

NITI considers separate PLI scheme for MSMEs

Seeks different schemes for firms with higher targets, and smaller ones

NIKUNJ OHRI
New Delhi, 6 April

The NITI Aayog is working on a dedicated production-linked incentive (PLI) scheme for micro, small and medium enterprises (MSMEs) to help them enhance capacity, said a top government official, who is privy to the discussion.

The policy think tank is considering if the PLI scheme should be divided into two parts — one larger scheme for big companies with higher targets, and another for smaller ones, which are the backbone of the Indian economy and are critical to the supply chain. Last month, *Business Standard* had reported the NITI Aayog has recommended extending the PLI scheme across sectors to medium-sized industries to make the country self-reliant and lift domestic manufacturing. However, it is now felt that there should be a dedicated scheme for smaller businesses.

The government has extended the PLI scheme to 13 sectors to integrate India's manufacturing ecosystem with global supply chains. The scheme entails providing incentives to firms on incremental sales for five years over the base year of 2019-20. The NITI Aayog, it is learnt, feels wherever there is scope there should be separate PLI schemes, with different parameters, for bigger and smaller companies. The



AT A GLANCE

- ▶ Talks on to design separate scheme based on sectoral analysis, examining business models
- ▶ PLI scheme for MSMEs should be present in sectors with adequate demand
- ▶ The issue is being deliberated internally and a final decision is yet to be taken
- ▶ The government has extended the scheme to 13 sectors to integrate India's manufacturing ecosystem with global supply chains

issue is currently being deliberated internally, and a final decision is yet to be taken, the official said.

For small businesses, a new scheme should be formulated by undertaking sectoral analyses and examining business models and profiles, said the official. This should be done to enlarge the size of the business based on demand, he added. There shouldn't be any blanket application

of the scheme along with larger businesses, such that there isn't scope for their smaller peers. Instead, there should be demand-based application of the PLI scheme for MSMEs, where they actually tend to benefit, the official said.

The PLI scheme so far has been targeted only at large businesses, and small businesses have not yet benefited, said Anil Bhardwaj, secretary general of the Federation of Indian MSMEs. The PLI scheme does not currently focus on making MSMEs a part of the supply chain, Bhardwaj said. He added that incentives for small businesses should be higher as investment by such firms would not be as high as larger players.

Any concrete scheme with incentives for small businesses will definitely help MSMEs, said NR Bhanumurthy, vice-chancellor of Bengaluru Dr BR Ambedkar School of Economics University.

"There is asymmetry of information with regard to problems faced by MSMEs — financial constraints, cost of production, competition and their capacity," Bhanumurthy said. Hence, it is necessary to better understand the issues related to specific sectors that will help small businesses expand their size, Bhanumurthy said. "Evidence-based policy intervention is needed that will help small businesses compete with larger ones domestically and internationally," he added.

Bangalore Metro chief Ajai Seth new DEA secy

Tarun Bajaj to take full-time charge of revenue

SHRIMI CHOUDHARY
New Delhi, 6 April

The government on Tuesday appointed Bangalore Metro Rail Corporation managing director Ajai Seth as the new economic affairs secretary. He will replace Tarun Bajaj, who will be the new revenue secretary. Bajaj was holding additional charge of revenue secretary.

The latest bureaucratic reshuffle saw movement of eight secretaries and promotion of six additional secretaries to the post of special secretaries.

Seth is a 1987 batch Indian Administrative Service (IAS) officer of Karnataka cadre. According to the executive record-sheet, he is back in central posting after a gap of 13 years. His last posting was as advisor with Asian Development Bank in Manila (2004-08). Prior to that, he was director in the Department of Economic Affairs (DEA). Besides heading the Bangalore Metro Rail Corporation, he's served many roles in Karnataka, including commissioner of commercial taxes. He is scheduled to be in service till June 30, 2025.



Ajai Seth (left) and Tarun Bajaj



As economic affairs secretary, Bajaj, a 1988-Haryana cadre senior officer, held additional charge of revenue after the superannuation of Ajay Bhushan Pandey.

An old hand at the finance ministry, he is expected to streamline the transformation of the goods and services tax and resolve challenges associated with it. Bajaj was brought into the finance ministry in 2020 for the third time, when India saw its worst growth contraction in history on account of the pandemic. By taking full-fledged charge of the revenue department, he is also expected to tackle a fiscal crisis which could resurface after the second wave of the pandemic. Earlier, he was additional secretary in the Prime Minister's

Office (PMO). The DEA under Bajaj worked on some major policies, including privatisation of public sector enterprises, which are expected to usher in radical changes in the functioning of state-run entities.

Other appointments

Among other new appointments, Gyanesh Kumar (1988 batch IAS officer of the Kerala cadre) will be the new parliamentary affairs secretary, while Ali Raza Rizvi will take charge as secretary in the Department of Public Enterprises.

Indevar Pandey (1988 batch IAS officer of the West Bengal cadre) will be new secretary in the Department of Administrative Reforms and Public Grievances.

Kerry: India getting job done on climate

US Special Presidential Envoy for Climate John Kerry praised India as a world leader in renewables as he began talks with government leaders aimed at cutting carbon emissions faster to slow global warming.

India is the world's third biggest emitter behind the United States and China and is under pressure to commit itself to net zero emissions by 2050, in line with pledges made by several other countries. India is getting the job done on climate, pushing the curve," Kerry said.

"You (India) are indisputably a world leader already in the deployment of renewable energy."

Government sources told Reuters that India was unlikely to bind itself to a goal of net-zero greenhouse gas emissions by 2050 as its energy demand was projected to grow more than that of any other nation over the next two decades.

Kerry is leading efforts to get countries to step up commitments ahead of a summit of 40 leaders on April 22-23 called by U.S. President Joe Biden.

Later this year, world leaders are due to gather for a U.N. climate summit to build on the 2015 Paris accord to limit global warming.

Kerry said India was setting a "very strong example" for other nations on powering a growing economy with clean energy. **REUTERS**

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NOTICE INVITING TENDER

Open Tenders are invited from eligible vendors for following:

Sl No	Tender description	Tender Enquiry No.	EMD (Rs. Lakhs)	Tender Fee inclusive of GST (Rs)	Last date and time of payment of Tender Fee
1	Rate Contract for Supply of 12kV 10kA Distribution Class and Station Class-II Polymeric Lightening Arrester	TPCODL/P&S/1000000032/2021-22	5.40	5,000/-	15.04.2021 1700 Hrs
2	Rate Contract for Period of 1 Year for Supply of Mobile Sub-Station 11/0.4 KV, 500 KVA (Cu) Transformer with 11 KV RMU-CB-LTDB	TPCODL/P&S/1000000028/2021-22	2.00	5,000/-	15.04.2021 15.00 Hrs

For details, please visit Tender Section on website <https://tpcentralodisha.com>. Above Tenders are to be submitted in our e-tendering portal only. No Hard Copy submission is acceptable. For guidance to participate in our e-tendering Portal, bidders are requested to follow the procedure mentioned in relevant Tender Document. After receipt of required Tender Fee, Link will be shared to concerned bidders for participation. After receipt of link for participation, bidders shall make all tender related communication through our e-tendering portal. Bidders are requested to keep visiting our above website, for future modifications, if any, to our tender Documents.

EXIT-OFFER PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF REMI ELEKTROTECHNIK LIMITED

Corporate Identification Number ("CIN"): L51900MH1988PLC047157
Registered Office: Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai - 400 063, Maharashtra, India.
Tel No. +91-22-40589888; Email: rei_igrd@remigroup.com; Web: www.remigroup.com

This Exit Offer Public Announcement ("Exit Offer PA") is being issued by Fuldevi Saraf Family Trust ("Promoter Acquirer" or "Acquirer") to the remaining public shareholders ("Residual Shareholders") of Remi Elektrotechnik Limited (the "Company" or "REL") in respect of the voluntary delisting of the fully paid-up Equity Shares of the Company with a face value of Rs. 10 each ("Equity Shares") from the BSE Limited ("BSE" or "Stock Exchange") pursuant to Regulation 21(1) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "Delisting Regulations").

This Exit Offer PA is in continuation to and should be read in conjunction with the Public Announcement dated February 16, 2021 and published on February 17, 2021 ("Public Announcement or PA") in (i) Business Standard (English, All Editions), (ii) Business Standard (Hindi, All Editions) and (iii) Pratahkal (Marathi, Mumbai Edition), the Letter of Offer dated February 17, 2021 ("Letter of Offer") and the Post-Offer Public Announcement dated March 10, 2021 ("Post Offer PA") released on March 12, 2021 in newspapers. Capitalized terms used but not defined in this Exit Offer PA shall have the same meaning assigned to them as in the PA, Letter of Offer and the Post-Offer PA.

- INTIMATION OF DATE OF DELISTING**
 - Following the completion of payment at the Exit Price to the Public shareholders in accordance with the Delisting Regulations, the Company had applied to BSE on March 22, 2021 seeking final approval for the delisting of Equity Shares from BSE.
 - BSE vide its Notice No. 20210405-3 dated April 05, 2021 ("Notice") has communicated that trading in the Equity Shares of the Company will be discontinued w.e.f. Monday, April 12, 2021 and the Equity Shares of the Company will be delisted from BSE w.e.f. Tuesday, April 20, 2021.
 - Pursuant to the Notice, the Exit Window shall remain open from April 20, 2021 to April 19, 2022 for the Residual Shareholders of the Company.
- OUTSTANDING EQUITY SHARES AFTER DELISTING**
 - In accordance with Regulation 21 of the Delisting Regulations, and as announced earlier in the Post Offer PA, the Residual Shareholders who did not or were not able to participate in the Reverse Book Building process ("RBBP") or who unsuccessfully tendered their Equity Shares in the RBBP and are currently holding Equity Shares will be able to tender their Equity Shares to the Acquirer at the Exit Price of Rs. 12.51 (Rupees Twelve and Paise Fifty-One Only) per Equity Share ("Exit Price") for a period of one year starting from the date of delisting of the Equity Shares of the Company from BSE i.e. April 20, 2021 ("the Exit Window").
 - A separate offer letter along with application forms (the "Exit Letter of Offer") containing the terms and condition for participation of the Residual Shareholders during the Exit Window, shall be dispatched by the Promoter Acquirer to the Residual Shareholders whose name appear in the register of the member of the Company as on April 12, 2021. The Residual Shareholders may tender their Equity Shares by submitting the required documents to the Registrar to the Exit Offer during the Exit Window as set out in the Exit Letter of Offer.
 - The Registrar to the Exit Offer shall dispatch the Exit Letter of Offer to the Residual Shareholders of the Company. If the Residual Shareholders do not receive or misplace the Exit Letter of Offer, they may obtain a copy of the Exit Letter of Offer by writing to the Registrar to the Exit Offer, clearly marking the envelope "Remi Elektrotechnik Limited - Exit Offer". The Residual Shareholder may also download soft copy of the Exit Letter of Offer from the website of the Company.
- PAYMENT OF CONSIDERATION TO RESIDUAL SHAREHOLDERS**
 - Subject to fulfillment of the terms & conditions set out in the Exit Letter of Offer, the Promoter Acquirer shall make payments on a monthly basis within 10 working days after the 20th day of the relevant calendar month. The first Payment Cycle shall commence within 10 working days from May 20, 2021. The Payments will be made to only those shareholders who have validly tendered their Equity Shares by following the instructions as set out in the Exit Letter of Offer and receipt of demat Equity Shares in the DP Escrow Account (as defined in the Exit Letter of Offer) receipt of physical share certificates (along with duly filed in transfer deeds, as applicable) by the Registrar to the Exit Offer. All queries may be directed to the Registrar to the Exit Offer or the Manager to the Exit Offer. It should be noted that the Promoter Acquirer reserves the right to make the payment earlier.
 - The Promoter Acquirer will inform the Residual Shareholders by way of a public announcement of any changes to the information set out in this Exit Offer PA and Exit Letter of Offer.

If the shareholders have any query with regard to the Delisting Offer or the Exit Offer, they should consult the Manager to the Exit Offer or the Registrar to the Exit Offer (details appearing below). All other terms and conditions of the Delisting Offer as set forth as set forth in the Public Announcement, the Letter of Offer, Post Offer PA remain unchanged. This Exit Offer PA is also expected to be available on the website of Stock exchange (www.bseindia.com) and the Company (www.remigroup.com).

MANAGER TO THE EXIT OFFER	REGISTRAR TO THE EXIT OFFER
 SYSTEMATIX GROUP Investments Re-defined Systematix Corporate Services Limited The Capital, A-Wing, 6th Floor, No. 603-606, Plot No. C-70, G-Block, Bandra-Kurla Complex (BKC), Bandra (East), Mumbai 400 051, Maharashtra, India Telephone: +91-22-6704 8000 Fax: +91-22-6704 8022 Email: ecm@systematixgroup.in Contact Person: Mr. Amit Kumar Website: www.systematixgroup.in SEBI Registration Number: INM000004224 Validity Period: Permanent	 Bigshare Services Private Limited Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Andheri - East, Mumbai - 400059, Maharashtra, India Telephone: +91-22-62638200; Fax: +91-22-62638280; Contact Person: Mr. Arvind Tandell Email: delisting@bigshareonline.com Website: www.bigshareonline.com SEBI Registration Number: INR000001385 Validity Period: Permanent
For and on behalf of the Trustees of the Promoter Acquirer Sd/- Sharad Kumar Saraf Trustee Date: April 06, 2021 Place: Mumbai	Sd/- Anil Gadodia Trustee

US calls for duty on Indian wind energy equipment manufacturers

TWESH MISHRA
New Delhi, 6 April

The International Trade Administration (ITA), under the United States department of commerce, has recommended levying a countervailing duty against wind energy equipment manufacturers from India. The recent steps are a stark reminder of the Obama era battle in the World Trade Organization (WTO) between India and the United States to protect the latter's local renewable energy industry.

With the Joe Biden-led Democrats now in office, the US clean energy lobby appears to be back in action.

A notice by the department of commerce said, "The department of commerce preliminarily determines that countervailable subsidies are being provided to producers and exporters of utility scale wind towers from India. The period of investigation is April 1, 2019, through March 31, 2020."

In November last year, the



US department of commerce published its initiation of the countervailing duty investigation of utility scale wind towers from India.

In February 2021, nine additional new subsidy allegations were filed and the department recommended initiating investigations on eight programmes under question.

Among the Indian government programmes under investigation are the priority sector lending programme, concessional Customs duty exemption certificate and the enhancement of competitiveness in the capital goods sector:

nacelle when fully assembled."

Vestas Wind Technology India is the only individually examined exporter/producer in this investigation. The department of commerce has preliminarily determined a subsidy of 3.74 per cent. It has estimated a rate of 397.16 per cent (subsidy) against Naiks Brass & Iron Works, Nordex India, Prommada Hindustan, Suzlon Energy, Vinayaka Energy Tek, Wish Energy Solutions and Zeeco India based on the adverse facts available.

This aggressive posturing by the US government is similar to the stand taken during the previous stint of Democrats in the US. India had faced criticism at the WTO for its domestic content requirement clause in government tenders.

The US had then alleged that Indian tenders were discriminating against American businesses that wanted to participate in India's solar energy deployment programmes. India had lost this case at the WTO in 2016.

'Big players stayed away from Vivad se Vishwas'

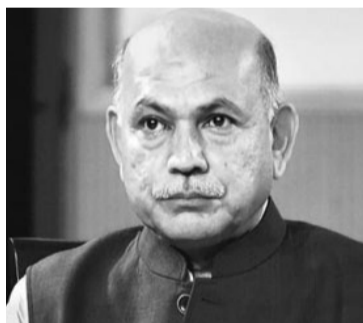
DILASHA SETH
New Delhi, 6 April

The government may have managed to resolve nearly 30 per cent of the pending direct tax disputes under the Vivad se Vishwas (VsV) scheme, but only about 10.07 per cent of the disputed tax amount has been settled, clearly suggesting that large players chose to stay away.

In an interview to *Business Standard*, Central Board of Direct Taxes (CBDT) Chairman P C Mody attributed the trend to 'large players being able to afford the cost of litigation'. "This scheme has been a grand success. Rather than focusing on collection, the intent of the scheme was the settlement of disputes," said Mody.

The scheme announced in the Budget last year allowed for the settlement of tax disputes due up to January 31, 2020. The declaration window, after several extensions, closed on March 31 this year, but payments will be allowed till April 30.

Public sector enterprises accounted for 35 per cent of the settled disputed tax, but just 1 per cent of the disputed cases have been cleared.



P C Mody, CBDT chairman

Of the 510,491 pending dispute cases with a disputed tax amount of ₹9.7 trillion, nearly 148,690 cases have been settled involving a disputed tax amount of ₹1.03 trillion, according to the data shared by the CBDT. This signifies that only smaller disputes were settled under the scheme. "Large players have the wherewithal to fight litigation, while a mid-bracket taxpayer would say it is better to settle the issue. Also, in older cases, where penalty and interest burden were higher, they have opted for the scheme. No interest and penalty

THE LOWDOWN

Pendency of disputes (as on 31.01.2020)

	No. of cases	No. of declarations filed	Disputed tax as per Form 1 filed (₹ cr)	Payments against disputed tax (₹ cr)
Central PSUs	2,676	1,385	35,109	27,718
State PSUs/ boards	6,409	870	1,615	1,020
Others	501,406	131,582	63,713	25,267
Grand total	510,491	133,837	100,437	54,005

Source: CBDT

were good incentives to settle under VsV," said Mody.

Of the total settled disputes, 97 per cent pertain to cases where appeals have been filed by assesses; in the rest 3 per cent, appeals have been filed by the department. The scheme allowed 50 per cent waiver in disputed tax amount and waiver of interest and penalty where appeal had been filed by the income-tax department, whereas 100 per cent principal tax amount is payable with a waiver in interest and penalty where the income-tax depart-

ment has filed an appeal.

While the CBDT has received ₹54,005 crore so far, another ₹20,000 crore is expected by April 30 — the last date for making payments under the scheme. Since the government will need to issue refunds for the tax amount already paid by the assesses, the net collection for the government from the scheme will be lower. Mody said it would be somewhere close to ₹50,000 crore.

Mody said that litigation management has been high on the government's list of priorities.

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'Our infrastructure will be on a par with US in 3 yrs'



Is the vehicle-scrapping policy final and is the auto industry ready to give incentives beyond 1 per cent?

We have notified the policy and it would benefit the country's automobile industry. Our automakers export 50 per cent of what they manufacture and once the policy comes into play, which is in the next two-three years, we would become a ₹10-trillion industry.

The auto industry generates maximum employment and also maximum revenues for both the

state and central governments. We intend to become a manufacturing hub for the world.

We have issued an advisory suggesting that vehicle manufacturers should incentivise more. Some have assured us that they are ready to give incentives up to 5 per cent. We feel that competition will take care of the incentive part and as far as the nudge from the government is concerned, we have issued an advisory if one follows it, others will also follow. I have also requested the finance minister to give some rebate under goods and

services tax (GST) to a consumer who is scrapping an old vehicle for a new one. The proposal has to go to the GST Council.

With the second wave of Covid-19, do you think lockdown should be an option?

Because of Covid lots of problems have come. Small businessmen and traders have to face these problems. We need to understand the art of living with Covid-19 and take all precautions. The economic situation is challenging but we have to win this.