

Industry Matters

Weekly Updates

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Economy, Industry and Policy

Is it time for India to go for competitiveness legislation: A white paper on 'Improving India's Competitiveness for Inclusive Economic Growth', authored jointly by Cuts International, Institute for Competitiveness and Institute for Studies in Industrial Development (bit.ly/3iTn6Hj), discusses some of the pillars for improving and sustaining India's competitiveness. A robust institutional structure is essential for achieving business competitiveness, capacity building and supply chain resilience. *[Mint]*

Manufacturing PMI - India's May factory output remained strong at 54.7 despite inflation worries: Purchasing Managers' Index (PMI) for manufacturing sector changed a tad to 54.7 in May against 54.6 registered in April. According to the latest report, labour market has improved in the manufacturing sector and is strongest since January last year. *[The Hindu BusinessLine]*

10 applicants so far; govt extends PLI scheme for specialty steel for third time till June 30: Initially, March 29 was the last date for manufacturers to apply for the benefits under the PLI (Production-Linked Incentive) scheme for specialty steel. It was later extended till April 30 and again to May 31, 2022. *[The Economic Times]*

Centre clears entire GST compensation dues of states till May 31, 2022: The Government of India has released an amount of Rs. 86,912 crores to cover the entire amount of GST compensation due to states until May 31, 2022. *[The Economic Times]*

States' tax revenues grew a third in FY22, so did capex: The overall tax receipts of the 20 states — own tax revenue plus divisible-pool receipts from the Centre — jumped 33% on year to Rs 21 trillion in FY22, thanks to a reviving economy, improved compliance and higher transfers from the Centre. *[Financial Express]*

Centre announces Rs 1,000 cr scheme for power and RE equipment making zones: The Centre has proposed a scheme worth Rs 1,000 crore to invite private companies to set up manufacturing zones for power and renewable energy (RE) equipment. *[Business Standard]*

Core sector output rises to six-month high of 8.4% in April: The growth in core sector in April was led primarily by a record annual growth of 28.8% in coal output. The other sectors which witnessed high growth as per the latest data were electricity (10.7%), refinery products (9.2%) and fertilisers (8.7%). *[Financial Express]*

Manufacturing sops in green energy, pharma & battery sectors to boost capex - Icra: Manufacturing sector capital expenditure is on course for a leg-up with overwhelming responses to the government's production-linked incentives schemes, especially for lithium-ion battery, pharma and solar module segments, a report said on Wednesday. *[The Economic Times]*

India to host 10 Asean foreign ministers mid-June: The meet is expected to provide a platform to discuss the Indo-Pacific Economic Framework (IPEF) that was announced in Tokyo last week besides issues of connectivity, investments, supply chains and maritime security. *[The Economic Times]*

High input costs continue taking a toll on India's manufacturing sector: GDP data showed that India's economy grew by a modest 4.1% in Q4FY22, down from 5.4% in the previous quarter. Indian economy's pace of recovery slowed down owing to global supply bottlenecks caused by the Russia-Ukraine conflict and higher input costs. *[The Economic Times]*

Provisional Estimates of Annual National Income, 2021-22: Annual and quarterly estimates of GVA at Basic Prices by kind of economic activity along with year on year percent changes, expenditure components of GDP and annual estimates of Gross/Net National Income and Per Capita Income for the years 2019-20, 2020-21 and 2021-22. *[Press Information Bureau]*



Foreign Investment

The hype surrounding rising FDI inflows: In an effort to downplay the implications of this marginal increase, the press release declares that annual FDI inflows have risen 20-fold in the last 20 years, from just \$4.3 billion in 2003-04 and by 23 per cent between March 2020 and March 2022, which were Covid-afflicted years. *[The Hindu BusinessLine]*

Karnataka expects to receive FDI worth Rs 75,000 crores - Education Minister Ashwath Narayana: Karnataka in Davos signed two major MOUs worth Rs 52,000 crores, with two major companies -- ReNew Power for Rs 50,000 crores and the Lulu Group International for Rs 2,000 crores. *[The Economic Times]*

FPI sell-off continues; pull out ₹39,000 crore from equities in May so far: Foreign investors have remained net sellers for the seven months to April 2022, withdrawing a massive ₹1.65 lakh crore from equities. *[Mint]*

France's EDF focusing on tech localisation with India: French energy company Electricite de France SA (EDF), which is collaborating with Nuclear Power Corp. of India Ltd (NPCIL) on the Jaitapur Nuclear Power Plant (JNPP) in Maharashtra, is working toward localising the technology, chairman and CEO Jean-Bernard Levy told ET in an interview. *[The Economic Times]*

Japan's 5 trillion yen investment plan depends on India's atmosphere - diplomat: The major areas likely to attract the chunk of the investment will be manufacturing, climate change and infrastructure, he added. *[The Economic Times]*



Trade Policy and Competitiveness

Exports up 15.46% to \$37.3 bn in May; trade deficit widens to \$23.33 bn: India's merchandise exports rose by 15.46 per cent to USD 37.29 billion in May on account of healthy performance by sectors like petroleum products, electronic goods and chemicals, even as the trade deficit widened to USD 23.33 billion during the month. *[The Economic Times]*

FY22 - US crosses China to become India's biggest trading partner: According to the data of the Commerce Ministry, in 2021-22, the bilateral trade between the US and India stood at \$119.42 billion as against \$80.51 billion in 2020-21. *[The Indian Express]*

India's textiles exports highest-ever in FY22 at \$44.4 billion, say government: USA was the top export destination for the country's textiles and apparel shipments accounting for 27 per cent share, followed by the European Union (18 per cent), Bangladesh (12 per cent) and UAE (6 per cent), the textiles ministry said. *[The Economic Times]*

Bilateral trade between India and Korea grew 40% to \$23.7 billion in 2021: The bilateral trade between India and Korea grew 40 per cent to USD 23.7 billion in 2021, according to Korea Trade-Investment Promotion Agency (KOTRA). In 2020, the value of bilateral trade between the two countries was at USD 16.9 billion. *[The Economic Times]*

FY22 trade gap with China swells to \$72.9 billion: India's trade deficit with China widened to \$72.9 billion in FY22 as imports surged to \$94.16 billion, 44.3% more than the previous fiscal year as well as the pre-pandemic year of FY20, official data showed. *[The Economic Times]*



Corporate Governance

Top Indian firms show resilience post pandemic, Tata Group at top spot: Top Indian companies have shown resilience in post pandemic business conditions and TATA Group, with its brand value up 12 per cent to \$24 billion, continues to be the most valuable brand in the country, a new report showed on Wednesday. *[Business Standard]*

L&T is in the works to transform into an entire technology firm: Larsen & Toubro (L&T) is in the process of transforming into a technology firm by venturing into new businesses, while it intends to exit roads and power concession projects and double revenues under its strategic five-year plan. *[Financial Express]*

JSW Steel to merge Jindal Ispat Steel, holding company with itself: JSW Steel on Friday said that it will be merging its subsidiaries JSW Ispat Special Products (JISPL) Limited and Creixent Special Steels Limited (CSSL) with and into itself leverage synergies between the companies and achieve better efficiency. *[The Economic Times]*

Tata Motors to charge up its EV business with Ford Sanand plant buy: Tata Motors' subsidiary Tata Passenger Electric Mobility Ltd (TPEML) on Monday signed a tripartite memorandum of understanding (MoU) with Ford India Pvt Ltd (FIPL) and the Government of Gujarat for taking over Ford's passenger vehicle-manufacturing plant in Sanand. *[Business Standard]*

Adani Ent to acquire 50% stake in General Aeronautics: Adani Defence Systems and Technologies, a wholly-owned subsidiary of Adani Enterprises on Friday signed a definitive agreement to acquire a 50% stake in Bengaluru-based commercial drone maker General Aeronautics for cash consideration. *[The Economic Times]*



MSMEs and Start-ups

Indian startups created value, wealth even during pandemic - PM: Noting that the number of unicorns in India has reached the 100-mark this month, Prime Minister Narendra Modi on Sunday said that even in the phase of the Covid pandemic, Indian startups have been creating wealth and value with entrepreneurs emerging from smaller cities and towns as well. *[Financial Express]*

Govt approves new guidelines for scheme to promote MSMEs in North East with enhanced financial support: The revised scheme will be implemented during 15th Finance Commission Cycle (FY22-FY26) to provide financial support for enhancing the productivity, competitiveness and capacity building of MSMEs based in the NER and Sikkim. *[Financial Express]*

MSMEs to get funding for growth': NSIC Venture Capital Fund Limited, a wholly-owned subsidiary of National Small Industries Corporation (NSIC), has commenced operations and will invest in Micro, Small and Medium-scale Enterprises (MSMEs) for their growth, P. Udayakumar, Director (Planning and Marketing), NSIC, said on Thursday. *[The Hindu]*



Employment and Industrial Relations

PMEGP extended till FY26 with Rs 13,554 crore outlay; to create 40 lakh jobs - Govt: The scheme will create sustainable employment opportunities for about 40 lakh persons in five financial years, the ministry of micro, small and medium enterprises said. *[The Economic Times]*

India's white-collar job openings at 30-month high in May: India's white-collar employment market recorded 330,000 active job openings in May, the highest count in the last 30 months, according to data collated from LinkedIn and top company job boards. *[The Economic Times]*

Telecom Sector may see job openings doubling to 38k in FY23 as 5G Looms: The Telecom Sector Skill Council (TSSC) said in a recent report that there was a combined demand of over 150,000 positions in 5G, Cloud Computing, AI & Big Data Analytics, IoT, Mobile App-Development and Robotic Process Automation, with a demand supply gap of almost 28%. *[The Economic Times]*

94.11 pc registered informal workers' income at Rs 10,000 or below; 74pc belong to SC, ST, OBC: The aim of the portal is to boost the last-mile delivery of the welfare schemes for over 38 crore unorganised workers in the country. It was launched on August 26, 2021. *[The Economic Times]*



Industrial Finance

Bank credit to industry in April grows fastest in 8 yrs: Credit to medium enterprises grew at the fastest pace of 53.5% y-o-y, while loans to micro and small enterprises grew 29%. Growth in the large enterprises segment lagged at 1.6%. *[Financial Express]*

This denomination saw the highest increase in counterfeit notes in FY22: The Reserve Bank of India ascertained a 101.93% rise in fake notes of Rs 500 denomination and 54% for fake notes of Rs 2,000. The increase rate of counterfeit notes for Rs 10, Rs 20 and Rs 200 were 16.45%, 16.48% and 11.7% respectively. *[The Economic Times]*

Adani group in talks with SBI to raise Rs 12,000 cr loan to fund Ganga Expressway: The Adani Group is in talks with the State Bank of India to raise about Rs 12,000 crore in long-term project loans that would be utilised to build the Ganga Expressway. *[The Economic Times]*

Collective profit of 12 state-owned banks rises 110% in FY22. Here's what's behind the rise: The state-owned banks witnessed a sharp rise in their net profits during the financial year 2021-22. The overall profit accounted for Rs 66,539 crore, an increase of 110% over the last year's Rs 31,816 crore. *[The Economic Times]*



Technology and Innovation

UPI transactions cross Rs 10-trillion mark in May: UPI transactions more than doubled on a year-on-year basis, in terms of both volume and value. In May 2021, the value of UPI transactions stood at Rs 4.91 trillion while the number of transactions totalled to 2.54 billion. *[Financial Express]*

Google in talks to join India's open e-commerce network ONDC - Reports: The ONDC programme aims to join 30 million sellers and 10 million merchants online, and cover at least 100 cities and towns by August. *[Business Standard]*

Have urged MNCs to set up R&D centres in India - DPIIT Secretary: India has urged multi-national companies to set up research and development (R&D) centres in the country as it is going to be the hub of innovation and knowledge for the next two-three decades, a top government official said. *[The Economic Times]*

Ease of living - Common portal 'Jan Samarth' for delivery of various schemes to be launched soon: To improve the ease of living for the common man, the government is planning to launch 'Jan Samarth' -- a common portal for delivery of various schemes run by different ministries and departments. *[The Economic Times]*

Will caller ID apps bite the dust in India soon?: The department of telecommunications is set to come up with a mechanism that will enable the name of the caller to flash on the receiver's mobile phone even if the number isn't saved in the user's contact list. *[Financial Express]*

MeitY issues draft norms to mobilise non-personal citizen: The Ministry of Electronics and IT (MeitY) has issued a draft National Data Governance Framework to mobilise non-personal data of citizens for use by both public and private entities to improve services. *[The Economic Times]*

Centre to develop framework to check fake reviews on e-commerce websites: The government on Saturday said it will develop a framework to keep a check on fake reviews posted on e-commerce websites to protect consumer interest. *[Financial Express]*



Industrial Infrastructure, Clusters and SEZs

PM to flag off 1,400 Uttar Pradesh projects totalling investment of Rs 80,000 crore: Prime minister Narendra Modi, along with several captains of India Inc, will attend UP government's third 'ground breaking ceremony' on Friday to mark the beginning of commercial operations of about 1,400 industrial projects representing Rs 80,000 crore investment. *[The Economic Times]*

Telangana attracts investments worth Rs 2.34 trillion in 8 years: A total of 15,747 units with an investment of Rs 1,33,325 crore and providing employment to 9,95,787 people have commenced operations i.e. 80 per cent of units that have obtained approvals have commenced operations. *[Business Standard]*

Centre executing projects worth Rs 1,34,200 crore to boost rail, road, air network in northeast, says Sitharaman: Addressing the 'Natural Allies in Development and Interdependence' conclave here, she said the Union government has been pumping in huge money in developing a number of infrastructure projects throughout the region. *[Financial Express]*



Sustainable Industrialisation

India's rooftop solar capacity installations grow 34 pc to 456 MW in January-March - Mercom: Gujarat is the top state for cumulative solar rooftop installations with about 1.8 GW. Maharashtra and Rajasthan rank second and third, contributing 12 per cent and 10 per cent of total rooftop installations by the end of Q1 2022. *[The Economic Times]*

Record renewables output helps coal shortage in May despite power demand: The share of renewable energy sources in power output rose to 14.1% in May from 10.2% in April. Coal made room for it, dropping to 72.4% of Indian generation from 76.8%. *[Business Standard]*



Sectoral News

Innovation in agriculture - PM Modi inaugurates world's first nano urea plant: Prime Minister Narendra Modi stressed on the innovation and use of newer technology while inaugurating the world's first nano urea (liquid) plant of Indian Farmers Fertilizer Cooperative (IFFCO). *[Financial Express]*

Govt shortlists top 300 drug brands to introduce QR codes: India's drug pricing authority has shortlisted the top 300 brands of drugs including widely used analgesics, pain relievers, anti-platelet, vitamin supplements, blood-sugar lowering medicines and contraceptive tablets which will have to put QR codes to their packages. *[The Economic Times]*

India's domestic crude oil production slips to 28-year low in FY22: Domestic crude oil production has been in decline since the financial year 2014-15 (FY15), dropping to just 28.4 million tonnes (MT) in FY22, the lowest since FY94. The production in 2021-22 represented a decline of 11.8 per cent from 32.2 MT in FY95. *[Business Standard]*

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