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1. AUSTRALIA-INDIA-JAPAN TRADE MINISTERS' JOINT STATEMENT ON LAUNCH OF SUPPLY CHAIN RESILIENCE INITIATIVE

The Trade Ministers of India, Japan and Australia formally launched the Supply Chain Resilience initiative in a Trilateral Ministerial Meeting held virtually. The following is the text of the Joint statement adopted in the Meeting:

- ◆ Mr. Dan Tehan, Australia's Minister for Trade, Tourism and Investment, Mr. Piyush Goyal, India's Minister for Commerce and Industry, and Mr. Kajiyama Hiroshi, Japan's Minister for Economy, Trade and Industry held a Ministerial video conference on 27 April 2021.
- ◆ The Ministers acknowledged that the COVID-19 pandemic was having an unprecedented impact in terms of lives lost, livelihoods and economies affected, and that the pandemic had revealed supply chain vulnerabilities globally and in the region. The Ministers also noted that some supply chains have been left vulnerable due to a range of factors.
- ◆ Based on the high level consultations among Australia, India and Japan since September last year, the Ministers noted the importance of risk management and continuity plans in order to avoid supply chain disruptions and affirmed their commitment to strengthen resilient supply chains. Possible policy measures may include: (i) supporting the enhanced utilization of digital technology; and (ii) supporting trade and investment diversification.
- ◆ The Ministers hereby launch the Supply Chain Resilience Initiative (SCRI). The Ministers instructed their officials to implement the following as initial projects of SCRI and further develop the Initiative: (i) sharing of best practices on supply chain resilience; and (ii) holding investment promotion events and buyer-seller matching events to provide opportunities for stakeholders to explore the possibility of diversification of their supply chains.
- ◆ The Ministers decided to convene at least once a year to provide guidance to the implementation of the SCRI as well as to consult on how to develop the Initiative. The Ministers noted the important role of business and academia for the Initiative. The Ministers directed their officials to meet as often as required to take the Initiative forward.

The SCRI aims to create a virtuous cycle of enhancing supply chain resilience with a view to eventually attaining strong, sustainable, balanced and inclusive growth in the region. The Ministers consented that expansion of the SCRI may be considered based on consensus, if needed, in due course.

To quickly take forward the initiative, the Ministers explored convening the Trilateral Ministerial Meeting, once in four months.

(Source: pib.gov.in)

2. 80% MSMEs, STARTUPS URGE FM SITHARAMAN TO EXTEND GST PAYMENT, RETURN FILING DEADLINES WITHOUT PENALTY

Credit and Finance for MSMEs: The government had last week announced the extension of the deadline for payments under the Direct Tax Vivad Se Vishwas Act, 2020, and some compliances under the Income Tax Act by two months till June 30. MSMEs and startups, reeling under the Covid impact, have urged the government to extend the GST payment and return filing deadlines for the month of March, April, and May to June 30, 2021. According to a recent survey of MSMEs and startups by community social media platform Local Circles, as much as 80 per cent respondents suggested extension of deadlines describing challenges faced in filing GST payments and returns for the month of March. Finance Minister Nirmala Sitharaman had provided a similar extension on ITR filing and GST return deadline last year. "MSMEs and startups have been requesting extension of the GST payment and filing deadlines as in many states there have been curfew and lockdown restrictions that have been imposed since early or mid-April preventing them from meeting these deadlines. The respondents want the government to extend the deadline without penalty," Sachin Taparia, Founder and Chairman, Local Circles told Financial Express Online. The survey, conducted between April 21-22, saw the participation of 2,370 startups, MSMEs, traders, and service providers located in 122 districts of India. Local Circles had also escalated the request for action to Sitharaman through a letter sent last week.

(Source: The Hindu)

3. PLI SCHEME GOING UNDER UTILISED, SAYS NITI AAYOG VICE CHAIRMAN

Only three sectors are functioning under the production linked incentive (PLI) scheme of the 13 sectors for which the government has allotted Rs 1.95 lakh crores, Niti Aayog Vice Chairman Rajiv Kumar has said. He said India required to raise its investment from below 30% of GDP to 35-40% of GDP and exports as a share of GDP must go up as has been in China from 5% of its GDP to 28% of its GDP. He stressed that the share of manufacturing in GDP should increase and limiting manufacturing only to small scale would not suffice. Instead it (manufacturing) must emerge to be globally competitive with a condition of trust build between the government and the private sector. While the government should continue removing regulatory hurdles, the private sector should demonstrate self regulation as good faith to evolve as a responsible partner for growth, Kumar said at an interactive session of the MCC Chamber of Commerce in Kolkata. On the issue of rising input prices, he said it was a global issue and every country was struggling with this problem. But if there were incidences of tax escalations leading to higher prices, the government would look into it. On agriculture Kumar said, India

required to be water efficient since water usage was too high compared to yields. Given the fragmented pattern of land holding, industrial farming was not an option for India. But India needs to modernise agriculture with more engagement in organic farming. The Niti Aayog, he said, was looking into coal and other natural resources mining and the reforms recommendations, once implemented, will help in resolve the problems of higher production of natural resources for economic growth. “If our country can grow at 10-11% per year for the next decades, the per capita income of our country would be \$16,000 by 2050,” Kumar said, adding during the 90s , China and India had similar per capita income. China grew at 10% per annum from 1980 to 2010 and it presently has a \$14.9 trillion economy as compared to India’s \$3trillion economy. This is because after 1991 Indian economy managed to achieve growth rate in the range of 6%, even as the country has the potential to grow at double digit rates.

(Source: Financial Express)

4. MSMEs SEEK EASING OF NPA, COMPLIANCE RULES

Small Indian businesses have sought relaxation in compliances and norms governing classification of non-performance assets (NPAs). The Federation of Indian Small and Medium Enterprises (FISME) also pitched for creation of a “war-room” to monitor prices of key raw materials used by the sector, claiming that suppliers are increasing prices in the wake of the pandemic and rationalisation of import duties. “The Special Mention Account (SMA) framework has been devised for normal times,” FISME president Animesh Saxena said in a letter to finance minister Nirmala Sitharaman. “Now the payment cycles are longer and markets are disrupted. Banking cannot be just excel-sheet based; the system ought to provide much-needed flexibility to the banker so that these facts could be factored in.” Saxena said there is “urgent need” to revise the norms for Covid years. Meanwhile, the government said it may create an omnibus legislation providing protection from prosecution and penalties due to non-compliance during the pandemic up to March 31, 2022.

(Source: The Economic Times)

5. FINANCE MINISTER SMT. NIRMALA SITHARAMAN LAUNCHES CENTRAL SCRUTINY CENTRE AND IEPFA’S MOBILE APP TO LEVERAGE DIGITAL SOLUTIONS TO ACHIEVE PRIME MINISTER’S VISION OF ‘DIGITALLY EMPOWERED INDIA’

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman here virtually launched Central Scrutiny Centre (CSC) and Investor Education and Protection Fund Authority’s (IEPFA) Mobile App two tech-enabled initiatives by Ministry of Corporate Affairs. These initiatives leverage to strengthen the Prime Minister’s vision of ‘Digitally empowered India’. Shri Rajesh Verma, Secretary, MCA, and other senior officials attended the virtual launch event. Announcing the launch of new initiatives, Smt. Sitharaman said, “Digital India is a campaign launched by the Government of India in order to ensure that the Government’s services are made available to citizens electronically by making the country digitally empowered in the field of technology. These two initiatives would create a new corporate and investor friendly ecosystem. Going forward, MCA would bring in more tech-enabled services for ease of doing business and

ease of living for the people.”The Finance Minister also said that the Ministry of Corporate affairs has been engaged in a continuous journey of digitisation, automation and improvement, for the good of the society, the corporates, the economy and the professionals. Smt. Sitharaman further added that the multiple initiatives taken by the MCA in past couple of years to promote Ease of Doing Business (EoDB) in India. The increase in number of incorporation of Companies in India even during the COVID-19 pandemic is the result of initiatives like introduction of integrated form SPICe+ & Agile Pro for incorporation of Companies, which has provided one stop solutions to promoters desirous of setting up a business entity in India. This year till February 2021, about 1.38 lakhs companies have been incorporated as compared to about 1.16 lakhs companies in the corresponding period of last year by Central Registration Centre, an increase of over 17%, Smt. Sitharaman added. The Finance Minister said that the Central Scrutiny Centre will scrutinize certain Straight through Process (STP) Forms filed by the corporates on the MCA21 registry and flag the companies for more in-depth scrutiny. Smt. Sitharaman stated that MCA being one of the key primary sources of corporate data, is required to ensure that the data quality is uncompromised and free from flaws. With this objective in mind, the Ministry of Corporate affairs has established a Central Scrutiny Centre, which will primarily scrutinise the filings made by the users under straight through processes, identify the data quality issues and irregularities, communicate the same to the concerned Registrar of Companies so that corrective steps can be taken to restore authenticity and correctness of data and it can be seamless shared with other regulators, if required. The Finance Minister also launched the IEPFA Mobile App. During the launch the Finance Minister said, “The Mobile App aims at achieving the goal of financial literacy, spreading investors’ awareness, education, and protection among investors. Our prime goal here is to push Ease of Living.” Smt. Sitharaman added that the Mobile App has been developed for citizen engagement and information dissemination to promote awareness among investors. With this App, the Authority aims to achieve the goal of financial literacy, spreading investors’ awareness, education, and protection among investors both in rural and urban areas. Considering the dynamic nature of corporate compliance and regulatory ecosystem, the MCA will continue to upgrade the sampling mechanism, process workflow and technology to address the needs of stakeholders and promote EoDB in India, the Finance Minister said. The IEPFA App will have the facility of tracking the status and progress of the IEPF claim refund process. Moreover, it also provides a mechanism for investors and common citizens to report on the suspected fraudulent schemes. Currently, the app is available on Android based devices and can be downloaded from PlayStore.

(Source: pib.nic.in)