



November 03, 2021 – Wednesday

## Key Developments

### Finmin seeks industry inputs on tax rates, exemptions ahead of Budget

The Finance Ministry has emphasised ahead of the Union Budget, that tax exemptions will be phased out and tax rates would be rationalised in the medium term, while seeking suggestion from trade and industry stakeholders. They have been asked to submit their recommendations by November 15, on policy changes in both indirect and direct taxes by giving economic justification. "Send your suggestions for changes in the duty structure, rates and broadening of tax base on both direct and indirect taxes giving economic justification for the same," finance ministry's Revenue Department's said in a letter to Trade and Industries Association. Union Budget for Financial Year 2023 is expected to be presented on February 1. The letter further said, "As can be seen that the government policy with reference to direct taxes in the medium term is to phase out tax incentives, deduction and exemptions while simultaneously rationalising the rates of tax."

[https://www.business-standard.com/article/finance/finmin-seeks-industry-inputs-on-tax-rates-exemptions-ahead-of-budget-121110200868\\_1.html](https://www.business-standard.com/article/finance/finmin-seeks-industry-inputs-on-tax-rates-exemptions-ahead-of-budget-121110200868_1.html)

### India will always strengthen any effort for sustainable development: Modi

India will always strengthen any effort for sustainable development, Prime Minister Narendra Modi said on Tuesday after Ursula von der Leyen, the President of the European Commission described India as a key partner in combating climate change. Prime Minister Modi again met Leyen during the COP26 Climate Summit here on Monday. President of the European Council Charles Michel and Leyen had met Modi in Rome on Friday on the sidelines of the G20 Summit. "Good to continue close collaboration with PM @narendramodi #COP26 as well. India is a key partner on fighting the global climate. I greatly appreciate PM Modi leadership," European Commission President Leyen tweeted on Monday. To this Modi tweeted that, "Happy to have met you in Glasgow after the very fruitful interaction in Rome. As I highlighted during my speech yesterday, India will always strengthen any effort for sustainable development."

[https://www.business-standard.com/article/pti-stories/india-will-always-strengthen-any-effort-for-sustainable-development-pm-modi-121110200716\\_1.html](https://www.business-standard.com/article/pti-stories/india-will-always-strengthen-any-effort-for-sustainable-development-pm-modi-121110200716_1.html)

### Post-Covid Travel: Five more countries including Mauritius, Estonia, recognise India's vaccine certificate

Five more countries recognise India's COVID vaccination certificate! India has been running a strong COVID-19 vaccination drive since January and so far, more than 30 crore people in the country have been fully vaccinated. However, as countries began to lift travel restrictions for vaccinated people, India had some trouble, especially with the UK, to get its vaccine certificate recognised. Now, though, the Ministry of External Affairs on Monday said that five more countries have recognised India's vaccine certificate. These countries are Estonia, State of Palestine, Mauritius, Mongolia, and Kyrgyzstan. Notably, the development comes a day after India proposed mutual recognition of COVID-19 certificate at the G20 Summit.

On Monday itself, the Australian government also gave recognition to India's vaccine certificates for Bharat Biotech's Covaxin, which means that Covaxin would now be recognised by the country when looking at the vaccination status of the traveller. The country had already recognised the Serum Institute of India-manufactured AstraZeneca vaccine Covishield earlier. This means that all people of India who have been administered two doses of either Covishield or

Covaxin, as well as people of other countries where these vaccines were provided by India, would be considered to be fully vaccinated upon entry in Australia.

<https://www.financialexpress.com/lifestyle/travel-tourism/post-covid-travel-five-more-countries-including-mauritius-estonia-recognise-indias-vaccine-certificate/2361821/>

### **RBI panel calls for an overhaul of ARC regulations**

A central bank panel has suggested an overhaul of the rules governing Asset Reconstruction Companies (ARC) to enhance the availability of bad loans for transactions and bring in a wider set of investors to the market for distressed assets. The recommendations include purchase of loans classified as fraud, an online system for transparency in transactions, and permission to transact in financial assets owned by mutual funds. The need to define 'substantial part of business' to ensure change in management, and permission to participate in the resolution under the Insolvency and Bankruptcy Code (IBC) by ARCs are among the 42 recommendations of the panel.

<https://economictimes.indiatimes.com/markets/stocks/news/rbi-panel-calls-for-an-overhaul-of-arc-regulations/articleshow/87497767.cms>

### **CBDT notifies e-settlement scheme for taxpayers**

The Central Board of Direct Taxes (CBDT) has notified an e-settlement scheme to settle pending income-tax settlement applications transferred to a settlement commission. The scheme will be applicable to "pending applications in respect of which the applicant has not exercised the option under sub-section (1) of Section 245M of the Act and which has been allotted or transferred by Central Board of Direct Taxes to an interim board", CBDT said. The proceedings before the interim board shall not be open to the public. No person other than the applicant, their employee, and concerned officers of the interim board or the income-tax authority or the authorised representatives, without the permission of the interim board, can attend the proceedings even on videoconferencing or video telephony.

<https://economictimes.indiatimes.com/news/economy/policy/cbd-t-notifies-e-settlement-scheme-for-taxpayers/articleshow/87498231.cms>

### **World's first partnership for transnational solar power grid launched in Glasgow**

World's first partnership for interconnected solar grid, known as the Green Grids Initiative - One Sun One World One Grid (GGI-OSOWOG) launched on Tuesday at the COP26 climate conference in Glasgow. The International Solar Alliance (ISA), India Presidency of the ISA, and the UK COP Presidency unveiled plans for the first international network of global interconnected solar power grids, GGI-OSOWOG, at the COP26 climate conference in Glasgow, an ISA statement said.

<https://economictimes.indiatimes.com/industry/renewables/worlds-first-partnership-for-transnational-solar-power-grid-launched-in-glasgow/articleshow/87493863.cms>

## **Economy**

### **Infant mortality rate falling slowest in states with worst track record**

India undoubtedly has something to celebrate; the new Sample Registration Survey (SRS) data shows that the infant mortality rate—infants who die before turning one, out of 1,000 childbirths—in the country came down to 30 in 2019 compared to 44 in 2011 and 50 a decade ago. However, a further analysis of SRS data shows that seven states still have higher infant mortality than the rest of the country. While India has set a target of an IMR of 25 for itself, 13 states still have a higher IMR than 25.

[https://www.business-standard.com/article/current-affairs/infant-mortality-rate-falling-slowest-in-states-with-worst-track-record-121110200800\\_1.html](https://www.business-standard.com/article/current-affairs/infant-mortality-rate-falling-slowest-in-states-with-worst-track-record-121110200800_1.html)

### **Experts hail India's announcement to achieve net zero target by 2070**

Environment experts Monday hailed as "real climate action" India's pledge to achieve net zero carbon emissions by 2070, saying that by making this big promises at COP 26 at Glasgow, India has put the ball in the court of developed nations to fulfil the promise of climate finance. Lauding the national statement delivered by Prime Minister Narendra Modi at the 26th international climate conference in Glasgow, experts said India is rightly demanding USD 1 trillion from the developed nations. "I want to congratulate PM Modi and India for making a bold statement for low-carbon

development. India has clearly put the ball in the court of the developed world. This is real climate action."Now, India demands USD 1 trillion of climate finance as soon as possible and will monitor not just climate action, but deliver climate finance. Most importantly, India has called, once again, for a change in lifestyles. If we cannot fix how we live, we cannot fix the planet on which we live," said Arunabha Ghosh, CEO and Founder of Council on Energy, Environment, and Water (CEEW).

[https://www.business-standard.com/article/pti-stories/experts-hail-india-s-announcement-to-achieve-net-zero-carbon-emission-by-2070-12111020071\\_1.html](https://www.business-standard.com/article/pti-stories/experts-hail-india-s-announcement-to-achieve-net-zero-carbon-emission-by-2070-12111020071_1.html)

### **Govt lifts the 'fear' on accepting single bids during public procurement tenders**

The government has scrapped the "practice" followed by public authorities to reject a single bid during open tenders, stating that it should be considered valid subject to some conditions, according to new rules that will also have a bearing on the privatisation of State-run firms. This is part of the new 'General Instructions on Procurement and Project Management' issued by the government on October 29, applicable to Central Government Ministries/ Departments, Attached/ Subordinate bodies including Autonomous Bodies or Central Public Sector Enterprises (CPSE). Hence, these instructions are expected to be followed during privatisation of CPSE's also.

<https://www.thehindubusinessline.com/news/govt-lifts-the-fear-on-accepting-single-bids-during-public-procurement-tenders/article37298769.ece>

## **Banking and Finance**

### **RBI's new portal to monitor digital banking, security**

RBI will soon launch a web-based supervisory system that will enable off-site and on-site supervision of modern functions like digital banking, cyber security, said RBI deputy governor MK Jain. At the same time Banks need to be careful in complying with rules and invest in technologies to meet the supervisory challenges as they experiment with new services in the post COVID world though ultimately its governance standards, business model, risk culture, and assurance functions will decide how well it fares in the long run, he said. "For continuous engagement with supervised entities, a web-based and an end-to-end workflow automation system has been developed ( by RBI )" said Jain in a keynote address at a summit. It has various functionalities including inspection, compliance and incident reporting for cyber security, etc. with a built-in remediation workflow, time tracking, notifications and alerts, Management Information System reports and dashboards. "This is being launched shortly".

<https://economictimes.indiatimes.com/markets/stocks/news/rbi-gearing-up-to-fintech-challenge-asks-banks-to-be-vigilant-too/articleshow/87498034.cms>

### **Banks sanction Rs 63,574 crore under credit outreach initiative: Finance Ministry**

Banks have sanctioned loans worth Rs 63,574 crore to about 13.84 lakh borrowers in a fortnight under the credit outreach programme, Finance Minister Nirmala Sitharaman said on Tuesday. Under this programme, banks have been holding special camps across various parts of the country to sanction loans to eligible borrowers as per the prudential norms. Most of the banks have announced festival offers at concessional rates of interest and waived processing charges. Since the commencement of the government's nationwide Credit Outreach Programme on October 16, 2021, 13.84 lakh loans totalling Rs 63,574 crore have been sanctioned through 10,580 camps held across the country as of October 31, a tweet by the Finance Minister's office said.

"The loans under the Credit Outreach Programme are over and above those sanctioned and disbursed under the various Central Government loan guarantee schemes," it added.

<https://www.financialexpress.com/economy/banks-sanction-rs-63574-crore-under-credit-outreach-initiative-finance-ministry/2361893/>

### **Updating credit assessment: Banks eye common social, climate framework**

Banks are looking to create a common framework for environmental, social and governance (ESG) issues while carrying out credit assessment and include climate risk as part of their risk management policy. A senior executive told ET that the Indian Banks' Association (IBA) is looking into the matter. "Already, international investors have started demanding information about the ESG policy of the companies before investing into the equity and liability products. The time is conducive to decide about the ESG framework for Indian banking," the executive said on

condition of anonymity, adding that companies are aligning their policies with the commitment their countries are agreeing to.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/updating-credit-assessment-banks-eye-common-social-climate-framework/articleshow/87494363.cms>

## Industry

### Rural development ministry ties up with Flipkart to sell products made by artisans

The rural development ministry has tied up with e-commerce giant Flipkart to sell products made by millions of artisans under the Deendayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM) program on the e-commerce platform. The move will help artisans reach out to 10 crore of Flipkart's existing customers, thus substantially scaling their outreach. "India's homegrown e-commerce marketplace Flipkart has signed a memorandum of understanding (MoU) with the ministry of rural development for Deendayal Antyodaya Yojana – National Rural Livelihood Mission (DAY-NRLM) program," the rural development ministry said in a statement. "The move will help empower local businesses and self-help groups (SHGs), especially those that are led by women, by bringing them into the e-commerce fold," it said.

[https://economictimes.indiatimes.com/industry/services/retail/rural-development-ministry-ties-up-with-flipkart-to-sell-products-made-by-artisans/articleshow/87490167.cms?utm\\_source=ETTopNews&utm\\_medium=HP&utm\\_campaign=TN&utm\\_content=23](https://economictimes.indiatimes.com/industry/services/retail/rural-development-ministry-ties-up-with-flipkart-to-sell-products-made-by-artisans/articleshow/87490167.cms?utm_source=ETTopNews&utm_medium=HP&utm_campaign=TN&utm_content=23)

### Companies may have to pay more taxes on intangible assets

Some conglomerates, banks, and companies may face additional taxes under the Goods and Services Tax (GST) on their intangibles, such as goodwill, brand, logo fees and even franchise fees paid by them, following a recent adjustment in tax rates. The government recently implemented rate parity between 'right to use' and 'transfer of right to use' under the GST framework, which will affect transactions where brand names are held in a separate business and subsidiaries are 'allowed' to use it for a fee, say tax experts.

<https://economictimes.indiatimes.com/news/economy/policy/companies-may-have-to-pay-more-taxes-on-intangible-assets/articleshow/87473218.cms>

### Jewellers see sparkling sales this festive season after Covid gloom

Jewellery businesses are jubilant this festive season and particularly for Dhanteras or Dhantrayodashi that marks the first day of the five-day Diwali celebrations even as buying jewellery or utensils on Dhanteras is considered auspicious in Hinduism. While Covid dampened the festive spirits last year, micro and small retailers, wholesalers, and manufacturers this year are certain of overachieving the 2019 levels on the back of decline in gold prices from last year, economic recovery, and strong customer demand amid Covid relaxations and higher vaccination rate.

"In comparison to 2019, 10-15 per cent additional improvement is expected in sales volume this year for retailers. Out of five days of Diwali festivities, Dhanteras and Pavda (in Western India) are muhurta days when maximum sales happen. The two days are the bellwether of the season's performance. Gold has been strong this year while diamond also is doing well even as during the pandemic, people expected diamond to slow down. Silver rates are also favourable now," Mumbai-based Ashish Pethe, Partner, Waman Hari Pethe Jewellers and President at India's apex body of the gems and jewellery industry — All India Gem & Jewellery Domestic Council told Financial Express Online.

<https://www.financialexpress.com/industry/sme/msme-eodb-dhanteras-2021-how-much-sales-gold-and-other-jewellers-are-expecting-this-festive-season-after-covid-gloom/2361383/>

## Agriculture

### India's price-fixing probe of global seed firms sparked by carrot farmers

An Indian antitrust investigation into suspected price collusion by some prominent global agricultural firms was triggered by farmers who complained about excessive pricing of imported carrot seeds, documents seen by Reuters showed. A group representing about 1,500 farmers in the mountainous Nilgiri district of Tamil Nadu, a top carrot-growing state in southern India, petitioned the watchdog in 2019 alleging that an "unfair profit margin" was being charged on the carrot seeds, the regulatory documents showed.

This is the first time the complaint is coming into public view. It has touched off an investigation that has the potential to affect pricing practices in an Indian vegetable seed market expected to be worth \$1.2 billion in five years. In some instances, the agricultural firms' seeds were allegedly being sold at four times the imported price, according to the documents. The farmers were also denied sale of such seeds in the northern parts of India where they were available at prices up to 50% cheaper, they alleged, according to the documents.

[https://www.business-standard.com/article/companies/india-s-price-fixing-probe-of-global-seed-firms-sparked-by-carrot-farmers-121110201187\\_1.html](https://www.business-standard.com/article/companies/india-s-price-fixing-probe-of-global-seed-firms-sparked-by-carrot-farmers-121110201187_1.html)

#### **Several edible oil producers reduce wholesale prices by ₹4-₹7 a litre**

Several members of the Solvent Extractors' Association (SEA) of India have reduced the wholesale price of edible oils by ₹4-₹7 a litre. A press statement by the President of SEA of India, Atul Chaturvedi, said in response to an appeal made by the SEA to its members for a reduction in edible oil prices during the festive season, many key players, including Adani Wilmar Ltd, Ahmedabad; Ruchi Soya Industries Ltd, Indore; Gemini Edibles & Fats India Pvt Ltd, Hyderabad; Modi Naturals Ltd, Delhi; Gokul Refoils and Solvent Ltd, Sidhpur; Vijay Solvex Ltd, Alwar; Gokul Agro Resources Ltd, Ahmedabad; and N.K. Proteins Pvt Ltd, Ahmedabad had already committed to and reduced wholesale bulk prices by ₹4,000 to ₹7,000 per tonne (₹4-₹7 a litre). He said others were also expected to reduce oil prices.

<https://www.thehindubusinessline.com/economy/agri-business/several-edible-oil-producers-reduce-wholesale-prices-by-4-7-a-litre/article37300134.ece>

#### **Centre allays fears of fertiliser shortage**

Seeking to allay concerns over fertiliser shortage, Union Minister for Chemicals and Fertilisers Mansukh Mandaviya has said that the availability of the nutrients will surpass demands raised by the States and Union Territories. He has also appealed to farmers not to hoard fertilisers. Mandaviya reviewed the availability targets of fertilisers for November with officials in Delhi on Monday and denounced the shortage claims, according to a ministry statement.

<https://www.thehindubusinessline.com/economy/agri-business/centre-allays-fears-of-fertiliser-shortage/article37300610.ece>

### **Telecom**

#### **Telcos urge govt to continue tech-neutral approach to 5G**

India's telecom operators have urged the government to continue with its technology-neutral approach for the adoption of 5G technology and suggested that efforts be made for global harmonisation of 5Gi, a standard developed by India, by making it part of the 3GPP framework. Telcos through their representative body, the Cellular Operators Association of India (COAI), said making 5Gi a part of 3GPP, or the global 5G standard, can ensure early adoption of the technology by operators without any policy intervention and all stakeholders can reap the benefits of economies of scale.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-urge-govt-to-continue-tech-neutral-approach-to-5g/articleshow/87498156.cms>

### **Energy**

#### **PM Modi calls for 'One Sun, One World, One Grid' to improve viability of solar power**

Emphasising that everything is created from Sun, Prime Minister Narendra Modi on Tuesday called for 'One Sun, One World, One Grid' to improve the viability of solar power and announced that India's space agency ISRO will soon provide the world a calculator that can measure solar energy potential of any region across the globe. Addressing world leaders at the event 'Accelerating Clean Technology Innovation and Deployment' on the sidelines of the climate summit here, Modi said that fossil fuel powered many nations to become wealthy during the industrial revolution, but it made the earth and environment poor.

<https://economictimes.indiatimes.com/industry/renewables/pm-modi-calls-for-one-sun-one-world-one-grid-to-improve-viability-of-solar-power/articleshow/87493246.cms>

### **Healthcare**

### **Covid vaccinated people with prior infection may have more antibodies**

Antibody levels against SARS-CoV-2, the virus that causes COVID-19, stay more durable in people who were infected by the disease and then received two doses of vaccine compared with those who only got immunised, according to a study. The research, published in Journal of the American Medical Association on Monday, followed 1,960 health care workers in the US who had received both doses of either the Pfizer/BioNTech or Moderna vaccines. This included 73 people who had a positive SARS-CoV-2 polymerase chain reaction (PCR) test result before the first vaccine dose. The 73 were divided into two groups those who were infected at 90 days or closer to the first vaccine dose, and those whose exposure to the virus was more than 90 days before the initial shot. After adjusting for vaccine type, age and sex, antibody levels were compared for those with and without prior SARS-CoV-2 infection at one, three and six months following the second vaccine dose.

[https://www.business-standard.com/article/pti-stories/covid-vaccinated-people-with-prior-infection-may-have-more-antibodies-study-121110200708\\_1.html](https://www.business-standard.com/article/pti-stories/covid-vaccinated-people-with-prior-infection-may-have-more-antibodies-study-121110200708_1.html)

### **External**

### **Republicans introduce legislation to exempt India from S-400 sanctions**

Led by influential Senator Ted Cruz, a trio of Republicans have introduced legislation to exempt India and other members of the Quad from sanctions warning that taking action against India for buying Russian defence equipment would undermine efforts to combat Chinese aggression. Along with Senators Todd Young and Roger Marshall, he introduced last week the legislation titled, "Circumspectly Reducing Unintended Consequences Impairing Alliances and Leadership Act of 2021" (CRUCIAL Act), to create a ten-year exemption for members of the Quad, India, Australia and Japan, from US sanctions "that would undermine unity against China".

"Countering China's aggressive behaviour requires viable partners in Asia and beyond, and the US-Indian relationship has become a cornerstone of our multilateral efforts," Cruz said about the rationale for the proposed legislation.

[https://www.business-standard.com/article/current-affairs/republicans-introduce-legislation-to-exempt-india-from-s-400-sanctions-121110200175\\_1.html](https://www.business-standard.com/article/current-affairs/republicans-introduce-legislation-to-exempt-india-from-s-400-sanctions-121110200175_1.html)

### **People of India deeply value friendship with Israel: PM Modi to PM Bennett**

The people of India deeply value the friendship with Israel, Prime Minister Narendra Modi said on Tuesday, as he recalled his meeting with his Israeli counterpart Naftali Bennett on the sidelines of the COP26 climate summit in Glasgow and reaffirmed to work together to enhance the strong bilateral ties. Prime Minister Modi, who was accompanied by Foreign Minister S Jaishankar, interacted with Bennett on Monday in a visibly cordial brief meeting. In a video tweeted by Prime Minister Modi, the two leaders were seen exchanging pleasantries during their animated discussion. "Indeed! We shall continue working together for stronger bilateral ties and for a better planet," Modi said in a tweet on Tuesday. "The people of India deeply value the friendship with Israel," he said.

[https://www.business-standard.com/article/current-affairs/people-of-india-deeply-value-friendship-with-israel-pm-modi-to-pm-bennett-121110200670\\_1.html](https://www.business-standard.com/article/current-affairs/people-of-india-deeply-value-friendship-with-israel-pm-modi-to-pm-bennett-121110200670_1.html)

### **IFC plans to step up annual allocation for India to \$3 billion**

The International Finance Corporation, the private finance arm of the World Bank, could step up its annual allocation to India to \$3 billion from \$2 billion now, its regional vice president for Asia and Pacific, Alfonso Garcia Mora, told ET. He also said India will not suffer due to an increase in interest rates in the US as its macroeconomic indicators were in a comfortable range. "Last year we did \$2 billion, which is more or less what we have done in the last five years. We are thinking of taking it to the next level, closer to \$3 billion," Mora, who was on a visit to India, said, referring to the fund allocation to India.

<https://economictimes.indiatimes.com/news/economy/finance/ifc-plans-to-step-up-annual-allocation-for-india-to-3-billion/articleshow/87476572.cms>

### **Bulging exports to lift home textile players' revenue 20% this fiscal: Report**

Home textile exporters are set for a big order boost from the biggest shopping season in the Western market and push their topline by around 20 per cent, said a credit rating agency, which has also upgraded the industry outlook to positive. Exporters of home textiles are set to weave 20 per cent revenue growth this fiscal, and therefore achieve



a higher global market share, Crisil said in a note based on the analysis of 50 companies that account for over 60 per cent of such revenue indicates. The report said the projected growth is riding on three tailwinds -- strong retail sales in the US and a better outlook for the upcoming festive season in other export markets; the continued focus on health and hygiene; and the 'China plus one' sourcing strategy adopted by large customers.

<https://economictimes.indiatimes.com/industry/cons-products/garments/-textiles/bulging-exports-to-lift-home-textile-players-revenue-20-this-fiscal-report/articleshow/87486609.cms>



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