

Daily News Monitor: 19 March 2021

1. Rajya Sabha clears Bill: Hike in FDI cap to help solvency of insurers, says FM

Source: Financial Express ([Link](#))

Finance minister Nirmala Sitharaman on 18 March said a proposed hike in the foreign direct investment (FDI) limit in insurance to 74% from 49% will help insurers that are struggling with liquidity pressure boost solvency. As much as Rs 26,000-crore FDI has flowed into the growing insurance sector since 2015 after the cap was raised to 49% from 26%, she added. The Rajya Sabha on 18 March cleared a Bill to amend the Insurance Act, 1938. Once ratified by the Lok Sabha, the Bill will pave the way for raising the foreign direct investment (FDI) limit in insurance up to 74%.

2. PLI for textile: Govt targets 50 laggard, high-potential products

Source: Financial Express ([Link](#))

From jerseys, pullovers and cardigans to swimwear and windcheaters, the government is targeting elevated production in 50 man-made fibre and technical textile product categories in which India barely makes a cut now. While global exports of these products stood at \$222 billion in 2019, India's share was only \$1.8 billion, or 0.8%, with both Bangladesh and Vietnam leading by a wide margin. Through a Rs 10,683-crore production-linked incentive (PLI) scheme, India, where cotton fibre dominates the textiles and garment value chain, intends to grab a share in this pie. The incentives will be extended for incremental production in 50 product categories (40 man-made-fibre-based garments and 10 technical textiles) over a five-year period starting FY22.

3. PolicyBazaar raises \$75 m to fund UAE expansion

Source: Financial Express ([Link](#))

PolicyBazaar has raised \$75 million in funding led by US-based Falcon Edge Capital. The company will deploy the capital to expand its services in the UAE and West Asia. Neeraj Gupta, CEO at PolicyBazaar UAE, said the firm plans to build motor, health and life insurance product categories in the UAE region. "So far, we have sold sum assured worth \$100 million through our term life insurance products and we intend to scale this figure to \$1 billion in the next 12 to 18 months," Gupta said according to media reports. Investors are understood to have infused the funds in the online insurance aggregator's UAE arm.

4. Govt plans scheme for companies making display units in India

Source: Financial Express ([Link](#))

After announcing incentive schemes for mobile and IT hardware manufacturing, the government is now planning to chart out a similar plan for setting up display fabrication units in the country. The ministry of electronics and IT (MeitY) has invited expressions of interest (EoIs) from companies which want to set up LCD/OLED/AMOLED/QLED based display fabrication units in India. The information received in response to this EoI will be utilised to formulate a scheme for setting up display fabrication units (FABs) in the country. Companies have been given time till April 30 to apply.

5. Banana top pick by overseas importers among fresh fruits

Source: The Hindu, Business Line ([Link](#))

Countries that imports fruits have been preferring bananas over grapes, mangoes or apples in the fresh fruit basket. Both the quantity of fresh bananas exported and the value of the commodity have witnessed growth in the past three financial years. Between 2017-18 and 2019-20, the fresh banana exports saw a growth of 93.94 per cent in terms of quantity, and 72.22 per cent in terms of value. The country exported 1.95 lakh tonnes of fresh bananas valued at \$93 million in 2019-20 as against 1.02 lakh tonnes valued at \$54 million in 2017-18. In spite of the pandemic affecting the globe, the country exported 1.43 lakh tonnes of fresh bananas valued at \$63 million in the first nine months of the current financial year.

6. Vehicle scrappage policy may come with tax breaks

Source: The Hindu, Business Line ([Link](#))

In a move to develop an organised vehicle scrapping ecosystem in the country, the Road Transport Ministry proposes to bring in rules for setting up automated fitness testing and modern scrapping centres by October 1. The policy also proposes lower GST and road tax for vehicles bought against those scrapped at registered facilities. Broadly, the attempt is to move towards automated testing of all vehicles instead of the present manual checks. Also, following the Belgium model, the modern scrapping centres will aim to recycle most of the metal and recover 90 per cent of the raw materials.