

# Industry Matters

Weekly Updates

October 1, 2021

## Economy, Industry and Policy

**Expect more than 7 pc growth for India this decade – CEA:** During the current fiscal, he said, growth would be in double-digits and it could moderate to 6.5 - 7 per cent in the next financial year. *(The Economic Times)*

**Higher mobility scores in Hyderabad, Pune drive business resumption activity index to new high:** The Nomura India Business Resumption Index (NIBRI), which compared activity for a particular week against the pre-pandemic level of March 2020, came at 105 for the week ended Sunday, as against 100.5 in the previous reporting week, as per an official statement. *(The Hindu BusinessLine)*

**Ministry of Finance approved capital expenditure projects of Rs. 2,903.80 crore in 8 States:** The Department of Expenditure, Ministry of Finance, has approved capital projects of Rs. 2,903.80 crore in 8 States under the scheme entitled 'Special Assistance to States for Capital Expenditure for 2021-22'. *(Press Information Bureau)*

**Group of Ministers formed to suggest GST system reforms:** The Union finance ministry has constituted an eight-member Group of Ministers (GoM), led by Maharashtra deputy chief minister Ajit Pawar, to identify potential sources of goods and services tax (GST) evasion and suggest changes in business processes and IT systems to plug revenue leakage. *(Financial Express)*

**Govt's finances look better than the revised estimates - Tarun Bajaj:** The Centre's revenue position is better than the revised estimates at the end of FY21 despite giving significantly higher income tax (I-T) refunds in the pandemic year, said Tarun Bajaj, secretary, departments of revenue and economic affairs. *(Mint)*

**India's external debt rises 2.1 pc to USD 570 billion:** India's external debt rose modestly by 2.1 per cent year-on-year to USD 570 billion as of March-end 2021, notwithstanding the COVID-19 pandemic, according to the finance ministry. External debt to GDP ratio rose marginally to 1.1 per cent from 20.6 per cent as at end-March2020. *(Financial Express)*

**ICRA, CARE raise growth forecast on decent Q1:** ICRA has revised its projection of the real GDP growth in 2021-22 to 9% from 8.5% while Care has raised its forecast to 9-9.2% from 8.8-9% earlier. *(The Economic Times)*

**Brisk vaccination rate primes Indian economy for acceleration:** India's economy showed signs it's ready to accelerate, thanks to its services sector resuming expansion and manufacturing activity retaining growth momentum in August. *(The Economic Times)*

**Goods and Services Tax - Daily e-way bill generation gains pace:** The daily average for the first 26 days of September was 21.86 lakh, 3% higher than the daily average of 21.26 lakh for August. *(Financial Express)*

**Only manufacturing firms registered in India to be eligible under Rs 10,683-cr PLI scheme for textiles sector:** The goods which are manufactured by the company registered under the scheme shall only be eligible for the incentives. *(The Economic Times)*

## Foreign Investments

**India accelerates talks with Taiwan on \$7.5-billion chip plant, trade deal:** Officials in New Delhi and Taipei have met in recent weeks to discuss a deal that would bring a chip plant worth an estimated \$7.5 billion to India to supply everything from 5G devices to electric cars. *(The Economic Times)*

**Whirlpool to acquire additional 38% stake in Elica PB India for \$57 mn:** Consumer durables maker Whirlpool of India Ltd on Monday said it has inked a pact to acquire an additional 38 per cent stake in Elica PB India for USD 57 million (around Rs 420 crore). *(Business Standard)*

## Trade Policy and Competitiveness

**PM Modi in talks with President Biden lays emphasis on developing trade, economic ties - FS Shringla:** Prime Minister Narendra Modi in his first-ever in-person meeting with President Joe Biden laid "strong emphasis" on developing trade and economic relations with the United States, Foreign Secretary Harsh Vardhan Shringla has said. *(The Economic Times)*

**India, US can aim for \$1 trillion trade in next 10 years - Piyush Goyal:** Commerce and industry minister Piyush Goyal on Wednesday said that India and the US can aim for a bilateral trade target of \$1 trillion in the next ten years and that talks on a free trade agreement got stuck in red tape despite getting concluded many times but India was not responsible for it. *(The Economic Times)*

**India emerges as Dubai's second biggest trade partner:** India has emerged as Dubai's second biggest trading partner after China with the overall volume touching 38.5 billion dirham in the first half of 2021, according to official data released on Sunday. *(The Hindu BusinessLine)*

**Global services trade remains below pre-Covid levels, says WTO:** World trade in services is recovering but is yet to reach pre-pandemic levels, said the World Trade Organization (WTO) on Thursday. *(Business Standard)*

**Gems and jewellery exports grows to record Rs 24,239.81 cr in Aug:** Gems and jewellery exports rose to a record Rs 24,239.81 crore in August on strong demand for the coming festive season and the removal of entry restrictions, the Gem and Jewellery Export Promotion Council (GJEPC) said on Tuesday. *(Business Standard)*

**Industry may find \$400 billion exports target a struggle with the FTP extended till March 2022:** India's exports have been \$185 billion during the April - September period, fuelling hope that the target of \$400 billion for exports would be achievable in the current financial year. *(The Economic Times)*

## Corporate Sector

**LIC IPO likely by fourth quarter of this year - CEA Subramanian:** Chief Economic Adviser Krishnamurthy Subramanian exuded confidence that the insurance major Life Insurance Corporation of India (LIC) would be listed by the fourth quarter of this year. *(Mint)*

**JSPL to start mining at Kasia mine within a month - MD V R Sharma:** Jindal Steel and Power Limited (JSPL) aims to start mining at Kasia iron ore block within a month, its Managing Director V R Sharma said. *(Business Standard)*

**NCLT allows Future Group to hold EGMs to sell businesses to Reliance:** The National Company Law Tribunal's (NCLT's) Mumbai Bench has allowed Future Group firms to hold extraordinary general meetings (EGMs) of their shareholders and creditors to seek approval for selling assets to Reliance Retail Ltd. *(Business Standard)*

**Govt fixes minimum reserve price for Air India, winner of bid most likely identified:** The government on Wednesday decided on the minimum reserve price for national carrier Air India and met the two bidders for further discussions, said people with knowledge of the matter. *(The Economic Times)*

## MSMEs and Start-ups

**ECLGS - Govt extends emergency credit scheme till March 31 next year; here's what MSMEs want:** The Finance Ministry on Wednesday extended the scheme by six more months till March 31, 2022, or till guarantees for the overall ceiling of Rs 4.5 lakh crore are issued, whichever is earlier. *(Financial Express)*

**MSME Minister Narayan Rane launches new portal to boost MSME exports globally:** MSME Minister Narayan Rane on Wednesday launched MSME body India SME Forum's portal IndiaXports to further enable exports by small businesses globally. *(Financial Express)*

**New online system of MSME/Udyam Registration crosses 50 lakh mark:** New online system of MSME/Udyam Registration launched by Union MSME Ministry, w.e.f. 1st July, 2020, has stood the test of Time and Technology as more than 50 lakh MSMEs have successfully registered themselves by now. *(Press Information Bureau)*

**Instant credit soon: FinTech market to reach \$84 billion by 2025, says RBIH CEO Bansal:** The newly formed Reserve Bank Innovation Hub is working on various innovative products to strengthen the payment and credit space in India. Currently, it is working on pushing instant credits. *(The Economic Times)*

[Big Billion Days 2021 - Over 5,000 offline brand stores add to Flipkart's seller base this festive season:](#) Walmart-owned Flipkart on Thursday said it is connecting over 5,000 offline branded retail stores from more than 300 cities in India to its marketplace. *(Financial Express)*

## Employment and Industrial Relations

[Employment in 9 sectors at 30.8 million in Apr-Jun, finds labour survey:](#) Employment in nine selected sectors, including construction, manufacturing and IT/BPO, was at 3.08 crore (30.8 million) in the April-June quarter of 2021-22, reflecting a growth of 29 per cent compared to 2.37 crore reported in the Economic Census of 2013-14, according to a survey. *(Business Standard)*

[17.1 mn workers of unorganised sector register on e-Shram portal - Labour Min:](#) Over 1.71 crore workers from the unorganised sector have been registered on the e-Shram portal in the last one month since its launch on August 26, 2021. As of September 25, the statement said, as many as 1,71,59,743 workers have registered on the portal. *(Business Standard)*

## Industrial Finance

[Cabinet approves ECGC IPO, Rs 4,400 crore capital infusion - Goyal:](#) The Union Cabinet, headed by Prime Minister Narendra Modi on Wednesday approved infusion of Rs 4,400 crore into state-owned credit insurance provider ECGC Ltd over a period of five years, starting FY22. *(Business Standard)*

[India needs 4-5 more 'SBI size' banks to meet changing requirements of economy - FM Sitharaman:](#) India needs 4-5 "SBI size" banks to meet the growing needs of the economy and industry, Finance Minister Nirmala Sitharaman said on Sunday. *(The Economic Times)*

[Will Big Techs threaten India's storied banks in fixed deposits business?:](#) After taking away the bulk of payments transactions of banks, Big Tech firms are eyeing their deposits business too. Google Pay and Amazon Pay are set to offer deposit booking services for its customers, which may impact the deposits of large banks. *(The Economic Times)*

[Govt guarantee to NARCL to help in development of secondary market for security receipts - SBI chief:](#) The government decision to provide a Rs 30,600 crore guarantee to National Asset Reconstruction Company for acquiring stressed loan assets will help in the development of a secondary market for security receipts, State Bank of India Chairman Dinesh Khara said on Friday. *(The Economic Times)*

[RBI allows banks to sell fraud NPAs to ARCs:](#) In a move that will help banks unload a major chunk of their non-performing assets (NPAs) to the bad bank, RBI has allowed the sale of loan accounts classified as fraud to asset reconstruction companies (ARCs). *(The Economic Times)*

[NARCL expects to recover up to Rs 64,000 cr through resolution of bad loans:](#) The newly formed National Asset Reconstruction Company (NARCL) expects to recover between Rs 50,000 crore and Rs 64,000 crore through the resolution of bad loans amounting to Rs 2 trillion. *(Business Standard)*

## Technology and Innovation

[India's fintech adoption rate at 87% as compared to 64% globally - FM:](#) Addressing the fintech industry, the minister said the value of digital transactions jumped to Rs 6 lakh crore in January-August 2021 from Rs 4 lakh crore and Rs 2 lakh crore in 2020 and 2019, respectively. *(Business Standard)*

[eBikeGo to install one lakh smart charging stations in India:](#) The eBikeGo charge can be accessed via the eBikeGo Charge Mobile App. It is Wi-fi enabled and can even monitor real-time charging statistics for a seamless charging experience. *(Financial Express)*

## Industrial Infrastructure, Clusters and SEZs

[RodTEP may be extended to special economic zones and export oriented units:](#) The government is looking to extend the newly announced tax neutralisation scheme- RodTEP to special economic zones and export oriented units. *(The Economic Times)*

**Rs 100-trillion Gati Shakti master plan launch likely next month:** The Centre may next month launch the ambitious Rs 100-trillion national master plan for multimodal connectivity, also known as Gati Shakti, aimed at accelerating economic growth by building infrastructure. *(Business Standard)*

**Trying to ease rules to make it easier for units to exit SEZs – Goyal:** Talking about free trade agreements (FTAs), Goyal said: "I am trying to get more and more FTAs done with the UK, UAE, Australia, and the EU, to try and provide more market access for exporters." *(Financial Express)*

**Govt approves oil and gas projects worth Rs 1 lakh crore for Northeast India:** Union Minister of Petroleum and Natural Gas, Hardeep Singh Puri said that Oil and Gas Projects worth Rs 1 lakh Crore are approved for Northeast India and are expected to be completed by 2025. *(The Economic Times)*

## Sustainable Industrialisation

**IFFCO's nano urea technology revolution for agriculture sector - Amit Shah:** Shah described the role of IFFCO in making the Green Revolution successful in the country and praised the world's first nano liquid urea manufactured by IFFCO. *(The Economic Times)*

**BPCL to invest Rs 1 lakh cr to become future-ready:** India's second-largest fuel retailer is looking to create a 1,000 MW portfolio of renewable power generation capacity, mostly through acquisitions while also invest in biofuels and hydrogen, he told reporters. *(The Economic Times)*

**DVC plans Rs 15,000 crore investment for solar and pump storage facilities:** Damodar Valley Corporation (DVC), the three-way joint venture of the Union, West Bengal and the Jharkhand governments, will invest over Rs 15,000 crore for creating 2,000 MW of solar portfolio and a 1,500 MW (6×250 MW) pump storage project. *(Financial Express)*

**India's trade pacts with the UK, EU to have separate chapter on sustainable development:** The government has also reached out to industry to indicate the possible asks that India could make to the EU and UK for inclusion in the sustainable chapter. Senior government officials are in the UK at present to finalise the terms of reference of the pact. *(The Economic Times)*

## Sectoral News

**Shortage of key components hits e-vehicle production, supply:** E-vehicle manufacturers said the production was badly affected by the shortage of crucial components like power processing chips and batteries, which were imported from abroad. *(The Economic Times)*

**Centre notifies scheme for promotion of 'Medical Device Parks':** In a bold move that would make India 'Aatmanirbhar', the Centre has taken a key initiative to support the medical devices industry to reach its potential in the coming years under the "Promotion of Medical Device Parks" scheme. *(Business Standard)*

**Discom reforms - All states on board, says Union power minister RK Singh:** All the state governments have agreed to adopt the Rs 3-lakh-crore revival scheme for power distribution entities, Union power minister RK Singh said on Thursday. *(Financial Express)*

**Govt may extend demand Fame II incentive scheme for purchase of personal EV cars, e-bicycles:** In what may come as a boon for people aspiring to ride on their own electric vehicles, the government is looking to extend the provisions of its subsidy scheme FAME II to the buyers of passenger cars meant for personal use. *(The Economic Times)*

**Govt depts owe Rs 97,000 cr to discoms, Haryana tops with Rs 46,193 cr dues:** As state-owned power distribution companies (discoms) gear up for the new Rs 3 trillion reform scheme, a major problem in their own backyard can prevent them from being eligible for it. *(Business Standard)*

**Ayushman Bharat has transformed healthcare system in country - Health Minister Mandaviya:** The Ayushman Bharat scheme has transformed the healthcare system in the country as now even the poor have access to non-government treatment facilities earlier reserved for only those who could afford it, Union Health Minister Mansukh Mandaviya said on Saturday. *(The Economic Times)*

**India, US have been collaborating to develop covid vaccines:** The minister highlighted the solidarity between the two countries during the covid-19 pandemic. "India and the US have enhanced collaboration in research and development, especially with respect to pharmaceuticals, therapeutics, and vaccine development. *(Mint)*

[Fashion retailing may recover up to 80% of pre-pandemic sales this fiscal – Report:](#) Fashion retail, one of the worst COVID-19 hit sectors, is beginning to breathe again on the back of rising vaccination and normalisation of economic activities and may close the year with 23-25 cent revenue growth if there is no third wave, according to a report. *(The Economic Times)*

[Hospitality sector should do well in the second quarter of this year, occupancy levels going up month on month - Puneet Chhatwal:](#) Chhatwal said the day corporate travel comes back to 80-90% of pre Covid levels in markets such as Delhi, Mumbai and Bangalore, the total revenue of the hospitality industry should exceed pre Covid levels, factoring that the leisure business also stays the same. *(The Economic Times)*

[Indian stainless steelmakers voice concern over jump in imports from China and Indonesia:](#) Indian stainless steelmakers, reeling under pressure from dumping, have sought the imposition of countervailing duties on stainless steel imports from Indonesia and China. *(The Economic Times)*

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