

Daily News Monitor: 14 September 2020

1. Carlyle may take \$2 billion stake in retail arm of Reliance Industries: Report

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

Private equity firm Carlyle Group is looking to invest up to \$2 billion in Indian conglomerate Reliance Industries retail business, a financial daily reported on 14 September, citing people aware of the development. The deal, if finalized, would be Carlyle's biggest investment in an Indian company and would be its first in the country's retail sector, the paper reported. Reliance and Carlyle did not immediately respond to Reuters' requests for comment.

2. Tie-up with Mukesh Ambani becomes increasingly crucial for big tech firms to enter India

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

The world's biggest tech companies are clamoring for a larger piece of India's booming internet space, but that increasingly seems to mean going through the country's richest man, Mukesh Ambani. Ambani's Reliance Industries Ltd. is said to be offering to sell a stake of about \$20 billion in its retail business to Amazon.com Inc., Bloomberg News reported last week. If Ambani succeeds in pulling off such a deal, it would mark another victory for the billionaire, who in recent months has secured \$20 billion of investment in his digital unit from marquee names including Facebook Inc. and Google Inc.

3. Thirteen states submit borrowing option to Centre to fund GST shortfall

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

As many as 13 states ruled by the BJP and parties that have supported it on various issues have submitted their borrowing options to the Centre to meet the GST revenue shortfall. These 13 states include Bihar, Odisha, Andhra Pradesh, Gujarat, Uttarakhand and Meghalaya. Six more states – Goa, Assam, Arunachal Pradesh, Nagaland, Mizoram and Himachal Pradesh – will be giving their option in a day or two, finance ministry sources said. In the current fiscal, the states are staring at a staggering Rs 2.35 lakh crore Goods and Services Tax (GST) revenue shortfall. Of this, as per the Centre's calculation, about Rs 97,000 crore is on account of GST implementation and rest Rs 1.38 lakh crore is the impact of COVID on states' revenues.

4. Sebi outlines options for MFs on new rules

Source: Hindustan Times ([Link](#))

The markets regulator on 13 September outlined the options available to fund managers to comply with rules on how investments should be spread across assets even as the industry raised apprehensions about the challenges in implementing the new portfolio rebalancing norms for multi-cap funds. The Securities and Exchange Board of India (Sebi) said it will examine proposals by the industry to ensure managers of multi-cap funds stick to the mandate of investing substantially across a wide section of firms. “Apart from rebalancing their portfolio in multi-cap schemes, they could inter-alia facilitate a switch to other schemes by unitholders, merge multi-cap scheme with large-cap scheme or convert multi-cap scheme to another scheme category, for instance, large cum mid-cap scheme,” Sebi said in a note.

5. Five memos about change from the CEO war room

Source: Livemint ([Link](#))

The Mint-Bain India CEO Survey has captured the hopes and fears of India’s top managers. CEOs have freely answered questions on a range of topics, from global and local risks; impact of covid-19 on the Indian economy; and their immediate priorities for the next 12 months. There are five big themes that have emerged from the survey. There’s long-term gain Covid-19 has hit a decelerating economy hard. India’s gross domestic product (GDP) for April-June 2020 contracted by almost a quarter, while GDP for the full year could shrink by almost 10%. About 80% of CEOs have experienced a negative impact of the crisis till date, and nearly 60% expect top-line growth for FY21 to be lower than FY20.

6. India plans electricity push for cooking

Source: Livemint ([Link](#))

In a major push for India’s energy security efforts, the National Democratic Alliance (NDA) government is planning to leverage electricity for cooking, according to power and renewable energy minister Raj Kumar Singh. This shift to induction cooking will not only bring the government closer to delivering on its promise to improve energy access, it will also generate fresh demand for electricity in the country—the lack of which is weighing down the entire power sector. The government plans to provide induction stoves to poor households in rural and urban India, as reported by Mint earlier.

7. India eyes investment from Japanese firms

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

India has reached out to Japanese companies, not yet present in the country, such as Nintendo, Hitachi Metals, Taisho Pharma, Ono Pharma and Mizuno to set up operations here,

and urged conglomerates already here to bring verticals currently missing. The Japanese government is offering its companies incentives to shift manufacturing bases out of China either back home or to India or Bangladesh. New Delhi is keen to wean some of them here and is reaching out to them to facilitate their entry, officials said. “We are in touch with Japanese investors,” a senior government official told ET. “Engagement with them is going on at various levels.” The government has drawn up a list of all the Japanese companies and is reaching out to them. Three categories of companies have been identified as part of the exercise. The first category consists of companies not present in India.