



INDIA REPORT

Celebrating 28 years

Since 1995: Independent, objective, succinct analysis
Over 1,000 issues in 28 years

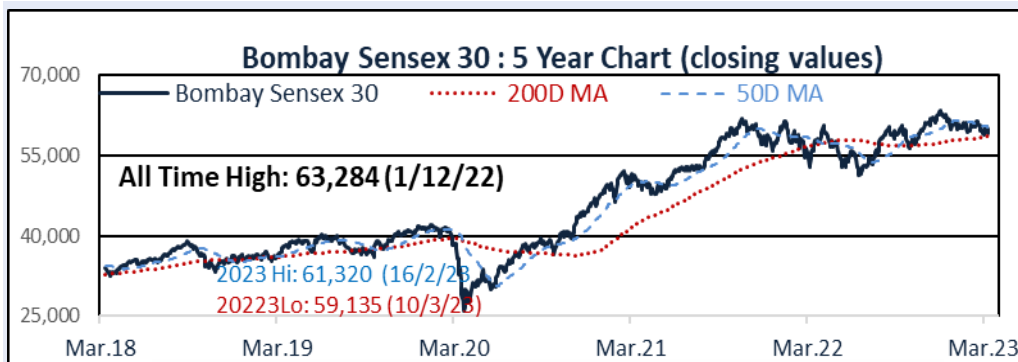


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Close:	Level	Index Pts Chg-Day	% Chg YTD
10 Mar 2023			
SENSEX 30	59,135	- 671	-2.8%
NIFTY 50	17,413	- 177	-3.8%

Other Markets: Level & % YTD

ASIA: CHINA Shanghai:	3,230 (+5%)
JAPAN Nikkei 225:	28,143 (+8%)
EUROPE: UK FTSE:	7,748 (+4%)
GERMANY DAX:	15,427 (+11%)
USA: Dow Jones:	31,910 (-4%)
NASDAQ Composite:	11,139 (+6%)
GOLD:	\$1,862.06 (+2%)
SILVER:	\$20.55 (-14%)
BRENT OIL:	82.78 (-4%)

Indian Currency: Level & YTD

INR ₹ / USD	\$1=	Rs81.96 (+1.0%)
INR ₹ / GBP	£1=	Rs98.63 (+1.5%)
INR ₹ / EUR	€1=	Rs87.23 (+1.5%)

The India Report completed 28 years on 6 March 2023. The journey began when the first report was written at the request of The Indian High Commission (Indian Embassy) in London for an investor meeting there on 6 March 1995. Over 1,000 reports have been written since. This probably makes it the longest and most consistent independent analysis in the UK and the West on the unfolding India economic story. Also, the report has readership across five continents now.

⇒ India's industrial output rose a higher than expected 5.2% in January compared with the same month last year as strong domestic urban demand boosted electricity generation and manufacturing, despite weakening exports. Some analysts expect industrial output growth to remain strong following a recovery in rural demand as reflected in rising sales of autos including motor-bikes and scooters. Capital goods production, a proxy for factory activity, rose 11% year on year, accelerating from a 7.6% rise the previous month, while consumer durables' production contracted 7.5% year-on-year after a 10.4% contraction the previous month, the data showed, reflecting a continuing slowdown in consumer demand. India's economy, the world's fifth-largest, grew 4.4% year-on-year in the October – December quarter, down from 6.3% the previous quarter, and the government forecasts the economy to show annual growth of 7% for the fiscal year 2022/23 which ends on 31 March 2023.

⇒ Indian PM Modi's government, has used its presidency of the G-20 forum to push for a wider global agreement on dealing with the risks brought on by cryptocurrencies. The Reserve Bank of India in the past has said several times that cryptocurrencies should be banned as they are similar to a Ponzi scheme. India is yet to finalise legislation and regulations surrounding cryptocurrencies, but issued a notification on 7 March that the country's money laundering laws will apply to trade in cryptocurrencies.

⇒ The exchange between virtual digital assets and fiat currencies, the exchange between one or more forms of virtual digital assets and the transfer of digital assets will be covered under money laundering laws, the notification said. The safekeeping or administration of virtual digital assets and the participation in financial services related to the offer and sale of virtual digital assets will also be covered, the notification added. Extending India's money laundering rules to cryptocurrencies will give authorities greater authority in monitoring the transfer of these assets beyond the country's borders.

⇒ Apple Inc has been shifting some areas of iPhone production from China to other markets including India, the world's second-biggest smartphone market, and is also planning to assemble iPad tablets there. India and other countries such as Mexico and Vietnam are becoming increasingly important to contract manufacturers supplying American brands that are trying to diversify production away from China amid geo-political tensions between USA and China. Also, Apple has been shifting production away from China after the country's strict COVID-related restrictions disrupted the manufacturing of new iPhones and other devices in the country. In January, India's trade minister said that Apple, which began iPhone assembly in the country in 2017 through Wistron Corp and later Foxconn, wants India to account for up to 25% of its production from about 5-7% currently. Bloomberg News reported last week that Apple Inc is reshuffling management of its international businesses to put a bigger focus on India that will result in India becoming its own sales region at Apple.

⇒ Apple Inc's iPhones will soon be assembled at another site in the southern Indian state of Karnataka and 300 acres have been set aside to set up a factory, the state government said. The state's investment promotion division said in a tweet that the move would generate 100,000 jobs in the next 10 years. Bloomberg News has reported that Apple's partner Foxconn Technology Group planned to invest about \$700 million in the Karnataka site to sharply increase local production. Currently, iPhones are assembled in India by at least three of Apple's global suppliers - Foxconn and Pegatron in Tamil Nadu, and Wistron in Karnataka.



Indian States (A-K) : Key highlights, including comparable economy in the world to that state

Source and credit: India Brand Equity Forum (<https://www.ibef.org/states.aspx>) , IMF, Wikipedia

1. There are 28 states and 8 Union Territories in India. Below are listed alphabetically states A-K (future reports to continue with the rest). Delhi, a Union Territory, is included in the table below because of its importance as the nation's capital. Jammu and Kashmir, also a Union Territory, is included because of its size and strategic position.
2. Key highlights are shown, including comparing the state's economy to its nearest equivalent with a nation in the world.
3. Andhra Pradesh was divided into two states, Telangana and a residual Andhra Pradesh, on 2 June 2014. Hyderabad, located entirely within the borders of Telangana, is to serve as the capital for both states for a period of time not exceeding ten years. The Government of Andhra Pradesh and the Andhra Pradesh Legislature completed the process of relocating to temporary facilities in the envisaged new capital city Amaravati in early 2017.
4. India's \$3.4 trillion economy (3.10% of world GDP) is ranked 5th in the world according to IMF data, and overtook the United Kingdom's \$3.2 trillion economy last year.
5. India is expected to overtake Germany's economy, currently 4th, by 2027 to and Japan, currently 3rd, by 2031.
6. The combined GDP of the economically largest 6 Indian states (out of 28 states) accounts for 51.6% of India's economy. Maharashtra: \$431 billion, Tamil Nadu: \$320 billion, U.P.: \$249 billion, Gujarat: \$289 billion, Karnataka: \$242 billion and West Bengal: \$221 billion.
7. The above 6 states have GDP about the same as The Netherlands (ranked 19) and Switzerland (ranked 22) combined.

Source: Wikipedia for GSDP (Gross State Domestic Product) figures and comparable economy and the rest from IBEF, IMF.

A-K states:

	State (and its capital)	Latest GSDP (US\$) billion	Comparable Economy	State languages	Literacy rate %	Key industries
1.	Andhra Pradesh (Hyderabad for 10 years from 2014. Amaravati thereafter)	157	Morocco	Telugu, Hindi, English and Tamil	67.4%	Agro and food-based, biotechnology, bulk drugs and pharmaceuticals, IT and ITeS, textile and leather, tourism, automotive and auto components, gems and jewellery It is the first state in the country to have enacted the Industrial Single Window Clearance. The Act made it compulsory for new industries to register with the single-window to obtain clearances quickly. It also simplified procedures for getting industrial clearances.
2.	Arunachal Pradesh (Itanagar)	4	Sierra Leone	Assamese, Bengali, Hindi and English	65.4%	Largely agrarian. Other key industries: Arts and Crafts, weaving, cane and bamboo, carpet weaving, wood carving, ornaments, tourism, horticulture, power, and minerals.



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3.	Assam (Dispur)	57	Myanmar	Assamese, Bodo, Bengali and English	72.2%	The state is rich in water resources and has vast tracts of fertile land. Assam is also the third-largest producer of petroleum and natural gas in the country and has ample reserves of limestone. Other industries: .Tea, coal, oil and gas, limestone and cement, agriculture, horticulture, food processing and tourism.
4.	Bihar (Patna)	97	Oman	Hindi, English, Urdu and Bhojpuri	61.8%	Food and beverages, rubber and plastics, transport equipment, chemicals, tobacco, textile, leather and dairy.
5.	Chhattisgarh (Raipur)	57	Myanmar	Chhattisgarhi, Hindi and English	70.3%	Mining, iron and steel, cement, power, IT and ITeS and biotechnology.
6.	Delhi (New Delhi - also capital of India)	124	Angola	English, Hindi, Punjabi, Bihari and Haryanvi	86.2%	Banking, financial services and insurance (BFSI), Agri and processed food, real estate and construction. IT and ITeS, Tourism and Logistics. Has become a start-up hub over the past few years.
7.	Goa (Panaji)	11.0	Mauritius	Konkani, Marathi, Portuguese, Hindi and English	88.7%	Tourism, food processing, IT & ITeS, mining, biotechnology, pharmaceuticals and fishing.
8.	Gujarat (Gandhinagar)	289	Iraq	Gujarati, Hindi and English	78.03%	Agro and food processing, Dairy, Chemicals and petrochemicals, Textiles and apparels, Engineering and auto, Gems and jewellery, Oil and gas, Pharmaceuticals and biotechnology, IT, Minerals, Ports, power and Tourism.
9.	Haryana (Chandigarh, which is also the capital of Punjab)	120	Puerto Rico	Hindi, Punjabi and English	75.5%	Automotive, agro-based industry, IT and ITeS, textiles, oil refining, biotechnology and petrochemicals.
10.	Himachal Pradesh (Shimla)	25	Georgia	Hindi and Pahari	82.8%	Agriculture is the main occupation and the major source of employment in the state, as 89.96% of the population lives in rural areas. Himachal Pradesh is one of the fastest-growing regions in the pharmaceutical industry in India, driven by incentives announced by the state Government in its Industrial Policy, 2004. Other: Textiles, pharmaceuticals, food procurement and processing, light engineering, IT and electronics, cement, tourism and hydropower.



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11.	Jammu and Kashmir (Sunner Capital - Srinagar; Winter Capital - Jammu)	24	Georgia	Urdu, Kashmiri, Dogri, Hindi, Pahari and Ladakhi	68.7%	Horticulture, floriculture, handlooms and handicrafts, tourism, mineral-based industry, gems and jewellery, sericulture, IT and pharmaceuticals.
12.	Jharkhand (Ranchi)	49	Uganda	Hindi, Santhali, Urdu, Bengali and English	66.4%	Mining and mineral extraction, engineering, iron and steel, chemicals, handloom, food and beverages, automotive and cement.
13.	Karnataka (Bengaluru)	244	New Zealand	Kannada, Tulu, Kodava, Hindi and English	75.6%	IT hub of India & home to the fourth-largest technology cluster in the world. Vibrant automobile, agro, aerospace, textile and garment, biotech, and heavy engineering industries.
14.	Kerala (Thiruvananthapuram)	131	Angola	Malayalam, Hindi, English and Tamil	94.6% (highest in India)	Handlooms and power looms, rubber, bamboo, coir, khadi and village, sericulture, seafood and other marine products, cashew, mining, tourism, food processing, spice and spice extracts, IT & electronics.

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