

Industry Matters

Weekly Updates

November 26, 2021

Economy, Industry and Policy

Centre releases Rs 95,082 cr to states as November tax devolution: The Centre has released two instalments of tax devolution to the states amounting to Rs 95,082 crore in November, the Finance Ministry said on Tuesday. (*Business Standard*)

India, US agree on transitional approach for digital tax on e-commerce supplies: India and the US have agreed for a transitional approach on equalisation levy or digital tax on e-commerce supplies beginning April 1, the Finance Ministry said on Wednesday. (*Financial Express*)

Business activity at highest levels since pandemic began as more people go to work - Report: The weekly Nomura India Business Resumption Index (NIBRI), which compares activity in a particular week with the last week prior to the announcement of the lockdowns in March 2020, came at 114 for the seven days ended Sunday, up from 110.3 in the prior week. (*The Economic Times*)

Coal India aims at ₹40,000-50,000 crore capex in next 4-5 years – Chairman: "We have spent ₹7,000 crore capex so far and our ₹17,000-crore target for the current fiscal is on track. We will invest around ₹40,000-50,000 crore in the next 4-5 years," he said. (*Mint*)

GST could see major overhaul: reducing tax slabs, pruning exempt list on table: India could be eyeing a significant revamp of the goods and services tax (GST) structure as the regime completes five years in July next year when compensation to states is set to come to an end. (*The Economic Times*)

Govt. puts on sale MTNL, BSNL assets at base price of ₹970 crore: The government has listed for sale real estate assets of state-run telecom firms MTNL and BSNL at a reserve price of about ₹970 crore, according to documents uploaded on the DIPAM website. (*The Hindu*)

Government to change tax laws in Budget to tax cryptocurrency gains: The government is mulling changes in the income tax laws to bring cryptocurrencies under the tax net, with some changes that could form part of the Budget next year, a top official said. (*Financial Express*)

India's crude oil production falls 2.15% in Oct, gas output rises: India is 85% dependent on imports to meet its oil needs and the government has been for long looking at ways to raise the domestic output so as to reduce import dependence. (*Mint*)

Foreign Investments

India, U.S. commit to linking economies across sectors: The United States and India committed to integrating their economies across sectors to harness the untapped potential of the bilateral relationship, at the Trade Policy Forum convened after a gap of four years on Tuesday. (*The Hindu*)

Dixon to make Acer laptops at Noida unit: In a fresh boost to PC manufacturing in India, Taiwanese PC brand Acer announced that it going to manufacture laptops in the country in partnership with Dixon Technologies. (*Mint*)

Triveni Engineering signs deal with GEAE Technologies to make gas turbine components: Noida-based Triveni Engineering & Industries on Monday said that it has signed a 10-year deal with US' GEAE Technology to locally manufacture certain components for its LM2500 gas turbine which powers many of the Indian Navy's vessels. (*The Economic Times*)

Broad Peak joins hands with Brescon to raise \$300 million to invest in distressed assets: Singapore-based Broad Peak Investment Advisors and Brescon & Allied are joining hands to invest as much as \$300 million in what could be the latest in a series of investment vehicles targeting India's bad loan market. *(The Economic Times)*

UK-based SupplyCompass to onboard 5,000 brands in India in the next one year: We anticipate 'Make in India' and Atmanirbhar Bharat to give momentum to India's fashion and textile landscape making India, the most important market for SupplyCompass," said Gus Bartholomew, co-founder and CEO, SupplyCompass. *(The Economic Times)*

MIDC inks 25 MoUs worth Rs 15,260 crore at Dubai World Expo 2020: At the ongoing World Expo 2020 being held in Dubai, Maharashtra Industrial Development Corporation (MIDC) signed 25 MoU's on Saturday with a proposed investment of almost Rs 15,260 crore (\$2 billion) under Magnetic Maharashtra 2.0. *(Business Standard)*

Trade Policy and Competitiveness

India has set ambitious target of \$400 bn exports for 2021-22 - Shringla: Underlining goals of promoting the three Ts - Trade, Tourism and Technology, Foreign Secretary Harsh Vardhan Shringla on Wednesday said that India has set an ambitious target of USD 400 billion of exports for the year 2021-22. *(Business Standard)*

India-US bilateral goods trade to cross \$100 billion this yr. outcomes for TPF by March 2022: India-US bilateral goods trade is set to cross the \$100 billion mark this year and the two sides will develop specific trade outcomes by March next year under the Trade Policy Forum, the government said on Tuesday. *(The Economic Times)*

Exports rise 18.8 pc to USD 20 bn so far in November: The country's exports rose 18.8 per cent to USD 20.01 billion during the three week period of this month (November 1-21), due to healthy growth in sectors such as petroleum products, engineering goods, chemicals and gems and jewellery. *(The Economic Times)*

India, US to talk trade forum revival, IPR: India and the US are likely to revive the Trade Policy Forum, discuss issues related to intellectual property rights (IPR) and market access for agricultural goods such as cherries, pomegranates and pecans this week during United States Trade Representative Katherine Tai's visit. *(The Economic Times)*

India-UK free trade agreement talks starting 'imminently' - Chief of Confederation of British Industry: Formal negotiations for an India-UK free trade agreement (FTA) are set to begin imminently and will be as comprehensive as possible to cover all aspects of the bilateral relationship. *(Financial Express)*

Corporate Sector

Flipkart forays into healthcare, acquires online pharmacy platform: Flipkart's foray into the online healthcare segment puts it in direct competition with established local players including Reliance-owned NetMeds, 1mg, PharmEasy and Amazon Pharmacy. *(Business Standard)*

Tamil Nadu to see fresh investments worth Rs 35,208 crore from 59 companies: Tamil Nadu lined up 82 industrial projects worth Rs 52,549 crore on Tuesday in a development that is likely to boost its image as an investor-friendly destination. *(Business Standard)*

Online sales of FMCG companies rise, but some see moderation: The pandemic has fast-tracked the sale of fast-moving consumer goods products through online channels and most companies have seen their share from the e-commerce channel double in the last 18 months. *(Business Standard)*

Yes Bank partners Amazon Pay for UPI transactions: Yes Bank has today announced its collaboration with Amazon Pay and Amazon Web Services (AWS), to offer customers an instant real-time payment system via a UPI transaction facility. *(Mint)*

Samsung set to unveil new \$17 billion chip plant in United States: Samsung Electronics was set to announce its new \$17 billion chip fabrication plant in the city of Taylor in Texas, the US, on Tuesday (US time), as global semiconductor companies have engaged in increasingly fierce competition amid a global chip crunch. *(Business Standard)*

MakeMyTrip to partner with civil aviation ministry to promote regional air connectivity: Online travel services firm MakeMyTrip on Monday said it will partner with the Ministry of Civil Aviation to promote regional air connectivity through the UDAN scheme. *(The Economic Times)*

Zee-Sony merger in final stages of stitching up, says Punit Goenka: About 53% of the merged entity would be owned by Sony and the rest by Zee's holders, according to the non-binding agreement signed in September. *(Business Standard)*

MSMEs and Start-ups

Union Minister for MSME launched Special Credit Linked Capital Subsidy Scheme (SCLCSS) for Services Sector: On the second day of MSME North East Conclave, Union Minister for MSME, Shri Narayan Rane today launched the Special Credit Linked Capital Subsidy Scheme (SCLCSS) for services sector in the presence of senior officers of the Ministry of MSME at Guwahati. *(Press Information Bureau)*

Kerala got Rs 3,600 cr investment commitments in 6 mths; focus on ease of doing biz realistically - Min P Rajeev: "More than Rs 3,600 crore investment (commitments) have been offered to Kerala in six months (of the government taking over)... There is also a big growth in establishing MSMEs in the state," he said. *(The Economic Times)*

BCIC's expert panel calls for efforts to link fintech firms & banks to step up support to MSMEs: A five-member expert committee of the Bangalore Chamber of Industry and Commerce (BCIC), led by veteran investment banker PN Vijay, has called for efforts to sew up partnerships between fintech companies and banks to step up lending channels to the MSME sector. *(The Economic Times)*

Udaan's food & FMCG business achieves 95% YoY growth: Udaan announced that its Food & FMCG Business achieved over 95% YoY growth in October fuelled by its Mega Bharat Sale for kirana shops and small retailers across the country. *(The Economic Times)*

Employment and Industrial Relations

Centre, states work to link migrant worker database to job-match portal: With over 8.43 crore informal sector workers having registered with their Aadhaar numbers on the e-Shram portal, the Centre is in touch with states to ensure convergence of social security schemes for them and help match them with employment opportunities. *(The Indian Express)*

3.29 million jobs created in 10 months under Aatmanirbhar Bharat Rojgar Yojana - EPFO data: Data shared by the Employees' Provident Fund Organisation with its board members, seen by ET, showed that total jobs created till September 2021 under the Aatmanirbhar Bharat Rojgar Yojana (ABRY) stood at 3.29 million, a year after the scheme was launched. *(The Economic Times)*

Govt flags off domestic worker survey; unveils instruction manual: Union Labour Minister Bhupender Yadav on Monday flagged off the fieldwork of All India Survey on Domestic Workers and unveiled its instruction manual. It will cover 742 districts of 37 states in the country. *(Business Standard)*

New Wage Rate Index series released; base year revised to 2016 from 1963-65: The weighting diagram in the new WRI series has been prepared from the results of the Occupational Wage Survey (seventh) round. Total 37 industries have been covered in the new WRI basket as against 21 industries in the 1963-65 series. *(Financial Express)*

Global startups tap Indian tech talent: Global technology startups are starting to either establish a footprint in India or expand their existing operations to exploit a readily-available pool of technology talent. *(Mint)*

Economists write to PM seeking higher fund allocation for MGNREGA: "This (allocation of additional funds), through its effects on mass demand, will also contribute to recovery of the overall economy. It will boost micro and small enterprises that are currently facing extreme difficulties," the economists said in the letter. *(Business Standard)*

Indian IT services sector to see 4.5 lakh gross employee addition in H2: Indian IT services sector is expected to see a gross employee addition of about 4.5 lakh in the second half of the fiscal ended March 2022, according to a report by market intelligence firm UnearthInsight. *(Business Standard)*

Payroll Reporting in India – A Formal Employment Perspective: The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation has released the press note on Employment Outlook of the country covering the period September, 2017 to September, 2021. *(Press Information Bureau)*

Industrial Finance

India, ADB sign USD 300 bn loan to improve access to healthcare in urban areas of 13 states: Government of India and the Asian Development Bank (ADB) have signed a USD 300 million loan to strengthen and improve access to comprehensive primary healthcare in urban areas of 13 states benefiting over 256 million urban dwellers, including 51 million from slum areas. *(The Economic Times)*

Microfinance industry stands its ground with flat Y-o-Y growth - Report: The outstanding portfolio of Microfinance industry was Rs 2,22,060 crore as of June 2021. The industry disbursed loans worth Rs 25,808 crore during April-June 2021 quarter registering a Y-o-Y growth of 300% by value and 209% by volume. *(The Economic Times)*

NBFCs ask RBI Guv to relax NPA classification deadline: Non-bank lenders have reached out to the Reserve Bank of India Governor Shaktikanta Das for a relaxation in the deadline to comply with the new bad loan classification rules to October 2022. *(The Economic Times)*

Our action against defaulters helping banks cut NPAs - FM Sitharaman: Finance minister Nirmala Sitharaman on Tuesday asserted that the government is tough on defaulters, particularly fugitives, getting back their assets through legal process and giving it to banks because of which their bad assets have come down. *(Business Standard)*

Dream11 parent raises \$840 million at \$8 billion valuation: India's Dream Sports, the parent of popular fantasy gaming company Dream11, said on Wednesday it had raised \$840 million from investors led by Falcon Edge, Tiger Global and others in a deal that valued the sports technology firm at \$8 billion. *(Mint)*

Technology and Innovation

Niti Aayog's proposed full-stack digital banks to end physical branches, run entirely on internet: Niti Aayog has floated the idea of setting up full-stack 'digital banks', which would primarily work on the internet and other proximate channels to offer their services, instead of physical branches. *(Mint)*

Panasonic India launches Industrial IoT solutions for local manufacturers: Electronics and technology company Panasonic on Wednesday launched its—Miraie Profactory—industrial IoT and smart factory solution targeted towards Indian manufacturers who wish to digitize their factory operations. *(Mint)*

Every country must worry about data sovereignty, says IBM Chairman Krishna: Krishna also highlighted that IBM was planning to increase its R&D strength in the country, including setting up more centres in smaller cities in response to a global crunch in tech talent which might last a decade. *(Business Standard)*

Tighter rules likely for social media firms, may supersede IT laws - Experts: According to news reports, the Joint Parliamentary Committee deliberating the PDP Bill has suggested classifying social media intermediaries (governed by IT Rules and IT Act) as platforms, which could potentially make them lose safe harbour provisions that protect them from third party content. *(Business Standard)*

Without innovation Indian pharma cannot touch \$130 bn by 2030 - Industry: India is a leading player globally when it comes to generic or copy cat drugs, but has failed to move up in the value chain when it comes to innovative drugs. *(Business Standard)*

Industrial Infrastructure, Clusters and SEZs

PM Narendra Modi launches development projects worth over Rs 3,425 crore in UP's Jhansi: Prime Minister Narendra Modi on Friday inaugurated or laid the foundations of multiple development projects worth over Rs 3,425 crore to expedite growth of the economically backward Bundelkhand region of Uttar Pradesh. *(The Economic Times)*

Greater Noida to receive first EV charging station soon: 100 in pipeline: After the first charging station in the Alpha commercial belt, GNIDA and CESL teams will conduct a joint survey to identify the locations of the remaining installations and will submit a report in 10 days, the GNIDA said. *(Mint)*

BPCL green hydrogen unit to be India's largest: BPCL will put up 20 MW electrolyser at its refinery in Bina, Madhya Pradesh to produce green hydrogen. This will be double the size of GAIL's recent tender for 10 MW electrolyser, the largest so far. *(The Economic Times)*

Uttar Pradesh on its way to have 5 international airports, highest for any state: Uttar Pradesh is set to get the highest number of international airports in the country, the state government said on Monday, ahead of the foundation laying ceremony of the Noida International Airport at Jewar by Prime Minister Narendra Modi on November 25. *(The Economic Times)*

Airports to attract ₹90,000 crore in investments over five years - Civil Aviation Secretary: The airports sector is expected to see an investment of ₹90,000 crore in a five-year period, with almost ₹68,000 crore coming from the private players, a senior official said on Wednesday. *(The Hindu)*

Sustainable Industrialisation

Big climate change job awaits WTO - if it can step up: From laying down the law on fossil fuel subsidies to promoting low-carbon supply chains, there is no shortage of ways in which the World Trade Organization could be at the forefront of the global fight against climate change. *(The Economic Times)*

Smart Power India facilitates world's largest portfolio of mini grids: Its total capacity now stands at 15.1 MW renewable energy for the rural masses. Mini grids are involved in generation of small scale electricity. *(The Economic Times)*

Chartered Bike to deploy over 2,000 electric bikes, 200 charging stations in Mumbai: Chartered Bike, a subsidiary of surface mobility firm Chartered Speed, on Monday said it will deploy over 2,000 electric bikes and 200 charging stations in the city over the next 3-6 months for various purposes. *(The Economic Times)*

Government encouraging EVs but will not stop registration of ICE vehicles, says Nitin Gadkari: "We are encouraging (adoption of) electric vehicles (EVs), and (use) of alternative fuels like ethanol, bio-LNG, green hydrogen...(But) we are not going to stop anything (ICE vehicles)," he said. *(The Economic Times)*

Sectoral News

CAATSA sanctions against India will trigger significant blowback, warns influential US think tank: As delivery of Russia's S-400 missile defence system to India begins, a top US think tank has warned that sanctions against New Delhi under US law could trigger a blowback and set India-US ties back by a decade. *(The Economic Times)*

IRCTC looks to increase its earnings as more trains back on track: IRCTC officials said booking of tickets through its platform was already beyond pre-pandemic levels. "There were close to 1.4 million tickets being booked daily during the peak season before Chhath Puja and Diwali, which sees more passengers. *(Business Standard)*

More tax concessions for vehicles bought after scrapping old ones - Gadkari: The vehicle scrappage policy will help reduce pollution, boost manufacturing and sales, as well as create jobs, Gadkari further said while inaugurating Maruti Suzuki Toyotsu India's first government-approved scrapping and recycling facility for end-of-life vehicles (ELVs) in Noida. *(Mint)*

To experience India's culture & heritage, Indian Railways to launch about 190 theme-based Bharat Gaurav trains: Indian Railways has identified as many as 3,033 coaches or 190 trains in total for these theme based trains. After passenger and goods segments, the national transporter will now begin the tourism segment to run Bharat Gaurav train services. *(Financial Express)*