

## Daily News Monitor: 4 May 2020

### **1. RCEP nations offer India package to return to negotiating table**

**Source: The Economic Times ([Link](#))**

Members of the Regional Comprehensive Economic Partnership have offered India a package to return to the negotiating table, taking into account the country's concerns over tariff base rates and special trade safeguards. Members of the trade bloc urged India to convey its initial response to the package by May 15 as the Indo-Pacific region braces for a post-Covid-19 economic order, ET has learnt. The package comes after RCEP members said last month they would welcome India's return to the negotiating table for entering the regional trade bloc. The RCEP package recognises India's preference to use more recent most-favoured nation tariff rates than the 2014 base rates.

### **2. Tata Motors, Ashok Leyland pitch for incentive-based scrappage policy**

**Source: Business Standard ([Link](#))**

Tata Motors and Ashok Leyland have said a well-defined and financial incentives-based scrappage policy can help create demand in the commercial vehicles (CV) segment which has come to a grinding halt. Tata Motors, which is the leader in the commercial vehicle segment, said the upcoming legislation should clearly define incentives as well as regulatory norms for disposing the old vehicles. "A well-defined and effective scrappage policy is one of the key imperatives for driving demand of cleaner BS-VI vehicles and more appropriately so, in the current shrinking demand across end-use sectors," a Tata Motors spokesperson said.

### **3. Govt working to identify key sectors for making India a manufacturing hub**

**Source: Business Standard ([Link](#))**

The commerce and industry ministry is working to identify certain key sectors -- like capital goods, leather and chemicals -- with a view to establish India as a manufacturing hub, according to sources. Several meetings have taken place with stakeholders, including industry chambers, to identify those sectors which have the potential to become global winners and make India a strong manufacturing hub, sources said. "There are 12 champion sectors which can be looked upon. These include modular furniture, toys, food processing like ready-to-eat food, agrochemicals, textiles like man-made fibers, air conditioners, capital goods, pharma, and auto components," one of the sources said.

#### **4. Amazon, Flipkart to increase warehouses**

**Source: The Economic Times ([Link](#))**

Ecommerce majors Amazon and Flipkart will lease over 3 million square feet warehousing space across major consumption centres as they expect a major bounceback in demand once the Covid-19 crisis ends. Amazon's India unit has contracted 2 million sq ft while Walmart-backed Flipkart has contracted 1 million sq ft across Bengaluru, Mumbai Metropolitan Region, Hyderabad, Pune, Ahmedabad, Lucknow and Coimbatore, said multiple persons aware of the development. These new facilities across major warehousing hubs will be up and running by end of this year under the built-to-suit model as the companies look to expand their India footprint. These contracts had been in works even prior to the pandemic and are part of both Amazon and Flipkart's India growth strategy. "Both the companies have picked up spaces for around 10 years with a lock-in period of five years each," said one of the persons aware of the lease terms.

#### **5. Rising demand for PPE products provides huge opportunity for domestic exporters: AEPC**

**Source: Money Control ([Link](#))**

The increasing demand for personal protective equipment (PPE) to combat the COVID-19 pandemic in local as well as global markets provides a huge opportunity for domestic exporters, industry body AEPC said on 2 May. The Apparel Export Promotion Council (AEPC) said the sector is gearing up to start producing these goods, which comes under the medical textiles segment, with a view to making India a hub for sourcing of PPE kits over the next few years. The council had recently organised a webinar on 'Manufacturing of PPE Products under Medical Textiles', which saw about 2,000 participants, mainly apparel exporters from across the country.

#### **6. Govt to set up panel to give clearances in 3-month time frame for businesses: Nitin Gadkari**

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

The government will set up a panel to provide necessary clearances needed by businesses within a time frame of three-months in a bid to attract foreign investment in MSMEs, Union Minister Nitin Gadkari said on 2 May. Addressing Chartered Accountants Association of India, the minister informed that a Joint Secretary level officer has already been appointed to look after the foreign investment in micro, small and medium enterprises (MSMEs). "We are going to formulate a committee where we will give all types of clearances within 3 months and at the same time, there will be no red tape, full transparency, time bound decision making process,

qualitative approach and no corruption,” Gadkari said. The committee will be set up in coordination with states and the central government as stakeholders, and a policy will be framed in this regard, the minister added.

#### **7. BoB NPAs surge six-fold, Indian Bank sees four-times rise in 6 years: RTI**

**Source: Business Standard ([Link](#))**

Non-performing assets of Bank of Baroda soared more than six-fold to Rs 73,140 crore, while those of Indian Bank surged four-times to Rs 32,561.26 crore in six years, according to a Right to Information reply. The NPAs of Bank of Baroda (BoB) rose from Rs 11,876 crore at March-end 2014 to Rs 73,140 crore at December-end 2019, the RTI reply showed. The number of NPA accounts rose from 2,08,035 as of March 31, 2014, to 6,17,306 as of December 2019. The NPAs of Indian Bank surged from Rs 8,068.05 crore as on March 31, 2014, to Rs 32,561.26 crore as on March 31, 2020. The NPA accounts rose to 5,64,816 as on March 31, 2020, from 2,48,921 as on March 31, 2014, according to reply to Right to Information (RTI) queries on a number of NPA accounts and the total amount filed by Kota-based activist Sujeet Swami.

#### **8. Silver Lake to invest Rs 5,655.75 cr in Reliance Jio; 'excited to leverage insights from their global technology relationships', says Mukesh Ambani**

**Source: Firstpost ([Link](#))**

Reliance Industries Limited (RIL) and Jio Platforms Limited announced today that Silver Lake will invest Rs 5,655.75 crore into Jio Platforms. This investment values Jio Platforms at an equity value of Rs 4.90 lakh crore and an enterprise value of Rs 5.15 lakh crore and represents a 12.5 percent premium to the equity valuation of the Facebook investment announced on 22 April, 2020. Jio Platforms, a wholly-owned subsidiary of Reliance Industries Limited, is a next-generation technology company building a Digital Society for India by bringing together Jio’s leading digital apps, digital ecosystems and India’s Number 1 high speed connectivity platform under one umbrella.

#### **9. Post lockdown, baggage at Delhi airport to go through ultraviolet disinfection**

**Source: Livemint ([Link](#))**

Commercial passenger flights at Delhi airport will initially operate from Terminal 3 after the lockdown ends, said a senior official of its operator DIAL on 3 May, adding that entry gates, self check-in machines and check-in bays will be allocated to airlines to avoid overcrowding by air travellers. The airport will keep all food, beverage and retail shops open to avoid overcrowding at one place and use "ultraviolet disinfection tunnels" for all incoming baggage,

according to a plan prepared by the GMR group-led Delhi International Airport Ltd. The plan said the passengers of Vistara and IndiGo would enter the airport through gates 1 and 2 only.