articleshow/97498458.cms>

India to be USD 5 trillion economy by FY2026: CEA Anantha Nageswaran

India has the potential to grow at 6.5-7 per cent and will become a USD 5 trillion economy by 2025-26 and USD 7 trillion by 2030 depending on exchange rate fluctuation, Chief Economic Advisor (CEA) V Anantha Nageswaran said on Tuesday. Indian economy is estimated to touch USD 3.5 trillion mark by March 2023. "Ultimately, our goal is to take the kind of efforts we need to take in terms of policies, in terms of investments, in terms of private sector decisions, and economic outcomes will follow automatically. "So, USD 5 trillion is something which can happen by 2025-26 or 2026-27 and USD 7 trillion by 2030, depending on how the dollar-rupee (pair) behaves and what our nominal GDP growth in rupee terms is," Nageswaran told PTI in an interview after the release of the Economic Survey 2022-23 which was prepared by a team led by him.

<https://economictimes.indiatimes.com/news/economy/finance/india-to-be-usd-5-trillion-economy-by-fy2026-cea-anantha-nageswaran/articleshow/97500680.cms>

Budget 2023: Individuals expect cut in essential items prices, income tax rates – Axis My India CSI Survey

Just days before the Finance Minister Nirmala Sitharaman will present the Union Budget 2023, Axis My India released the India Consumer Sentiment Index (CSI) which highlighted that one of the biggest expectations from the budget is reduction in price of essentials. Another major request is reduction in income tax rates, which, in turn, will increase the spending power of the consumers. Axis My India surveyed 6,100 people, wherein 65 per cent belonged to rural India and 35 per cent were from urban India. In terms of regions, while 23 per cent belonged to the Northern parts, 27 per cent were from Eastern India, 28 per cent from Western parts of the country and 22 per cent belonged to Southern parts of India.

<https://www.financialexpress.com/budget/budget-2023-individuals-expect-cut-in-essential-items-prices-income-tax-rates-axis-my-india-csi-survey-2966414/>

Banking and Finance

India's April-Dec fiscal deficit touches 60% of full-year target: Govt data

India's fiscal deficit for the nine months through December touched 9.93 trillion rupees (\$121.22 billion), nearly 60% of annual estimates, government data showed on Tuesday. Net tax receipts rose to 15.56 trillion rupees while total expenditure was 28.18 trillion rupees, the data showed. Finance Minister Nirmala Sitharaman will present the budget for the next financial year on Wednesday, where she is widely expected to say that India would meet its fiscal deficit target of 6.4% for the current year.

https://www.business-standard.com/article/economy-policy/india-s-april-dec-fiscal-deficit-touches-60-of-full-year-target-govt-data-123013101139_1.html

At Rs 1.55 lakh crore, GST mop-up in January is second highest ever

GST collections for the month of January stood at Rs 1.55 lakh crore, according to the data shared by finance ministry on Tuesday. This is the second highest mop-up next only to the collection reported in April 2022. Giving a break-up of the collections, the ministry said that CGST accounted for Rs 28,963 crore, while the SGST stood at 36,730 crore. The IGST accounted for 79,599 crore (including Rs 37,118 crore collected on import of goods) and cess was Rs 10,630 crore (including Rs 768 crore collected on import of goods). "The government has settled Rs 38,507 crore to CGST and Rs 32,624 crore to SGST from IGST as regular settlement. The total revenue of Centre and the States in the month of January 2023 after regular settlement is Rs 67,470 crore for CGST and Rs 69,354 crore for the SGST," the release said.

<https://economictimes.indiatimes.com/news/economy/finance/at-rs-1-55-lakh-crore-gst-mop-up-in-january-is-second-highest-ever/articleshow/97500245.cms>

Digital payments record 24% annual growth at end of Sept 2022: RBI data

Digital payments across the country registered a growth of 24.13 per cent in a year through September 2022, as per RBI's index that measures the adoption of online transactions. The newly-constituted RBI's Digital Payments Index (RBI-DPI) stood at 377.46 in September 2022 against 349.30 in March 2022 and 304.06 in September 2021. "The RBI-DPI Index has increased across all parameters driven by significant growth in payment infrastructure and payment performance across the country over the period," Reserve Bank of India (RBI) said in a statement on Tuesday.

https://www.business-standard.com/article/economy-policy/digital-payments-record-24-annual-growth-at-end-of-sept-2022-rbi-data-123013101459_1.html

Industry

Gold demand down by 3% in '22 on high price, global cues

Gold demand in India fell 3% to 777 tonnes in 2022, amid high prices of the metal and global economic uncertainty. According to figures released on Tuesday by the World Gold Council (WGC), while jewellery demand was down by nearly 2% to 600.4 tonnes from 610.9 tonnes in 2021, demand for gold as investment fell about 7% to 173.6 tonnes in 2022 from 186.5 tonnes the year before. According to the WGC, India imported 673.3 tonnes of gold in 2022 compared with 924.6 tonnes in 2021, a fall of 27%. High import duty on gold may have discouraged import of gold through the official route.

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/gold-demand-down-by-3-in-22-on-high-price-global-cues/articleshow/97503011.cms>

India's solar module manufacturing capacity to reach 95 GW by 2025: Report

India's solar module manufacturing capacity is expected to reach approximately 95 GW by the end of 2025, according to Mecom Capital. The solar module manufacturing capacity as of September last year was 39 gigawatt (GW), the research firm said in its latest report. "India's solar module manufacturing capacities announced...39 GW at the end of September 2022 and is expected to reach approximately 95 GW by the end of the calendar year (CY) 2025," the report titled 'State of Solar PV Manufacturing in India' said. Indian PV (photovoltaic) manufacturers are strategically poised to expand their production capacities and adopt new technologies in the coming years on the back of government incentive programmes, the report said.

https://www.business-standard.com/article/companies/india-s-solar-module-manufacturing-capacity-to-reach-95-gw-by-2025-report-123013100454_1.html

Agriculture

Sugar production to fall 5% to 34 mn tonnes in 2022-23 marketing year: ISMA

India's sugar production is estimated to fall 5 per cent during 2022-23 marketing year ending September to 340 lakh tonnes as more quantity of sugarcane juice is being diverted for production of ethanol, according to industry body ISMA. Sugar production stood at 358 lakh tonnes in the 2021-22 marketing year (October-September). In a statement, Indian Sugar Mills Association (ISMA) said sugar production in 2022-23 is estimated at around 340 lakh tonnes after diversion of 45 lakh tonnes of sweetener towards ethanol manufacturing. Sugarcane juice/syrup and B-molasses are being diverted to ethanol making.

https://www.business-standard.com/article/economy-policy/sugar-production-to-fall-5-to-34-mn-tonnes-in-2022-23-marketing-year-isma-123013101117_1.html

Infrastructure

Budget 2023: President Droupadi Murmu highlights achievements of Indian Railways in maiden Budget session speech

Highlighting the achievements of the Indian Railways, president Droupadi Murmu on Tuesday said that the Indian Railways is on the right track and is fast moving towards becoming the world's largest electric railway network. The President was speaking while making her first address to the joint sitting of the Parliament's Budget session. She said that the country has changed the age-old thinking of progress and nature not going together. Instead, the government has been focusing on 'green growth'. President Murmu also spoke about the tremendous growth in India's metro connectivity. She said that in the past eight years, India has witnessed thrice the amount of growth in the connectivity of the Metro rail network. She further added that India, by 2047, has to be a nation that is self-reliant a.k.a 'aatmanirbhar', and is also capable of fulfilling its humanitarian duties.

<https://www.financialexpress.com/budget/budget-2023-president-droupadi-murmu-highlights-achievements-of-indian-railways-in-maiden-budget-session-speech-2965566/>

Energy

Government extends oil block bid deadline to March 30

The government has extended the time for submitting bids in the eighth exploration licensing round to March 30, yet another extension for the auction that had an original bid submission deadline of September 6, according to the Directorate General of Hydrocarbons (DGH). The government launched the eighth bidding round under the open acreage licensing policy (OALP) on July 7. DGH didn't assign any reason for the extension. In the past, extensions have been given in the hope of attracting more bidders.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/government-extends-oil-block-bid-deadline-to-march-30/articleshow/97503046.cms>

Govt receives bids for 32 mines in 6th round of commercial coal auction

The government has received bids for 32 mines in the technical round of the sixth tranche of commercial coal auction that had offered 133 coal and lignite mines. A total of 86 bids were received against the 32 coal mines, a statement from the government said. NTPC Ltd, Jindal Power Ltd, Jindal Steel & Power Ltd, Vedanta Ltd, JSW Steel Ltd, NLC India Ltd, Dalmia Cement, Shree Cement, Ultratech Cement and Ambuja Cement were among the 56 companies that submitted the bids.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/govt-receives-bids-for-32-mines-in-6th-round-of-commercial-coal-auction/articleshow/97499367.cms>

States

Maharashtra Govt may extend current textile policy by three months: Textile Industry Minister Chandrakant Dada Patil

The government of Maharashtra is looking at extending the state's current textile policy by three months, informed the State Minister for Higher and Technical Education and Textile Industry, Chandrakant Dada Patil on Monday, reported PTI. "The present textile policy of Maharashtra has been operative from 2018...and is expiring on March 30, 2023," he said. The minister was speaking after the inauguration of the ongoing 76th National Garment Fair (NGF) on Monday organised by Clothing Manufacturers Association of India's (CMAI). He said, "We have appointed a committee of 30 stakeholders, including two representatives of CMAI. This committee has recommended extending the present textile policy for further three months."

<https://www.financialexpress.com/industry/sme/msme-eodb-maharashtra-govt-may-extend-current-textile-policy-by-three-months-textile-industry-minister-chandrakant-dada-patil/2966320/>

External

Jaishankar meets Sri Lanka's High Commissioner, bilateral ties discussed

Sri Lanka's High Commissioner to India, Milinda Moragoda, called on External Affairs Minister S Jaishankar on Tuesday. They discussed how to take the relationship forward between the two countries, according to the statement released by Sri Lanka's High Commission. According to the statement, Moragoda and Jaishankar also reviewed the current status of the relations between Sri Lanka and India. On 20 January, Jaishankar concluded an official visit to Sri Lanka. During the visit, he had called on President Ranil Wickremesinghe and Prime Minister Dinesh Gunawardena and had official discussions with Minister of Foreign Affairs Ali Sabry.

<https://economictimes.indiatimes.com/news/india/jaishankar-meets-sri-lankas-high-commissioner-bilateral-ties-discussed/articleshow/97507407.cms>

New diversified markets helping India's exports: FIEO

Increasing exports to markets such as Brazil, South Africa and Saudi Arabia are boosting the growth of the country's outbound shipments, FIEO said on Tuesday. Federation of Indian Export Organisations (FIEO) President A Sakthivel said the Economic Survey has rightly highlighted India's growing and diversifying merchandise trade. "The new diversified markets, including those of Brazil, South Africa and Saudi Arabia, have led to the increase in exports by up to 2 times," he said. The ongoing trade negotiations with the UK, EU, Canada, and Israel will also add further impetus to our exports, he added. "Reducing the cost of logistics in the country, which now to the tune of 14-15 per cent, comparable to the global benchmark, will help in making our exports more competitive worldwide," Sakthivel said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/new-diversified-markets-helping-indias-exports-fieo/articleshow/97497623.cms>

Electronics export likely to grow by 37 per cent to cross Rs 1.6 lakh crore this fiscal: ICEA

Electronic goods export is likely to grow by 36.8 per cent to cross Rs 1.6 lakh crore in the current fiscal, with mobile phone export accounting for nearly half of the total pie, industry body ICEA said on Tuesday. The electronic goods export in 2021-22 was Rs 1,16,937 crore, according to India Cellular and Electronics Association (ICEA). "In financial year (FY) 2021-22, India exported Rs 1,16,937 crore worth of electronic goods and is estimated to export more than Rs 1,60,000 crore in FY 2022-23. The mobile phone exports in FY 2021-22 were Rs 45,000 crore, and is estimated to reach more than Rs 75,000 crore in FY 2022-23," ICEA said in a note.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/electronics-export-likely-to-grow-by-37-pc-to-cross-rs-1-6-lakh-crore-this-fiscal-icea/articleshow/97499609.cms>

Export curbs fail to arrest India's booming rice shipments: Sources

India's rice exports in 2022 jumped to a record high despite the government's curbs on overseas sale, as buyers continued to make purchases from the South Asian country because of competitive prices, according to government and industry officials. The record exports allowed Asian and African countries to import the staple at a time when supplies of wheat and other grains were hit by drought and Russia's invasion of Ukraine.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/export-curbs-fail-to-arrest-indias-booming-rice-shipments-sources/articleshow/97489140.cms>