

Industry Matters

Weekly Updates

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Economy, Industry and Policy

'Make in India' & 'Atmanirbhar Bharat' seek to increase India's self-sufficiency- US report: Initiatives such as "Make in India" and "Atmanirbhar Bharat" seek to increase India's self-sufficiency by promoting domestic industry and reducing reliance on imported goods, the US Trade Representative has said in a report, observing that American exporters encounter "significant" tariff and non-tariff barriers in the country. *[DailyExcelsior.com]*

Govt forms advisory committee for Semicon India: The government has formed an advisory committee to drive the Rs 72,000-crore project, Semicon India, to make the country a global leader in semiconductor manufacturing, design and innovation, an official statement said on Wednesday. *[The Economic Times]*

High tech battery innovations may get a PLI push: India plans to launch a production-linked incentive (PLI) scheme for so-called 'niche' batteries to drive research and development of such high technology products, crucial for its ambitious energy transition and carbon neutrality goals. *[Mint]*

India services PMI at 3-month high in March despite inflationary pressure: The S&P Global Purchasing Managers' Index (PMI) for services rose to 53.6 points in March from 51.8 in February as firms recorded the fastest growth in sales and business activity so far in 2022 after Covid-19 related restrictions were lifted. *[Mint]*

Money woes due to COVID - Telecom PLI may get extended by a year: The government may extend the production-linked incentive (PLI) scheme for telecom equipment manufacturing by one year, as around 16 medium and small firms are yet to submit their investment plans and are not likely to meet production targets for the current fiscal year. *[Financial Express]*

Manufacturing PMI slips to six-month low in March: Purchasing Managers' Index (PMI) for Manufacturing dropped to a six-month low last month. According to the data released on Monday, the index dropped to 54.0 in March from 54.9 in February. *[The Hindu BusinessLine]*

India's manufacturing activity moderates in March as production, sales slow: India's manufacturing activity moderated in March as companies said production expanded slowly and new export orders declined, according to data released by S&P Global. *[Business Standard]*

Business resumption index dips: The Nomura India Business Resumption Index (NIBRI) fell to 125.4 for the week ended April 3 from 125.9 in the previous week and the record high of 126.2, 25.4 percentage points (pp) above its pre-pandemic level. *[The Economic Times]*

Govt mulls modifications in PLI Scheme for speciality steel: The government is planning certain modifications in the PLI Scheme for speciality steel and has extended the last day to submit the applications by about a month till April 30. *[The Hindu BusinessLine]*

India on cusp of major economic recovery - Niti Aayog VC Rajiv Kumar: Notwithstanding economic uncertainties triggered by the Russia-Ukraine war that is also impacting global supply chains, Kumar asserted that it was quite clear from all accounts that India will remain the fastest growing economy in the world. *[Business Standard]*

FY22 tax receipts up a third on year, beat RE by Rs 1.6 trillion: The Centre's gross tax receipts (GTR) grew by as much as a third on year in 2021-22, the sharpest growth in any year in recent decades if not in recorded history, representing an impressive tax buoyancy of 1.6. *[Financial Express]*

Direct tax collections top revised estimates in FY22 at nearly ₹14 tn: The latest figures compiled by the central board of direct taxes (CBDT), the mop-up for FY22 is only about ₹38,000 crore short of the 2022-23 budget estimates (BE), which means direct tax collections will need to grow by only 3.2% to meet this year's target. *[Mint]*

No extension of GST aid to states, says Centre: The Centre has made it clear that the five-year GST compensation to states can't be extended beyond June 30, 2022. In the latest Budget, it announced a Rs 1 trillion 50-year capex loan to states. *[Financial Express]*

Only 80.6% spent till February, govt likely to miss capex target: The Centre is likely to have missed the capex target for the fiscal year that ended on March 31, with only 80.6 per cent of the Rs 6-trillion allocation spent by February, Controller General of Accounts data showed. *[Business Standard]*

Spend on defence purchases from foreign sources down by 10%: The government has taken several policy initiatives in the past few years under the Make in India programme and brought in reforms to encourage indigenous design, development and manufacture of defence equipment in the country. *[The Times of India]*



Foreign Investment

Now to plough FDI back across sectors: Nirmala Sitharaman pointed out that India was one of the top five destinations for FDI during the pandemic. On Monday, she followed this up by stating that FDI is a better gauge of India's economic prospects than the flight of foreign portfolio investment (FPI) following interest rate readjustments in advanced economies. *[The Economic Times]*

India continues to remain highest receiver of FDI - FM in Lok Sabha: India continues to remain the highest receiver of the FDI, and the Indian retail investors have created the capacity to absorb the shock due to outflow of foreign funds from the country's stock markets, Finance Minister Nirmala Sitaraman told Lok Sabha. *[The Economic Times]*

HAL ties up with Israel Aerospace Industries to convert civil aircraft to multi mission tanker transport aircraft: The move will provide India's defense ecosystem with new capabilities and cost effective solutions in the market. *[The Economic Times]*



Trade Policy and Competitiveness

India, Australia sign historic free-trade deal, PM Modi calls it 'watershed moment': Prime Minister Narendra Modi said that the India-Australia Economic Cooperation and Trade Agreement is a "watershed moment" for bilateral ties. The interim free trade deal aims to eliminate 85 per cent tariffs on Australian goods exports to India. *[The Economic Times]*

Trade deficit widens to \$192 billion in FY22; imports at record high: India's trade deficit widened to \$192 billion in financial year 2021-22 (FY22) as imports hit a record high of \$610 billion because the value of inbound petroleum shipments nearly doubled as compared to a year earlier. *[Business Standard]*

India now sets sights on free trade agreement with Gulf countries: After inking trade pacts with the UAE and Australia, India is set to begin deeper engagements with the Gulf Cooperation Council (GCC) countries as early as May-June to finalise a free trade agreement (FTA) with the group of nations. *[Business Standard]*

India's trade with Russia, Ukraine grew since FY21 - Government to Parliament: India's exports to Russia rose to \$3.18 billion in April-February period of 2021-22 from \$2.65 billion recorded in the full year 2020-21, minister of state for commerce and industry Anupriya Patel said in a written reply in the Lok Sabha. *[The Economic Times]*

India may get access to \$10-billion Australian government tenders: Indian and Australian companies may be able to bid in each other's central government tenders as the bilateral Economic Cooperation and Trade Agreement (ECTA) provides for negotiations, in a chapter on government procurement, to begin in the next 75 days. *[The Economic Times]*

India's March exports touch \$40.38 billion - Govt source: Merchandise exports touched a record \$40.38 billion, while imports rose to \$59.07 billion, a government source said on Friday, referring to provisional trade data. *[The Economic Times]*

India-Australia sign interim trade deal after nearly a decade: Australia is the 17th largest trading partner of India and India is Australia's 9th largest trading partner. India-Australia bilateral trade for both merchandise and services is valued at \$27.5 billion in 2021. *[Mint]*



Corporate Governance

Mortgage lender HDFC announces merger with HDFC bank: Mortgage lender HDFC on Monday announced that it will merge with HDFC Bank, with a share merger ratio of 42 shares of HDFC Bank to 25 shares of HDFC. *[The Economic Times]*

M&A deals climb up as startup funding begins to slow: Consolidation is also in play as many of these startups are unable to shore up a war chest to fight bigger and more well-capitalised rivals. *[The Economic Times]*

IDFC MF deal latest in series of M&As in the RS 38-trillion industry: The acquisition of IDFC Mutual Fund (MF) by a consortium of Bandhan Financial Holdings, GIC and ChrysCapital for Rs 4,500 crore is only the latest in a series of acquisitions seen in the Rs 38-trillion domestic MF space. *[Business Standard]*

Tata Sons looks to monetise assets, raise foreign loans in FY23: Tata Sons, the holding company of the Tata group, plans to raise funds by monetising its unlisted companies, and through foreign loans and dividends from its listed subsidiaries in financial year 2022-23 (FY23), as debt worth Rs 16,305 crore is coming up for repayment in the current fiscal. *[Business Standard]*

Future Retail, Future Enterprises default on Rs 8,158 cr loan repayments: The due date for payment of Rs 2,835.65 crore by Future Enterprises Ltd (FEL) and Rs 5,322.32 crore by Future Retail Ltd (FRL) was March 31, 2022. *[The Economic Times]*



MSMEs and Start-ups

Bureau of Indian Standards grant 630 licenses to MSME toy manufacturers: Out of the 661 licenses granted by BIS to domestic toy manufacturers, 630 licenses that is 95% of licenses have been granted to MSME toy manufacturers. *[The Statesman]*

Indian startups raised \$8.4 bn in Q1, 2022; India ranks 4th globally with 96 unicorns: Globally, there are 1,979 unicorns out of which the US alone is home to 1,036 followed by China (252) and the United Kingdom (UK) with 100 unicorns. *[BusinessToday.in]*

Over Rs 30,160 cr sanctioned under 'Stand Up India' scheme in six years: As on March 21, 2022, about 133,995 accounts have received advances under the scheme, out of which 19,310 were held by SCs; 6,435 by STs and 108,250 by women. *[Business Standard]*

Edtech unicorns go hybrid to tap India's \$180 billion education sector: India is positioned to become a \$313 billion online education market soon, as the pandemic has precipitated an unprecedented demand for the services of edtech companies, say analysts. *[Business Standard]*



Employment and Industrial Relations

Enhance NAPS stipend for apprentices to restore parity, says standing committee report: Currently, stipend under NAPS is 25% subject to a maximum of Rs 1500 per month as against 50% for engineering degree and diploma holders under the National Apprenticeship Training Scheme of the education ministry. *[The Economic Times]*

Over 54% of India Inc keen on hiring in Q1FY23 - TeamLease report: Out of the 21 sectors reviewed, overall 16 indicated keenness to hire, led by IT with 95 per cent of employers keen to hire, followed by educational services (86 per cent), E-commerce and technology start-ups (81 per cent) and healthcare and pharmaceuticals (78 per cent). *[Business Standard]*

Panel moots universal pension for self-employed, gig workers: A new Universal Pension Scheme may be considered in view of the clarion call of the prime minister on universal social security and global trends, to cater to those not covered under EPS-95 including gig workers and self-employed persons. *[The Economic Times]*

Rural jobs scheme - Only half of targeted work created in FY22: A parliamentary standing committee recently recommended hiking guaranteed days of work under the MG-NREGS to at least 150 days. The FY22 achievement is only one-third of the recommendation. *[Financial Express]*

Indian job market shows sharp recovery in headcount in March, shows Qess data: The Indian job market witnessed a sharp recovery in March as "payroll headcount" grew 18.4% year-on-year amid removal of restrictions and pick-up in economic activity, according to data from AllSec Technologies, a Business Process Services (BPS) provider and a Qess company. *[The Economic Times]*



Industrial Finance

Bank credit up 8.5% YoY on support from ECLGS scheme - Report - ET BFSI: Banks had reported a credit offtake of 9.1% in December 2021, which toned down to 8.5% on year, for the fortnight ended March 11. Meanwhile, deposits stood at 162.8 lakh crore, with a stable growth of 8.8%. *[The Economic Times]*

IBBI to revamp grievance redressal mechanism: The bankruptcy rule maker has sought public comments by 21 April on a set of draft rules for revamping its grievance redressal mechanism. *[Mint]*

HDFC Bank clocks 21% loan growth at Rs 13.69 trillion in FY22: The commercial & rural banking loans grew at a faster clip by around 30.5 per cent over March 31, 2021 and around 10 per cent over December 31, 2021. *[Business Standard]*



Technology and Innovation

TataNeu in numbers - 120 mn customers, 2,500 offline stores, 80 mn downloads: The youngest member of the Tata group, the much-awaited Tata Neu, has finally been launched for people across the country. The 'super app' offers a number of services ranging from financial services to tech, travel and even groceries. *[Business Standard]*

First private astronaut mission to space station readies for launch: The International Space Station (ISS) is set to become busier than usual this week when its crew welcomes aboard four new colleagues from Houston-based startup Axiom Space, the first all-private astronaut team ever flown to the orbiting outpost. *[The Economic Times]*

UPI processes 5 bn transactions in March, gets set for new record: In March 2021, UPI processed 2.73 billion transactions, amounting to Rs 5.04 trillion. So far in FY22, the payments platform has processed over 45 billion transactions, amounting to over Rs 83 trillion, thus breaching the \$1 trillion mark. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Centre proposes integrated development of highway infrastructure: The development comes at a time when the government is giving a major emphasis on infrastructure development. The Union Budget for FY23 also announced that the infrastructure development in the country would be guided by the PM GatiShakti initiative. *[Mint]*

India to see 48k more EV chargers with investment of Rs 14,000 crore in 3-4 years - Icrea: The penetration of electric two-wheelers is expected to be at about 13-15 per cent of the new vehicle sales by FY25, according to the report which also expects electric three-wheeler and e-bus segment penetrations at more than 30 per cent and 8-10 per cent, respectively, by FY25. *[The Economic Times]*

March quarter sees 53.6% surge in new projects at Rs 5.1 trn - CMIE data: At Rs 5.1 trillion, it was also more than twice the Rs 2.45 trillion seen during the three months ending March 2021, showed data from project tracker Centre for Monitoring Indian Economy (CMIE). *[Business Standard]*

Bids for New Delhi, Mumbai stations revamp soon: New Delhi Railway Station (NDLS) and Chhatrapati Shivaji Maharaj Terminus (CSMT) are now set to be bid out under a hybrid build-operate-transfer (BOT) model, whereby the railways will invest up to 40% of the total project cost of each project. . *[The Economic Times]*

Indian Oil to invest Rs 840 crore to set up plant, raise storage capacity: The company is planning to take its POL capacities to 5,530 Thousand Metric Tonnes Per Annum (TMTPA) by 2030 from the existing 3,160 TMTPA, Indian Oil Corporation Executive Director (IndianOil-AOD) G Ramesh told PTI. *[Business Standard]*

BSNL plans to install 1.12 lakh towers across India ahead of 4G rollout: The government approved to administratively allot spectrum to BSNL and MTNL for providing 5G services on the same principles as followed for 4G. BSNL and MTNL would rollout 4G and 5G services based on techno-commercial considerations. *[Mint]*



Sustainable Industrialisation

India to invite bids for 2GW offshore wind energy projects soon - RK Singh: Our journey is incomplete without offshore wind energy. We will bring bids for 1,000 MW in Gujarat and after that 1,000 MW in Tamil Nadu. The minister urged international investors to come forward and invest in offshore wind tenders. *[The Economic Times]*

Centre extends timeline for loan disbursement for ethanol projects till September: The Centre has notified different interest subvention schemes for sugar mills and distilleries during 2018-2021, with a view to increasing production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, especially in the surplus season. *[The Economic Times]*

Jio-bp and TVS Motor Company to collaborate on EV solutions: Jio-bp and TVS Motor Company on Tuesday announced that they have agreed to explore the creation of a robust public EV charging infrastructure for electric two-wheelers and three-wheelers in the country, building on Jio-bp's growing network in this space. *[Business Standard]*

NTPC begins commercial operation of 22 MW floating solar capacity in Kerala: The first part capacity of 22 MW out of 92 MW Kayamkulam Floating Solar PV Project at Kayamkulam, Kerala, is declared on commercial operation with effect from 13:00 hours of 31.03.2022. *[The Economic Times]*

JSPL plans largest & greenest steel plant in Odisha: After bagging Utkal B1 and B2 coal block in the Angul-Talcher belt in the state, Jindal Steel & Power Limited (JSPL) on Friday said it would develop its Odisha plant into the largest and greenest facility in the world. *[The Economic Times]*

Tata Power Solar commissions 160 MW solar project in Rajasthan: The Jetstar project was completed within a period of 15 months. It is one of the largest solar projects in Rajasthan. *[Business Standard]*



Sectoral News

Increase in Drug Prices Will Hit People Hard – Need for Re-orienting Drug Pricing and Production Policy: Explaining the reason behind the erosion of domestic pharma capacity and dependence on China for APIs, Reji K. Joseph, Institute for Studies in Industrial Development, elaborates - "One major factor is policy-induced, on account of our policy initiatives, such as import liberalisation, delinking, etc. But simultaneously, China was building capabilities in APIs, especially the fermentation-based APIs. *[NewsClick]*

10 states given permission to borrow additional Rs 28,204 cr for power sector reforms last fiscal: In the financial year 2022-23 too, the states can avail the facility of additional borrowing linked to reforms in power sector. An amount of Rs 1,22,551 crore will be available as incentive to the states for undertaking these reforms in 2022-23. *[Financial Express]*

Auto retail sales up 7% in FY22; may reach pre-pandemic highs by FY24: Auto retail sales in FY22 reported a 7% year-on-year growth to 1,63,75,799 units compared to 1,52,74,314 units in FY21. *[The Economic Times]*



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