

# Industry Matters

Weekly Updates

November 19, 2021

## Economy, Industry and Policy

**India set to re-emerge as among fastest-growing economies, says RBI:** The aggregate demand in the economy is improving and overall monetary and credit conditions are conducive for a durable economic recovery to take root, while the quality of the government expenditure has seen an improvement in the second half. *(Business Standard)*

**Expecting India to hit two digit growth next year - WEF president after meeting PM Modi:** World Economic Forum President Borge Brende met Prime Minister Narendra Modi on Saturday and said he expected India to hit a double-digit growth next year while it celebrates its 75 years of independence and prepares for its G20 presidency. *(Financial Express)*

**PM Modi launches 2 RBI schemes for investors. Key things to know:** According to the Prime Minister, the two schemes will expand the scope of investment in the country and make access to capital markets easier and more secure for investors. *(Mint)*

**Govt to enhance funding under PLI for solar manufacturing to Rs 24,000 cr, says R K Singh:** The government will soon enhance the funding under the production linked incentive (PLI) scheme for the domestic solar cells and module manufacturing to Rs 24,000 crore from the existing Rs 4,500 crore to make India an exporting nation. *(The Economic Times)*

**Fiscal sops, stricter rules in the works to back circular economy:** India is eyeing a slew of measures, including fiscal incentives and stricter regulations, as part of the framework being firmed up to encourage a circular economy. *(The Economic Times)*

**FM Nirmala Sitharaman - Centre doubles November tax devolution amount for states:** The Centre will release Rs 95,082 crore as tax devolution to the states this month after including one advance instalment to help them push their capital expenditure, Finance Minister Nirmala Sitharaman said on Monday. *(The Economic Times)*

**Quick estimates of index of Industrial Production:** Quick Estimates of Index of Industrial Production and use-based index for the month of September, 2021 (Base 2011-12=100) *(Press Information Bureau)*

**DPIIT working on national retail policy - Union Minister Som Parkash:** The commerce ministry has been holding consultations with the industry for a national retail policy to strengthen the overall ecosystem of the sector, Union Minister Som Parkash said on Thursday. *(Business Standard)*

**India, world's largest recipient of remittances, received USD 87 bn in 2021 - World Bank:** India, the world's largest recipient of remittances, received USD 87 billion in 2021 with the United States being the biggest source, accounting for over 20 per cent of these funds, according to the World Bank. *(The Economic Times)*

**Niti VC Rajiv Kumar meets think tanks, takes suggestions on economy:** Think tanks including National Institute of Public Finance and Policy (NIPFP), ICRIER, Indian Institute of Public Administration (IIPA), Centre for Development Studies (CDS), Giri Institute of Development Studies (GIDS) among others gave a host of suggestions to boost growth, generate more employment, improve exports, and diversify imports with enhanced social protection. *(Business Standard)*

**Economic recovery taking hold; private investment should resume - RBI Guv:** RBI Governor Shaktikanta Das said the economy has the potential to grow at a reasonably high pace in the post-pandemic scenario, provided private capital investment resumes. *(Business Standard)*

**'Make in India' products a hit in international markets, finds eBay's Small Online Business Trade Report:** The report launched by export e-commerce platform eBay titled "India Small Online Business Trade Report 2021" stated sellers on its platform export 'Made in India' products to an average of 42 different foreign markets each year. *(Financial Express)*

**Spending more - States improve capex pace, push investment revival:** Among the 20 states reviewed, capex by Uttar Pradesh was Rs 23,803 crore in H1FY22, an increase of a whopping 563% on year. Madhya Pradesh's capex stood at Rs 18,804 crore (up 95%), Telangana at Rs 15,078 crore (135%) and Karnataka at Rs 13,957 crore (26%). *(Financial Express)*

**Festive sales lift FMCG growth to 21% in October:** India's consumer goods market grew 21% in October from a year ago, helped by higher sales of packaged food, commodities and discretionary categories as the home care segment slowed. *(The Economic Times)*

## Foreign Investments

**SEBI may allow foreign investors in commodity derivatives segment:** SEBI-appointed Commodity Derivatives Advisory Committee (CDAC) favours allowing eligible foreign investors to invest in the commodity derivatives segment. *(The Hindu BusinessLine)*

**Exports, FDI numbers indicate Indian economy is back in action - Goyal:** Indian economy is back in action and it is clear from several indicators such as rising exports and increasing foreign direct investment (FDI) inflows into the country, Commerce and Industry Minister Piyush Goyal said on Friday. *(Business Standard)*

**Legrand to focus on IoT, automation; scouting for more acquisitions:** French electricals and digital building infrastructure major Legrand expects IoT, energy efficiency, connectivity, and user-interface product verticals to drive its business in India, contributing the bulk of its revenue, over the next few years. *(The Economic Times)*

**India extends lead in fintech investments - S&P Global:** India continued to lead fintech investments in the Asia-Pacific region with \$1.93 billion raised across 66 deals in the July-September quarter, S&P Global Market Intelligence said in a note. *(The Economic Times)*

## Trade Policy and Competitiveness

**India's Foreign Trade – October 2021:** India's overall exports (Merchandise and Services combined) in October 2021\* are estimated to be USD 56.51 Billion, exhibiting a positive growth of 35.16 per cent over the same period last year and a positive growth of 29.13 per cent over October 2019. *(Press Information Bureau)*

**India's coal import rises 13% to 107 MT in April-September:** The country had imported 95.30 million tonnes (MT) of the coal in April-September 2020-21, according to provisional data compiled by mjunction services, based on monitoring of vessels' positions and data received from shipping companies. *(The Economic Times)*

**India is on track to achieve historic highs in exports - Piyush Goyal:** Goyal said India is on course to achieve USD 400 billion of merchandise exports in the current financial year ending March. *(The Economic Times)*

**Data shows strong rebound in India-US bilateral trade in 2021 - US official:** US Consul General Judith Ravin said the growth in economic ties between the two countries has been extraordinary, with trade exploding from approximately USD 20 billion in 2001 to just over USD 145 billion in 2019. *(Business Standard)*

**India seeks duty-free access for leather goods in trade pacts, \$10 billion exports by 2025:** Commerce and industry minister Piyush Goyal on Wednesday said that India is seeking duty free market access for its leather goods in countries, including UAE, UK and Australia, with which it is negotiating Free Trade Agreements (FTAs). *(The Economic Times)*

**TSMC founder says free trade recently comes with 'conditions':** Taiwan Semiconductor Manufacturing Co. founder Morris Chang reiterated the value of free trade to solve supply problems in the critical chip industry, while cautioning that's been accompanied by more conditions of late. *(The Economic Times)*

**Exports grow 11 months on trot, rise 43% to \$35.65 billion in October:** Merchandise exports grew for the eleventh consecutive month to \$35.65 billion, up 43 per cent on-year in October, as external demand continued to remain robust. *(Business Standard)*

**WTO says goods trade slowing due to supply issues, cooler demand:** The Geneva-based trade body said supply shocks, including port gridlock arising from surging import demand in the first half of the year and disrupted production of goods such as automobiles and semiconductors, had contributed to the decline. *(The Economic Times)*

## Corporate Sector

**For investors, everything is there plus more - Anil Agarwal on demerger plan:** Billionaire Anil Agarwal's Vedanta Ltd is considering a demerger of its Aluminium, Iron & Steel and Oil & Gas businesses which will be run as standalone listed entities with separate leadership as part of its value unlocking process. *(The Economic Times)*

**Govt eases claim settlement process under IEPFA:** The new regime envisages a trust-based model for faster citizen-centric services and turnaround time. It is expected that with these changes, many more claimants shall come forward to claim their shares and amounts from IEPFA, an official statement said on Friday. *(The Economic Times)*

**Govt aims to privatise 5-6 PSUs in FY22, LIC IPO expected by Q4 - DIPAM Secy:** India's government is aiming to complete the privatisation of five to six state-owned companies, including Bharat Petroleum Corp Ltd, in the current fiscal year, the secretary of the Department of Investment and Public Asset Management said on Wednesday. *(Business Standard)*

## MSMEs and Start-ups

**Indian startups received \$6.1 billion in funding in Q3CY21 - Nasscom report:** The technology startup ecosystem in India received \$6.1 billion in funding in the third quarter of calendar year 2021, which was a quarterly fall of around 6 per cent, according to a report from industry body National Association of Software and Services Companies (Nasscom). *(Business Standard)*

**Google to chip in Rs 110 cr for MSME lending project in pact with Sidbi:** Google India Pvt Ltd GIPL brings a corpus of \$15 million (approx Rs 110 crore) to micro enterprises as a crisis response related to Covid-19 to reinvigorate the MSME sector in India, Sidbi said in a statement. *(Business Standard)*

**Standard Chartered-backed Solv crosses Rs 1200 crore transaction run rate, 100,000+ verified MSMEs:** B2B digital marketplace for Micro, Small and Medium Enterprises, Solv, backed by the Standard Chartered Group, announced Rs 1200 crore run rate on its platform, supported by 100,000+ KYC verified buyer & seller MSMEs. *(The Economic Times)*

**How fintechs, banks, govt can reduce lending cost to MSMEs, enhance credit accessibility:** The MSME sector has remained a key driver of large-scale employment generation and also a lucrative hub for India's innovative startups. Being home to 60 million enterprises, this sector contributes 33 per cent of total manufacturing output, 45 per cent of exports, and employs an estimated 80 million people in the country. *(Financial Express)*

## Employment and Industrial Relations

**e-SHRAM portal - Female registration higher in all states, shows data:** For the country as a whole, 51.66 per cent of registration came from females. Of the total registrations from Bihar, 56 per cent were women. Similarly, in the case of Uttar Pradesh, 50.75 per cent of those registered on the portal were women. *(Business Standard)*

**FM urges India Inc to take risks, boost capacities to create more jobs:** She also appealed to the industry to offer jobs and reduce income disparity. The industry must also emphasise on cutting down import of finished goods and focus on ramping up investment in manufacturing, she said in her address. *(Business Standard)*

**Need 100 mn jobs in next 10 yrs to gain from demographic dividend - Experts:** The country needs 100 million jobs in the formal sector in the next ten years to take advantage of its demographic dividend and it should get into the global supply chain to generate many of those by negotiating trade deals effectively, industry players and experts have emphasised. *(Business Standard)*

## Industrial Finance

**1.75 million received Rs 76,012 crore loans during festival period:** Banks have collectively sanctioned loans of Rs 76,012 crore to 1.75 million borrowers during the festival period — from October 16 to November 7 — through the nationwide credit outreach programme. *(Business Standard)*

**Bank credit grows at 7.14%, deposits at 11.42%, shows RBI data:** Bank credit grew by 7.14 per cent to Rs 111.64 lakh crore and deposits increased by 11.42 per cent to Rs 160.49 lakh crore in the fortnight ended November 15, 2021, RBI data showed. *(Business Standard)*

**RBI clarifies norms for upgrading of accounts classified as NPAs:** The Reserve Bank of India on Friday clarified that lenders should reclassify a non-performing asset to “standard” asset only when the entire arrears of interest and principal are paid by the borrower. *(Business Standard)*

**RBI's new norms may lead to surge in NBFC bad loans:** The guidelines, which come into effect on March 30 next year, bring the NBFC classification norms on a par with that of banks. *(The Economic Times)*

## Technology and Innovation

**Australia opens centre of excellence for critical technology in India:** Australia is strengthening technology partnership with India through the establishment of a new consulate-general in Bengaluru and a Centre of Excellence for Critical and Emerging Technology Policy, also to be based in India. *(The Economic Times)*

**Google announces initiatives to help India's digital transformation:** With the aim to extend the benefits of India's growing digital economy to more people, tech giant Google on Thursday announced several initiatives to help India's digital transformation journey. *(Business Standard)*

**Big technology platforms like Google no threat to banks, say experts:** Google has a customer interface feature and the Unified Payments Interface (UPI) is a feature for mobile to mobile payment. This capability (combination) opens many more opportunities like selling insurance and mutual funds, he said, while participating in the session on challenges and opportunities for commercial banks. *(Business Standard)*

**Changes in gaming laws - What's at stake for online companies?:** The Karnataka government recently prohibited all forms of online games involving monetary stakes. *(The Economic Times)*

**Want to avoid crowded places? New Google Maps feature can help you:** The company said that users can use Area Busyness, a new feature that combines live busyness trends to help them instantly spot when a neighbourhood or part of town is near or at its busiest. *(Business Standard)*

## Industrial Infrastructure, Clusters and SEZs

**Railway line connecting NE with Bangladesh likely to be completed by September-end next year - NFR official:** The much-awaited 15.6-km-long Agartala-Akhaura railway line, connecting India's North-East with Bangladesh, is likely to be completed by the end of September 2022, officials said. *(The Economic Times)*

**Govt inks \$61 mn loan pact with ADB for development projects in Agartala:** The government and Asian Development Bank (ADB) have signed a USD 61 million loan to improve livability, harness technology and promote new developments to accommodate the expanding population in Agartala city. *(Business Standard)*

**Alstom inaugurates Asia's largest components manufacturing facility in Coimbatore:** Boost to 'Make in India' initiative with new components manufacturing facility! Alstom, green mobility solutions major from France, has recently inaugurated its new components manufacturing facility in the city of Coimbatore, Tamil Nadu. *(Financial Express)*

**New model pact to create keen interest in Rs 14,600 crore PPP ports projects, says Sonowal:** Union minister Sarbananda Sonowal on Thursday announced the revised model concession agreement 2021 for public private partnership projects at major ports and said that 31 projects of over Rs 14,600 crore will be awarded till 2024-25. *(The Economic Times)*

**2.46 lakh physical payment devices installed in smaller towns under Payment Infra Development Fund:** Nearly 2.46 lakh physical payment acceptance devices were installed in smaller towns under the Payments Infrastructure Development Fund till September, the Reserve Bank of India said in a statement. *(The Economic Times)*

## Sustainable Industrialisation

**Ashok Leyland working on commercial vehicles powered by hydrogen – Official:** The company has drawn up plans to roll out CNG-fitted commercial vehicles that are expected to hit the roads during the fourth quarter of this financial year. *(The Economic Times)*

**[PM Modi to lay foundation stone of ultra mega solar park in Jhansi:](#)** According to the government spokesman, the Jhansi project is one of the three ultra-mega solar parks that are proposed to be set up in the region to generate 2,000 MW solar power in "plug and play mode" under the Centre's Ultra Mega Renewable Energy Power Parks (UMREPP) scheme. *(The Economic Times)*

**[TVS Motor Co joins sustainability initiative UN Global Compact:](#)** Chennai-based TVS Motor Company on Friday said it has joined the United Nations Global Compact, the world's largest sustainability initiative. *(The Economic Times)*

**[Higher growth hinges on digital, green tech - Amitabh Kant, NITI Aayog CEO:](#)** Delivering lecture at the Indian Institute of Management, Ahmedabad (IIMA), Kant said that with a view to lift people from poverty line, India needs to grow at 9-10% rate constantly and must get into sunrise areas, including electric vehicle battery storage, artificial intelligence (AI), machine learning, renewable energy, green hydrogen, green ammonia, 5G technology, etc, rapidly. *(Financial Express)*

**[Net-zero emissions by 2070 - SIDBI launches 2nd phase of Swavalamban Challenge focusing on climate change:](#)** SCF aims to offer financial support to non-profit organizations, educational institutions, and social startups with a focus on projects addressing the climate change problem apart from sustainable livelihood, financial inclusion, and access to financial services and promoting entrepreneurship. *(Financial Express)*

**[Govt amends norms: power producers can replace thermal power with renewables under existing PPAs:](#)** In a significant move aimed at gradually reducing thermal power generation, the government has amended norms to allow power producers to bundle renewable energy under existing power purchase agreements. *(Financial Express)*

## Sectoral News

**[Our aim is to create ecosystem to make India lead in drug discovery - PM:](#)** The Prime Minister envisioned creating an ecosystem for innovation that will make India a leader in drug discovery and innovative medical devices. *(Business Standard)*

**[India opens to foreign tourists: response to be lukewarm, says travel industry:](#)** India has begun issuing tourist visas to overseas travellers over a year after suspending them since the onset of the Covid pandemic in the country. *(The Economic Times)*

**[Staging a comeback - Hotels start hiring again on leisure, biz travel revival:](#)** The Indian hospitality industry, which had laid off millions over the first and second waves of the pandemic, has started hiring once again as leisure and business travel is staging a comeback amid falling infections and widespread vaccination. *(The Economic Times)*

**[Demand for coal will remain strong for at least two more decades, says exporter:](#)** Demand for coal will remain strong for at least two more decades even as nations take action to decarbonize, according to New Hope Corp., a major Australian exporter. *(Mint)*

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