

Industry Matters

Weekly Updates

March 25, 2022



Economy, Industry and Policy

India's 2022 GDP growth downgraded to 4.6% due to ongoing war in Ukraine - UN report: The UN Conference on Trade and Development (UNCTAD) report downgraded its global economic growth projection for 2022 to 2.6% from 3.6% due to shocks from the Ukraine war and changes in macroeconomic policies that put developing countries particularly at risk. *[The Economic Times]*

Government e-Market portal eyes Rs 1.5 lakh crore worth of procurement in 2022-23: Government e-Marketplace (GeM) has attained an annual procurement of Rs 1 Lakh crore in the current financial year and this figure is likely to surge to Rs 1.5 lakh crore in 2022-23, Prashant Kumar Singh, CEO, GeM, said on Thursday. *[The Economic Times]*

I-T dept has made highest tax collection in its history - CBDT Chairman: The net collection numbers as on today is Rs 13.63 lakh crore which is against Rs 11.18 lakh crore of 2018-19, Rs 10.28 lakh crore of 2019-20 and Rs 9.24 lakh crore of 2020-21. *[Business Standard]*

Atmanirbhar mission not leading India towards closed economy, says NITI Aayog VC Rajiv Kumar: Inviting Japanese investors to set up companies in India on a larger scale under the recently launched production linked incentive (PLI) schemes, NITI Aayog Vice-Chairman Rajiv Kumar said India remains very deeply committed to greater integration with global flows and the regional network. *[Financial Express]*

PLI scheme to account for 13-15 pc capex in key industrial sectors over next 3-4 years: PLI has been announced for 15 sectors, involving government incentives to the tune of Rs 1.93 lakh crore. Of this, 50-60 per cent is to be spent on sectors with domestic manufacturing and export focus, and the rest on import localization. *[The Economic Times]*

Investments worth Rs 36,000 cr planned for greenfield airports under PPP mode - V K Singh: The Public Private Partnership (PPP) airports at Delhi, Hyderabad and Bengaluru are undertaking major expansion projects of around Rs 30,000 crore by 2025. Additionally, Rs 36,000 crore have been planned for investment in the development of new greenfield airports across the country under PPP mode. *[The Economic Times]*

Govt to unveil plan to boost PSU general insurers: The government had proposed a ₹4,950-crore capital infusion in state-run general insurers in the third supplementary demand of grants earlier this month. *[The Economic Times]*

Budget allocation on education sector crosses Rs 1 lakh crore for the first time - MoS Education: The government has increased the budget on education, crossing Rs 1 lakh crore for the first time, the Rajya Sabha was informed on Wednesday. *[The Economic Times]*

Rs 70,000 cr likely investment in 6 mths will create around 7 lk jobs in J&K - Manoj Sinha: The Jammu and Kashmir Lieutenant Governor Manoj Sinha on Tuesday said that the Union Territory is expecting an investment of Rs 70,000 crore in the next six months that would create around seven lakh jobs in the region. *[The Economic Times]*

States panel may propose a single 15% GST levy by merging 12% and 18% slabs: A panel of state ministers set up to suggest changes to the GST rate structure may propose a single 15% levy by merging the 12% and 18% slabs, but is wary of proposing an increase in the threshold rate to 8%, from 5%, given growing inflation concerns. *[The Economic Times]*

Govt lines up systemic reforms to lift global index ratings: The government is monitoring India's performance across 31 global indices and firming up index-wise plans for reforms to be undertaken to improve the country's ranking. *[The Economic Times]*

India extends \$1 billion Line of Credit to Sri Lanka: Sri Lankan finance minister Basil Rajapaksa was present at the signing of the agreement pertaining to the Short-Term Concessional Loan facility of \$1 billion extended by India to the Lankan government through the State Bank of India. *[The Economic Times]*

Stamp duty, registration fee mop-up crosses Rs 1 lakh cr in 8 months of FY22: An analysis of state-wise data by Motilal Oswal Financial Services showed that the average monthly collection by 28 states stood at Rs 12,500 crore during the reporting period of April-November 2021, which is slightly lower than Rs 12,800 crore in the pre-pandemic days. *[The Economic Times]*



Foreign Investment

FDI inflow to India declines to \$74.01 billion in 2021: Total foreign direct investment (FDI) inflow to India declined to \$74.01 billion in the calendar year 2021, which is 15 per cent lower from \$87.55 billion recorded in the previous year, the Ministry of Commerce & Industry said on Wednesday. *[The Economic Times]*

Gautam Adani explores partnerships with Saudi Aramco: Indian conglomerate Adani Group is exploring potential partnerships in Saudi Arabia, including the possibility of buying a stake in the world's largest oil exporter. *[The Economic Times]*

Huge business opportunities exist to boost trade, investment, says Austrian minister: Huge business opportunities exist for India and Austria to enhance bilateral trade and investments, Austrian Minister for European and International Affairs Alexander Schallenberg said on Monday. *[The Economic Times]*

Supply chain resilience initiative in the works: Japan to invest \$42 bn to boost economic ties: Prime Minister Narendra Modi said on Saturday Japan aims to invest \$42 billion (5 trillion yen) over the next five years in India, after a meeting with his Japanese counterpart Fumio Kishida in the national capital to bolster bilateral cooperation. *[Financial Express]*



Trade Policy and Competitiveness

India achieves \$400 billion goods exports target for first time: Prime Minister Narendra Modi on Wednesday said that for the first time, India achieved its target of reaching \$400 billion in exports. *[The Economic Times]*

Services exports likely to touch \$1 trillion 3 years before target: Service exports contribute to 40% of total exports but have been growing at a faster clip than merchandise exports. India's target for merchandise exports for FY22 is \$400 billion while that for service exports is \$240 billion. *[The Economic Times]*

Commerce ministry to extend foreign trade policy for some more months: The commerce ministry will extend the existing foreign trade policy (FTP) for some more months beyond March 31, Union minister Piyush Goyal said on Wednesday. *[Business Standard]*

More than 95% MSMEs benefitted under ECLGS: The agency which operates the Emergency Credit Line Guarantee Scheme (ECLGS), a total of 117.87 lakh businesses have been supported with 100% guaranteed collateral-free loans under ECLGS of which about 95.21% were MSMEs, informed Union Minister of State for Finance Bhagwat Kisanrao Karad today. *[The Statesman]*

Startups board express train chasing top talent in 2022: Thirteen startups joined the unicorn list during this period, and there are several more that are expected to soon make the cut with billion-dollar-plus valuations. *[The Economic Times]*

OfBusiness financial services arm Oxyzo turns unicorn with maiden external funding: Oxyzo Financial Services, the lending arm of SoftBank-backed business-to-business (B2B) commerce startup OfBusiness, has raised its first external funding of \$200 million, in what is the largest series-A funding ever for an Indian startup. *[The Economic Times]*



Employment and Industrial Relations

Employment rose by 22% in 7 years since 2013-14 - Union Labour Minister: He told the House that as per PLFS, the rise in employment in IT, healthcare and education sectors reflects that employment opportunities were generated through various government programmes. *[Business Standard]*

e-Shram - 270 million informal sector workers join portal: Having already got around 270 million unorganised sector workers on the e-Shram portal launched on August 26, the labour ministry hopes to bring all the estimated 380 million of them on board by March 2023. *[Financial Express]*

EPFO adds 15.19 lakh net subscribers in January 2022: On state-wise comparison of payroll figures, Maharashtra, Haryana, Gujarat, Tamil Nadu, and Karnataka are in lead by adding approximately 9.33 lakh subscribers during the month, which is around 61% of total net payroll addition across all age groups. *[Mint]*



Industrial Finance

Govt should extend period of loan repayment under ECLGS for MSMEs - Parl panel: The committee, therefore, recommends that the repayment period should be extended up to 7-8 years with at least two years of moratorium on the principal amount. *[The Economic Times]*

Banks share in industrial credit plunges to 34% in FY21, says report: Domestic banks' share in the overall commercial credit has plunged to a low of 34 per cent in FY2021 from 56 per cent in FY2011 partly due to the pandemic and more because companies are moving away from banks for funds, says a report. *[The Economic Times]*

Net-zero shift may have less impact on banking, says RBI study: The transition to the net-zero emission target will entail limited spill-over impact on Indian banking because three sectors with direct exposure to fossil fuels — electricity, auto, and chemical — form only 10 per cent of non-retail credit, according to a study by the Reserve Bank of India (RBI). *[Business Standard]*

Banks recover Rs 61,000 crore via one-time settlement of loans: As many as 11 banks have recovered nearly Rs 61,000 crore by way of one-time settlement in nearly four financial years, the government informed Parliament on Monday. The figures are for the last three financial years and up to December 2021 of the current fiscal. *[The Economic Times]*

SBI lines-up 12 NPA accounts for sale to ARCs to recover dues of over Rs 820 cr: NPA account Topworth Urja & Metals Ltd, with a loan outstanding of Rs 396.74 crore is to be sold in an e-auction to be held on March 29, 2022. *[The Economic Times]*

Bank privatisation to be kickstarted soon: The finance ministry is expected to soon seek cabinet approval for amendments to the Banking Regulation Act, 1949, and possibly other legislation as it kickstarts the process to privatise two state-run lenders. *[The Economic Times]*



Technology and Innovation

Nepal adopts India's UPI for digital transactions: Nepal has adopted the unified payment interface developed by India for digital transactions, a government periodical said in its latest edition. Earlier this year, Bhutan also launched a BHIM-UPI based payment service for digital transactions, as per the article tweeted by PIB on Thursday. *[The Economic Times]*

ONDC to help small retailers serve customers with modern ways of delivery - Piyush Goyal: The Open Network for Digital Commerce (ONDC) will ensure that small retailers get an equal opportunity to engage with big firms, protect their businesses and serve customers with modern ways of delivery system. *[The Economic Times]*

As India leads digital payments, consumer experience, safety & innovation are key: Online transactions volumes from tier 2 and 3 cities on private payment gateway during 2021 show growth of 45.6% and 54.3% respectively, according to the Reserve Bank of India (RBI) latest bulletin released in February. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

Govt sets Rs 1-trillion infrastructure lending target for DFI: The Centre has set a target of about Rs 1 trillion for government-backed National Bank for Financial Infrastructure and Development (NaBFID) for sanctioning loans to the infrastructure sector in the next financial year. *[Business Standard]*

HDFC Ltd approves highest ever Rs 2 lakh crore home loans in FY22: Mortgage lender HDFC Ltd., is said to have approved retail home loans totalling more than Rs 2 lakh crore in the current fiscal year, its highest ever in a financial year. *[The Economic Times]*

NBFCs seek extension of subsidy under PM Housing for two years: Non-bank financing companies have approached the central housing ministry seeking clarity on its stance on continuing fresh disbursements under the PMAY Credit Linked Subsidy Scheme (CLSS) for the poor and the underprivileged. *[The Economic Times]*

Indospace to invest ₹600 crore in two logistics parks in Gujarat: IndoSpace said its parks in Becharaji and Bavla are ideal for businesses across sectors that are looking to expand and strengthen their presence in the state. *[Mint]*

Equinix to invest \$9 million for data centre expansion in Chennai: Data centre infrastructure company Equinix said on Tuesday that it will invest over \$9 million to acquire around 5.5-acre land parcel in Chennai on a long-term leasehold basis as part of its expansion and growth strategy in India. *[The Economic Times]*



Sustainable Industrialisation

India, Japan launch clean energy partnership: In a bid to achieve sustainable economic growth, and ensure energy security in areas of electric vehicles, India and Japan have launched a Clean Energy Partnership (CEP). *[Mint]*

Rs 1,066 cr spent in last 5 years for innovation of environmentally sustainable technology: According to the data shared by the minister, Rs 1,086.76 crore has been allocated in the last five years for innovation of environmentally sustainable technology out of which Rs 1,066.57 crore has been spent. *[The Economic Times]*

Suzuki plans Rs 10,440 crore India EV push: This will form part of the overall \$1.3 billion package that has been announced by SMC and is a key component of the \$42 billion investment target outlined by Japan in India over the next five years. *[The Economic Times]*

Hope to make India a global hub for EVs, cell tech - Ola co-founder: The heavy industries ministry has named Ola Electric and three other companies eligible for receiving benefits under the PLI (Production-Linked Incentive) scheme. *[Business Standard]*



Sectoral News

Cement industry to record 18-20% volume growth in FY22, says report: The cement industry is expected to record an 18-20 per cent volume-based growth and even surpass pre-COVID levels by 6 per cent in the current fiscal, according to a report. *[The Economic Times]*

Govt to reduce coal-based power share to 32% by 2030: The Power Ministry is working on plans to cut down the share of coal-fired thermal power generation capacity to 32 per cent in the next eight years from 52 per cent at present. *[The Hindu BusinessLine]*

Indian media and entertainment industry projected to reach USD 100 bn by 2030 - I&B secretary: The Indian media and entertainment industry is valued at USD 28 billion and is projected to reach USD 100 billion by 2030, growing at a cumulative growth rate of 12 per cent. *[The Economic Times]*

Moscow says India may replace West in Russian pharmaceuticals market: Pharmaceutical companies may replace Western manufacturers leaving the Russian market, Russian envoy to India Denis Alipov said on Friday. *[The Economic Times]*

Free Wi-fi now available at 6,100 railway stations across India – RailTel: The railways provided Wi-Fi facility first at the Mumbai Railway station in 2016, reaching its 6000th station, at Hazaribagh town of Jharkhand. *[Mint]*