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Economy

Niti Aayog working on road map to push alternative tech for fuel cells

The Niti Aayog is working out a policy roadmap for use of alternate technologies for fuel cells to power future vehicles in the country. The aim is to reduce dependence on China, which controls 80% of global reserves for lithium, reduce cost and make India self-reliant in battery technology. The Aayog has begun deliberations on sodium ion batteries, aluminium air batteries and zinc air batteries, a senior government official told ET. The technology could be first introduced in commercial vehicles and two-wheelers before it is introduced for cars because of the low energy density of sodium and other ions compared to lithium ions, making the latter more powerful.

<https://economictimes.indiatimes.com/news/economy/policy/niti-aayog-working-on-road-map-to-push-alternative-tech-for-fuel-cells/articleshow/96352553.cms>

Flexi staffing industry grows by 6%, adds 78,000 jobs in July-Sept

The Indian flexi staffing industry added 78,000 jobs in July-September 2022, up 6 per cent as compared to the previous quarter, on account of rise in demand across all sectors, a report said. "Buoyed by a strong festive season and rising demand across sectors, the Indian Staffing Federation (ISF) members added 78,000 new jobs in July-September quarter, a 6 per cent rise in new jobs over previous April-June quarter," said ISF's Flexi Staffing Employment Growth report. The new jobs in July-September are combination of new jobs in general staffing and IT staffing, it stated. New jobs in general staffing which excludes IT staffing grew 7.3 per cent in July-September, driven by rise in demand in FMCG, e-commerce, manufacturing, retail, logistics, banking, hospitality, tourism, insurance, infrastructure, it stated.

https://www.business-standard.com/article/companies/flexi-staffing-industry-grows-by-6-adds-78-000-jobs-in-july-sept-122121900733_1.html

Banking and Finance

Sebi proposes major changes in investor grievance redressal mechanism

The Securities and Exchange Board of India (Sebi) has proposed modifications in the investor grievance redressal mechanism, to facilitate dispute resolution and arbitration online on an end-to-end basis. The proposed changes include doing away with the appellate arbitration system administered by market infrastructure institutions (MIIs), and reorganising the Investor Grievance Redressal Committee (IGRC) into a panel of mediators. "To reduce costs for the parties, ease/eliminate the coordination issues in forming a panel and enable availability of a higher number of arbitrators for resolution of matters, it is proposed that all matters, irrespective of the amount of claim, be dealt with by a sole arbitrator, and accordingly, the requirement of a panel of arbitrators will be discontinued," said Sebi. Currently, a sole arbitrator is appointed under the MII-administered arbitration mechanism for matters involving claims of up to Rs 25 lakh, while a panel of three arbitrators is appointed for higher claims.

https://www.business-standard.com/article/markets/sebi-proposes-major-changes-in-investor-grievance-redressal-mechanism-122121901187_1.html

Decision on privatisation of PSBs after consultation: Govt

The government on Monday said it will take a view on privatisation of public sector banks (PSBs) after consultation with the department and the regulator concerned. Consideration of issues related to disinvestment and decision on selection, terms and conditions, etc. in case of strategic sale is entrusted to the Cabinet committee designated for this purpose under the Government of India (Transaction of Business) Rules, 1961, minister of state for finance Bhagwat Karad said in a written reply to Lok Sabha.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/decision-on-privatisation-of-psbs-after-consultation-govt/articleshow/96352514.cms>

Note in circulation rise 8% annually to Rs 32 trillion: Finance Minister

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 demand for currency depends upon several macroeconomic factors, including economic growth and level of interest rates, she said in a reply to the Lok Sabha. The quantum of cash or banknotes in the economy depends on the requirement for meeting the demand for banknotes due to GDP growth, inflation, replacement of soiled banknotes and growth in non-cash modes of payment. She stressed that the mission of the government is to move towards a less cash economy to reduce the generation and circulation of black money and to promote the digital economy.

https://www.business-standard.com/article/economy-policy/note-in-circulation-rise-8-annually-to-rs-32-trillion-finance-minister-122121900577_1.html

Banks' gross NPAs to fall to 3.9-4.3% by March 2024: ICRA

Led by favourable credit growth and relatively better health of the corporate sector, asset quality of banks is likely to remain robust through FY24, with gross NPA (non-performing assets) ratio declining to 3.9-4.3 per cent by March 2024 from the estimated level of 4.4-4.7 per cent as of March 2023 and 6.0 per cent as of March 2022. The net NPA ratio is also seen improving to 1.1-1.3 per cent by the end of FY24 from the expected 1.3-1.4 per cent as of March 2023 and 1.7 per cent as of March 2022, ratings agency ICRA said on Monday, while revising its outlook for the banking sector to 'positive' citing stronger earnings' profile of banks. Within this, it expects net NPA ratio for PSU banks to be at 1.3-1.6 per cent and for private banks at 0.8-0.9 per cent as of March 2024.

<https://www.thehindubusinessline.com/todays-paper/tp-money-banking/banks-gross-npas-to-fall-to-39-43-by-march-2024-icra/article66281954.ece>

Circular in works on tax recovery from cos under IBC

The government will issue a circular to facilitate recovery of tax dues from companies undergoing insolvency that may require new buyers to settle "agreed tax claims" while a resolution package is approved. The revenue department will discuss the necessary changes with the Ministry of Corporate Affairs (MCA) that administers the Insolvency and Bankruptcy Code (IBC). The move is aimed at providing clarity following a Supreme Court judgement. The issue was discussed at the Goods and Services Tax Council meeting Saturday, and it was agreed that more clarity was required regarding the treatment of statutory dues under the IBC. After the meeting, the finance ministry said a circular will be issued for clarifying the issue of treatment of statutory dues under the GST law.

<https://economictimes.indiatimes.com/news/economy/policy/circular-in-works-on-tax-recovery-from-cos-under-ibc/articleshow/96356944.cms>

Industry

India eyes quality control measures for rubber, cement industries: Report

India aims to implement quality control measures for the light engineering, rubber, cement and concrete building materials industry by next year, a government source told Reuters on Monday. "Drawing from the example of measures taken for the toy industry in India, better standards helped comply with international standards. The industry then saw exporting opportunities and now they are exporting. We expect a similar thing to happen in other sectors," the source said.

https://www.business-standard.com/article/economy-policy/india-eyes-quality-control-measures-for-rubber-cement-industries-report-122121900359_1.html

Steel mills reduce prices of auto-grade offerings

Some Indian steel mills have reportedly cut prices for auto-grade offerings by ₹4,000-5,000 per tonne for October-December contracts, in view of higher available stocks and weakening commodity cycle. Automakers have already announced price hikes January onwards. Mills and original equipment makers (OEMs) had agreed to switchover to quarterly contracts since April this year in view of higher commodity price volatility. Previously, auto contracts were reviewed and negotiated once every six months. According to data collated by Steelmint, Indian mills have agreed to a reduction of ₹4,900/tonne in hot rolled coils (HRCs) and ₹4,200/tonne in cold rolled coils (CRCs) prices in Q3 FY23 auto contracts. Auto segment accounts for 9-10 per cent of India's steel consumption. As per trade sources, price hikes in Q1 FY23 – when quarterly contracts came into force – was in the range of ₹4,000-6,000 per tonne across CRC and HRCs. However, in Q2, when the metal cycle was weakening, mills went in for cuts of approximately ₹10,000 per tonne (across both HRC and CRCs).

<https://www.thehindubusinessline.com/companies/steel-mills-reduce-prices-of-auto-grade-offerings/article66282201.ece>

Over 15,000 MSMEs shut since FY20; 54% in current fiscal so far: Govt data

15,029 MSMEs were shut down between the financial year 2019-20 and mid-December in the current fiscal, according to the data shared by Minister of State for MSMEs Bhanu Pratap Singh Verma on Monday in a written reply to a question in the Rajya Sabha. Data post July 1, 2020 was sourced from the Udyam portal while for the previous years (till June 30, 2020), the data was sourced from Udyog Aadhaar Memorandum (UAM) – the erstwhile MSME registration portal. According to the details shared in the parliament, 8,232 – 54 per cent of total shutdowns were closed till December 14 in the current financial year itself followed by 6,222 units – 41 per cent closed in FY21. In contrast, the rest 575 units or 3.82 per cent of total closures were shut between FY20 and FY21 (245 in FY20, 155 in FY21 and 330 in FY22).

<https://www.financialexpress.com/industry/sme/msme-eodb-over-15000-msmes-shut-since-fy20-54-in-current-fiscal-so-far-govt-data/2919554/>

Retail sales top pre-Covid levels in November by 15% led by footwear, jewellery

Retailers posted a 15 per cent growth in sales in November over pre-pandemic levels. According to the latest edition of Retail Business Survey released by the Retailers' Association of India (RAI), this growth was led by segments such as footwear, sports goods and jewellery. The industry body, however, pointed out that the impact of inflationary challenges on the discretionary segment was visible. In terms of region-wise analysis, retailers in eastern and western regions garnered a growth of 17 per cent each compared to November 2019. In the Northern and Southern regions, sales were up 13 per cent each. Kumar Rajagopalan, CEO, RAI, said, "October and November witnessed a 17 per cent growth, which is welcome but can't be termed as spectacular. Inflation-led worries have dampened the ability of some customers to purchase discretionary products. However, with the wedding season ringing in, we have seen an increase in purchases in jewellery, footwear, and garments." While footwear segment witnessed a growth of 29 per cent in November this year over pre-pandemic levels (November 2019), sales of sports goods were up nearly 24 per cent. The industry body pointed out that sales of sporting goods and footwear got a boost due to consumers purchasing merchandise for the FIFA World Cup to support their favourite teams as well as the marathon season.

<https://www.thehindubusinessline.com/companies/retail-sales-in-november-up-15-compared-with-pre-pandemic-levels-says-retailers-association-of-india/article66281836.ece>

EV sector hiring set to gain momentum next year

Electric vehicle (EV) makers and associated companies are set to go on a hiring drive in 2023 when more green vehicles are expected to hit the road amid increasing push towards environmental sustainability, rising fuel prices, and policy measures drawing significant investments. Hiring in the sector is seen growing by 40-50% in the next 6-12 months as companies look to strengthen their teams across functions to cater to capacity expansion and new product launches, according to industry officials and staffing companies. The entire EV ecosystem of manufacturers, component and battery makers, charging and swapping infrastructure providers, and vehicle maintenance service providers is looking for talent, experts said.

<https://economictimes.indiatimes.com/jobs/ev-sector-hiring-set-to-gain-momentum-next-year/articleshow/96352446.cms>

Agriculture

Sugar output up 5%; mills contract for 4.5-5 mn tonnes exports so far

Sugar production has increased 5 per cent to 82.1 lakh tonnes between October 1 and December 15 period of this marketing year, while mills have contracted to export 45-50 lakh tonnes of sweetener, industry body ISMA said on Monday. Sugar marketing year runs from October to September. The production of sugar stood at 77.9 lakh tonnes in the corresponding period of the 2021-22 marketing year. "As per port information and market reports, about 45-50 lakh tonnes of contracts for export of sugar have already been entered into so far. Out of that, about 6 lakh tonnes of sugar have been physically exported out of the country up to 30th November," Indian Sugar Mills Association (ISMA) said in a statement.

https://www.business-standard.com/article/economy-policy/sugar-output-up-5-mills-contract-for-4-5-5-mn-tonnes-exports-so-far-122121900550_1.html

Infrastructure

Net leasing of office space likely to rise 41-49% across 7 cities in 2022

Net leasing of office space is likely to rise by 41-49 per cent across seven major cities this year on a lower base and improved demand post-pandemic, according to JLL India. Net absorption or leasing of office space stood at 26.2 million square feet in 2021, and it is likely to be in the range of 37-39 million square feet this year across seven cities -- Bengaluru, Delhi NCR, Chennai, Hyderabad, Kolkata, Mumbai and Pune. Nevertheless, the net office leasing will remain lower than the record absorption achieved in 2019 -- the pre-COVID year -- at 47.9 million square feet. The net absorption for the first nine months of 2022 (January-September) is at a three-year high of 30.3 million square feet and on track to match the 5-year average (2015-2019) for the full year, it added.

https://www.business-standard.com/article/companies/net-leasing-of-office-space-likely-to-rise-41-49-across-7-cities-in-2022-122121900517_1.html

India's domestic air traffic rises 11% in Nov, yet to cross pre-Covid numbers

India's domestic air traffic rose over 11 per cent in November, but remained lower than pre-Covid levels (10 per cent lower over November 2019), as per the data released by the Directorate General of Civil Aviation. In November, 1.17 crore passengers flew on various domestic routes with traffic rising by nearly 3 per cent over October (when 1.14 crore travelled). November air traffic was 1.05 crore in 2021 and 1.30 crore in 2019 (pre-Covid), respectively. For the 11-month period of this year (January – November), air passenger traffic grew 52 per cent y-o-y to 11.05 crore; as against 7.26 crore passengers, in the same period last year.

<https://www.thehindubusinessline.com/economy/logistics/indias-domestic-air-traffic-rise-11-in-nov-yet-to-cross-pre-covid-numbers/article66281824.ece>

Energy

India's coal production to touch 1 billion tonnes next fiscal: Centre

India's coal production will touch one billion tonnes in the next financial year from 900 million tonnes this fiscal ending March, as the country gears up to stop the import of thermal coal by 2024-25, Union Coal Minister Pralhad Joshi informed Parliament on Monday. Replying to queries in the Rajya Sabha during the Question Hour, the Coal Minister said India's domestic coal requirement will reach 1,500 million tonnes by 2030, for which the nation needs to scale up its production. "As far as production is concerned, in FY14 it was 566 million tonnes. This year our total production will be 900 million tonnes, this means all our PSUs are producing to the optimum level," Joshi said in the Rajya Sabha.

https://www.business-standard.com/article/economy-policy/india-s-coal-production-to-touch-1-billion-tonnes-next-fiscal-centre-122121900667_1.html

Commercial coal mine auctions bidding date extended to January 13

The Coal Ministry said on Monday it has extended the bidding due date for commercial coal mine auctions to January 30 after receiving numerous requests for an extension from the stakeholders. In November, the Ministry

launched the 6th round of commercial coal mine auctions along with the second attempt at the 5th round of commercial coal mine auctions. The due date for the submission of online and offline bids was December 30, 2022. The Ministry has organised investor conclaves in Mumbai, Bengaluru, and Indore recently, for which a tremendous response was received. Many requests for extension of the bid due date were received during the conclaves and also in writing at the office of the nominated authority, Ministry of Coal, the ministry said in a statement. "In response to such requests from prospective bidders, the Ministry has extended the bid due date till January 13, 2023," it added. The revised auction schedule has been uploaded on the MSTC portal, and prospective bidders are advised to adhere to the timelines provided in the revised schedule for bid submission, it said.

<https://www.thehindubusinessline.com/news/commercial-coal-mine-auctions-bidding-date-extended-to-january-13/article66282004.ece>

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, Parliament was informed on Monday. The data provided by the Minister of State for Petroleum & Natural Gas Rameswar Teli as part of a written response to a query in the Rajya Sabha showed that in FY22, the oil and gas sector contributed ₹4.92-lakh crore to the central exchequer, while States got ₹2.82-lakh crore.

<https://www.thehindubusinessline.com/economy/oil-gas-sector-contributed-357-lakh-crore-to-govt-exchequer-in-h1-fy22/article66281861.ece>

Telecom

Telcos divided over artificial intelligence, Big Data benefits

India's top telcos have divergent views again-this time over whether deployment of artificial intelligence (AI) and Big Data technologies can improve the overall quality of telecom services (QoS), traffic and spectrum management. In its submission to the Telecom Regulatory Authority of India (Trai), Reliance Jio said there are vast opportunities for deploying AI to improve network performance, overall QoS, spectrum management, security and customer services in telecom. In their submissions, Bharti Airtel and Vodafone Idea (Vi), though, said it's too early to even predict if AI and Big Data can drive internal efficiency and lead to optimisation of networks as both technologies remain nascent.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-divided-over-artificial-intelligence-big-data-benefits/articleshow/96351519.cms>

External

Centre to levy import duties on non-essential items as exports fall: Report

The Centre may hike the duties on imports of "non-essential items" ahead of growing concerns around a slowdown in exports and a widening trade deficit. Several ministries are in the process of shortlisting the commodities for duty hikes, as reported by the Indian Express (IE). The list will reportedly be restricted to only the commodities that have "enough manufacturing capacity" in the country. "We are looking at non-essential imports for which there is enough manufacturing capacity. It is to identify non-essential items, where there is sufficient production capacity and allow for higher import substitution," an official told IE. The government is also looking for ways to separate commodities that come under the same Harmonized System of Nomenclature (HSN) code for imposing duties. An HSN code subsumes a broad sweep of items. All the items under one HSN code are, however, taxed at the same rate. But under the current deliberations, the Centre is likely to impose duty only on a few items under a code and not all.

https://www.business-standard.com/article/economy-policy/centre-to-impose-import-duties-non-essential-items-as-exports-fall-report-122121900152_1.html

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. Meanwhile, defence and aerospace exports have risen to Rs 12,815 crore from Rs 4,682 crore during the same period. The ministry told Parliament on Monday that there has been good progress in the innovation ecosystem for defence, titled "Innovations for Defence Excellence" or (iDEX). The iDEX scheme was launched in April 2018 to foster

innovation and technology development in defence and aerospace by engaging industries including medium, small, and micro enterprises (MSMEs), start-ups, individual innovators, research and development (R&D) institutes, and academia. "Under iDEX, 233 problems have been opened, 310 start-ups engaged, 140 contracts signed," stated the defence ministry.

https://www.business-standard.com/article/economy-policy/defence-aerospace-exports-treble-to-rs-12-815-cr-in-5-years-govt-122121901088_1.html

India's consumer good shipments to Russia rise for 2nd month in Oct: Govt

As sanctions-hit Russia increasingly relies on consumer products from India, outbound shipments to Russia have started picking up for the second consecutive month in October. This comes after it witnessed contraction for six consecutive months starting March, commerce and industry ministry data showed. During October, India exported goods worth \$280 million, up 3.7 per cent as compared to a year ago. It was led by demand for items such as vegetables, tea, coffee, chemicals as well as iron and steel products. Similarly, in September, the growth was nearly 6 per cent, with India exporting goods worth \$297.61 billion to Russia. On a cumulative basis, exports to the country fell nearly 16 per cent year-on-year (YoY) to \$1.57 billion during the first seven months of the current fiscal. Exports to Russia started faltering soon after it invaded Ukraine on February 24. And, Western nations led by the United States (US) imposed economic sanctions to isolate Russia from global trade.

https://www.business-standard.com/article/economy-policy/india-s-consumer-good-shipments-to-russia-rise-for-2nd-month-in-oct-govt-122121901062_1.html

Oilmeals export up 50 per cent in April-November as rapemeal shipments double

The overall export of oilmeals increased to 23.92 lakh tonnes (lt) during April-November of 2022-23 against 15.96 lt in the corresponding period of the previous financial year, recording a growth of 50 per cent. Data available with the Solvent Extractors' Association (SEA) of India showed the export of oilmeals at 4.07 lt in November 2022, against 1.63 lt in November 2021, recording a growth of 150 per cent. B.V. Mehta, Executive Director of the SEA of India, said export of rapeseed meal in the first eight months of 2022-23 stood at a record 14.76 lt against 7 lt in the corresponding period of the previous year. The earlier record for rapeseed meal export was at 12.48 lt in 2011-12. He said India is the most competitive supplier of rapeseed meal to South Korea, Vietnam, Thailand and other Far-East countries at \$255 a tonne (FOB), while rapeseed meal Hamburg ex-mill is quoted at \$368 a tonne.

<https://www.thehindubusinessline.com/economy/agri-business/oilmeals-export-up-50-per-cent-in-april-november-as-rape-meal-shipments-double/article66281227.ece>

Indian organic food exports to EU held up over 'software' glitch

Over 500 organic agriculture and food containers have been stuck at various places across the country due to a "software problem" that has cropped up in the European Commission's digital certification and management platform, Traces NT, for Indian consignments. The online digital platform helps accredited certification bodies digitally sign and stamp the "Certificate of Inspection" for organic produce imported into the European Union. This pertains mainly to Category A products, mainly raw materials such as Basmati rice, cardamom and other spices such as turmeric. "The system was implemented in June 2020. The arrangement for the digital platform is a certification body will have to get its certification process approved by the Agricultural and Processed Food Products Export Development Authority (APEDA), the body that monitors such exports. "APEDA approves the certification and forwards it to the European Commission for issuing the e-seal. The EU was a little liberal in implementing this due to the Covid pandemic. But now, Indian exporters are facing problems due to the software, which could have been tweaked to ensure all parties comply with the digital certification process," said an organic trader, not wishing to identify.

<https://www.thehindubusinessline.com/economy/agri-business/indian-organic-food-exports-to-eu-held-up-over-software-glitch/article66281199.ece>