

DAILY NEWS MONITOR: 24 AUGUST 2022

1. Department of Commerce to set up a dedicated trade promotion body

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

To set up a future-ready administration geared towards the target of \$2 trillion exports by 2030, the Department of Commerce has decided to set up a dedicated trade promotion body to drive overall promotion strategy, export targets, and execution as part of a restructuring exercise. The trade promotion body will formulate and drive overall trade promotion strategy; create and drive India's branding across focus markets and sectors; drive coordinated action across missions, states and export promotion councils; strategic initiatives, including advisory and buyer-seller meet; and develop digital platforms for exporters and buyers. Based on a 14-volume 'restructuring dossier' by the Boston Consulting Group, the commerce department has already implemented some of the recommendations.

2. New ODI regulations: Govt allows investment in financial services abroad

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

Indian companies not in financial services can now directly invest in financial-services firms abroad, such as brokerages, asset management funds, and credit cards under the automatic route. Banks and insurance firms have been kept out of this. Earlier, such investment was prohibited. This is according to the new overseas direct investment (ODI) regulations notified by the finance ministry on Monday. They are aimed at easing rules for domestic firms that want to invest abroad. The move could open the door for many companies that want to do so. A company can now invest four times its profit if it has been profitable for three years. "Enabling Indian entities not engaged in financial activities to invest in financial services will improve the available avenues to deploy surplus funds. In addition to this it will also enable them to diversify in other jurisdictions," said Moin Ladha, partner, Khaitan & Co.

3. India hands over fertiliser to Sri Lanka

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

India on 23 August handed over a fresh consignment of fertiliser to Sri Lanka under a special support programme to help farmers during the forthcoming paddy season. "Adding to the fragrance of friendship and cooperation. High Commissioner (Gopal Baglay) formally handed over 21,000 tonnes of fertiliser supplied under India's special support to the people of Sri Lanka," the Indian High Commission said in a tweet after handing over the consignment. Last month, India supplied 44,000 tonnes of fertiliser, the High Commission added.

4. Adani to acquire 29.18% in NDTV; makes Rs 493-cr open offer for another 26%

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

The media arm of the Adani group on 23 August said it had exercised rights to acquire an indirect stake of 29.18 per cent in New Delhi Television (NDTV) through the conversion of loans into an equity stake in the promoter group company of NDTV. The move has also triggered an open offer for acquiring a 26 per cent stake in NDTV from its shareholders, even as the broadcaster said its founder-promoters had not consented to the exercise of rights, nor was any conversation or input given on the matter. The promoter entity RRPR Holding, at the centre of the acquisition, has been asked to transfer its shares to the acquirer Vishvapradhan Commercial (VCPL) in two days, NDTV said.

5. Parliamentary panel on finance discusses data use policies of Big Tech companies

Source: Livemint ([Link](#))

The Parliamentary standing committee on finance, led by Bharatiya Janata Party's Jayant Sinha, on 23 August met representatives of digital economy businesses and discussed business models as part of its study on the competitive practices in the sector. The panel had a "constructive and congenial" discussion about digital economy, opportunities created for small businesses, investments by these new age companies and their revenue streams with the representatives of the companies, said a person familiar with the discussions, seeking anonymity. The companies will have to submit written answers to specific queries later, he added. The interaction with representatives of Big Tech companies will help the panel find out about 'anti-competitive practices by Big Tech companies,' according to information on the Lok Sabha website, and is one of the 12 key economic subjects taken up by the committee for a detailed study.

6. Tier-III cities show strongest recovery in hotel business

Source: Livemint ([Link](#))

Tier-III cities with resort locations in India have seen the strongest recovery amid a rebound in leisure tourism. This has allowed these locations to command average rates higher than what they originally achieved prior to the pandemic, a new report by hospitality consulting firm Hotelivate said. The company's 2022 Indian Hospitality Trends and Opportunities report said the resurgence of hotel demand in the June quarter has been exceptional, and the companies have exceeded their pre-pandemic performance. India has about 150,000 branded hotel rooms, and the months of July and August have clocked some of the best performances hotel businesses have seen across several markets, said the report. The survey was done on 1,364 hotels, 53 companies and 152,000 rooms across 238 cities and 174 brands. It added that

business is robust across markets, especially with leisure locations continuing to outperform urban markets; city hotels have also seen an upswing in demand. The return of international travel will help further benefit the industry in the months ahead.

7. Narendra Modi's nuclear power push gains traction with new plants on way

Source: Livemint ([Link](#))

India's largest power producer is looking to develop another massive nuclear project just weeks after announcing its entry into the sector, a sign that Prime Minister Narendra Modi's expansion into atomic energy is gaining momentum. A venture between NTPC Ltd., which relies mostly on coal to supply energy to the world's fastest growing population, and India's monopoly nuclear developer is in advanced talks with the government to develop two 700-megawatt reactors in the central state of Madhya Pradesh, according to people familiar with the matter, who asked not to be identified as the discussions aren't public. That comes on the heels of an announcement earlier this month from NTPC, which said it's seeking to make its nuclear power debut with two reactors at Gorakhpur in the northern state of Haryana. The country is currently building six gigawatts of nuclear capacity, the most after China, which has nearly three times that volume under construction, according to the International Atomic Energy Agency.

8. Forex rule tweaks to let Indians invest in foreign fintech companies

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

The amendments to foreign exchange rules notified by the Centre on Monday have cleared the decks for Indian entrepreneurs and wealthy investors looking to put money in foreign fintech companies. Several technology entrepreneurs and angel investors have been facing challenges in acquiring stakes in foreign fintech companies because until now only non-banking financial companies (NBFCs) registered with the Reserve Bank of India (RBI) were allowed to invest in foreign companies involved in financial services. Technology entrepreneurs and angel investors were mostly not eligible for NBFC licence, market participants said. Also, financial services entities in India are subject to high compliance requirements, hence even the eligible ones were not keen on becoming an NBFC, they said.

9. Oil palm cultivation: Godrej Agrovet signs MoUs with Assam, Manipur and Tripura

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

Diversified agri-business firm Godrej Agrovet on 23 August said it has inked MoUs with Assam, Manipur and Tripura governments for development and promotion of oil palm cultivation under a central scheme. Godrej Agrovet NSE 2.77 % is the largest oil palm

processor in India and works directly with farmers for the entire crop cycle. As part of the memorandums of understanding (MoUs), Godrej Agrovet said it will be allotted land across the three states for promotion and development of sustainable palm oil plantations in the region. The collaboration will bring new opportunities and growth in building oil palm plantation in these three state and would help provide the required support to the farmers, it said.