

PLI scheme for IT hardware soon, says Chandrasekhar

PRESS TRUST OF INDIA
Hyderabad, January 10

THE CENTRAL GOVERNMENT will soon launch an information technology server and IT hardware production linked incentive (PLI) scheme, and also offer additional incentives for manufacturers that incorporate Indian-designed intellectual property into their products, Union minister of state for electronics and IT Rajeev Chandrasekhar said on Tuesday.

Virtually addressing the VLSI Design Conference 2023 that began here today, Chandrasekhar said the government has announced Future Design Programme, which invests \$200 million in startups that will design or co-design IP, tools or devices for the next generation of applications in India.

“By 2024, we believe India would have stepped into the semiconductor manufacturing space and catalysed a more domestic design and innovation ecosystem where we are encouraging startups to work with the leading global majors to develop IP, to develop devices either co-



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RAJEEV CHANDRASEKHAR
MoS, electronics and IT

owned or owned for which the government has announced Future Design Programme,” he said. “To make sure that these devices and the innovation ecosystem is fully supported by the market, we will soon be launching an IT server and an IT hardware PLI that will be similar to the mobile phone PLI which has been extremely successful. In the IT PLI, we will create additional incentives for those manufacturers and original equipment manufacturers (OEMs) that incorporate Indian-designed IP into their systems, into their products,” he said.

Chandrasekhar said, “We are putting government capital to work in actively catalysing the Indian semiconductor ecosystem and working with the industry and the global diaspora to ensure that our ambition of India as a semiconductor nation will be realised very rapidly”.

The minister further said the Centre is also focused on Digital India RISC-V (DIR-V) programme for next generation microprocessors to achieve commercial silicon and design wins, according to a release by the organisers.

The five-day conference

themed “Semiconductors Driving Disruptive Innovations in Global Digitalisation” is designed to bring together key stakeholders, and represented by engineers, students and faculty, industry professionals, academia, researchers, bureaucrats and government organisations, it said.

Telangana government’s principal secretary of information technology Jayesh Ranjan said the state is at the forefront of the startup revolution and has already created a wave of opportunities for innovation and startups across the technology sector and VLSI field, with leading semiconductor companies having their base, and rapidly expanding in Hyderabad.

Satya Gupta, president of VLSI Society of India, highlighted the role of VLSI in developing and accelerating the pace of the sector in India and how it shaped the growth of startups. Very-large-scale integration (VLSI) is the process of creating an integrated circuit (IC) by putting together thousands of transistors into a single semiconductor microchip.

Goldman sees Budget gap narrowing below 6% in FY24

RUCHI BHATIA
January 10

GOLDMAN SACHS GROUP expects the government to trim its fiscal deficit aim by 50 basis points for the financial year starting April, as it balances spending priorities and fiscal prudence in the upcoming Budget.

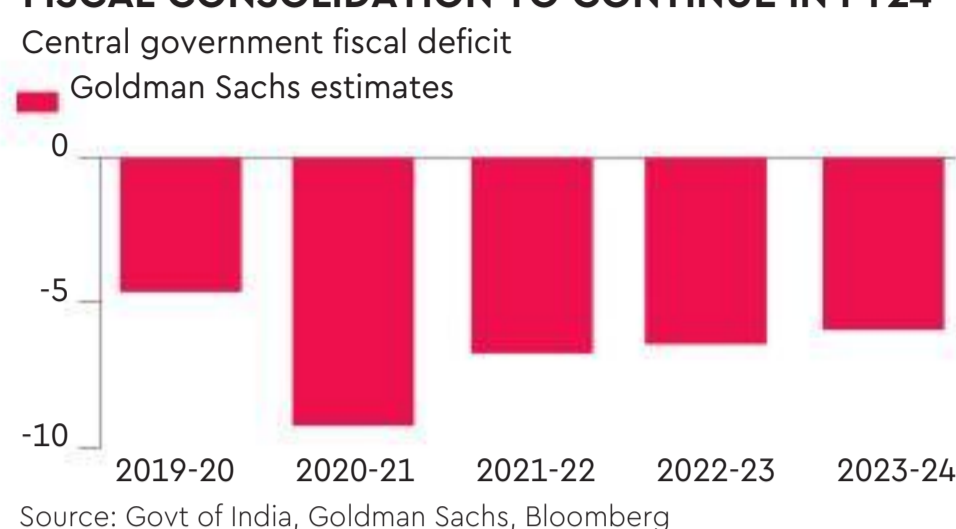
The government will consolidate its fiscal deficit to 5.9% of gross domestic product in the new fiscal year, helped by a reduction in food and fertiliser subsidies, Goldman economists, including Andrew Tilton and Santanu Sengupta wrote in a report on Tuesday.

The withdrawal of the free food plan will likely reduce the subsidy bill to 0.8% of GDP, while fertiliser subsidy is seen to return to the pre-pandemic average of 0.5% of GDP, the economists wrote.

India has budgeted a deficit of 6.4% of GDP in the current fiscal year ending March, significantly lower than the 9.2% gap notched during the first year of the pandemic.

The government aims to

FISCAL CONSOLIDATION TO CONTINUE IN FY24



Source: Govt of India, Goldman Sachs, Bloomberg

shrink the gap to below 4.5% of GDP by 2025-26.

The Union government will present the Budget on February 1.

This would be the final full-year Budget before elections in 2024.

The government will maintain capital expenditure and increase welfare spending as seen in pre-election Budgets, the economists wrote.

“Rural employment and housing are likely to be in focus,” they said.

The overall tax receipts for fiscal 2024 are seen lower due

to a fall in excise collections and windfall taxes, while a modest target may be set for disinvestment proceeds, the economists noted, pegging market borrowings to stay high next financial year.

“We expect government borrowing in FY24 to remain elevated, which will likely require the Reserve Bank of India to re-start OMO purchases in the second half of FY24 with domestic liquidity constraints abating,” they wrote, referring to the central bank’s open market operations.

—BLOOMBERG

Kerala agri startup raises pre-seed funding

FE BUREAU
New Delhi, January 10

KERALA BASED STARTUP Greenikk, which had launched country’s first full-stack supply chain in banana, has raised ₹5.04 crore in pre-seed funding from institutional funders, angel investors and serial entrepreneurs.

Of the total funding, ₹3.34 crore will be in equity and the rest in debt, according to Fariq Naushad and Previn Jacob, co-founders of Greenikk, which connects banana cultivators, wholesalers, exporters and B2B buyers on a single digital platform.

“We will be using the funds mainly to establish model enablement centres (ECs), gain traction and build up a scalable business model,” Fariq and Previn said in a statement.

The company aims at achieving ₹100 crore as annual recurring revenue by the end of current financial year, it stated. The latest round of funding has come from nine unicorn ventures, including Kerala-based angel group Smart Spark Ventures, Manish Modi, who heads Mauritius-based Mastermind Capital Ventures.

Other investors include Saurabh Agarwal and Mayank Tiwari, founders of Reshamandi and Arjun Pillai, who is on the board of Zoom info. Greenikk was incubated at Indigram Labs, Delhi. Launched in January 2020, provides services such as finance, seeds, crop advisory, insurance coverage, agri-inputs and market connect to the banana farmers.

Tariff hike-led revenue growth, 5G key for telecom in 2023: Report

PRESS TRUST OF INDIA
New Delhi, January 10

DATA ADOPTION AND tariff hike-led revenue growth as well as 5G rollouts are key monitorables for 2023 which will also be a decisive year for Vodafone Idea as a viable third player, according to a report.

The telecom sector’s Average Revenue Per User (ARPU) when adjusted for inflation is still 17% below pre-Reliance Jio launch. “...we expect Bharti (Airtel) to lead tariff hikes to ARPU of ₹236 by FY25, while Bharti targets ₹300 ARPU”,

leading brokerage CLSA said in its report on the telecom sector. According to CLSA’s outlook, 2023 will have three trends to watch out for when it comes to India’s mobile market. Among them will be 5G rollouts and monetisation led by top-end subscribers.

“We see multiple events to watch, led by likely tariff hikes and Reliance Jio’s (RJio) widely-anticipated IPO,” it said.

Private networks, if allowed, may eat into 5G operators’ enterprise services opportunity.

India’s mobile sector revenue, after rising 14% in 2022,

should grow again in 2023 led by tariff hikes, rising data penetration and usage.

CLSA expects that Bharti (Airtel) will possibly lead tariff hikes, with VIL (Vodafone Idea Ltd) and Reliance Jio likely to follow. VIL’s financial crisis has not been averted, with delays in fund raising and pending conversion of four years’ interest on spectrum and AGR (Adjusted Gross Revenue) payments into equity for government.

With decline in VIL’s share, Bharti and Jio together control 77% and should continue to gain share, the report said.

Fitch sees risks to India's target of raising natural gas energy share

PRESS TRUST OF INDIA
New Delhi, January 10

PRICE VOLATILITY AND infrastructure constraints will challenge India’s target of increasing the share of natural gas in its primary energy to 15 per cent by 2030 from 6 per cent in 2017, Fitch Ratings said in a new report Tuesday.

“Progress on the target has been minimal—6% share in 2021—as natural gas growth has not managed to outpace total energy growth,” it said. This is despite resilient demand from city gas distrib-

ution (CGD) networks and rising domestic production.

Prime Minister Narendra Modi had in 2017 set a target of raising the share of natural gas in the primary energy consumption basket with a view to cutting down emissions.

However, the demand for the fuel is rising at a slower rate, with current growth rates only around 53% of levels required for the country to meet a 15% gas use target. Gas demand by 2030 will only reach 326 million standard cubic meters per day at current 4-5% growth rates,

much lower than the 611 mmscmd of consumption needed to meet the 15% energy mix goal.

“We believe that natural gas demand from price-sensitive industrial and power sectors may be limited in times of rising prices, as they switch to cheaper alternate fuels in the absence of robust emission norms,” it said. “Gas adoption for mobility and household fuel may also slow when its price benefit against alternate fuels decreases.”

It saw inadequate gas pipeline network and expecta-

tion of execution delays in some under-construction projects may limit natural gas demand growth to lower than its intrinsic levels, even in times of low prices.

Underutilised existing liquefied natural gas (LNG) import infrastructure may slow new capex in the near to medium term, creating temporary bottlenecks in case demand picks up sharply.

Sustained high gas prices and customers switching to alternate fuels may squeeze developers’ returns and fresh capex plans.

An initiative by

POLAND

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Creating value and building a sustainable future

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As a purposeful organisations, a world-class sustainable chemical company and an industry leader, Indorama Ventures has an arsenal of strengths, which, along with its strategic direction, continues to steer its ambitious business plans to fruition in Poland and the world over.

WITH AN inspirational success story, presence spanning 146 sites in 35 countries, 21 recycling facilities, total revenue of USD 14.6 billion in 2021 and prestigious titles galore in various business segments, the burgeoning business journey of Indorama Ventures (IVL) has been driven by its vision – “To be a world-class sustainable chemical company making great products for society.”

Within sixteen years of establishing its first PET resin facility in Thailand, IVL set foot on the Polish soil with Indorama Venture Poland (IVP) PET Plant in Wloclawek in 2011, amidst the country’s steadily growing economy and a promising future for business ventures. Apart from the inherent advantage offered by Poland as a strategic location, the availability of a highly skilled labor force having the required expertise along with lower operating costs, ease of operations, economic stability, foreign direct investments, large market, quality raw materials and efficient supply chain has cemented the fruitful decision of IVL to continue to invest in Poland.

Poland currently has four IVL sites, including bottled PET in Wloclawek, PET Recycling facilities in Bielsko Biala and Leczyca and a wool yarn production facility in Lodz that was acquired in 2022. With a total investment of over USD 110 million in Poland as of 2021 and FY21 revenue amounting to USD 287 million, a slew of factors has propelled IVL’s business growth



Wloclawek site family

in Poland, including its purpose – “Reimagining chemistry together to create a better world” and its focus on sustainability and recycling.

Since beginning its operation in Poland until 2021, IVL has recycled 72 billion

post-consumer PET bottles and reduced 2.4 million tons of carbon footprint from the product lifecycle while preventing 1.6 million tons of plastic waste from going to landfill.

IVL’s ‘Vision 2030’ heavily implemented



in PET Plant in Wloclawek through investments aimed at advancing sustainability-The Melter Project (SPS) – system which allows reuse PET flakes from recycled bottles and solar panels of a total capacity of 50 kWp, will further bolster its global position as a successful and responsible industry leader.

IVL’s laudable spectrum of CSR activities in Poland by educating and promoting proper waste separation and PET recycling in the community, supporting nursing homes and hospitals, donates schools and promotes talented secondary schools students

Wloclawek site (IVP) is certified as a Great Place to Work® for the period of June 2022–2023 due to its unique workplace culture. This coveted status makes IVP one of Poland’s best employers and the only certified place Wloclawek city.



From the Desk of Raghu C Rajappa, Hon. Consul of the Republic of Poland in Bengaluru

In what ways does the bilateral relationship between Poland and India important in this year as both countries will be celebrating 70 years of diplomatic relations in 2024?



between Poland and India?

First and foremost, Poland and India must have bilateral relations and free trade agreement should be implemented. In the education sector, there should be student exchange programmes and cultural activities that need to be set up between both countries. In the waste management sector, there are opportunities for India to adopt the advanced technologies which are present in Poland. Also there must be direct flights from metropolitan cities like Bangalore, Chennai, etc. to Warsaw.

What investment opportunities exist for Indian investors in Poland?

There are many IT companies from India such as Infosys, Wipro, Tech Mahindra and L&T, etc. in industries like Uflex, Canpak, etc. from education. A number of Indian universities have signed an MoU or partnered with Polish universities. The infrastructure sector is growing gradually in Poland and many Indian companies are active in this sector.

How do you see the business ties developing in the future

What are the future plans of your company?

Our company is based in Poland, and Smart Waste Technology is present in seven different countries globally. We have been present for seven years by the name of Ekolog India Pvt. Ltd. Ekolog India is looking into the Sludge management sectors both in EPC & Technical partners in India. In education I am looking forward to signing up MoUs with major Polish universities.

POLAND

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MESSAGE

H.E. ADAM BURAKOWSKI

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE REPUBLIC OF POLAND TO INDIA, BANGLADESH, BHUTAN, NEPAL, SRI LANKA, MALDIVES AND AFGHANISTAN



INDIA AND POLAND from the political standpoint and trade exchange perspective share a good bilateral relationship. The latter can be clearly seen in numbers of 2021 when we saw the record high bilateral trade exchange – around \$4 billion, but there is still untapped potential to be exploited in our economic relations. India is a number one country in Asia for Polish investors, the trade between our countries has grown seven-fold over the last decade and we are striving for more. Prospective areas in

that regard are agricultural and food products, food processing, energy, green technologies, smart cities, cybersecurity, fintech and water management.

We have good political relations with India. In 2022 Poland's Minister of Foreign Affairs Prof. Zbigniew Rau visited India. He participated in Raisina dialogue and had very productive meetings with Prime Minister Narendra Modi and Minister of External Affairs Dr. S. Jaishankar. We however look forward to many more such interactions on top political level.

Our priority should be to build relations that are long lasting. We also strive to introduce Poland and the opportunities to the young generation of Indians. We are very proud to maintain plenty of academic ties and endeavour to build on them.

In 2021, Poland advanced Bloomberg Innovation Index at 23rd place, overtaking other countries from the Central and Eastern Europe. It is important that India continues to see us as the technology hub in the EU and the friendly place to do business. Poland's economy is fast and stable, we are part of the EU and despite today's turbulent times, we have been the third preferred location in Europe for foreign investments.

There are several hundreds Indian companies active in Poland in various sectors, mostly in advanced production technologies, IT, Research & Development and consumption goods. Indian investors also recognise and appreciate the human capital, well-educated and competitive labour force as well as great work ethic and entrepreneurial spirit of Polish citizens.

Bilateral relations reach new heights

POLAND AND India have many things in common. We are both democratic countries, in the past we were both victims of foreign imperialism, we both fought for freedom for a long time and now we are both thriving economies that attract capital from all over the world. Our bilateral relations are reaching new heights in terms of trade exchange, connectivity and people to people interactions.

Our historical connections are unique. In 19th century Polish scholars became interested in Sanskrit and Indian culture. Polish nationals contributed to the Indian struggle of Independence – in this context we can name Wanda Dynowska, philosopher and social activist who cooperated with leaders of the independence movement in India. During World War II Indian maharajas received Polish refugees in their soil: in Jamnagar, Gujarat there was a shelter for c.a. 1000 Polish children and in Kolhapur, Maharashtra there were c.a. 5000 Polish citizens, mainly adults, who stayed in buildings erected especially for them. All of this was done in cooperation with Polish government in Exile and Polish Consulate in then Bombay run by Consul Eugeniusz Banasinski and his wife Kira Banasinska. To honour the deeds offered by the Good Maharajas, as they are called in Poland, there are several places and one high school named after them in Warsaw.

In 1954 Poland and India established diplomatic relations. During next decade many Polish engineers participated in many projects across India, there was also cooperation in many other fields. In 1989 Poland liberated itself from Soviet Russian domination, terminated the criminal communist system and



On the sidelines of Raisina Dialogue 2022, Prime Minister Narendra Modi met H.E. Zbigniew Rau, Hon'ble FM of Poland

IN ONE YEAR, WE WILL BE CELEBRATING 70TH ANNIVERSARY OF ESTABLISHING THE BILATERAL RELATIONS



launched pro-market reforms. India liberated its economic life in famous reforms inaugurated by Prime Minister Narasimha Rao in 1991. These events opened a new chapter in bilateral relations. In 2004 Poland joined the European Union, which also gave a new boost for the relations with India.

Our political contacts are also entering a new phase. In 2019 Minister of External Affairs, Dr. S. Jaishankar, visited Warsaw, in 2022 Poland's Minister of Foreign Affairs Prof. Zbigniew Rau visited New Delhi, where he participated

more oxygen concentrators. In February 2022, when Russia launched a full-scale military invasion on Ukraine, Poland was also first to help. Polish state institutions as well as Polish society helped Indian students to escape from the Russian aggression. In frames of the Operation Ganga c.a. 6000 Indian students left Ukraine via Poland. Poland, together with many countries all around the world, stands for Ukraine and for global peace and stability.

Our bilateral relations are reaching new heights. Nowadays, after two difficult years of COVID-19 pandemic, we observe record trade exchange which surpassed \$4 billion in 2021. We have new cooperation in the defence sector. Polish companies are more and more interested in investment in India and the feeling is mutual – Indian companies are more and more present on Polish market. We look forward to more openness in terms of trade between European Union and India – it could be a new factor to Polish-Indian bilateral relations.

We are now in a new era in terms of connectivity and people to people interactions. LOT Polish Airlines operates from Warsaw to Delhi and Mumbai and we hope that new destinations will be soon added to this schedule. Indian community in Poland is growing. Indian cuisine is becoming very popular in Poland, in Warsaw alone there are more than 100 Indian restaurants. Also there is cooperation in culture, especially in film industry. Indian movie producers eye at Polish market and they are ready to make more films in our country.

In one year, we will be celebrating 70th anniversary of establishing the bilateral relations. All this that we presented here allow us to expect a bright future.

Fastest growing economy in EU

Poland is a country with numerous business opportunities. Exporters and investors globally are drawn to this country due to its large population, well-educated, talented and competitive workforce, immense potential for economic growth, and location thus allowing for unlimited access to the EU market



Success story

POLAND is one of the most economically stable countries in Europe. Poland's economy is the largest economy in Central and Eastern Europe region and the sixth largest economy in the European Union, with GDP per capita being above 70% of the EU average (in terms of purchasing power parity).

Poland is, indeed, among the fastest-developing economies not only in Europe, but also around the world. Poland's transition from post-Soviet country to a liberal and vibrant democratic state, an EU and NATO member has been remarkable. Over the last three decades, Poland's GDP has grown faster than any other in Europe. In addition, Poland comes only second, after China, in the list of biggest 25 economies GDP

change between 1990-2020. According to International Monetary Fund, Poland's economy grew by 857%, in comparison China grew by 3593%, in the past 30 years.

And according to the World Bank, Poland's well-diversified economy was among EU's least affected by the COVID-19 pandemic, which makes it a safe haven for business in today's turbulent times.

Heart of Europe

NESTLED in the heart of Europe, Poland's strategic location at the crossroads of the main transport routes on both the east-west and the north-south lines makes it a perfect investment location. In Poland, the East meets the West, and the North meets the South. Transit traffic between Western, Eastern and Southern Europe in fact runs through Poland.

Poland, being also the 6th most populous country in the EU, has a large internal market of over 38 million consumers and enjoys an unlimited access to the European Union market of over 500 million consumers.



Polish Food sector – apples and blueberries

POLISH FOOD products are well known and valued all over the world. Their export has increased by 250% since 2009. The Polish food market ranks 8th in Europe. Poland has two wonderful fruits to offer: apples and blueberries.

Poland is one of the leading producers and exporters of apples – the largest producer in the EU, and fourth largest in the world. Fragrant and juicy apples are Poland's national treasure. In 2020 Poland exported over 1 million tonnes of fruit to 79 world destinations. In 2020, Poland exported 660 thousand tonnes of



apples, worth 303 million euros.

In addition, Poland is the second largest blueberry producer in the European Union after Spain, contributing 30% of the Union harvests of this fruit. In terms of global production, Poland comes sixth, and between 2012 and 2020, Polish blueberry exports increased almost eightfold.

Poland is a synonym of innovation, high quality and stable development. Poland is your business partner. We hope to welcome you in Poland soon.

Business Harbour

POLAND HAS earned its reputation for innovation-friendly environment and business-friendly policies. Poland ranks above the majority of countries and is the Central and Eastern Europe region's leader, which has been confirmed by various international reports, including the „Global Competitiveness Report 2019, “Doing Business 2020”, “Corruption Perception Index 2021” or “EY Attractiveness Survey Europe 2021”.

Poland has also advanced in the latest innovation ranking compiled by *Bloomberg*, scoring particularly well when it comes to manufacturing value-added and high-tech density. Ranking 23rd in the 2021 Bloomberg Innovation Index, Poland advanced by two places since last year's ranking, putting it ahead of several other EU countries in the Central and Eastern Europe region, including the Czech Republic, Hungary and Slovakia but also Greece and Spain.








As we commemorate **10 years** of successful operations in the Republic of Poland, we would like to thank our employees, business partners, customers, stakeholders, and the Government of Poland for all their support.

We look forward to strengthening our presence in the **Republic of Poland** and taking our business to even greater heights in the coming years.



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