

Industry Matters

Weekly Updates

December 17, 2021

Economy, Industry and Policy

Extremely optimistic on India in the long run - WEF President: The President of the World Economic Forum Borge Brende asserted his confidence in the prospects of the Indian economy on Monday by saying that he is 'extremely extremely' optimistic on India in the long run but he tempered expectations by saying that it might be a bumpy road in the short-to-medium term. *(The Economic Times)*

Cabinet clears Rs 76,000-cr incentive scheme for semiconductors: The Cabinet cleared the Rs 76,000-cr incentive scheme for semiconductors today. Under this scheme, India will set up more than 20 semiconductor design, components manufacturing and display fabrication (fab) units over the next six years. *(The Economic Times)*

IIP continued to recover in Oct; Omicron impact to be less severe - FinMin: In its latest monthly economic report for November, the Department of Economic Affairs said IIP continued to recover in October 2021, led by recovery in infrastructure and intermediate goods over their corresponding pre-pandemic levels. *(Business Standard)*

New PLI scheme to benefit domestic dairy sector - ICRA: The recently announced Production Linked Incentive (PLI) scheme involving a total outlay of Rs. 10,900 crores, by the government for the food processing sector would benefit the domestic dairy sector, mainly the value-added products (VADP)s like mozzarella cheese and ready to consume product categories. *(The Economic Times)*

Govt earned over Rs 8 lakh cr from taxes on petrol, diesel in last 3 fiscals - FM Sitharaman: The Centre earned nearly Rs 8.02 lakh crore from taxes on petrol and diesel during the last three fiscal years, of which more than Rs 3.71 lakh crore was collected in FY21 alone, Finance Minister Nirmala Sitharaman informed Parliament on Tuesday. *(The Economic Times)*

Net income tax mop-up in FY22 at Rs 7.4 trn, Rajya Sabha informed: The Centre's net income tax revenue from April to December 7 stood at Rs 7.39 trillion, minister of state (MoS) for finance Pankaj Chaudhary informed the Rajya Sabha on Tuesday. *(Business Standard)*

Centre looks to sell Ashok Hotel under asset monetisation programme: The Centre plans to transfer the iconic Ashok Hotel in Delhi to the private sector on a 60-year contract as part of its asset monetisation programme. *(The Economic Times)*

Soon, states to be ranked on ability to acquire land for infrastructural development: The rural development ministry will soon rank states on their ability to quickly acquire land for infrastructural development, a move it hopes will reduce delay in project implementation and cost-overrun. *(The Economic Times)*

ICMR designs kit to detect new COVID-19 variant Omicron in 2 hours: The development has come at a time when the Omicron variant is making its presence felt in various states, with at least 33 cases being detected in the country so far. *(The Economic Times)*

Foreign Investments

India's FDI rules ambiguous, can be strengthened, says WTO DG Ngozi Okonjo-Iweala: The WTO chief said that continuing on the reform path will enhance competitiveness of Indian businesses both in India and abroad. *(The Economic Times)*

July-September quarter FDI inflows plunge 42%: Foreign direct investment (FDI) into India in the July-September quarter of 2021-22 fell a sharp 42% on year at \$13.5 billion from \$23.4 billion a year ago. However, the inflows were up 39.17% from the pre-pandemic period of July-September FY20. *(The Economic Times)*

US' IDEX Corp to invest Rs 500 cr in India, to set up new plant in Guj: US-based IDEX Corporation, has drawn up plans to invest Rs 500 crore in the next three to five year time in its India operations. *(The Economic Times)*

Natco board approves proposal to acquire US-based pharma company: Natco Pharma on Tuesday said its board has approved a proposal to acquire US-based Dash Pharmaceuticals LLC for a cash consideration of USD 18 million. *(Business Standard)*

Trade Policy and Competitiveness

Exports jump 27% to \$30.04 billion in November: India's merchandise exports rose 27.16 per cent to \$30.04 billion in November, government data showed on Tuesday. The exports stood at \$23.62 billion in November 2020. *(The Economic Times)*

India-Israel bilateral trade likely to reach \$4 bn this year: The traditional sectors where both the countries are working together include cyber security, water, agriculture, medical device and medical care. *(Financial Express)*

MG Motor India exploring export opportunities in UK, South Africa: Nepal is the first country but we are actively exploring other countries in the region, namely, Sri Lanka, Bangladesh and Bhutan. Also, we have got inquiries from the UK because the UK is right-hand market. *(Business Standard)*

India's merchandise exports to grow 51% in April-Dec 2021 period - Exim Bank: India's merchandise exports are expected to grow by 51 per cent to about \$303.98 billion in nine months ending December 2021 over the same period in 2020, according to estimates by Export-import Bank of India. *(Business Standard)*

Exports rise 44% during December 1-14: India's exports rose 44.41 per cent to \$16.46 billion year-on-year during December 1-14, 2021, according to preliminary data of the commerce ministry. Imports too grew 42.57 per cent to \$27.53 billion during the period. *(The Economic Times)*

Bangladesh to import defence items from India under \$500-million LoC: Bangladesh will soon import defence related items from India under the USD 500 million Line of Credit provided by New Delhi as several identified equipment are being fast tracked, according to Foreign Secretary Harsh Vardhan Shringla. *(The Economic Times)*

India-UAE to conclude trade pact talks next month - Piyush Goyal: "Hopefully by the end of this month or next month, we hope to conclude them (the negotiations) so that this would probably be one of the fastest trade agreement between two countries ever made," he said. *(The Economic Times)*

Corporate Sector

HAL signs Rs 2,400 crore contract with BEL: The current order for development and supply of 20 types of critical avionics LRUs for Tejas Mk1A is a shot-in-the-arm for Make in India activity," said HAL CMD R Madhavan. *(The Economic Times)*

Hindustan Syringes shuts plants, sets off shortage alarm: It operates four manufacturing units within an 11-acre complex in Faridabad and has shut three of them, including its main plant, on being asked to do so by the state authority on Friday. *(The Economic Times)*

No proposal to transfer ONGC's assets to OIL- Rameswar Teli: There is no proposal at present to transfer India's biggest Oil and gas producer ONGC assets to smaller state-owned firm Oil India Ltd (OIL), Parliament was informed on Monday. *(The Economic Times)*

MSMEs and Start-ups

MSME dues - Over Rs 75,000 crore paid by govt between June 2020 and October 2021, says FinMin: Government ministries, departments, and central public sector units (CPSUs) have cleared MSME dues worth Rs 75,471.78 crore during Covid. *(Financial Express)*

Over 10 lakh MSMEs want PM Modi to reduce raw material prices back to pre-Covid levels: Over 10 lakh MSMEs associated with 200 national and regional industry associations in the country have urged the government to reduce raw material prices back to April 2020 levels. *(Financial Express)*

Byju's 13th most valued unicorn, first Indian start-up to reach \$21-bn: Byju's has become the first domestic start-up to reach a valuation of \$21 billion. It is ranked as the 13th largest unicorn in the globe based on the latest figures by CB Insights that go up to the beginning of December. *(Business Standard)*

Amazon crosses 10 lakh sellers milestone across India: Amazon India on Wednesday said that over 10 lakh sellers are now selling on its e-commerce platform from across India. Notably, more than 90 per cent of the sellers on Amazon are small and medium local businesses (SMBs). *(Business Standard)*

Employment and Industrial Relations

Why demand for MGNREGS is expected to continue: Even as the economy is on the recovery track — spurring optimism about job creation and better employment prospects — a large part of the labour force, especially in the rural areas, continues to face challenges. *(The Hindu BusinessLine)*

Maharashtra tops the list of Atmanirbhar Bharat Rozgar Yojana beneficiaries: As per the response, Maharashtra has 0.64 million beneficiaries followed by 0.44 million in Gujarat, 0.53 million in Tamil Nadu, 0.31 million in Karnataka and 0.27 million in Uttar Pradesh. *(The Economic Times)*

Post-lockdown, 1.5 million women lost jobs - Report: India saw 1.5 million women losing their jobs after the lockdown last year, according to the State of India's Livelihoods report, prepared by Access Development Services, a livelihood support organisation. Total jobs lost during the period was 6.3 million. *(The Hindu BusinessLine)*

Job market - Hiring outlook in India most optimistic in 8 years, says survey: Indian employers have robust hiring intentions for the next three months, with 49 per cent of companies planning to add more staff in the January-March quarter, as employers are positive about achieving sustained post-pandemic recovery, a survey said on Tuesday. *(Mint)*

India to create a pool of 85,000 high-skilled engineers under chips to startups: The chips to startups ecosystem will ready 85,000 engineers that will help India achieve its ambition of becoming a semiconductor powerhouse. *(The Economic Times)*

Air India & Indian Airlines employees to come under the ambit of EPFO from January 1: The shift to EPFO is expected to fetch higher returns on the provident fund kitty of Air India employees than what they were getting under the trust which was managed by the national carrier that was in huge losses. *(The Economic Times)*

Industrial Finance

Corporate credit growth is seeing a turnaround – SBI: Corporate credit growth is beginning to see a turnaround with the credit-deposit (CD) ratio of banks improving after the 20-month lull that came as a fallout of the coronavirus outbreak, according to State Bank of India (SBI) chairman Dinesh Khara. *(Mint)*

PM Modi to address bank deposit insurance programme: In a path-breaking reform, bank deposit insurance cover was enhanced from Rs 1 lakh to Rs 5 lakh, it added. *(The Economic Times)*

RBI comes out with PCA framework for NBFCs: The Reserve Bank of India (RBI) on Tuesday released a prompt corrective action (PCA) framework for non banking finance companies (NBFCs) detailing punitive action against shadow lenders in case their capital adequacy ratio falls or non performing assets (NPAs) rise above a certain threshold. *(The Economic Times)*

Edelweiss ARC to double investments in retail bad loans: Edelweiss Asset Reconstruction Company (ARC) is set to double its investments in retail bad loans to ₹1,000 crore as defaults are likely to grow and the prospects of a quick recovery in this segment are better than in corporate loans. *(The Economic Times)*

Technology and Innovation

Targeted launch for crewed space mission Gaganyaan in 2022 - Govt: The targeted launch for the crewed space mission (Gaganyaan) was before the 75th anniversary of Indian Independence in the year 2022. *(The Economic Times)*

Tata Group in talks with Taiwan companies to make chips in India: The Union government had earlier tried to bring in Taiwanese manufacturers Taiwan Semiconductor Manufacturing Company (TSMC) and United Microelectronics Corporation (UMC) for chip manufacturing in India. *(Business Standard)*

Extended Range Pinaka rocket system successfully test-fired: The rocket systems that were tested at Pokharan field firing ranges were manufactured by a private industry following transfer of technology by the Defence Research and Development Organisation (DRDO). *(The Economic Times)*

Cabinet approves reimbursement of Rs 1,300 cr on digital transactions using UPI, RuPay debit card: The minister said that the government will reimburse transaction charges levied on digital payments made by persons to the merchant as part of the merchant discount rate (MDR). *(The Economic Times)*

Swiggy, ANRA run drone trials: Food delivery unicorn Swiggy has partnered with integrated airspace company ANRA Technologies to run more than 300 delivery trials of food and medicines using drones. *(Mint)*

Reliance's JioMart integrates with WhatsApp for order placement: Online ordering platform JioMart has deepened its engagement with WhatsApp, allowing shoppers to tap and shop via a JioMart business account on the Meta-owned messaging app. *(Mint)*

Industrial Infrastructure, Clusters and SEZs

In-principle approval accorded to Jaitapur site for setting up 6 nuclear power reactors – Govt: In-principle approval has been accorded to a site in Maharashtra's Jaitapur for setting up six nuclear power reactors of 1,650 MW each in technical cooperation with France, the government said on Thursday. *(The Economic Times)*

Govt sanctions 23 road projects worth over Rs 1,814 crore in Madhya Pradesh under central scheme: These road projects, which have been approved under the Central Road Fund scheme, have a length of over 600 kilometres, according to MP Chief Minister Shivraj Singh Chouhan. *(Financial Express)*

5,809 Smart City Projects under implementation/completed till November 2021: As on 12 November 2021, 6,452 projects worth ₹ 1,84,998 crore (90%) have been tendered, out of which 5,809 projects worth ₹ 1,56,571 crore (85%) are under implementation/completed. *(Press Information Bureau)*

Olectra Greentech to set up India's biggest electric bus factory with 10,000 units capacity: Olectra Greentech, India's largest manufacturer of electric buses, setting up the country's biggest electric bus factory with a capacity of 10,000 units on the outskirts of Hyderabad, as it plans to grab a larger share of cleaner mobility incentivised by the government. *(The Economic Times)*

Tamil Nadu CM MK Stalin announces Rs 1,242 crore worth of infrastructural projects: Tamil Nadu Chief Minister M K Stalin on Saturday announced Rs 1,242 crore worth of infrastructure schemes for Salem district, including underground drainage system, amenities for additional drinking water supply, a flyover and a textile park. *(The Economic Times)*

Private sector invests Rs 15,164.25 crore in road construction till November this fiscal: Road Transport and Highways Minister Nitin Gadkari said private sector investment in road construction in 2020-21 and 2019-20 was Rs 12,475.53 crore and Rs 21,925.98 crore, respectively. *(The Economic Times)*

Govt exploring public financing for road infra projects – Gadkari: The government is working on a scheme to raise funds from the public at 6 per cent annual interest rate for road infrastructure projects, union minister Nitin Gadkari said on Wednesday in the Rajya Sabha. *(The Economic Times)*

Bengaluru needs better infrastructure to be a global tech hub – Industry: While Bengaluru has performed well on its own to become a massive technology hub for the country, it needs more investments from the central government to help it compete with global tech hubs. *(The Economic Times)*

Study suggests India could economically meet electricity demand through renewables by 2030: The report shows that India could economically meet its electricity demand, which is expected to double by 2030, through renewables and complementary flexible resources, including energy storage, agricultural load shifting, and hydropower, and optimally utilizing the existing thermal power assets in the country, stated US Department of State media note. *(The Economic Times)*

Sustainable Industrialisation

Circular economy - From ship to chip, a \$500 billion opportunity awaits India: Circular economy involves reusing, recycling, repairing, refurbishing and sharing of products. It encourages reusing or recycling a product instead of throwing it away and causing pollution and triggering climate change events. *(The Economic Times)*

[NTPC awards India's first green hydrogen-based microgrid project:](#) This unique project configuration is designed in-house by NTPC. It is a unique project for India and would open doors for decarbonising the far-off regions of the country like Ladakh, J&K etc, hitherto dependent on diesel generators, it stated. *(Business Standard)*

[Acquisitions in green energy sector jump 300% in Jan-Oct:](#) In a reflection of investors' interest in India's green economy, the total value of acquisitions in India's renewable energy sector surged by more than 300% to \$6 billion in the first ten months of 2021. *(Mint)*

[Indian refiner BPCL tie-up with nuclear institute in net zero push:](#) India's third largest refiner Bharat Petroleum Corp Ltd said on Monday it has tied up with the country's nuclear research institute for an electrolyser technology for green hydrogen as it seeks to achieve net zero emissions by 2040. *(The Economic Times)*

[UNGA grants Observer Status to International Solar Alliance:](#) The ISA was conceived as a joint effort by India and France to mobilise efforts against climate change through the deployment of solar energy solutions. *(The Economic Times)*

Sectoral News

[Govt allows Delhi NCR-based pharma and device makers to use diesel gensets:](#) This decision also applies to factories in NCR which manufacture life saving drugs and devices. It will thus help Hindustan Syringes and Medical Devices (HMD) which received a partial reprieve from a closure notice on Monday. *(Business Standard)*

[Cars roll on to the electric wagon - Manufacturers announce big plans:](#) India's electric mobility goal, which has so far been riding on two wheels, is all set to graduate to four wheels. *(Business Standard)*

[Chip shortage leads to over 18% fall in November vehicle sales:](#) Passenger vehicle sales fell in double digits for the third straight month in November despite strong demand in the local market, as the global shortage of semiconductors continued to limit production across automakers including market leaders Maruti Suzuki and Hyundai Motor India. *(The Economic Times)*

[Govt extends PMKSY till FY26 with outlay of ₹93,068 crore:](#) The government has extended the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), launched in 2015 to improve farm productivity by four years till 2025-26 to complete ongoing projects. *(Mint)*

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