

# Industry Matters

Weekly Updates

October 15, 2021

## Economy, Industry and Policy

**Gati Shakti to make policymaking effective, cut needless expenses - PM Modi:** The Gati Shakti national plan will provide accurate information and guidance for the completion of the government's projects within the stipulated time-frame, make policymaking effective and cutting unnecessary government expenditure, Modi said at the launch of the master plan in the national capital. (*Business Standard*)

**Govt launches PLI scheme for telecom products to cut dependence on imports:** The scheme will help in reducing India's dependence on other countries for import of telecom and networking products, said Devusinh Chauhan, Minister of State of Ministry of Communications. (*Mint*)

**IIP grows 11.9% in August on low-base effect, good performance by manufacturing, mining:** The manufacturing sector, which constitutes 77.63 per cent of the Index of Industrial Production (IIP), grew 9.7 per cent in August, according to the data released by the National Statistical Office (NSO) on Tuesday. (*Financial Express*)

**Indian economy is recovering from Covid-19 crisis - World Bank President:** The Indian economy is recovering, and we welcome that. It's going through to the other side of the COVID of the, the latest wave. (*Business Standard*)

**India becoming \$5 trillion economy by 2025 'impossible' due to pandemic – Rangarajan:** India becoming a USD five trillion economy by 2025 is impossible under the current circumstance and the country needs to grow at nine per cent per annum for the next five years in order to achieve that, former Reserve Bank Governor C Rangarajan said on Friday. (*The Economic Times*)

**Retail inflation may ease further to 4.5% in Sep:** The median forecast of 4.5% is significantly below the 5.3% print in August, which would make it the lowest since April. The statistics ministry will issue the inflation data for September on Tuesday. (*Mint*)

**Indian economy on path to swift recovery - Finance Ministry report:** The external sector continues to offer bright prospects to India's growth revival as the country's merchandise exports crossed the USD 30-billion mark for the sixth consecutive month in fiscal year 2021-22, it said. (*Business Standard*)

**Daily e-way bill generation picks up pace in October:** Daily e-way bill generation for goods transportation under the goods and services tax (GST) system came in at 24.2 lakh for the week ended October 10, 17.65% higher than the daily average for the week ended September 12, reflecting uptick in economic activities after beginning of the festival season. (*Financial Express*)

**Retail sales in September at 96% of pre-pandemic levels:** Retailers across the board reported strong recovery in sales in September. Retailers Association of India on Wednesday said retail sales last month touched 96% of pre-pandemic levels--September 2019--as against 88% in August. (*Mint*)

## Foreign Investments

**US' huge investment surplus can be used in India's infra sector - Piyush Goyal:** Commerce and industry minister Piyush Goyal on Thursday said that the US has huge investment surpluses that can be used to develop infrastructure in India and make it a manufacturing base, to provide goods and services at affordable and competitive prices. (*The Economic Times*)

**Looking forward to investing 'even more' in India - Bain Capital leadership after meeting with Sitharaman:** American private investment firm Bain Capital, with investments of about USD 5 billion in Indian companies, is looking forward to investing "even more" in the country. (*The Economic Times*)

**Hero MotoCorp joins hands with Gilera Motors to expand operations in Argentina:** Hero MotoCorp on Wednesday said it has tied up with Gilera Motors Argentina to reinvigorate and expand its operations in one of the key markets in South America, in line with its aggressive global business strategy. (*The Economic Times*)

**Reliance New Energy Solar invests \$29 million in Germany's NexWafe:** Reliance New Energy Solar Limited (RNESL), a wholly owned subsidiary of Reliance Industries Limited (RIL) has invested \$29 million as a strategic lead investor in Germany-based NexWafe GmbH's (NexWafe) Series C financing round. (*Mint*)

**Actis raises \$4.7 billion for new fund, will deploy \$850 million in India:** Actis, the global infrastructure investor, has completed fundraising for Actis Energy 5 (AE5). Of the total amount raised, the fund aims to deploy \$850 million in India over the next 4-5 years. (*The Economic Times*)

## Trade Policy and Competitiveness

**Govt engaging with states, UTs to implement 'export hub initiative' in all districts - Anupriya Patel:** Union minister Anupriya Singh Patel on Tuesday said the government was engaging with states and union territories to implement the export hub (DEH) initiative in all districts of the country to tap the export potential of agriculture and industrial products. *(The Economic Times)*

**Strong foreign exchange reserves to help India manage global shocks - D Subbarao:** Strong foreign exchange reserves in India will not insulate it from any global shocks but will help manage them, former Reserve Bank of India Governor D Subbarao said on Wednesday. *(Mint)*

**OECD fixes minimum tax of 15% on MNCs from 2023:** Multinational corporations will be subject to a minimum tax of 15% from 2023, in a major reform of the international tax system finalised by the OECD on Friday. *(The Economic Times)*

**India-China trade on course to touch record USD 100 billion-mark:** The bilateral trade between India and China totalled to USD 90.37 billion by the end of September, an increase of 49.3 per cent year-on-year (YoY), according to the nine-month data released by the Chinese customs. *(Financial Express)*

**Aggressive marketing, FTAs to help exports touch \$500 bn in FY22 Exporters:** Commerce and Industry Minister Piyush Goyal in a meeting with export promotion councils stated that the country's exports are growing at a healthy rate and now exporters can aim for USD 450-500 billion of outbound shipments during the next fiscal year. *(Business Standard)*

**Worst ship traffic jam since August is new headache for supply chain:** The number of vessels waiting to enter one of the world's busiest ports jumped to the most since August, threatening to further snarl global supply chains strained by a surge in consumer demand for everything from cars to computers. *(The Economic Times)*

## Corporate Sector

**PM Modi to dedicate 7 new defence firms to the nation on the occasion of Vijayadashami:** The Centre recently decided to convert Ordnance Factory Board from a Government Department into seven 100% state-owned corporate entities. *(Mint)*

**Four more PSUs BPCL, SCI, BEML, NINL will be privatised by Q4 along with LIC IPO - DIPAM Secy:** Tuhin Kanta Pandey said, "We intend to do privatisation of BPCL, BEML, SCI, Neelanchal Ispat this year. The process is in the second stage." DIPAM Secy has successfully kickstarted the Divestment Drive with Air India, what's next on the list?. *(The Economic Times)*

**Emami Agrotech to invest nearly Rs 1,500 crore over next three years to enter newer categories:** Emami Agrotech, the edible oil and packaged food company of the Emami Group, is planning to invest Rs 1,000 crore to Rs 1,500 crore over the next three years to enter newer categories as part of its plans to become a leading food brand, said Emami Group director Aditya V. Agarwal. *(The Economic Times)*

**Four Indian companies in Forbes world's top 100 best employers list:** Reliance was placed at 52 in the overall ranking of 750 global corporates likes Phillips, Sanofi, Pfizer and Intel. *(Mint)*

**Production-linked incentive for manufacturing telecom equipment - Foxconn, Nokia, Tejas among 31 shortlisted for PLI scheme:** The government is set to announce names of the selected companies for the production-linked incentive (PLI) for manufacturing telecom equipment. *(Financial Express)*

**Reliance Industries buys REC Solar for \$771 million:** India's Reliance Industries Ltd on [WU2](#) Sunday announced acquisition of REC Solar Holdings for an enterprise value of \$771 million from China National Bluestar (Group) Co Ltd as it seeks to become net carbon zero by 2035. *(The Economic Times)*

**Air India privatisation reflects govt resolve to bite reform bullet – CII:** The Confederation [WU3](#) of Indian Industry on Monday said privatisation of national carrier Air India sends out a clear message to the markets and global investors that the Centre has the political will to bite the reform bullet. *(The Economic Times)*

## MSMEs and Start-ups

**Rane exhorts MSME Ministry officials to brace up for enhancing sector's output:** Union Minister Narayan Rane on Tuesday exhorted MSME Ministry officials to brace up for enhancing the output of micro, small and medium enterprises sector, highlighting its potential to boost India's exports and GDP growth. *(The Economic Times)*

**Hurun Rich List 2021- Meet India's wealthiest self-made entrepreneurs under 40:** IIFL Wealth and Hurun India today released the "IIFL Wealth Hurun India 40 & Under Self-Made Rich List 2020", which shows the cumulative wealth of the country's wealthiest self-made entrepreneurs with a wealth of Rs1,000 crore, aged 40. *(Mint)*

**U GRO Capital and Kinara Capital announce co-origination partnership for MSME loans:** MSME lending platform U GRO Capital and fintech firm Kinara Capital, on Wednesday announced a strategic co-origination partnership to offer collateral-free business loans to small business entrepreneurs in India. *(The Economic Times)*

**Mudra Yojana - MSMEs disbursed nearly 100% of sanctioned loan amount in H1 FY22, shows govt data:** Credit disbursement by public and private lenders, small finance banks, non-banking financial companies, and other lending institutions under the Mudra loans scheme stood at 95 per cent of the amount sanctioned in a little over the first half of the financial year 2021-22, official data showed. *(Financial Express)*

## Employment and Industrial Relations

**Subscribers under pension schemes rise to 4.63 cr at Sept-end: PFRDA:** The Pension Fund Regulatory and Development Authority (PFRDA) on Monday said the number of subscribers in various pension schemes rose 24 per cent to 4.63 crore as at the end of September 2021. *(The Economic Times)*

**Indian businesses have bullish hiring plans as they look to rebuild and grow - Survey:** Indian businesses have bullish hiring plans and are investing in their workforce as they look to rebuild from the pandemic, says a survey. *(The Economic Times)*

**Top Indian IT companies looking to hire more than 1 lakh college graduates:** India's biggest informational technology (IT) service providers Tata Consultancy Services (TCS), Infosys, Wipro and HCL Technologies are expected to welcome more than 1 lakh freshers combined in this fiscal year. *(Mint)*

**Employment under MGNREGA in September falls to lowest since Covid outbreak:** Work demand and employment provided under Mahatma Gandhi National Rural Employment Guarantee scheme fell to its lowest since the outbreak of the Covid-19 pandemic as recovery gained ground with hiring picking up across sectors. *(The Economic Times)*

## Industrial Finance

**RBI monitoring financial institutions for any increase in stress:** Reserve Bank of India (RBI) is regularly in touch with financial institutions to gauge any build up in stress whenever it is observed, deputy governor Mahesh Kumar Jain said in a post policy interaction with journalists. *(The Economic Times)*

**Five foreign investors shortlisted for majority stake in Yes Bank-backed ARC:** Five foreign investors have made presentations to the Yes Bank management to form a new joint venture asset reconstruction company (ARC) that will house the lender's bad loans, three people familiar with the development told ET. *(The Economic Times)*

**RBI issues small finance bank licence to Centrum and BharatPe combine:** The Reserve Bank of India (RBI) issued a Small Finance Bank (SFB) license to the consortium of Centrum Financial Services, and Digital payments platform BharatPe, said two people familiar with the matter. *(The Economic Times)*

## Technology and Innovation

**Bharti-backed OneWeb launches 36 satellites:** The launch brings OneWeb's total in-orbit constellation to 358 satellites, over half of its entire 648 LEO satellite fleet that will deliver high-speed, low-latency global connectivity. *(Mint)*

**Fed up with traffic jams? Flying taxis to take to the sky in mid-2020s:** Some of the world's most high-profile engineers and airlines believe Vertical is onto something with its plan for zero-emission mini-aircraft to almost silently take four passengers through the skies for up to 120 miles (193 kms). *(Business Standard)*

## Industrial Infrastructure, Clusters and SEZs

**J'khand pollution board nod for setting up 200 industrial units:** The Jharkhand State Pollution Control Board (JSPCB) has granted its approval for setting up more than 200 industrial units in the state, giving a major thrust to the JMM-led government's plans to create a business friendly environment, an official statement here said. *(Outlook)*

**Commerce ministry provides alternate method for transfer of space by exiting unit in SEZ:** The Commerce Ministry on Monday provided an alternate method for the transfer of space by an exiting unit in a special economic zone (SEZ), a move aimed at promoting ease of doing business. *(The Economic Times)*

## Sustainable Industrialisation

**India retains 3rd position in RE investment attractiveness index:** India remained at the third position in the 58th edition of EY's Renewable Energy Country Attractiveness Index' (RECAI), which ranks the world's top 40 markets (nations) on the attractiveness of their renewable energy investment and deployment opportunities, an EY statement said. *(Business Standard)*

**Adani vs Reliance - Stage is set for India's Green Energy Revolution:** Just weeks after Mukesh Ambani announced a \$10-billion investment by his Reliance Industries over the next three years in clean energy, Gautam Adani committed an outlay of \$20 billion over the next decade for the sector. *(Business Standard)*

**IKEA, Enviu and CAIF to build textile waste model, provide jobs to waste workers:** IKEA Foundation, Enviu and Circular Apparel Innovation Factory (CAIF) have partnered to build a new circular textile waste model in India. This is aimed to harness textile waste and unlock green jobs for waste workers. *(The Economic Times)*

## Sectoral News

**Coal-parched steel, aluminium firms battle lower utilisation, higher costs:** "The coal shortage situation has brought the captive power plant-based industries and medium and small enterprises almost to a grinding halt. Increased prices of finished products are further causing burden for the end consumer," the federation said in the letter dated October 6. *(Business Standard)*

**Ola Electric raises \$200 mn at over \$5 bn valuation – Sources:** Ola Electric has raised about USD 200 million (around Rs 1,500 crore) from a clutch of investors in a fresh funding round, valuing the electric vehicle maker at over USD 5 billion, according to sources. *(The Economic Times)*

[Auto retailers staring at huge losses this festive season as chip shortage hinder supplies:](#) "We are staring at big losses. During the festive period our retail sales used to be in the range of 4-4.5 lakh units in the 42-day period but this time around it is going to be just around the 3-3.5 lakh sales mark. We would be lucky if we are able to achieve even such a sales number," he noted. (*The Economic Times*)

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