=================================================================

## 1. ON THE EVE OF THE G 20 SUMMIT, INDIA'S LEADERSHIP ON GLOBAL CONCERNS AND ITS VIEWS ON A WIDE ARRAY OF ISSUES RECEIVE STRONG SUPPORT - SHRI PIYUSH GOYAL

Agenda of the ongoing Sherpas' meeting is to finalize the Rome Declaration, which will be adopted by the Leaders at the G20 Summit. Happy to get support from G20 colleagues on mutual recognition of travel documents, including testing and vaccine certificates- Shri Goyal. For Sustainable Development and food security, India has insisted that policies must protect interests of small and marginal farmers, conserve local food cultures which in turn will ensure food security-Shri Piyush Goyal. India supports the need for critical enablers for galvanizing global Climate action like commensurate, long term, concessional climate finance, access to affordable and sustainable technology, and commitment to adopt sustainable lifestyles and responsible and consumption patterns - Shri Goyal. India is ensuring that there is no premature withdrawal of support for post Covid Economic Recovery and the most vulnerable sections are provided necessary support - Shri Goyal. G20 has agreed to extend the Debt Service Suspension initiative till the end of 2021 thereby giving some breathing space to those in need and vulnerable around the world - Shri Piyush Goyal. Shri Piyush Goyal shares updates on PM Modi's participation in the upcoming 16$^{th}$ G-20 Summit on 30-31 Oct in Rome.
Read more here: https://pib.gov.in/PressReleasePage.aspx?PRID=1767725
*(Source: pib.gov.in)*

## 2. FINMIN REFORMS PUBLIC PROCUREMENT TO FAST-TRACK PROJECTS, HELP MSMEs

The Finance Ministry has initiated reforms in public procurement and project management to execute projects and provide payments to the micro, small and medium enterprises (MSMEs) on time. Finance Secretary released revised guidelines, which outline innovative rules for this. The guidelines permit alternative methods for selection of contractors, which can improve speed and efficiency in execution of projects. In appropriate cases, quality parameters can be given weightage during evaluation of the proposal in a transparent and fair manner. This can be done through the quality-cum-cost based selection (QCBS) as an alternative to the traditional L1 system. The old system gives weightage to the lowest commercial bid, the Ministry said. Executing public projects on time, within the approved cost and with good quality has always been a challenge. “As the pace of economic development steps up, careful examination of procedures and rules is essential to ensure unwarranted roadblocks are removed. Also, new innovations must be utilised for increasing value-for-money of the taxpayer,” the Ministry added. As part of the government’s digital thrust, electronic measurement books have been prescribed as a means of recording progress of works. As many as 563 central sector projects, comprising 65 per cent of the total 862 with definite timelines, were running behind schedule as on October 1 this year, according to official data. Some of the improvements in guidelines also include prescribing strict timelines for payments when due. Timely release of ad hoc payments (70 per cent or more of bills raised) is expected to improve liquidity with the contractors, especially in micro, small and medium enterprises, the Ministry said. This system, along with other IT-based solutions proposed in the guidelines, will help in realising the dream of efficient Digital India, facilitate faster payments to contractors and reduce disputes, the Ministry said. The number of complaints filed by small businesses over delayed payments is nearing the 100,000-mark, involving a sum of Rs 24,385 crore. Of this, only 12 per cent has been disposed of or mutually settled. An estimated 91,424 applications have been filed so far, according to the MSME Samadhaan, a delayed-payment monitoring portal set up four years ago as part of the government’s efforts to clear dues to MSMEs. The Central Vigilance Commission, the Comptroller & Auditor General and the NITI Aayog had carried out analysis of procedures and rules for public procurement and project management. They suggested changes in strategies to meet challenges of public procurement. Besides, Model Tender Documents for procurement of goods and non-consultancy services were also released as part of the continuous process of review of existing procedures. MTDs specifically cater to the needs relating to e-procurement, thereby easing the process for adoption.

*(Source: Business Standard)*

### 3. BRIDGING REVENUE SHORTFALL: GOVT RELEASES RS 44,000-CRORE GST AID TO STATES

To help accelerate capital expenditure by state governments, the Union government on released Rs 44,000 crore to them to bridge their GST revenue shortfall. With this, the target of releasing Rs 1.59 lakh crore under the special back-to-back loan mechanism for the current financial year has been met. Of course, this amount is additional to what the states get as compensation from the designated cess funds. The Centre had released Rs 75,000 crore as GST compensation to states on July 15 and another Rs 40,000 crore on October 7 to make available more liquidity to them. These back-to-back loans entail no significant fiscal cost to the states. The front-loading of GST compensation loans will not lead to additional market borrowing by the Centre. Robust revenue receipts are giving the Centre confidence to limit its annual market borrowing programme at the budgeted level of Rs 12.05 lakh crore for FY22 even after factoring in Rs 1.59 lakh crore borrowings to be undertaken by the Centre for GST compensation to states. Even with the relief packages and export subsidy arrears clearances announced recently, the fiscal cost of which is estimated at around Rs 2 lakh crore, the fiscal deficit target of 6.8% of GDP for 2021-22 could be adhered to, given that tax revenue receipts would likely exceed the budget estimate by about Rs 2 lakh crore and expenditure rationalisation undertaken might allow savings of around Rs 1 lakh crore. Of the Rs 44,000 crore compensation released in the

latest tranche, Karnataka will get the largest amount of (Rs 5,011 crore), followed by Maharashtra (Rs 3,814 crore), Gujarat (Rs 3,609 crore) and Punjab (Rs 3,357 crore). Aided by impressive growth in tax revenues, capital expenditure by state governments have shown a marked improvement in the first five months of the current financial year even as the advantage of low base has begun to peter out. Data gathered by FE of 20 major states showed that these states reported combined capex of Rs 1.21 lakh crore in April-August of FY22, up 70% on year compared with a decline of 35% on year in the corresponding period of FY21. These states' capex in April-August in the current fiscal year was 10% higher compared with the same in the corresponding period of the pre-pandemic year, FY20. The Centre has asked states to undertake Rs 1.1 lakh crore more capex in FY22 than Rs 5 lakh crore achieved in the pre-pandemic year of FY20. The states are allowed net borrowing of 4% of GSDP in FY22 with 50 basis points of this linked to the achievement of incremental capex over their investment in FY20. For the second year in a row, the government is borrowing under a special, relatively low-cost mechanism to bridge a yawning shortfall in the GST compensation cess pool and transfer the funds to states as back-to-back loans. While the amount borrowed under the RBI-enabled mechanism last year was Rs 1.1 lakh crore, the Centre acknowledged in Parliament that an amount of Rs 81,179 crore was yet to be released to the state governments towards fully compensating them for their GST revenue shortfall for FY21.
*(Source: Financial Express)*

### 4. TS-iPASS ONE OF THE BEST IN COUNTRY: CII

Telangana's industrial policy TS-iPass is one of the best in the country and industry body Confederation of Indian Industry (CII) is working with the State government to attract more investments in textiles, electronics and pharma sectors, said CII southern region chairman C K Ranganathan. CII is working with the State Government and industry for boosting demand, facilitating private and public investment, job creation and increasing demand for exports, he said in a virtual session on `Key Priorities for 2021-22′. Advocating continued engagement with districts to promote industrial growth and job creation in tier II towns, he said CII had earlier brought out District Development Plans for Warangal and Nizamabad to promote them as investment destinations. 'Make in Telangana', the CII's flagship initiative together with the Telangana Government to showcase products and services of Telangana, will be held in November last week. It is also working with the Government for strengthening the IPR ecosystem in Telangana, registration of geographical indications for horticulture products, and also for a State IP Policy, he said. During Covid, the Telangana Government acted quickly to implement a work-from-home programme across industries. It took care that essential services and manufacturing segments were not affected due to the Covid restrictions. In case of a third wave, the Government should implement the lockdown in advance but should focus on micro-management rather than opting for a blanket lockdown. This will save lives and protect the livelihoods of people, he suggested. CII donated 17 ventilators, about 20,000 N95 masks and 100 oxygen concentrators apart from helping select government hospitals to set up oxygen generation plants. It also donated four vehicles to be used as ambulance for children, he said adding that the industry body will launch a pilot of Light House, a business strategies mentoring programme for MSMEs, in Telangana soon. CII Telangana Chairman Sameer Goel said that Telangana's Electric Vehicles, Logistics, Food Processing, IT/ITES policies along with sectoral policies have provided confidence among industry. The State with its many incubators and research institutions is now among the startup friendly States. He also mentioned that CII is organising programmes suiting requirements of MSMEs.

*(Source: Telangana Today)*

**5. SHRI PIYUSH GOYAL REVIEWS OPEN NETWORK FOR DIGITAL COMMERCE A NON-PROFIT ENTITY TO BE ESTABLISHED BY PRIVATE SECTOR PARTICIPATION ONDC TO BE SCALED UP AND DEPLOYED RAPIDLY**

The Union Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles, Shri Piyush Goyal reviewed the progress on Open Network for Digital Commerce (ONDC) initiative of DPIIT. The meeting was attended by Shri Anurag Jain, Secretary, DPIIT and members of Advisory Council of ONDC including Shri R.S. Sharma, CEO, NHA, Shri Adil Zainulbhai, Chairman, QCI, Shri Dilip Asbe, MD & CEO, NPCI, Shri Suresh Sethi, MD & CEO, NSDL-e Gov Shri Kumar Rajagopalan, CEO, RAI, Shri Arvind Gupta, Founder, MyGov and Ms Anjali Bansal of Avaana Capital. The Minister was apprised about the significant progress made for the project. QCI has established a team of experts for execution of the project in a mission mode. A number of small and medium enterprises have been on-boarded as volunteers to complement ONDC team. An ONDC gateway has also been established. About 20 entities covering all network components are at various stages of on-boarding. DPIIT has approved a budget of approximately Rs 10 crores for initial work on the project. It has been suggested to establish a private sector led non-profit company. The entity is expected to provide a start-up mindset for a population scale implementation, enabled by a management with a futuristic vision, leadership with a deep understanding of commerce, comfort with cutting edge technology, and missionary outlook to drive change. A non-profit company structure removes any incentive for owners to drive for profit maximization, keep focus on ethical and responsible behaviour while providing for trust, rigorous norms of governance, accountability and transparency. The role of the entity would be to develop the network by adopting and building enabling technology and encouraging wide-scale voluntary participation by eco-system players. It would ensure network discipline by establishing a code of conduct and rules of network based on principles of consumer protection, fair trade and regulatory conformity. The entity will also provide foundational services for managing the network like digital infrastructure for the network, common registry, certification of participants and certifying agencies, grievance redressal, etc. The entity will develop and operate reference applications for buyers, sellers and gateway for market activation and priming the network along with partner entities. It will also support SMEs in their digital transformation by developing readymade tools to help existing software applications quickly adapt to the network. The meeting was also attended by a number of prospective promoters including senior representatives from State Bank of India, Punjab National Bank, Bank of Baroda, NABARD, SIDBI, National Payments Corporation of India, NSDL, CDSL, NSE and BSE. Shri Piyush Goyal expressed satisfaction with the progress made and desired to compress timelines for making this network a reality soon. He directed that wide participation from ecosystem should be ensured and the institutional structure should be created in such a manner so as to ensure that the entity conducts itself in an ethical, cooperative, democratic and responsible manner. He directed that special efforts must be made to build trust in the ONDC network and elaborate mechanisms must be put in place for dispute resolution.

*(Source: pib.gov.in)*

## 6. MSMES WELCOME SIMPLIFICATION OF ATUF SCHEME FOR TEXTILES

The Amended Technology Up-gradation Fund Scheme (ATUFS) was reviewed by Union Minister of Textiles, Piyush Goyal and Minister for State for Textiles, Darshana Vikram Jardosh along with different Ministries, Departments, Textiles Industry Associations and Banks etc., at the 5th Inter Ministerial Steering Committee (IMSC) meeting organized by the Ministry of Textiles. It was intended to boost the Indian Textile Industry by enabling ease of doing business, bolstering exports & fuelling employment. In addition to fixing the timeline for conduct of IMSC meeting quarterly to facilitate implementation, some of significant decisions to resolve pending issues and way forward include:

- Reduction of Compliance burden by accepting only single certificate from the concerned bank instead of multiple documents regarding evidence of payment for claimed machineries
- Rationalisation of GR related to cases of consortium finance
- Consideration of Standalone embroidery machines wef inception of the ATUFS.
- Facilitating Industry by providing Condonation of filing for UIDs to 1795 pending cases besides the cases in which cut off dates falls during 23rd March 2021 and 22 October 2021(COVID Second wave period) with time line of its submission to Office of Textile Commissioner/iTUFS within 90 days ( i.e., total period for unit & banks).
- Condonation for the submission of JIT request to 814 units besides the unit in which cut-off date for submission of JIT request in post COVID-19.

Ministry of Textiles will simplify the procedure for Joint inspection using a calibrated approach to linking joint inspect to subsidy support size by reducing burden on bracket lower than INR 50 lakh instead of present 100 %. Dr. Animesh Saxena, Manging Director, Neetee Apparels a leading garment exporter and President of Federation of Indian Micro and Small & Medium Enterprises (FISME) said, “We appreciate the decision government is leaning towards as it was cumbersome and needed simplification and we are in full support of this step. Ministry of Textile should also deliberate on getting refund on time, as delay in refunds made people lose interest in this scheme because sometimes refunds were not cleared up to 2-3 years.” Secretary (Textiles) and Textile Commissioner will look into the modalities for simplification of enlistment of machinery manufacturers and accessories / spares parts manufacturers. Speaking on the occasion, Commerce Minister Goyal said that despite the hindrances during COVID-19 pandemic, Ministry and the office of Textile Commissioner have put serious efforts in resolving the policy constraints and settling of the claims. He mentioned that a special measure was introduced to ease liquidity flow in the industry by introducing an option for getting part subsidy released against Bank Guarantee. He noted with satisfaction that out of total settlements under ATUFS since inception, about 61% of claims have been settled during the peak of pandemic period i.e., in FY 2020-21. The Minister also suggested that Ministry and Textile Commissioner should rework the physical verification mechanism to automated verifications through Video Conferencing mode. He said provision for self-certification of machinery by units and random verification by office of Textile Commissioner may be considered in place of present physical inspection. Ministry of Textiles had introduced Technology Upgradation Fund Scheme (TUFS) in 1999 as a credit linked subsidy scheme intended for modernization and technology up-gradation of the Indian textile industry, promoting ease of doing business, generating employment and promoting exports. Since then, the scheme has been implemented in different versions. The ongoing ATUFS has been approved in 2016 and implemented through web based iTUFS platform. Capital Investment Subsidy is provided to benchmarked machinery installed by the industry after physical verification. ATUFS was approved for a period from 2015-16 to 2021-22 with an allocation of INR 17,822 crore (INR 12,671 crore for committed liability of previous versions of TUFS & INR 5151 crore for new cases under ATUFS). The scheme is being administered with a two stage monitoring mechanism by Technical Advisory-cum-Monitoring Committee (TAMC) and Inter-Ministerial Steering Committee (IMSC). ATUFS is implemented through web based platform, iTUFS. Modifications carried out in scheme guidelines in 2018 and further streamlining of procedures have simplified the process for availing the subsidy under the scheme. In 2019, IMSC decided to introduce physical verification of machinery and computation of subsidy before releasing committed liability under previous versions of scheme (MTUFS, RTUFS & RRTUFS).

*(Source: Knowledge and News Network)*