



1<sup>th</sup> June 2021

# Industry Developments

70  
60  
50  
40  
30  
20  
10



## Overall

### Economic impact of second COVID-19 wave to be felt more in rural India: Ind-Ra

The economic impact of the second COVID-19 wave will be felt more through the loss of demand impulse than supply-side disruptions and that too, in rural India than in urban India, India Ratings (Ind-Ra) stated in a report.

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### Centre likely to increase allocation for key export tax refund scheme

The Centre is likely to raise the allocation for its flagship export tax refund scheme from the budgeted Rs.130 billion for the current fiscal. This comes as the present outlay is expected to fall way short of the amount required to implement recommendations of the GK Pillai committee, an official source said.

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### Economic cost of second Covid-19 wave may be limited to Q1FY22: RBI

The RBI, in its annual report for 2020-21, stated that under a most optimistic scenario, the macro-economic costs of the second wave of the Covid-19 infections could be limited to the June 2021 quarter, with possible spillovers into July 2021.

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## Banking and Financial Services

### LIC stake in UBI up from 3.09% to 5.06%

LIC has picked up 14,78,41,513 shares of Union Bank of India in a preferential allotment of shares on 20 May 2021, increasing its stake from 3.09 per cent to 5.06 per cent.

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### Short term interest rates rising due to reducing liquidity surplus

Liquidity surplus has reduced with the cash reserve ratio having been rolled back and likely rising government cash balances which has put some pressure on short term rates that are seen rising sporadically, according to RBL Bank

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### PNB to divest stake in Canara HSBC OBC Life Insurance

Punjab National Bank intends to divest its stake in Canara HSBC OBC Life Insurance Co. Ltd, an associate of the bank, at an appropriate time depending upon market conditions and available options. It has not disclosed how much stake it will dilute.

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## HealthCare

### **Karnataka govt forms committee to control possible third COVID-19 wave**

On 26 May 2021, the Karnataka government formed a 13-member committee to analyze, advise and control a possible third wave of the COVID-19 pandemic. The panel, which will be headed by Dr. Devi Shetty, an eminent cardiologist and founder of Narayana Health.

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### **Ministry of Health revises COVID-19 clinical management protocol**

The Ministry of Health has revised the COVID-19 clinical management protocol, underlining that the Sars-Cov-2 virus spreads largely through air. As per the new protocol, a majority of the transmission is believed to occur predominantly through the airborne route and droplet released when the virus-infected person coughs, sneezes or talks.

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## Pharmaceuticals

### **India yet to avail World Bank funding for purchasing COVID-19 vaccines**

In view of the current shortage of COVID-19 vaccines in India, the country has the option to seek funding under the World Bank's USD 12 billion vaccine purchase fund, however, it has so far chosen not to go ahead with it.

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### **Demand for tax waiver on COVID-19 vaccination, ventilator rejected by GST panel**

The GST fitment panel has rejected the popular demand for exemption or rate reduction on Covid-19 medicines, vaccines, ventilators, temperature equipment, RT PCR machines and ambulances on feasibility grounds.

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### **SII to manufacture & supply 100 million doses**

Serum Institute of India (SII) has informed the government that it will be able to manufacture and supply 90-100 million doses of Covishield in June, amid shortage of anti-coronavirus vaccine jabs. SII said that its employees are working round the clock in spite of various challenges because of the pandemic

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## Energy

### **NHPC awards solar power contract worth Rs.1.9 bn to Tata Power Solar Systems**

NHPC awarded an order worth Rs.1.9 billion with Tata Power Solar Systems to set up a 40 MW solar power project at Ganjam, in Odisha.

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### **ISA, MNRE and World Bank conduct workshop for OSOWOG**

The International Solar Alliance (ISA), the Ministry of New and Renewable Energy (MNRE) and the World Bank, together, organized a two-day strategic inception workshop on 'One Sun One World One Grid (OSOWOG)' which was attended by more than 160 experts from the world over.

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### **CIL's coal allocation to power sector under e-auction plunge 28% in April 2021**

India's renewable energy certificate (REC) market has recorded sales of REC's worth Rs.92.66 billion since its inception, according to a study released by the CEEW-Centre for Energy Finance (CEEW-CEF).

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## Information Technology

### **TCS sees pandemic-driven boost in Europe as clients adopt new tech**

A top executive said that Tata Consultancy Services (TCS) is seeing acceleration in some parts of its business across Europe as the pandemic pushed companies to adopt new technologies more rapidly.

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### **Cloud adoption is USD 414-billion goldmine for companies: Infosys' survey**

In its Cloud Radar study, which spanned six countries and had over 2,500 respondents, Infosys found that increased and effective adoption of the cloud could bring in up to USD 414 billion in additional annual profits across industries such as financial services, insurance, manufacturing, healthcare and retail.

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## Real Estate

### Second Covid wave a bigger jolt to real estate sector in Karnataka

Real estate business in coastal Karnataka, which was making a slow recovery early this year, is hit with another jolt due to the second wave. Industry experts predict a slower recovery when compared to the first wave.

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### Macrotech Developers forms two JVs to build realty projects worth Rs.15 billion

Aiming to strengthen its presence in the Mumbai Metropolitan Region and Pune, realty firm Macrotech Developers has formed two joint ventures to build projects with sales value of Rs.15 billion and is looking for more such partnerships to grow business.

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### Residential realty demand to touch pre-pandemic level only after 2022-23

Improved affordability and continuing work-from-home will increase demand for residences by an average 5-10 per cent (in terms of area) on-year in India's top six cities this fiscal, according to a report by Crisil.

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## Education

### Haryana govt extends summer vacation for school students till 15 June 2021

The Haryana government has extended the summer vacation for students of all the schools in the state till 15 June 2021, in view of the COVID-19 pandemic.

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### Universities, colleges under Odisha higher education dept to reopen from 1 June 2021

Universities and degree colleges under the Odisha higher education department will be reopened on 1 June 2021.

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### Rajasthan govt forms panel to explore methods of conducting exams in universities

The Rajasthan government has constituted a panel to assess and explore the methods of conducting exams in state universities for the 2020-21 session, amid the Covid-19 scare.

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## Telecom, Technology and Media

### Airtel Payments Bank set to break even this fiscal

In 2020-21, APB saw 60% year-on-year growth in savings accounts deposits and its base of active revenue earning customers (RECs) swelled more than 77% year-on-year to 55 million

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### Amazon eyeing satellite broadband space in India

Musk's SpaceX and OneWeb - backed by Sunil Mittal-led Bharti Group and the UK government -- are readying to start satellite broadband operations in India next year, leveraging their respective LEO satellite constellations.

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### Capgemini picks Ericsson to support client innovation at its 5G Lab for Industries in India

The Lab will support Capgemini's global client base in 5G end-to-end transformation through three offerings--5G and Edge ideation catalyst program; 5G and Edge use case acceleration platform; and 5G and Edge Fab Lab.

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## Automobiles and ancillaries

### Auto sales could crash in May over lockdown woes

Passenger car sales at the retail level are estimated to have crashed by 75 per cent to 80,000 units in May compared to its recent peak of 348,000 units in March, according to media reports.

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### Significant EV progress in 2-3 years, say battery manufacturers

Significant progress has been made in battery technology and infrastructure for electric vehicles (EVs) in the past few years, Rahul Walawalkar, founder and executive director of the India Energy Storage Alliance (IESA), said.

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### M&M plans Rs.170 billion investments, many new launches in 3 years

Mahindra & Mahindra (M&M) is planning to invest Rs.170 billion over the next three years, Rs.120 billion on new models in the auto and farm sectors, and the rest on group companies.

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## Start-ups

### Jai Kisan, a fintech startup aimed at rural India, raises \$30 million

Jai Kisan, an Indian startup that is attempting to bring financial services to rural India, where commercial banks have a single-digit penetration, said on Monday it has raised \$30 million in a new financing round as it looks to scale its business

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### Indian insurtech startup nets \$15.6m from Tiger Global, Sequoia's Surge

Plum, an India-based group health insurance startup, announced that it has raised US\$15.6 million in series A funding led by Tiger Global. Existing investors such as Sequoia Capital India's Surge, Tanglin Venture Partners, Incubate Fund, and Gemba Capital also participated in the round.

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### Paytm's proposed IPO marks the coming of age for Indian startups

As and when it happens, the \$3 billion IPO by One97 Communications, the parent firm of Paytm, will mark the coming of age of India's millennial-era startups.

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## Steel

### JSW Steel to expand Vijayanagar plant capacity

JSW Steel plans to increase steelmaking capacity at its Vijayanagar plant by 5mn t/yr. to 17mn t/yr., by the financial year ending March 2024. JSW Steel in April concluded a 5mn t/yr. expansion at its Dolvi unit in the western state of Maharashtra, taking the plant's total capacity to 10mn t/yr.

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### Steel minister dedicates RINL's 300-bed COVID care center to nation

Union Steel Minister Dharmendra Pradhan has dedicated the 300-bed COVID care centre at RINL's steel plant in Visakhapatnam, Andhra Pradesh to the nation. In the second phase, the capacity of the centre will be expanded to 1,000 beds, according to the Ministry of Steel.

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## Transportation

### Uttar Pradesh govt to install GPS trackers, panic buttons in UPSRTC buses

The Uttar Pradesh government has decided to install global positioning system (GPS) trackers and panic buttons in around 11,750 ordinary and air-conditioned (AC) buses of the Uttar Pradesh State Road Transport Corporation (UPSRTC).

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### Toll collection on NHs to fall by 25-30 per cent in May 2021: ICRA

ICRA said that toll collection on national highways (NHs) is likely to fall by 25-30 per cent in May 2021 over last month as a fall out of the lockdown and restrictions imposed by several states to contain the spread of coronavirus.

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### DGCA extends ban on scheduled international commercial passenger flights until 30 June 2021

The Directorate General of Civil Aviation (DGCA) extended the ban on international commercial passenger flights by one month till 30 June 2021. However, this restriction will not apply to international all-cargo operations and flights specifically approved by the aviation regulator.

[Read more](#)

### Govt extends ECLGS to aviation sector

On 30 May 2021, the government announced extending the Emergency Credit Line Guarantee Scheme (ECLGS) to the civil aviation sector on account of the disruptions caused by the second Covid-19 wave to businesses across various sectors of the economy.

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### Vistara receives first purchased A320neo aircraft from Airbus' production facility in France

On 29 May 2021, Vistara received its first purchased A320neo aircraft, powered by CFM International's LEAP engines, in Delhi from Airbus' production facility in Toulouse, France.

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