

Industry Matters

Weekly Updates

August 27, 2021

Economy, Industry and Policy

[India well positioned to harness the potential of Industry 4.0:](#) India well positioned to harness the potential of Industry 4.0, says Amitabh Kant(@amitabhk87) at the ISID-CII policy roundtable. (*twitter.com*)

[India's GDP likely to grow at 18.5% in Q1FY22 - SBI report:](#) The country's gross domestic product (GDP) is expected to grow at around 18.5 per cent with an upward bias in the first quarter of the current financial year, according to SBI research report Ecowrap. (*Business Standard*)

[India emerges as second most attractive manufacturing hub globally, says report:](#) India had moved up to the third place from the fourth spot last year and now has gained one more spot upward to rank after China. (*The Economic Times*)

[FM announces plan to monetise assets, realise Rs 6 trillion till 2024-25:](#) Finance Minister Nirmala Sitharaman on Monday announced a pipeline of assets the government is looking to monetise to collect about Rs 6 trillion to partly fund its ambitious infrastructure projects over four years ending 2024-25. (*Business Standard*)

[Stepping up local manufacturing of PCs, tablets, Motorola phones in India - Lenovo:](#) Global technology company, Lenovo said it is expanding its local manufacturing portfolio in India with a third PC line in its Puducherry unit. (*The Economic Times*)

[MeitY vision of \\$1 trn digital economy by 2025 to be realized through #MakeInIndia #startupindia #DigitalIndia:](#) MeitY vision of \$1 trn digital economy by 2025 to be realized through #MakeInIndia #startupindia #DigitalIndia: and digital infrastructure and centres of excellence, argued Dr.Rajendra Kumar(@GoI_MeitY) at the ISID-CII policy roundtable. (*twitter.com*)

[PLI scheme to be game-changer, will help to deliver topline growth, says Surya Roshini:](#) The production-linked incentive (PLI) scheme and various other government initiatives like Make in India, Aatmanirbhar Bharat and Vocal for Local will enable it to deliver top-line as well as profit growth for the consumer lighting segment, Surya Roshni said in its latest annual report. (*The Economic Times*)

[India smartphone market to reach record 173 mn units in 2021 - Report:](#) India's smartphone market is the second biggest market in the world after China. In 2020, the Indian market outperformed the North America, Latin America and Africa markets. (*Business Standard*)

[Government to monetise 25 airports over 4 years, to fetch Rs 20,782 crore:](#) The government is looking to monetise 25 AAI-managed airports, including Varanasi, Chennai, Nagpur and Bhubaneswar, over the next four years, which could bring in investments worth Rs 20,782 crore. (*The Economic Times*)

Foreign Investments

[Government amends FEMA to enable FDI hike in insurance sector to 74%:](#) The government has amended the Foreign Exchange Management (non-debt instruments) Rules, 2019 to enable the increase in foreign direct investment limit in the insurance sector to 74 per cent. (*Business Standard*)

[Barclays to invest more than \\$400 million to expand India operations:](#) With the investment, Barclays Bank PLC India's total invested capital in Asia's third-largest economy will increase to more than Rs 8,300 crore. (*The Economic Times*)

[Indian startups raise \\$16.9 billion VC funding in 2021, next only to China:](#) An analysis of GlobalData's financial deals database reveals that a total of 828 VC funding deals were announced in India during January-July 2021 while the total disclosed funding value of these deals stood at \$16.9 billion. (*The Economic Times*)

[Govt mulls allowing foreign direct investment in Life Insurance Corp IPO:](#) According to the current FDI policy, 74 per cent foreign investment is permitted under the automatic route in the insurance sector. However, these rules do not apply to the Life Insurance Corporation of India (LIC), which is administered through a separate LIC Act. *(The Economic Times)*

[ArcelorMittal to invest ₹1 lakh crore in Gujarat:](#) The Gujarat government on Friday informed that the world's leading steel and mining conglomerate ArcelorMittal would invest ₹1,00,000 crore in different projects in the states, including its steel plant at Hazira near Surat. *(Mint)*

[RBI's forex reserves set to top \\$655 billion by March 2022 – Report:](#) The forex kitty declined by USD 2.10 billion to USD 619.365 billion for the week to August 13 due to a fall in the core currency assets and gold, showed the latest RBI data. The reserves had risen to a lifetime high of USD 621.464 billion in the previous reporting week ending August 6. *(Business Standard)*

[Foreign direct investments rise to \\$12.1 bn in May – Goyal:](#) Foreign direct investments into the country is on the rise, jumping to USD 12.1 billion in May this year, Commerce and Industry Minister Piyush Goyal said on Monday. *(Mint)*

[Axis Bank to now raise up to \\$1 billion via overseas AT1 issue:](#) Axis Bank joins its bigger peer HDFC Bank in selling Additional Tier 1 (AT1) bonds overseas, seeking to garner up to \$1 billion in ESG-compliant instruments that should help the Mumbai-based private sector lender reduce its financing costs. *(The Economic Times)*

[Union Minister Patel invites Asean companies to invest in India:](#) Union Minister Anupriya Patel on Tuesday invited companies from the Association of Southeast Asian Nations (ASEAN) region to invest in India, particularly in the 13 sectors that are covered under the production linked incentive scheme. *(The Economic Times)*

Trade Policy and Competitiveness

[India engineering goods exports in July hit all-time high of \\$9.14 bn - EEPC:](#) The engineering goods exports on a monthly basis surpassed the previous record high of \$8.8 billion in June 2021, said Engineering Export Promotion Council (EEPC) today. *(Business Standard)*

[Industry seeks RoDTEP-like scheme for service exports:](#) The industry has urged the Centre to roll out a scheme to boost services export and incorporate it as a part of the new foreign trade policy that is expected to kick in from October. *(Business Standard)*

[Piyush Goyal asks industry to flag non-tariff barriers in exports:](#) Urging domestic industry to work on improving its competitiveness and help the country realise an ambitious merchandise export target of \$400 billion for FY22, Goyal said, "The key to success is to focus on goals, not obstacles." *(Financial Express)*

[Panel aims to double manufacturing exports in 5 years, slash imports:](#) India's manufacturing exports stood at \$229 billion in 2019 (before the pandemic), or 43% of its total — both merchandise and services — exports. *(Financial Express)*

[FTAs could up exports of auto components and textiles: India Inc's top CEOs:](#) Focussing on cost and ease of doing business, market access via trade treaties, technology and quality issue and supporting Brand India for manufacturing, the Steering Committee for Advancing Local Value-Add and Exports(SCALE committee) suggested that a sustained effort be maintained to reduce disabilities for domestic businesses. *(The Economic Times)*

Corporate Sector

[MG Motor to invest Rs 2,500 cr by 2022-end to ramp up Halol plant capacity:](#) MG Motor India is investing Rs 2,500 crore by the end of next year to increase the production capacity at its Halol plant in Gujarat, as it gears up to launch its mid-size SUV Astor, according to a top company official. *(The Economic Times)*

[FM Nirmala Sitharaman urges India Inc to take risks, assures full support:](#) The government is committed to ensuring policy certainty, finance minister Nirmala Sitharaman said on Tuesday, assuring industry leaders of "all possible support" as she urged them to come forward and take risks. *(The Economic Times)*

[CAIT urges govt to take action against e-pharmacy firms:](#) CAIT Secretary General Praveen Khandelwal said mushrooming of e-pharmacy is causing huge hardships to the retail chemists and distributors in the wake of anti-competitive practices like capital dumping and deep discounting leading to predatory pricing. *(The Economic Times)*

Hindalco Industries earmarks capex growth of \$2.5-\$3 billion over 5 years: Hindalco Industries has earmarked growth capex of \$2.5-\$3 billion on a consolidated basis over the next five years, chairman Kumar Mangalam Birla said today. *(Business Standard)*

Many Indian cos slip in global valuation ranking, highest ranked RIL dips 3 places: Reliance Industries has emerged as the most valued Indian company in a global list of top-500 non-state run companies, but saw its ranking slipping by three points. Ranking of many others Indian companies, including Tata Consultancy Services, HDFC Bank, HDFC and Bharti Airtel, declined compared with last year on the Hurun Global 500 list. *(The Economic Times)*

New businesses set up in July rises 17%: More than 19,500 businesses, including limited liability partnerships (LLPs), were set up in July, an improvement of more than 17% from June, official data showed, suggesting that entrepreneurship has recovered after a slight dip seen earlier this fiscal. *(Mint)*

Check Nidhi cos' antecedents before investing money; 348 entities failed to meet criteria - MCA: This is the second time in six months that the corporate affairs ministry has come out with an advisory as there are a large number of companies, which, though functioning as Nidhi companies, have not applied for such a status under the relevant rules. Nidhi companies are non-banking finance entities that are into lending and borrowing with their members. *(The Economic Times)*

MSMEs and Start-ups

Microsoft partners Invest India to support tech startups: As part of the partnership, the Microsoft for Startups programme will work closely with Accelerating Growth of New India's Innovations (AGNI Mission) - a programme of the Office of the Principal Scientific Adviser to the Government of India, a statement said. *(The Economic Times)*

FM Nirmala Sitharaman launches new fund for MSMEs: Uttar Pradesh's 'One District One Product' (ODOP) programme will aid in effective identification of "champion sectors" amongst MSMEs under the 'Ubharte Sitaare Fund', union finance minister Nirmala Sitharaman said on Saturday as she launched the "ambitious" alternate investment fund for MSMEs in the state capital. *(The Economic Times)*

Indian startups raised USD 6.5 bn funding in Q2 2021, 11 new unicorns created - Report: The biggest deal during the quarter was the USD 800 million fund raise by food delivery platform Swiggy, followed by ShareChat (USD 502 million), Byju's (USD 340 million), PharmEasy (USD 323 million) and Meesho (USD 300 million), the report said. *(Financial Express)*

Employment and Industrial Relations

Formal job creation rebounded in June - EPFO data: Payroll data by the Employees Provident Fund Organisation shows 1.28 million net new subscribers were added to the retirement fund body in June, 0.50 million more than in May when 0.77 million net new subscribers were added to EPFO. *(The Economic Times)*

Sharp uptick in blue-collar employment likely in H2 2021; Maharashtra may be biggest contributor - Report: With the gradual easing of COVID-19-related restrictions and an increase in movement, over 50 per cent jump in demand for blue-collar workers is likely in the second half of this year across four major industrialised states - Maharashtra, Telangana, Tamil Nadu, and Karnataka, according to a report. *(Financial Express)*

Pension scheme for informal workers hits stagnation point: There was an average enrolment of 10,843 per month in PM-SYM in FY21 and at least 115,000 in FY20, according to ministry data available publicly. *(Mint)*

Industrial Finance

USAID, DFC tie-up with Kotak Bank for \$50 mn loan guarantee for women, small biz in India: Two American institutions have jointly sponsored a \$50 million (about Rs 372 crore) loan guarantee for Indian women and small business borrowers by tying up with private sector lender Kotak Mahindra Bank. *(The Economic Times)*

Govt may explore CPSE-PSB HR synergy: The government may tap senior management of central public sector enterprises (CPSEs) such as Power Finance Corporation, ONGC and NTPC for non-executive posts and independent directors in public sector banks and financial institutions. *(The Economic Times)*

M Sitharaman asks PSBs to conduct credit outreach programme across India: The finance minister said banks had been asked to interact with export promotion agencies and industry and commerce bodies so that the requirements of exporters could be timely addressed. *(Business Standard)*

[Central banks should not mandate 'green' investments - Raghuram Rajan](#): The onus of promoting sustainable investments should lie with governments and not central banks, which already have significant other policy commitments, said Raghuram Rajan, former Reserve Bank of India governor. *(The Economic Times)*

Technology and Innovation

[Tech firms promise Joe Biden billions of dollars to bolster cybersecurity](#): Tech giants like Apple, Google, Microsoft and Amazon have promised US President Joe Biden to help him improve cybersecurity infrastructure in the wake of several high-profile hacking cases against government agencies and energy infrastructure. *(Business Standard)*

[New portal launched to facilitate geospatial planning of MGNREGA assets](#): The government on Monday launched a new geospatial planning portal, 'Yuktdhara', which Union Minister Jitendra Singh said will help in facilitating new MGNREGA assets using remote sensing and geographic information system-based data. *(Business Standard)*

[OneWeb launches 34 more satellites, expands in-orbit LEO constellation to 288 satellites](#): The latest launch takes OneWeb's total in-orbit constellation to 288 satellites, and these would form part of OneWeb's 648 LEO satellite fleet that will deliver high-speed, low-latency global connectivity. *(The Economic Times)*

[Demand for cloud techies to touch 2 mn by 2025 - Nasscom-TCS-Accenture study](#): The demand for cloud technology professionals is likely to touch 2 million by 2025, a report by National Association of Software and Services Companies (Nasscom), in association with Draup, Tata Consultancy Services and Accenture has found. *(Business Standard)*

Industrial Infrastructure, Clusters and SEZs

[The big infra plan - Under-construction NHs to be leased once operational](#): The ministry of road transport and highways will monetise over 6,600 km of highways every year for the next four years under the recently-unveiled National Monetisation Pipeline (NMP). *(Business Standard)*

[483 infra projects show cost overruns of Rs 4.43 lakh crore](#): As many as 483 infrastructure projects, each worth Rs 150 crore or more, have been hit by cost overruns totalling more than Rs 4.43 lakh crore, according to a report. *(The Hindu BusinessLine)*

[Passenger trains, railway stations, airports in Rs 6 trn monetisation plan](#): Finance Minister Nirmala Sitharaman on Monday unveiled an ambitious Rs 6 lakh crore National Monetisation Pipeline (NMP) that included unlocking value by involving private companies across infrastructure sectors -- from passenger trains and railway stations to airports, roads and stadiums. *(Business Standard)*

[Government plans 17 more islanding schemes for power supply](#): "As informed by the Central Electricity Authority (CEA), 17 new islanding schemes have been planned for the major cities besides already 26 existing/ under-implementation schemes," the ministry said in a statement. *(The Economic Times)*

[Scindia seeks personal intervention of CMs of 5 states in expediting airports' development](#): Civil Aviation Minister Jyotiraditya Scindia has requested chief ministers of Andhra Pradesh, Arunachal Pradesh, Assam, Bihar and Chhattisgarh for personal intervention on matters such as land allocation for airports so that their development can be expedited. *(The Economic Times)*

Sustainable Industrialisation

[Climate change - It can be \\$11 trillion opportunity or a \\$35 trillion threat for India, says Deloitte](#): India must act now to prevent the country from losing \$35 trillion in economic potential over the next 50 years due to unmitigated climate change, the report titled, India's turning point: How climate action can drive our economic future, said. *(The Economic Times)*

[ACME Group signs land deal for green ammonia project in Oman](#): The agreement was signed with The Public Authority for Special Economic Zones and Free Zones, a Government authority of Oman, an official statement said. *(The Economic Times)*

[Indian EV company eBikeGo launches 'Rugged' electric scooter with 160 km range - Details here](#): The electric scooter from eBikeGo will be much cheaper than the launch price once the buyer includes the additional benefits from various governmental subsidies. The company has announced that deliveries for the new scooter will begin in November. *(Mint)*

Sectoral News

[Government aims to raise auto sector contribution to GDP, job creation - Nitin Gadkari:](#) "The Automotive Mission Plan of the Government of India is to set a goal to raise the contribution of the automobile sector towards nation GDP to 12 per cent and generate about 50 million new jobs," he said. *(The Economic Times)*

[Andhra Pradesh now houses India's largest floating solar power plant after NTPC starts operations at Simhadri:](#) NTPC's floating solar installation spans over 75 acres of the Simhadri reservoir's area. It will generate enough electricity to power 7,000 homes using more than a lakh solar PV modules. *(The Economic Times)*

[Fuel paradox - 6 more pvt players on cards, but price reins still with govt:](#) The Indian automotive fuel market is hotting up with the Union government granting permission to seven entities to retail liquid and alternative fuel. *(Business Standard)*

[Railways suffered Rs 36,000 crore loss during pandemic; goods trains real revenue generators - Raosaheb Danve:](#) Union minister Raosaheb Danve on Sunday said the Railways has suffered losses to the tune of Rs 36,000 crore during the coronavirus pandemic, and termed goods trains as the real revenue generators for the national transporter. *(The Economic Times)*

[Auto industry calls for government, RBI support for dealers:](#) SIAM is requesting the government that in the scrappage scheme, dealer workshops be allowed as inspection and certification centres as the dealer organisation already has the equipment, investment and expertise for testing automobiles. Also, dealers are located close to customers. *(The Economic Times)*

[Semiconductor shortage may be big opportunity for domestic auto component cos - SIAM chief:](#) The global semiconductor supply chain has become increasingly at risk due to several factors and it has impacted the domestic auto industry since last year and continues to be a big challenge, he added. *(The Economic Times)*

[Scrappage Policy Set to Boost Used Car Business:](#) The vehicle scrappage policy is all set to give an impetus to the used-car business in the country where lower-age cars are expected to drive the demand, industry experts said. *(The Economic Times)*

[Nitin Gadkari urges vehicle makers to discourage diesel engines, asks them to promote alternative technologies:](#) Addressing industry body SIAM's annual convention virtually, Gadkari said the government is committed to delivering vehicles with flex engines that give the users an option to run a vehicle on either 100 per cent petrol or 100 per cent bio-ethanol. *(The Economic Times)*

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