

Industry Matters

Weekly Updates

March 18, 2022



Economy, Industry and Policy

India breaks into world's top five club in terms of market capitalisation: India's equity market has broken into the world's top five club in terms of market capitalisation for the first time. The country's total market cap stands at \$3.21 trillion, which is higher than that of the UK (\$3.19 trillion), Saudi Arabia (\$3.18 trillion), and Canada (\$3.18 trillion). *[Business Standard]*

Atmanirbhar Bharat not a closed economy, it's global - NITI Aayog V-C: The Atmanirbhar Bharat initiative is not a closed economy but it's being globally competitive, NITI Aayog Vice-Chairman Rajiv Kumar said on Tuesday as he stressed the need for building trust between the private investor, the government, the academia and the civil society. *[Business Standard]*

Factory output grew by just 1.3% in January despite favourable base: Data released by the National Statistical Office (NSO) on Friday showed the IIP on the year-on-year (YoY) basis picked up marginally to 1.3 per cent in January from 0.7 per cent in the preceding month as manufacturing output grew 1.1 per cent. *[Business Standard]*

IIP growth recovers to 1.3% in January after hitting 10-month low in December: The index of industrial production (IIP) rose marginally to 1.3% in January 2022 year-on-year compared with 0.7% in the month before, data released on Friday showed, slightly better than most expectations. *[The Economic Times]*

Raised Rs 8,361 cr from highway monetisation in FY22, Gadkari tells RS: The amount is 64 per cent against the targeted revenue of Rs 13,000 crore for 2021-22, the minister said. *[Business Standard]*

Auto PLI scheme - Maruti, Hero among 75 firms to get govt's nod: Maruti Suzuki India, Bharat Forge, Hero MotoCorp., Bosch India, Ola Electric, BHEL are among the 75 firms approved for receiving incentives under PLI for the auto and auto components sector. *[Business Standard]*

Government may give PLI-like sops for hydrogen, ammonia: India is eyeing exports of green ammonia to developed economies such as Japan, US, South Korea and Europe, where demand is projected to be more than 300 MMTPA by 2030. *[The Economic Times]*

New solar PLI scheme to cap bidding capacity at 10 Gw for past winners: The PLI guidelines have been modified after the ministry of new and renewable energy (MNRE) received close to 50 GW of bids against a PLI sanction of Rs 4,500 crore. The corpus was increased to Rs 19,500 crore under the Union Budget 2022-23. *[Business Standard]*

States yet to get Rs 53,661-crore GST compensation - Finance ministry: Finance Minister Nirmala Sitharaman said in Rajya Sabha (RS) on Tuesday that Rs 96,756 crore had been disbursed to states as goods and service tax (GST) compensation, but Rs 53,611 crore was still pending. *[Business Standard]*

Traders' body calls for introducing a regulator for e-commerce sector: Domestic traders' body Confederation of All India Traders (CAIT) has called for setting up of a specialised regulator for the e-commerce sector to protect the interests of small businesses and traders. *[Business Standard]*

Digital economy to see exponential growth to \$800 bn by 2030 - FM: India's digital economy is expected to witness exponential growth to USD 800 billion by 2030 on the back of rising internet penetration and increasing income, Finance Minister Nirmala Sitharaman said on Friday. *[Business Standard]*

Ukraine halts half of world's neon output for chips, clouding outlook: Some 45%-54% of the world's semiconductor grade neon, critical for the lasers used to make chips, comes from two Ukrainian companies, Ingas and Cryoin. *[The Economic Times]*



Foreign Investment

347 FDI proposals received from countries sharing land border with India; 66 approved: The 66 approved proposals are from sectors including automobile (7), chemicals (5), computer software and hardware (3), pharma (4), education (1), electronics (8), food processing (2), information and broadcasting (1), machine tools (1), petroleum and natural gas (1), power (1), services sector (11). *[The Economic Times]*

DPIIT notifies 20 pc FDI in LIC under automatic route: The Department for Promotion of Industry and Internal Trade (DPIIT) on Monday notified a government decision to allow 20 per cent foreign direct investment (FDI) in IPO-bound LIC. *[The Economic Times]*

Samsung to invest Rs 1,588 crore in Tamil Nadu to set up new compressor plant for refrigerators: Samsung on Tuesday announced an investment of Rs 1,588 crore in India to set up a new compressor manufacturing plant for refrigerators at Sriperumbudur near Chennai. *[Financial Express]*

Exide to set up Lithium-ion cell plant, signs agreement with China's SVOLT: Under the multi-year agreement, SVOLT will grant Exide an irrevocable right and licence to use, exploit and commercialise necessary technology and know-how owned by them for lithium-ion cell manufacturing in India. *[Business Standard]*

India, Sri Lanka sign agreement to build solar power plant in island nation: India and Sri Lanka have signed an agreement for developing a 100 megawatt solar power plant in the island nation's eastern port district of Trincomalee. *[The Economic Times]*



Trade Policy and Competitiveness

Commerce ministry may further extend foreign trade policy: The commerce ministry is likely to further extend the existing foreign trade policy (FTP) beyond March 31 this year, an official said. *[The Economic Times]*

Forex reserves rise by USD 394 mn to USD 631.92 bn: The country's foreign exchange reserves increased by USD 394 million to USD 631.92 billion in the week ended March 4, the RBI data showed. *[The Economic Times]*

Exports reach \$390 bn as of March 14 - Piyush Goyal: Commerce and Industry Minister Piyush Goyal has said India's merchandise exports have reached almost USD 390 billion as of March 14 and will cross USD 400 billion in the current financial year. *[The Economic Times]*

PM Modi, Australian PM to hold virtual summit next week: During the summit, they are expected to commit to closer bilateral ties in trade, critical minerals, migration and mobility, and education. *[Mint]*

Govt in talks with sectors impacted by ongoing Russia-Ukraine conflict: The conflict will have a negative impact on the economy. On the other hand, it will create some opportunities for industry to substitute finished goods earlier supplied by Russia and Ukraine. *[Business Standard]*

Russia-Ukraine war - Exports of some products from India likely to be affected, says govt: Commerce and Industry Minister Piyush Goyal on Wednesday said as per feedback received from the industry, exports of certain products such as pharmaceuticals, telecom instruments, tea, coffee, and marine goods from India are likely to be affected due to the ongoing Russia-Ukraine conflict. *[The Economic Times]*

India-UAE trade pact - Bilateral trade projected to touch \$100 bn in 5 years: The India-UAE CEPA is a comprehensive and balanced partnership agreement that will give enhanced market access for India in both goods and services, Minister of State for Commerce and Industry Anupriya Patel said in a written reply to the Lok Sabha. *[The Economic Times]*

Piyush Goyal asks auto companies to cut import dependence: Piyush Goyal on Wednesday expressed disappointment over certain auto companies continuing to import even those components which can be qualitatively manufactured in India. *[The Economic Times]*

US, UK keen to enhance ties with India as part of Indo-Pacific push: India, the US and several other world powers have been talking about the need to ensure a free, open and thriving Indo-Pacific in the backdrop of China's rising military maneuvering in the region. *[The Economic Times]*



Corporate Governance

RIL arm to buy battery company Lithium Werks for Rs 468.2 crore: Mukesh Ambani, chairman, RIL, adding that Lithium Werks is one of the leading LFP cell manufacturing companies globally and has a vast patent portfolio and a management team which brings tremendous experience of innovation across LFP value chain. *[The Economic Times]*

Amazon back in SC as talks with Future fail: Talks between Amazon and the Future Group for an out-of-court settlement of their dispute have failed, and the US company on Tuesday renewed its plea in the Supreme Court for allowing arbitration proceedings in Singapore to resume. *[The Economic Times]*

Adani adds \$49 bn wealth in 2021, higher than Jeff Bezos, Elon Musk: Gautam Adani, India's and Asia's second-richest person, added USD 49 billion to his wealth last year more than the net addition of wealth by the top three global billionaires Elon Musk, Jeff Bezos and Bernard Arnault, the 2022 M3M Hurun Global Rich List said on Wednesday. *[Financial Express]*



MSMEs and Start-ups

Nearly 6,000 MSMEs got shut down during FY21 and FY22 - Govt data: Among the top five states, which registered maximum MSME closures in the current financial year, Maharashtra saw 1,608 shutdowns followed by 527 in Bihar, 521 in Tamil Nadu, 442 in Uttar Pradesh, and 435 in Gujarat. *[Financial Express]*

PLI scheme's hub & spoke model to help MSMEs access GVCs - Ajay Sahai, FIEO: The Production Linked Incentive Scheme (PLI) is a well directed scheme that would not just spur India's manufacturing and export capabilities, but would also add a fillip to MSMEs linkages with global value chains. *[The Economic Times]*

Government earmarks Rs 500 crore for scheme to support pharma clusters, MSMEs: The objectives of the scheme are to strengthen the existing infrastructure facilities to make India a global leader in the pharmaceutical sector. *[The Economic Times]*

Bangalore-based Ok! Acquired invests \$1,30,000 in EdTech, NFT startups: The firm said it has invested \$1,00,000 in Uppskill, a Web 2.0 EdTech startup and \$30,000 in Bliv.Club, a Web 3.0 NFT derivative startup. *[The Economic Times]*



Employment and Industrial Relations

Govt plans to publicise its social welfare schemes, benefits: The central government plans to spread the message on the way various social welfare schemes have benefitted the masses, including women, and people from SC and ST communities. *[The Economic Times]*

77cr people covered under 'One Nation One Ration Card' scheme - Govt tells LS: Goyal said in Lok Sabha that the technology driven initiative was conceptualised by Prime Minister Narendra Modi, taking into account the problems being faced by migrant workers in getting government benefits. He said the scheme is now available in 35 states and union territories covering 77 crore beneficiaries. *[The Economic Times]*

EPFO fixes 8.1% as interest rate on EPF deposits for 2021-22: Retirement fund body EPFO on Saturday decided to lower the interest on provident fund deposits for 2021-22 to an over four-decade low of 8.1 per cent for its about five crore subscribers, from 8.5 per cent provided in 2020-21, sources said. This is the lowest since 1977-78, when the EPF interest rate stood at 8 per cent. *[The HinduBusinessLine]*

Parliamentary panel pulls up department for less budgetary allocation to MGNREGA: The committee, headed by Prataprao Jadhav, has suggested the department seek higher allocation from the ministry of finance while sprucing up the financial management of the Mahatma Gandhi National Rural Employment Guarantee scheme. *[The Economic Times]*



Industrial Finance

No public sector bank faced loss in three quarters to Dec'21 of this fiscal: No public sector bank has faced any loss in the April-December period of the current fiscal year, and clocked a collective net profit of Rs 48,874 crore during this period. *[The Economic Times]*

Govt extends Rs 20,000-cr Subordinate Debt scheme for MSMEs till March 2023: The scheme provides credit facility via banks to the promoters of stressed MSMEs including special mention accounts (SMA)-2 and non-perform asset (NPA) accounts that are eligible for restructuring. *[Financial Express]*

India's banking sector is in a healthier position - Kamath: India's banking sector is in a healthier position than he has ever seen during his five decades career as a banker, according to KV Kamath, Chairperson, National Bank for Financing Infrastructure Development. *[The HinduBusinessLine]*



Technology and Innovation

Data centers to enable India's trillion-dollar digital economy growth; Mumbai, Chennai to lead, report: The expansion of the Indian data centre industry will be supported by the accelerated adoption of digital infrastructure led by the pandemic, rising digital usage, cloud consumption and the national 5G rollout. *[The Economic Times]*

Need to overhaul regulatory structure to promote technology development - Telecom Minister: The minister said that 35 Indian telecom companies are now looking to export their products overseas. He mentioned that most important study groups for future development of 5G and 6G under the International Telecommunications Union are now being chaired by Indian delegates. *[The Economic Times]*

Payment Aggregators help shape digital payments in India: India's digital payments industry is nascent, dynamic, and growing rapidly. As per the Reserve Bank of India (RBI) statistics, digital retail payments worth \$4.9 trillion in value and 44 billion in volumes were processed in FY21. *[The Economic Times]*

OneWeb preps to set up earth stations in India: The Department of Telecommunications (DoT) has sent the satellite company a letter of intent saying the company will soon be granted the Global Mobile Personal Communications (GMPCS) licence, which will allow OneWeb to offer commercial satellite communication services. *[The HinduBusinessLine]*

ONDC aims to start operations by August, launch a pilot next month: Open Network Digital Commerce (ONDC) aims to start operations by August and will launch a pilot next month. The network will not be restricted to retail but give buyers a platform for food delivery, tourism and hospitality, travel, mobility, and wholesale trade. *[Business Standard]*

Israel-based Coralogix launches cyber security venture in India: Coralogix, an Israel-based technology company, has launched a cyber security venture in India focussed on securing cloud-native companies against growing cyber threats in a quick, efficient, and cost-effective manner. *[Mint]*



Industrial Infrastructure, Clusters and SEZs

Nitin Gadkari - Government to better world record in highway construction this month: The government will better its own world records in highway construction this month itself, said road transport and highways minister Nitin Gadkari, pledging a target of more than 50 km a day. *[The Economic Times]*

Tamil Nadu plans 20,000 MW solar plants at a cost of Rs 70,000 crore by 2030: Tamil Nadu Power Department is expecting to complete the construction of a 1000 MW power plant by the end of the year. Tangedco has put a deadline of 2030 to complete the 20,000 MW project. *[The Economic Times]*

MoRTH constructs 8,045 kms of highways during Apr-Feb '22: In a written reply in the Rajya Sabha, Road Transport and Highways Minister Nitin Gadkari said the ministry has constructed 10,237 kms in 2019-20; 13,327 kms in 2020-21; and 8,045 kms up to February during the current financial year 2021-22. *[The Economic Times]*



Sustainable Industrialisation

Lack of skilled ESG professionals major roadblock in achieving India's net-zero goal - Experts: The size of ESG investments in India ranges from USD 30-40 billion and is growing rapidly. To make quick all-round progress, ESG adopters in India need the right financial resources, technical resources, and human resources in the form of ESG professionals and experts. *[The Economic Times]*

Nitin Gadkari to launch pilot project for hydrogen based advanced FCEV today: The project is the first of its kind in India and is aimed at spreading awareness about Hydrogen, FCEV technology and disseminating its benefits to support hydrogen-based society for the country. *[Mint]*

India adds 1.2 GW open access solar capacity in 2021 - Mercom India: India's solar open access installations witnessed a sharp growth during 2021 with the country adding 1.2 gigawatts (GW) of open access solar capacity during the year. *[The Economic Times]*

Alternative fuels, EV sales set to rise, scenario will change in 5 years, says Gadkari: Replying to a question in the Rajya Sabha, the minister stated that sales of petrol and diesel vehicles will fall day by day while that of electric and alternate fuel-powered vehicles will increase. *[The Economic Times]*

Priority section of Delhi-Meerut rapid rail to be commissioned by 2023: The 17-km priority section including Sahibabad, Ghaziabad, Guldhar, Duhai and Duhai Depot would be commissioned by 2023 and the full corridor by 2025. *[The Economic Times]*



Sectoral News

Certification of telecom gear must be integral to manufacturing ecosystem - K Rajaraman: The testing and certification of telecom products should be an integral part of the manufacturing ecosystem to ensure that India becomes a manufacturing hub, said Department of Telecommunications secretary K Rajaraman. *[The Economic Times]*

Reprocessing scrap will boost India's steel production - Minister Ram Singh: Speaking to PTI here, Singh said as part of the India-UAE Comprehensive Economic Partnership Agreement (CEPA) it will be easier for India to import scrap from the gulf kingdom, which will be recycled for precious industrial metals. *[The Economic Times]*

ISID Institute for Studies in Industrial Development
A Sponsored Institution of Indian Council of Social Science Research
4 Vasant Kunj Institutional Area, New Delhi - 110070, India

Follow us at



Disclaimer: *Industry Matters* is a weekly news update on Indian economy, industry, and policy compiled at ISID from various newspapers and e-resources. ISID does not guarantee the truthfulness, accuracy, or validity of the news items linked in the above message. It is shared for informational and educational purposes to facilitate and support research and information on Indian industry. It is not a commercial product and all copyrights remain with those of the respective copyright holders. Images are sourced from the web.

Team Members: Satyaki Roy, Swati Verma, Sangeeta Ghosh, B. Dhanunjai Kumar, Amitava Dey & Rakesh Gupta.
Compiled by: Rakesh Gupta. Edited by Sangeeta Ghosh

To unsubscribe please click [here](#)