

INDIA FOCUS



We have laid a lot of emphasis on technology and the new economy

NARENDRA MODI,
Prime Minister of India

Growth is the main focus. We want to sustain that recovery, sustain that growth

NIRMALA SITHARAMAN,
Finance Minister



BUDGET 2023 - 24

In Nutshell

- Fiscal deficit to GDP at 5.9% in FY24 (6.4% estimated in FY23)
- Nominal GDP growth at 10.5% in FY24 (15.4% estimated in FY23)
- Capex outlay raised 33% to Rs 10 lakh crore (3.3% of GDP) in FY24
- 50-year interest-free loan to states to continue capital investments
- Strong push to the transportation sector
- Rebate on income tax increased to Rs 7 lakh under the new tax regime
- Maximum tax rate of personal income tax reduced to 39% from 42.74%
- MSMEs get additional credit support
- Focus on inclusive development and green growth
- Data centres and energy storage systems to be given infrastructure status

FM's 'Saptarishis' for India's Amrita Kaal



THE 7 PRIORITIES

The pillars of growth listed in the budget

- 01** Inclusive development
- 02** Reaching the last mile
- 03** Infra & investment
- 04** Unleashing the potential
- 05** Green growth
- 06** Youth power
- 07** Financial sector

The Union Budget 2023-24, presented by Finance Minister Nirmala Sitharaman on February 1, carried forward the government's vision of prioritising investment-driven economic growth.

During her interaction with journalists after presenting the budget, the FM said: "One thing from Day 1 of preparation for this budget has been very clear in my head and, thankfully, the Prime Minister was also on board with it. He (Prime Minister) said growth momentum should be maintained."

The budget listed seven priority areas: Inclusive Development, Reaching the Last Mile, Infrastructure & Investment, Unleashing the Potential, Green Growth, Youth Power and Financial Sector.

"They complement each other and act as the 'Saptarishi' guiding us through the Amrit Kaal," said the finance minister (FM).

The saptarishis are seven sages talked about in Vedic texts who are said to have made the foundations of Hinduism. The government has termed the 25-year period leading up to India's centenary year of Independence as Amrit Kaal.

The first priority area, "Inclusive Development", focussed on agriculture and cooperation, teachers' training and medical research, among others. A national digital library and physical libraries would be set up, the government said. It would also establish 157 nursing colleges and encourage research in the pharma sector.

BUDGET

2023 - 24

The budget listed the second priority as “Reaching the Last Mile”. The Centre would recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, which educate 3.5 lakh tribal students. Besides, Rs 15,000 crore would be allocated to help the particularly vulnerable tribal groups get basic facilities such as housing, drinking water and sanitation.

“Infrastructure and Investment”, which the budget listed as the third priority, gave a view of how the government wanted to stimulate the economy. The FM announced that the capital investment outlay would be raised to ₹10 lakh crore, which was 3.3% of gross domestic product (GDP).

The Indian Railways seems to be a big winner here as it has got a record capital outlay of Rs 2.4 lakh crore. To ensure an infrastructure push comes from the states, too, Sitharaman said she was extending a 50-year interest-free loan to state governments.

“Unleashing the Potential”, the fourth priority, talked about the need to harness the power of artificial intelligence by setting up three centres of excellence in top educational institutions. A National Data Governance Policy would be made to enable access to anonymised data.

The minister also gave a big push to lab-grown diamonds (LGDs). Stating that this segment was emerging and had tech and employment potential, she said steps would be taken to encourage indigenous production of LGD seeds and machines.

For priority number 5 of “Green Growth”, the government announced schemes to promote the circular economy. “This budget provides Rs 35,000 crore for priority capital investments towards energy transition and net zero objectives, and energy security by the Ministry of Petroleum & Natural Gas,” the minister said while reading out the budget.

Harnessing the power of youth was the next priority in the budget. The Pradhan Mantri Kaushal Vikas Yojana 4.0 would be launched to skill youth. The minister said 50 locations would be chosen to be developed as prime tourist spots. Unity Malls would be set up by every state to promote products made by local artisans. These would be linked to sector-specific skilling and entrepreneurship programmes.

The final priority listed in the budget was “Financial Sector”.

The government proposed a revamped credit scheme for micro, small and medium enterprises (MSMEs). The FM said Rs 9,000 crore was being added to this corpus so that MSMEs can get collateral-free credit of Rs 2 lakh crore. ■

QUOTES

.....



This year’s Budget infuses new energy to India’s development trajectory. The first budget in the Amrit Kaal of India has established a strong base to fulfill the aspirations and resolutions of a developed India.

SHRI NARENDRA MODI,
Prime Minister of India



The reason for our increase in capital expenditure is that the global outlook for the world next year is not as promising as it was some months ago.

TV SOMANATHAN,
Finance Secretary



I read that there are some companies that want to shift base (to India). So, what kind of benefits are they looking at? That needs a deeper examination.

SANJAY MALHOTRA,
Revenue Secretary



Imported inflation, especially in terms of oil, gas, etc, should see a downward trend. However, there are a few imponderables there... and there should not be any economic accident.

AJAY SETH,
Economic Affairs Secretary



It (disinvestment target of Rs 50,000 cr) is a pragmatic target but achieving this is a challenge because of uncertainties in the market.

TUHIN KANTA PANDEY,
Secretary in the Department of Investment and Public Asset Management

The budget shows the government's commitment to easing tax laws

On February 1, 2023, the Honorable Finance Minister of India, Nirmala Sitharaman, presented the last full-fledged budget of this government before the 2024 Lok Sabha elections.

This year's budget aims to further strengthen India's economic status in its 75th Year of Independence. India is shining as a bright star with an estimated growth at 7% amid a dark global economic scenario.

The direct tax proposals aim to maintain stability, while simplifying various compliance requirements, promoting the entrepreneurial spirit and providing tax relief to citizens.

Some of the key direct tax proposals include lowering personal income tax, reducing the surcharge on the super-rich, extending startup tax incentives for one more year, promoting business activities in GIFT

IFSC, extending the eligibility to apply for the nil/lower withholding tax certificate to REITS, InVits, et al.

On the indirect tax proposal front, it aims to promote exports, boost domestic manufacturing, enhance domestic value addition, encourage green energy and mobility.

To enhance business activities in GIFT IFSC, it has been proposed to set up a single window IT system for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI and IRDAI.

All in all, the budget proposals highlight the commitment of the government towards simplification, tax certainty and reduction in litigation. ■

Mahip Gupta is a Partner at Dhruva Advisors and Vishal Singh is a Principal at Dhruva Advisors

QUOTES

.....



...we will continue to further decriminalise the (GST) law as and when required.

VIVEK JOHRI,
CBIC Chairman



With the reduced number of slabs and wider slabs, the benefit will be percolating to everyone now.

NITIN GUPTA,
CBDT Chairman



Budget with vision, structure, discipline. Immediate benefits to all individual earners. Continues measured path of fiscal consolidation. True to its name: 1st budget for Amrit Kaal.

UDAY KOTAK,
CEO, Kotak Mahindra Bank



The context is that India's the only major economy in good shape & the budget's task was to preserve that status. So I was gratified to see the higher capex.

ANAND MAHINDRA,
Chairman, Mahindra Group



Overall, a pro-growth and pro-development budget, with a focus on sustainable planning and development, energy transition for a cleaner tomorrow, and inclusive growth through a tech-enabled economy.

DHEERAJ HINDUJA,
Chairman, Ashok Leyland



The FM has put inclusivity, capital expenditure, consumption, digitisation and the middle class front and centre.

SUDARSHAN VENU,
MD, TVS Motor Company

Budget for infra development goes up 33% to Rs 10 lakh cr

Finance Minister Nirmala Sitharaman said capital expenditure would be increased by 33% to Rs 10 lakh crore for infrastructure development in 2023-24. This makes it about 3.3% of GDP.

Presenting the budget for 2023-24, the FM said an infrastructure finance secretariat would be established to assist stakeholders get more private investment. To create infrastructure in tier-2 and -3 cities, the government wants to set up an Urban Infrastructure Development Fund with Rs 10,000 crore a year.

Cities would now get incentives to improve credit worthiness of municipal bonds. The urban hubs will also get a better waste management system, she said. The budget for the Union Housing and Urban Affairs Ministry included Rs 5,000 crore for the Swachh Bharat Mission-Urban (2.0) in 2023-24.

Two schemes – the PM-SVANidhi, a loan scheme for street vendors, and the Atal Mission for Rejuvenation and Urban Transformation – have got higher funding over last year.

The government would spend Rs 23,175.01 crore on metro and mass rapid transit system projects.

Ramesh Nair, Chief Executive Officer-India & Managing Director-Market Development, Asia, Colliers, said: “The budget focuses on driving consumption and capital investment to support growth. This will have a multiplier effect on various sectors.....”

Government eases rules to boost startup ecosystem

India is the third-largest startup ecosystem in the world, said Finance Minister Nirmala Sitharaman in her Budget speech for FY 2024. The government aims to further improve this ecosystem.



EASE OF DOING BUSINESS

100 labs to develop applications using 5G services

39,000+ compliances reduced

3,400+ legal provisions decriminalised

Relief on various customs duty to boost manufacturing

The Budget, presented on February 1, saw new developments on the policy front across various sectors, including agritech, electric mobility and fintech. “Entrepreneurship is vital for a country’s economic development,” said the FM.

She announced an increase in the time for carry-forward of losses due to a change in shareholding pattern from seven years to 10. She also made a proposal to set up 100 labs to develop applications using 5G services in engineering institutions.

Speaking to journalists after the budget, Revenue Secretary Sanjay Malhotra said: “Startups registered with the Department of Promotion of Industry and Internal Trade will not have to pay the so-called angel tax. With this, more than 80,000 startups will be out of this tax purview.”

More than 39,000 compliances have been reduced and 3,400 legal provisions decriminalised to ensure ease of doing business.

The finance minister announced a proposal to set up an accelerator fund to support agritech startups, primarily in rural areas.

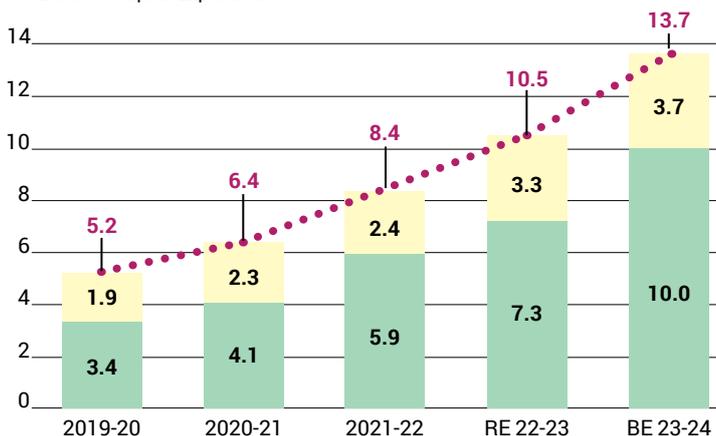
To pave the way for more electric passenger mobility, the budget proposed a reduction in the basic customs duty for non-lithium and ion cell batteries. Initiatives such as customs duty reduction from 21% to 13% on capital goods and machinery required for lithium batteries and an extension of the subsidies on EV batteries for one more year would encourage EV startups.

Sahil Arya, Co-Founder & Director, Fat Tiger, said: “The National Data Governance Policy will unleash innovation and research. It allows access to anonymised data. It will promote the Startup India initiative.”

TREND IN CAPITAL EXPENDITURE

Rs lakh crore

■ Grant in Aid for creation of capital assets
 ■ Capital Expenditure
 ●●● Effective Capital Expenditure



Source: Budget papers 2023-2024

Spotlight on healthcare, focus on pharma R&D

Finance Minister Nirmala Sitharaman increased the health sector's budget allocation by around 13% to Rs 89,155 crore in 2023-24, from Rs 79,145 crore in 2022-23. The total allocation for health in the budget stood at 2.1% of GDP.

The allocation for the AYUSH Ministry – which focuses on traditional medicine systems – was raised 28% from Rs 2,845.75 crore to Rs 3,647.50 crore. Of the Rs 89,155 crore, Rs 86,175 crore was allocated to the Department of Health and Family Welfare, and Rs 2,980 crore to the Department of Health Research.

The budget has a clear focus on encouraging research and development in pharmaceuticals and on the promotion of medical research by the private and public sectors.

The FM said dedicated multidisciplinary courses for medical devices would get support so that skilled manpower is available. Under health education and skilling, 157 nursing colleges would be established in the vicinity of prominent medical colleges.

Facilities in selective ICMR labs would be made available for research by public and private medical college faculty and private sector R&D teams. There would be a programme for research and innovation in pharmaceuticals.

“We shall also encourage industry to invest in research and development in specific priority areas,” she said.

Sitharaman also announced a programme for the elimination of sickle cell anaemia.

The industry welcomed the focus on research.

According to a EY FICCI Report, the Indian pharmaceutical market would reach \$130 billion in value by the end of 2023. The global market for pharmaceutical goods would surpass \$1 trillion in 2023. It is important to

have R&D initiatives if India wants to tap this market.

Reacting to the budget, Biocon head Kiran Mazumdar-Shaw said the finance minister has addressed some of the industry's major demands related to R&D.

Education to focus on skilling for jobs

The budget has allocated Rs 1.13 lakh crore for the education sector in 2023-24, against some Rs 8,600 crore last year.

Job-based skilling was in focus. The PM Kaushal Vikas Yojana 4.0 would be launched to skill lakhs of youth in the next three years. The courses would cater to the needs of Industry 4.0. The FM said 30 Skill India International Centres would be set up across the country.

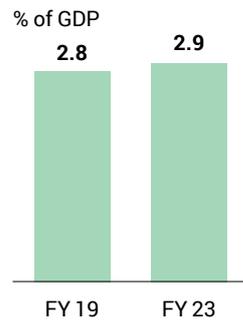
The government said it would focus on sector-specific skilling and entrepreneurship development to ensure the young are employment-ready.

Top educational institutes would have centres of AI excellence. Leading industry players would be roped in as partners to conduct interdisciplinary research, develop cutting-edge applications and salable solutions in the areas of health, agriculture and sustainable cities.

Gopal Karunakaran, CEO, Shiv Nadar School, said: “I welcome the launch of Pradhan Mantri Kaushal Vikas Yojana 4.0. This scheme, which will focus on equipping the youth with cutting-edge skills in fields such as AI, robotics, and 3D printing, is a welcome step towards preparing our students for the demands of the 21st-century global marketplace. The emphasis on developing soft skills and launching 30 international centers will create numerous



INCREASE IN EXPENDITURE ON EDUCATION



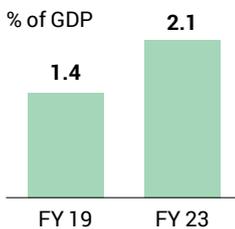
Rs 2,278 cr for Skill India Programme

Rs 538 cr for capacity development & skill development scheme

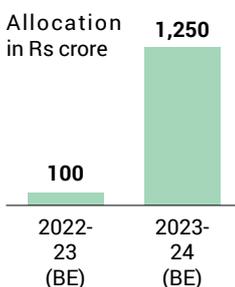
PMKVY 4.0 to focus on imparting training in new-age skill sets such as AI



INCREASE IN EXPENDITURE ON HEALTH



DEVELOPMENT OF PHARMACEUTICAL INDUSTRY



BUDGET

2023 - 24

opportunities for our students to gain valuable experience and increase their competitiveness in the international arena. We are delighted that a National Digital Library for children and adolescents will be set up to facilitate the availability of quality books.” ■

Budget lays emphasis on modernisation of agriculture

The budget allocation for agriculture, allied sectors and rural development has been pegged at Rs 2.8 lakh crore in FY24, and the focus was sharper on fisheries, dairy and animal husbandry. The target for agriculture credit was raised to Rs 20 lakh crore.

Focusing on animal husbandry, dairy and fisheries, the agricultural loan target was increased to Rs 20 lakh crore. The government wants to make natural farming a mass movement. It has made a provision of Rs 459 crore for this initiative. One crore farmers would get support.

Food and nutritional security is one of the priorities of the Union Government, and the budget for this has been increased to Rs 1,623 crore.

An Agriculture Accelerator Fund would be set up to encourage startups in the agri space; Rs 500 crore has been allocated over 5 years for this.

Keeping with the trend of promoting millets, the Indian Millets Research Centre, Hyderabad, would be promoted as a Center of Excellence.

Pushan Sharma, Director-Research, CRISIL Market Intelligence & Analytics, said the agriculture and rural development budget this year veers towards structural changes and reduces focus on short-term measures.

Experts said the allocation for structural measures such as better planting material for

horticulture crops, and cotton research should be monitored. The proposal to develop digital public infrastructure for agriculture would improve information availability and access for all stakeholders, thereby aiding better planning and credit disbursement, they added. ■

Efforts to strengthen logistics put on the fast lane

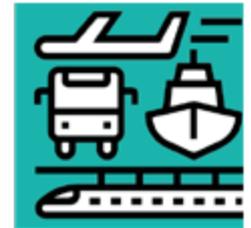
The budget has a vision to make the country self-reliant and equip India with new-age infrastructure, said Minister for Road Transport and Highways Nitin Gadkari.

His comment came after Finance Minister Nirmala Sitharaman tabled the Union Budget 2023-24, which said more than 100 critical transport infrastructure projects have been identified for development. The focus here would be to improve the first- and last-mile connectivity for ports and businesses in coal, steel, fertilisers and foodgrains. The FM said the work would be done on a priority basis “with investment of Rs 75,000 crore, including Rs15,000 crore from private sources.”

To improve regional air connectivity, the budget has proposed development of 50 additional airports, heliports, water aerodromes and advanced landing grounds.

The proposals also covered coastal shipping, seen as a segment that has great potential for low-cost movement of goods on a large scale. The budget said coastal shipping would be promoted as an energy-efficient and lower cost mode of transport for goods and people. The projects would be implemented through the public-private partnership model with viability gap funding.

Experts have long decried India’s high logistics cost – estimated to be around 14% of GDP – as a figure that makes the country far less competitive when compared with others. “All these initiatives will make the Indian logistics industry more efficient and cost-effective,” said Lancy Barboza, MD, Flomic Global Logistics Ltd. ■

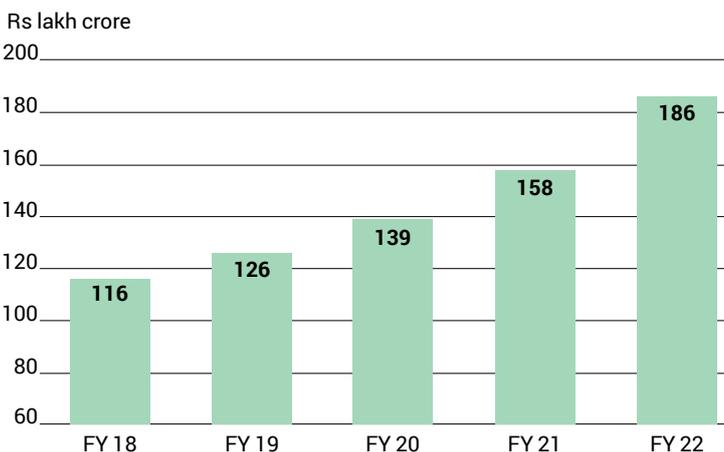


NEW-AGE INFRASTRUCTURE

100 critical transport infrastructure projects identified for last- and first-mile connectivity

Rs 75,000 crore to be pumped in here for development works

MORE CREDIT TO AGRICULTURE SECTOR



Source: Budget papers 2023-2024

Budget measures show intent to make an investment destination

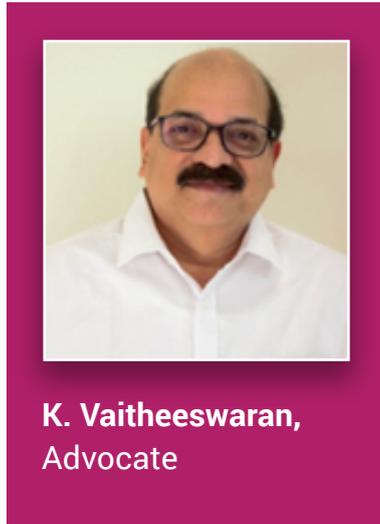
The Union Budget 2023 was presented at a time when India is the fifth-largest economy in the world, with a target to become the third-largest economy by 2027. The International Monetary Fund (IMF) has estimated the growth rate for India at 6.8% and the fiscal deficit for the current year at 5.9% of gross domestic product (GDP), with a target to bring it down to below 4.5% of GDP by 2025-26.

The policy initiatives adopted are in line with making India an important investment destination.

Infrastructure has the lion's share with an allocation of Rs 10 lakh crore, which is about 3.3% of GDP — the highest ever. The railways was allotted a capital outlay of Rs 2.4 lakh crore, about 9 times the outlay made in 2013-14. Fifty additional airports, heliports, water aerodromes and advanced landing grounds are also on cards.

From a direct tax perspective, the amendments include relaxation in time limits for carry forward of losses for startups; continuation of zero-tax on transfer of capital assets from off-shore funds to International Financial Service Centres (IFSC) up to March 31, 2025; simplified personal tax regime; tax-driven initiatives to benefit small and micro enterprises, and ease of doing business initiatives.

In the past, statutory mechanisms were put in place to address over-valuation of companies whereby the amount invested was in excess of the fair market value (FMV) of the shares. The excess was taxed in the hands of the investee company through Section 56(2) of the Income



K. Vaitheeswaran,
Advocate

From a direct tax perspective, the charges introduced in the budget would help small and micro enterprises and improve ease of doing business

Tax Act, 1961. This provision is now being made applicable even on non-residents. As this amendment is effective from April 2023, there is a potential for foreign exchange inflow from investors during the current financial year.

In the case of individuals, if any amount was received without consideration in excess of certain limits, the amounts were taxable under “income from other sources”. This was originally applicable to residents and extended to non-residents. Now it stands extended even to “resident but not ordinarily resident”.

The tax deducted at source (TDS) would be the lower one among 20% or treaty rate with reference to mutual fund units where the payee has furnished a tax residency certificate. TDS mechanisms have been amended to facilitate obtaining certificates for a lower rate or no deduction in case the inter-

est income of non-resident unit holders in a business trust is exempted. This is likely to benefit notified sovereign wealth funds and pension funds.

The Liberalised Remittance Scheme (LRS) of the Reserve Bank of India allows Indian individuals to effect foreign remittances up to a certain limit for investment or expenses and other permitted transactions. Tax collection at source (TCS) was a tool to track the remittances and to verify the same with reference to the income that was reflected in the returns filed by the assesseees. ■

K Vaitheeswaran is a Chennai-based lawyer specialising in tax advisory and litigation

Tenders: India's renewable energy capacity likely to grow by 22% in 2023-27

By Fiinews

The cumulative installed renewable energy (RE) capacity (excluding large hydro) in India is expected to reach 287.3 GW by FY 2027, expanding at a CAGR of 21.6% during FY 2023-FY 2027. It was 111.4 GW in FY 2022, according to a ResearchAndMarkets report. The country intends to build 450 GW of installed renewable energy capacity by 2030, with solar power accounting for 280 GW (more than 60%). By FY 2027, the share of RE is expected to come close to 50% of the installed power capacity.

There has been a spurt in the demand for RE as conventional electricity generation methods such as thermal power plants are getting exhausted gradually, said the report released on January 5.

In the wake of the pandemic, the renewable energy sector was hit by multiple demand and supply shocks, but the impact on the sector was relatively mild due to the government relief measures, according to the report. However, revenue losses in 2020-2021 went up due to a fall in demand, high aggregate technical and commercial (AT&C) losses, fixed charge waivers and delayed payment collections.

The report covered leading players such as JSW Energy, NTPC, Tata Power, Sembcorp Energy and GreenKo Group.

Tenders: National Green Hydrogen Mission aims to win Rs 8 lakh crore worth investments by 2030

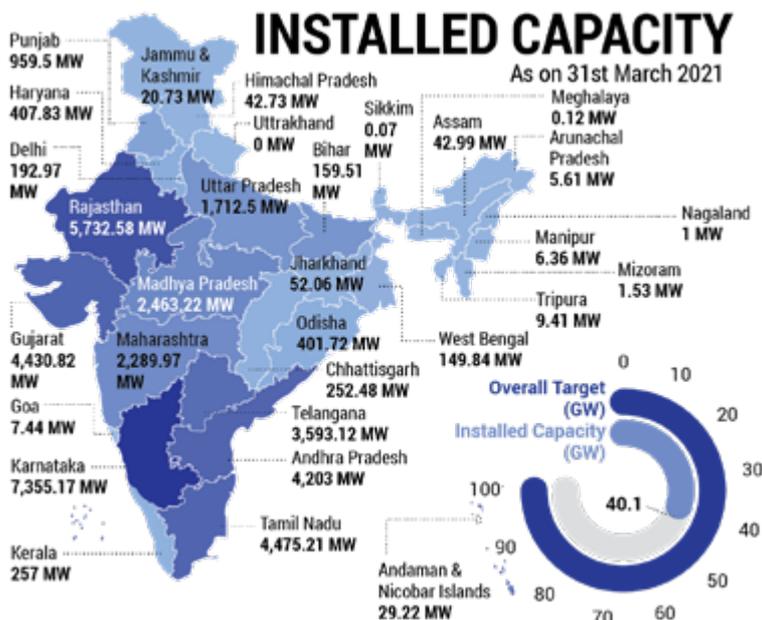
By Fiinews

The Cabinet has approved the National Green Hydrogen Mission for the development of green hydrogen production capacity of at least 5 MT (million tonne) per annum by 2030 and drawing Rs 8 lakh crore investments by 2030. The initial outlay for the mission will be Rs 19,744 crore.

The Ministry of New and Renewable Energy said the move would create over 6 lakh jobs. The other likely outcomes of the mission include cumulative reduction in fossil fuel imports over Rs 1 lakh crore and abatement of nearly 50 MT of annual greenhouse gas emissions.

The mission will facilitate demand creation, production, utilisation and export of green hydrogen. It will provide two distinct financial incentive mechanisms for domestic manufacturing of electrolysers and production of green hydrogen. Regions capable of supporting large-scale production and or utilisation of hydrogen will be identified and developed as green hydrogen hubs.

An enabling policy framework will be developed to support establishment of the green hydrogen ecosystem, the ministry said. A robust standards and regulations framework will also be developed. There will also be the facilitation of a public-private partnership framework for R&D. A coordinated skill development programme will also be undertaken.



Project: India starts green hydrogen blending in Surat

By Fiinews

NTPC Ltd on January 3 commissioned India's first green hydrogen blending project through the piped natural gas (PNG) network of NTPC Kawas township, Surat. The project is a joint effort with Gujarat Gas Limited (GGL). This facility will supply H₂-NG (natural gas) to households of Kawas township at Adityanagar, Surat.

The Petroleum and Natural Gas Regulatory Board (PNGRB) has approved blending of green hydrogen with PNG. When green hydrogen is blended with natural gas, it reduces CO₂ emissions keeping net heating content the same.

This feat has been achieved only in some coun-



First green hydrogen blending facility starts in Surat.

tries such as the UK, Germany and Australia, said the Power Ministry on January 3, 2023. India would not only reduce its hydrocarbon import bill significantly but can also bring forex ashore by being a green hydrogen and green chemicals exporter to the world, the ministry added. ■

Projects: CSIR to focus on green hydrogen

By Fiinews

The Council for Scientific & Industrial Research (CSIR) will focus on green hydrogen in 2023, Minister Jitendra Singh told media persons in New Delhi on January 1. Also, the Department of Biotechnology (DBT) would take forward the successes of the COVID-19 vaccine mission by investing in improving vaccines for existing and emerging diseases, he said.

“Significantly, major missions would also be launched on millets and patho-genomics of plant viruses in the International Year of Millets,” said Singh, Minister of State for Science & Technology; Earth Sciences; Atomic Energy and Space. ISRO, after the opening up of the space sector



Jitendra Singh,
Minister of State for
Science & Technology;
Earth Sciences;
Atomic Energy and
Space.

to private participants, has gathered more than 100 startups in a short span of time. At the same time, its focus has been on scientific exploration missions, technology demonstration missions and human spaceflight programme, the Gaganyaan, in 2024.

The Ministry of Earth Sciences would focus on deep-sea missions and technologies, which would add value to India’s economy. “2023 will also witness further headway in the Blue Economy,” he said.

“The future belongs to those who have innovative ideas and out-of-box goals, and have the conviction and courage to achieve the same.” ■

Exports: Goyal says India keen on PTAs with Global South countries

By Fiinews

India is keen to enter into preferential trade agreements (PTAs) with interested countries in the Global South, Commerce and Industry Minister Piyush Goyal told ministers from 13 countries participating at the Voice of Global South Summit, held on January 12-13.

India was providing unilateral duty-free market access to the least-developed countries (LDCs) since 2008 through the duty-free tariff preference (DFTP) scheme of India, he said.

Goyal noted that the southern countries are also helping to drive world investment. The minister highlighted that the countries of the Global South are now contributing to more than half of the world’s economic growth with South-South trade touching \$5.3 trillion in 2021. “Countries of the Global South can work together to exchange best practices in models of connectivity that we employ in our countries.”

Emphasising on the use of technology for development, Goyal shared India’s experience with an inclusive digital architecture in bringing about socio-economic transformation. He said India was ready to share its development experience with the Global South, and was eager to learn from other fellow countries.

The participants at the summit were from Benin, Bosnia and Herzegovina, Burundi, Central African Republic, Côte d’Ivoire, Democratic Republic of Congo, Gabon, Haiti, Malaysia, Myanmar, South Sudan, Timor Leste and Zimbabwe. ■



Piyush Goyal, Minister
of Commerce and
Industry.



PM Narendra Modi attends second National Conference of Chief Secretaries, in New Delhi.

Exports: PM says the world looks to India for supply chain stability

By Fiinews

Prime Minister Narendra Modi said the entire world is reposing its faith in India as a country that can bring stability to the global supply chain.

India would be able to take full advantage of this only if the states took the lead, maintained focus on quality and took decisions with an India-first approach, he said at the 2nd National Conference of Chief Secretaries of the States on January 7. He called on state governments to focus on pro-development governance, ease of doing business, ease of living and provision of robust infrastructure.

Launching the Aspirational Block Programme, Modi underscored the success achieved in various aspirational districts under the programme.

Modi also called on the states to act proactively towards formalisation of MSMEs, making them globally competitive by making available finance, technology, market and access for skilling. He emphasised that states should try to adopt a strong cyber security strategy, adding that this investment was like an insurance for the future.

The Prime Minister also discussed establishing “Millet Cafes” at prominent public places and state government offices across the country, adding that millets might be showcased in the G20 meetings being held in states. The United Nations has declared 2023 as the International Year of Millets. The PM asked the states to work on research related to millet products. ■

Investments: Singapore, New York investors join NIIF to develop pan-India data centres

By Fiinews

Digital Edge (Singapore) Holdings, National Investment and Infrastructure Fund (NIIF) of India and Singapore-based AGP DC InvestCo Pte Ltd have entered into a partnership to develop a pan-India portfolio of hyperscale data centres.

The facilities will operate under the brand name Digital Edge DC and intend to support the country’s ongoing digital transformation and provide much needed capacity to the rapid growth of India’s cloud industry.

The partnership’s first project is a greenfield 300-MW hyperscale facility in Navi Mumbai, which is the country’s biggest data centre hub offering easy access to infrastructure, including power and fiber connectivity.

The facility will be one of the largest data centres in India and is designed to cater to hyperscale deployments. Construction of the 47-acre site will commence in early 2023. The data centre will be fully operated by and marketed by Digital Edge DC.

“This partnership with NIIF and AGP marks Digital Edge’s entry into the Indian market, growing its platform to six countries across Asia,” said the partners in a statement on January 5.

NIIF, led by the Indian government, will leverage its local and operational expertise in developing platforms as well as its strong infrastructure investment experience, and AGP, a

sustainable-focused real assets manager, will bring on-the-ground real estate development and construction experience. The partnership aims to source power for its portfolio of data centres predominantly from renewable energy sources, drawing on a partner's renewable energy development capabilities.

According to IDC, India's public cloud services market is expected to grow at a CAGR of 24.1% for 2020-2025, driven largely by the accelerated adoption of digital transformation initiatives, the roll out of 5G telecom services across the country and the expected transition to hybrid work following the COVID-19 pandemic. This combined with India's significant population, which is also the highest data consumer in the world, is further fuelling demand for the local data centre industry which, according to Structure Research, is expected to grow to 1,073MW of IT load capacity by 2026.

"Our mission is to build the foundation for the world's digital future and we are excited to enter this dynamic market and contribute to India's incredible digital transformation," said Samuel Lee, Chief Executive Officer at Digital Edge.

Singapore-headquartered Digital Edge brings new colocation and interconnect options to the Asian market, making infrastructure deployment in the region easy, efficient and economical. The company provides data center and fiber services across Asia, with a presence in China, Indonesia, Japan, South Korea and the Philippines.

Vinod Giri, Managing Partner of the NIIF's infrastructure fund, said NIIF aims to play a key role in building quality digital infrastructure

to support the Indian government's vision to transform the country into a global data center and cloud computing hub.

Headquartered in Singapore with offices in the UK, Europe, US, India and Australia, AGP currently has 5,000MW generation capacity under development and 22 m sqft of built space developed or under development.

Headquartered in New York with offices in Austin, Hong Kong, Houston, London and Sydney, Stonepeak is a leading alternative investment firm specializing in infrastructure and real assets with approximately \$53.4 billion of assets under management. ■

Market: China-listed BYD eyeing 40% of the Indian EV market by 2030

By Fiinews

BYD, the new energy vehicle (NEV) manufacturer listed on the Hong Kong and Shenzhen stock exchanges, is eyeing 40% of the Indian EV market by 2030, and plans to sell 15,000 units of BYD ATTO3 next year while expanding the showroom network to 53 this year.

"The bookings of BYD ATTO 3 have been encouraging, and we are all set to start the first deliveries from January 2023," said Sanjay Gopalakrishnan, Senior Vice-President of Electric Passenger Vehicles of BYD India.

Within a year, BYD has expanded its network to 24 showrooms across 21 cities in India and will double the presence to 53 showrooms within 2023, he said at the launch of BYD's new luxury model at the Auto Expo in New Delhi.

BYD Seal, whose sales have exceeded 50,000 within 5 months in China, is planning to launch sales in India by Q4 2023. As the All-New e6 and BYD ATTO 3 are already available in the local market, BYD Seal will be the third passenger EV released in India within two years, he said.

Founded in 1995 as a rechargeable battery maker, BYD now boasts a diverse business scope covering automobiles, rail transit, new energy and electronics, with over 30 industrial parks in China, the US, Canada, Japan, Brazil, Hungary and India. ■

Investments: India to host 200+ G-20 meetings across the country

By Fiinews

More than 200 G-20 related meetings will take place in different Indian cities, offering opportunities to establish meaningful connections with the delegates of many countries, Prime Minister Narendra Modi said at the inauguration of 17th Pravasi Bharatiya Divas Convention in Indore on 9 Jan 2023.

G-20 is not just a diplomatic event but it should



Navi Mumbai gets greenfield 300-MW hyperscale facility

be turned into a historic event of public participation where one can witness the sentiment of 'Atithi Devo Bhava', he said.

India took over the G-20 Presidency this year and the responsibility comes with a great opportunity to make the world aware of India's past experiences to attain a sustainable future and learn from these experiences, he told delegates at the convention.

He noted that Indians have traversed all parts of the globe while living among different cultures and traditions and yet found ways to unlock the gates of prosperity through business partnerships.

The Prime Minister has also highlighted achievements in India.

Following the production of Tejas fighter planes, aircraft carriers INS Vikrant and nuclear submarine Arihant, it is only natural for the people of the world to be curious about India.

The Prime Minister also mentioned India's cashless economy and fintech and said that 40% of the world's real-time digital transactions are being done in India.

Speaking about space technology, he said that India is creating multiple records of launching hundreds of satellites at once. He also threw light on the software and digital technology industry of India and said that its capability is only increasing with time.

"The message of India has its distinct importance," said the Prime Minister, remarking that the strength of the country is only going to get a boost in the future. He urged everyone present on the occasion to enrich their knowledge not just about India's culture and tradition but also about the nation's progress.

The PBD Convention is the Government's flagship event and an important platform to engage and connect with overseas Indians and enable the diaspora to interact with each other. The theme of this PBD Convention is 'Diaspora: Reliable partners for India's progress in Amrit Kaal'. Over 3,500 diaspora members from nearly 70 different countries have registered for the PBD Convention. ■

Manufacturing: Bharat Forge to make landing gear for General Atomics drones

By Fiinews

Bharat Forge is to manufacture landing gear, subassemblies and assemblies for remotely piloted aircraft (drones) under a partnership with the US-based General Atomics Aeronautics Systems (GA-ASI).

"Bharat Forge's expertise in the field of forging is known globally, and their outstanding contributions in the aerospace sector has inspired us to work together for building the next generation of the world's most advanced unmanned aerial vehicles," said Dr Vivek Lall, Chief Execu-



A drone in flight, a picture released by General Atomics Aeronautical Systems Inc,

tive, General Atomics Global Corporation.

"GA-ASI is eagerly looking forward to working with Bharat Forge in the critical field of aerostructure manufacturing," Dr Lall said, announcing the partnership in San Diego on 3 Jan 2023.

GA-ASI said in a statement that it is confident that its collaboration with Bharat Forge will result in significant capability-building for both companies and provide an impetus to the Indian large, unmanned aircraft industry.

"Aerospace is a high 'Technology Intensive' domain, which relies on Product Integrity, Reliability, and Zero Defect.' This is a culture by itself and demands a strong focus on people and processes," said Baba Kalyani, Chairman and Managing Director, Bharat Forge Limited.

"As part of our Aerospace Growth Strategy, our collaboration with GA-ASI is a strong testimony of our culture in Bharat Forge Aerospace to assimilate and demonstrate the same, as partners to General Atomics, in making India Atmanirbhar."

"This development is positive for the company as it is a testimony to its core competence in the areas of metallurgy and material science with wide applications in the new emerging areas of defence & aerospace," said ICICI direct.com, a market and company analysts group.

"The company had, in the recent past, also showcased some of its capabilities in the area of UAVs/drones during the last analyst meet held at its R&D centre," it added.

Part of the Kalyani Group, Bharat Forge is the largest repository of metallurgical know-how, design and engineering expertise, and manufacturing prowess in India.

General Atomics Aeronautical Systems, Inc. (GA-ASI), an affiliate of General Atomics, is a leading designer and manufacturer of proven, reliable Remotely Piloted Aircraft (RPA) systems, radars, and electro-optic and related mission systems, including the Predator® RPA series and the Lynx® Multi-mode Radar. The company also produces a variety of ground control stations and sensor control and image analysis software, offers pilot training and support services, and develops meta-material antennas. ■

Forthcoming Events In India

13

INDIAFOCUS

ISSUE: 322
FEBRUARY 2023
HIGH COMMISSION OF INDIA, SINGAPORE

I. Global Investor Summit to be hosted by Andhra Pradesh

Date & Venue: March 3–4, 2023
Organizer: The Government of Andhra Pradesh
Contact: Mr. Prakash
Ph:+91 91772 74893
Email: prakash.k@apedb.co.in
or Mr. Rizwan
Ph:+91 8746961288,
Email: rizwan.a@apedb.co.in

Details: The Government of Andhra Pradesh is hosting a two-day Andhra Pradesh Global Investors Summit on March 3 & 4, 2023, at Andhra University, College of Engineering, Visakhapatnam, Andhra Pradesh, India.

For more details,
visit www.advantageap.in

II. India Textiles Sourcing Fair (RBSM)

Date & Venue: March 14–16, 2023
Organizer: Handloom Export Promotion Council
Contact: fairs@hepcindia.com

Details: The 3rd edition of India Textiles Sourcing Fair (ITSF) is being organised by the Handloom Export Promotion Council from March 14–15, 2023, at The Leela Ambience Convention Hotel, New Delhi, India.

III. India Fashion Tex, an International Reverse Buyer Seller Meet (RBSM)

Date & Venue: March 20–22, 2023
Organizer: Powerloom Development & Export Promotion Council (PDEXCIL)
Contact: info@indiafashiontex.com,
info@wwepecindia.com,
headoffice@wwepecindia.com

Details: The Powerloom Development & Export Promotion Council (PDEXCIL) is organising the **India Fashion Tex** from March 20–22, 2023, at The Ashok Hotel, New Delhi.

Website: <https://indiafashiontex.com/visit>

For feedback & comments, please contact:

High Commission of India,

31, Grange Road, Singapore-239702

Email: com2.singapore@mea.gov.in; com.singapore@mea.gov.in

URL: www.hcisingapore.gov.in