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THE GREEN DIGEST

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POLLUTION

A BILLION-DOLLAR BUSINESS OPPORTUNITY

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Dear future entrepreneurs, every menace is a business opportunity, this one is worth a billion dollar – Pollution



Prologue

Around 490 BC, a Greek messenger ran a distance of 24 kilometres without stopping on his way to deliver a message of battle victory to the Greek capital Athens, to thwart the attempts of Persians to claim false victory in Athens, after being defeated in the epic battle of Marathon. The messenger burst into the assembly, exclaimed ‘we have won!’ and then collapsed and died right there. Fast forward 2,500 years later, the distance of 24 kilometres seems nothing – you can even reach out to the Queen of England within seconds, simply with a tweet.

The world has become smaller, thanks to the internet. We don’t need messengers anymore to collaborate, we have WhatsApp groups, Zoom meetings, Instagram live and Facebook rooms to organise ourselves within seconds for any activity. And yet, it seems the message about ‘Rising pollution and global warming hasn’t reached everywhere yet. There are still many who believe it is all a sham, and then there are those who know everything and yet haven’t budged even a little. There are so many portrayals of how

scary the world could be – paintings, dramas, movies, series, songs, cartoons and of course, white papers, depicting the dystopian future, and yet the global intent is so little or negligible compared to the actual efforts required. There’s a question for the working generation out there who are earning to ensure a living for their future and their children, be it the basics, the education, or a lifestyle; the investments, the savings or the wealth – “The great grand future you are planning – are you considering ‘earth’ a part of it?” Because the chances are bleak that earth would remain habitable by then. The thought might pinch, and it should, because the sky and the oceans are all scheduled to perform some repairs and maintenance work on earth, and we are not sure if humans qualify as worthy or trash.

Backdrop

“Pollution is anything that makes the earth dirty and unhealthy. There are three types of pollution – Land pollution, Air pollution, and Water pollution.” I still

remember these definitions from the school books, as it was considered a hot topic for the exams and could fetch good marks, even though it was a fairly easy chapter to memorise. If you too belong to the millennial generation, you might probably relate to it. However, as life chased adulthood, pollution turned from a green to a grey topic. It is affecting our health and our lives, and yet we aren't even talking enough about it, because there's something else that has taken centre stage – money!

To curb pollution would mean shutting down the profit-churning factories, giving up industrial opportunities to save trees, leave the comfort of cars and use public transport, no crackers or noisy celebrations on festivals and occasions, and a lot more which almost equals to living a life of a monk – something that nobody is prepared to do, even though the solution to all our problems eventually leads us there. Nobody is willing to give up their materialistic pleasures.

People use products because there's convenience and comfort that they don't want to give up, although they cause pollution. Businesses won't stop producing such products because they don't want to give up their profits. The Governments won't ban such products because that's where they generate taxes from. The politicians don't have the willpower as their pockets are filled by these same donors, while the environmentalists are too few to even make an impact.

There's foolishness in the selfishness around, as the people are looking to decorate their heads, and paying the way for cutting their limbs. We all know it, and yet we lack the intent to do it. This materialistic world needs materialistic ideas. Since the greater good doesn't seem like a profitable venture, let us consider an alternate view, 'Pollution - the billion-dollar business opportunity'.

The Paris Agreement

In 2015, 196 nations entered into a legally binding international treaty on climate change to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. To achieve this goal, each country will submit their plans for climate action referred to as Nationally Determined Contributions (NDCs), to ensure global peaking of greenhouse gas emissions as soon as possible and to achieve a climate-neutral world by mid-century. The Paris Agreement is a huge landmark in the multilateral climate change process because, for the first time, a binding agreement has been entered into to bring all nations into a common cause.

In the Glasgow Climate Change Conference 2021, the 26th Conference of the Parties (COP-26), various new adoptions such as stopping deforestation, abandoning coal, reducing methane emissions and carbon neutrality were also considered apart from reducing 'net' carbon neutrality to zero by 2050. Although Governments are known for not keeping their word, the Paris Agreement ensures that at least a few steps are taken towards a greener environment. With deadlines in place, the Governments will be forced to take some early initiatives and other actions sooner or later. The global conglomerates have already taken cues from the same and building technologies or strategising towards completely different business models.

Fundamental principle

Every menace is an opportunity. The fundamental principle of business is to solve problems – every problem, is a business opportunity, you just need to find the solutions and you have a business model. Pollution and global warming are the gravest problems that humanity faces. There is an existential crisis and if you are a true

entrepreneur, you already know how big this opportunity is and how profitable it can be. The only problem is that the people aren't going to budge on their traditional ways and comfort. The only way to move them from there is to provide them with an equivalent or more convenient choice that also solves the pollution problem. However, that would require some ground-breaking ideas and research work. For a long time, this wasn't possible, however, that's no longer the position today.

First-mover advantage

There are global conglomerates with revenues more than the GDPs of many countries around the world. These giant business groups will continue to exist for years and for longer than our human life, given the financial position and loyalty they enjoy. Such businesses only face two kinds of threats – threat from the Government for legal compliance and threat from being outdated. Pollution is one such subject that has put global conglomerates in a position to think and rebalance their businesses to ensure a viable future for the company.

Businesses globally are also well aware that the first-mover shall have the advantage that will enable the companies to establish strong brand recognition and product loyalty before the competitors enter the market. Thus, the race has begun to provide eco-friendly solutions and alternatives. When Tesla pioneered the electric vehicles segment, only a few supported the idea. However, after seeing its success, all major automobile companies have swiftly aligned their business strategies towards the development of the electric vehicles segment. Ford has already announced its ambitions of entering into electric vehicles. General Motors and others have already entered the race, while Toyota has also moved away from its earlier thoughts of hybrid cars, to launching fully electric models.

Honda has entered into electric batteries market while Ola has launched its electric scooters in India. As per a KPMG survey, 50% of the cars in the United States, are expected to be electric. Thus, to protect their interests and also to benefit from the first-mover advantage, the companies are rapidly changing their policies to align with future needs. However, there are many other sectors where nobody has taken the initiative yet, fearing failure, however, successful research may turn the fortunes in their favour.

The interest of the institutional investors, as well as the retail investors, has also tilted towards the companies into environment savings businesses as the same has more prospects to grow than others in the long term. This is also forcing the companies to quickly move towards the new space and gain the advantage.

In the Indian context, the oil to telecom conglomerate has swiftly made its moves towards data and renewable energy businesses. Reliance Industries has vowed to create or enable capacity to generate at least 100 gigawatts of electricity from renewable sources by 2030, which can be converted into carbon-free green hydrogen. In fact, the company also called off its deal with Saudi Aramco, where the latter would have invested USD 15 billion to buy a 20% stake in Reliance Industries. The deal would have been the largest foreign direct investment in India, however, Reliance Industries which aims to become net carbon zero by 2035 has planned to switch to cleaner feedstock and energy at its O2C business and expand in solar power, batteries, electrolyzers to produce hydrogen and hydrogen fuel cell.

Meanwhile, the Adani Group has also announced that the group will spend USD 70 billion to amass a 45-gigawatt renewable energy portfolio by 2030 and produce the world's cheapest green hydrogen.

An untapped universe

All things apart, pollution provides a unique challenge and the solutions need to be uniquely different. Delhi-based Chakr Innovation reduces air pollution with its unique retro-fit emission control device for diesel generators which captures almost 90% of the particulate matter emissions from the exhaust air without reducing energy efficiency. Even the diesel soot captured from the exhaust is also used to prepare inks and paints. Similarly, Graviky Labs, a spinoff of the MIT Media Lab has built Air-Ink which collects carbon emissions that are usually expelled into the environment. It turns them into black ink that can be used for industrial printing, silk screening, or simply to draw a picture. NavAlt Solar & Electric Boats have brought together innovation in naval design and engineering, solar power and advanced controls in its first commercially viable solar-powered ferry 'Aditya'. The ferry gets 80% of its energy from the sun and can cruise over 6 hours on a sunny day, with 75 people. Agnisumukh manufactures commercial kitchen equipment which saves 30% on gas, improves cooking and also beat indoor air pollution in commercial kitchens. Meanwhile, a group of Thai designers have envisioned a bicycle that sucks in dirty air through the front and generates oxygen, with a lithium battery that helps out on the hills.

There are several other stories of innovation in different segments of products. However, the product sales have not gained enough impetus. The failure to replicate the convenience of a conventional product has curbed the sales of such innovations. Besides, most of these innovations have been from startups coming up with new ideas. For mass scale spread of eco-friendly products, we would need the global conglomerates to step in. In fact, even a small investment by large corporates in the innovation clubs of their industry can help the innovation speed up – something that the technology industry has excelled in

over the years. This, in turn, also helps the company, as the threat to its products becomes lesser as it can replace the same with the innovative solution being produced.

The bottom line

Necessity is the mother of invention. Finding solutions for pollution is a necessity of the hour and only invention can resolve the problem. If serving mother earth isn't enough for bringing out the intent, the untapped billion-dollar business opportunity should serve as the goal. The world needs the solutions desperately - it may not seem like right now, but in a few years, it would surface in all sectors. And in such a situation, the first movers will have the advantage – this has been the story since the industrial revolution, the technological revolution, the financial boom and the latest internet boom. If you are one such innovator, don't be disheartened, you may be the key to the future. And if you are an existing business, it's high time that you evaluate your business against pollution and global warming, and take actions to ensure the viability of the same in the long run. Remember, it's survival of the fittest – it has been, and it will always be that way.

(This article was contributed by the editorial team)



Influencers – Not just another fad. How the social media stars are reshaping the future of marketing, explained.

By Amit Chandak, Associate Director, Greenvissage



Prologue

When we are born, we are all the same – we know nothing about this world. We start looking up to those around us – the parents and the close ones and learn the basics of living – how to eat, walk and talk. As we grow older, our circle increases and we have friends, teachers, relatives and society whom we look upon and learn living in a community. We aren't born vegan, religious, introverted or otherwise, we adopt it from those around us. Into the teenage, we start understanding the world around us, until then we only knew about it. We start developing our well-evaluated perspectives, principles, thoughts, desires and dislikes. By the end of our twenties, we develop aspects of our thinking which we find difficult to override in the rest of course of our life – our minds are concretised.

This stage of life is also the time when we look upon certain people as our heroes, based on our activities and experiences. In the early days, people used to look upon

their clan leaders, kings and the Gods as their heroes, as our world was limited. However, with modernisation and globalisation, our idols were supplemented by great artists, thinkers, writers, revolutionaries, and leaders. In the last two decades, self-made personalities such as film and music celebrities, sportspersons, political leaders, businesspersons and technocrats have become the new idols of the millennial generation, thanks to the advancements in technology and the rise of the entertainment industry. However, even this trend is changing and fading quickly. The new teen generation is increasingly rejecting the historical greats and self-made personalities and is inclined towards a new class of idols – the social media influencers. As a parent, it is heartbreaking to see children moving away from following the principled leaders and inspiring personalities, to the social media stars who have neither been instrumental for the country nor their own lives. However, some others in the background are having big smiles on their faces. Let's talk about them today and other things on another day!

Backdrop

It hasn't been too long since the advent of social media – it is barely 10-12 years in age and gaining impetus only recently during the past 4-5 years. However, today right from Political Statements to Official Government updates, Product announcements to Sales Support, Sports talk to Protests for rights – everything happens on social media. It isn't merely being updated, things are literally happening right there, from all around the world. The business of social media has flourished more than anything else over the years and the annual earnings of Facebook, now Meta, is a prime example of things that have been so far. The business model of social media companies is pretty straightforward – build a platform where people can have fun, analyse and sell the data collected, and display advertisements based on it. It has provided the marketing industry with a much-needed alternative, far more powerful than the traditional billboards, displays, pamphlets and televised videos. More importantly, social media has built a space where even small businesses can advertise with their small budgets. 'Presence building' has been the term that the new age 'social media marketing' and 'digital marketing' professionals have been using for a while now. This was all fine until the lines started getting blurred.

Organic marketing

There are two kinds of marketing – inorganic and organic. The former type specifically says "Hi, I am an advertisement, click me to know more". This is how traditionally marketing has been – clear and specific. You can differentiate the content from the advertisement. However, things started getting blurry as the marketing pundits started crossing the line. Firstly, the click baits came in – it looks like news, but isn't. In the audio-video

world, this was accompanied by darker, colourful and flashy visuals along with the humans modulating the voice and speaking to the highest pitch of their tone to create a scene as if something big has happened. Meanwhile, the celebrities began with fabricated interviews, which were later adopted widely by politicians and businesspersons to promote their public image. And let me tell you, this was still fine.

Things have changed since the pandemic as everyone has moved to social media because that's where "everything is happening." Although we still breathe, eat, live and do literally everything in our physical world, we are made to believe that social media is the place where everything is happening. Thanks to the geniuses at the social media company tracing and tracking all our clicks and taps to generate higher views and revenues for the platforms.

Suddenly, everyone is selling on social media. Facebook posts, WhatsApp statuses, Instagram live and reels, Youtube videos, LinkedIn posts etc. and of course the messaging section of these platforms – every possible means have been used to advertise products, services and for image building. **And these aren't businesses or corporates trying to sell to us – these are our friends and relatives whom we added or followed to ask and know their whereabouts. The line between business and personal has been destroyed and today the social media is no longer the place for personal chats and witty comments, instead, it is a place where everyone portrays what they aren't but wish to be.**

All these above tactics where the advertisers don't outrightly call an advertisement, an advertisement, is known as Organic marketing. So when a celebrity tweets about how nice a particular product is, it is organic marketing. When your friend keeps on mentioning a particular brand and later tells you that you can buy it from

it from him, that too is organic marketing. Organic marketing has destroyed the essence of personal interactions and there's nothing that can be done about it because even our real lives have somewhat become the same – we are advertising to each other.

Social media stars a.k.a. Influencers

Social media influencers are people with sway over their target audiences, with specialized knowledge, authority or insight into their subjects. And this isn't about history, politics or science, but topics like gadgets, makeup, recipes, travel, exercise, gaming, dressing, investing and gossips – the everyday things that our education system doesn't cover. This is the reason why social media influencers have so much sway and fandom – because they are teaching the teens what their teachers and parents have been talking about. There is a whole other class of influencers who just create memes, dress or dance, make funny videos, sing or take up absurd challenges. While it might sound casual, it isn't as easy, since technology has made it possible for everyone, to create and edit high-quality content. Most of these influencers spend heavily on cameras, editing software, editors, props and other things necessary for their content, including travelling and special permissions for shooting. This is no joke, they are almost running a micro-filmmaking business and spending heavily for the likes, comments, views, followers and subscriptions.

And don't think of this spending as a leisure and entertainment expense, it is rather a business expenditure as these influencers, in turn, make huge money out of advertisements and product branding. The YouTubers make informational videos on a topic to promote an advertiser from the same industry, who is paying them to make the video. The artist influencers are using products of brands who are paying them to display the same. The

fitness influencers are promoting fitness apps, equipment, nutrition products, etc. Then there are a large number of influencers who dress up, sing, pose or dance and garner views and followers to their posts, while displaying products and product links in between their posts and in the descriptions. Some even earn commissions on the product sales that occur through the links displayed.

You may think the influencer was recommending you a piece of real advice, while the truth is he/she may have never even used the same, but merely doing so because the brands have paid them to. And it's too late till you realise the reality. It doesn't look like an advertisement anymore, it is almost a betrayal.

Capitalising influencers

An influencer assists companies in influencer marketing, a form of advertising that builds brand authority on the back of another person's reputation. The presence of influencers in a niche makes them a useful launching pad for brands who are looking for credibility. 85% of marketers engaged an influencer for marketing in 2017, and 92% said their campaigns were effective. When someone you believe in recommends something, there are more chances that you will buy it. Social media provides the perfect platform for the brands to advertise and with organic modes of marketing, they are churning out sales in huge numbers, while being almost invisible.

If you understand the marketing world, you might have realised by now, how scary this form of advertisement is. And the recent concern around investments in cryptocurrencies is the best example of the same. Cryptocurrencies are a new and unregulated market. Thus, there is no Government control, nor any official information about anything. If a website says that the crypto is valuable, you may choose to either believe in their

words or opt not to. There's no means of cross-checking the information with an official database, as there isn't one. While people usually stay aware of their investments, the patience doesn't stay the same when a favourite influencer starts recommending investing in a cryptocurrency. There's more trust as the influencer recommended it although the product isn't a real asset, merely a pump and dump scheme where the hell will break loose one day when the invisible scamster withdraws all the money. While being a social media influencer has become a great career alternative for many, the advertisements have become too organic and we can never be sure whether the advice is real or not.

Live commerce

The brands have realised the effectiveness of influencers as they are a cheaper form of advertisement and also reach out to the end consumer closely, instead of billboards and television adverts which people usually skip. This has led to brands bringing them to the mainstream advertisement, instead of merely allowing them to display a link to products and 'Live Commerce' is the latest trend.

Live commerce enhances eCommerce with live streaming video events, combining the personal help of in-store shopping experiences with online convenience. A celebrity gives a live product demonstration or endorsement and with live interactive video streaming, customers can interact, comment and even directly ask questions of the presenter. Links allow the customers to learn more and purchase directly during the celebrity presentation, then return to the live stream and participate. The live commerce experience mimics the experience of shopping in a store. The stream also includes embedded videos and links to provide further information about measurements, sizing, material, and various ways to wear the product. Live commerce works in two ways – 1) the brands can

create their accounts and advertise their products through their company resources 2) the influencers can create their accounts and endorse brands and products of their choice.

If you look at the whole picture, the marketplace platform is earning, the product brand is earning, the product reseller is earning, the influencers are earning, the social media platforms too will learn and the only person shelling out money is the customer – may be on the right product, or maybe not!

The live commerce model has been a major success in China where Alibaba's Taobao Live has a large chunk of the market share and reported a gross merchandise value (GMV) of close to USD 62 billion in 2020. ByteDance, the parent firm of TikTok, owns Douyin — a short-video platform that integrates the platform to direct purchases. Kuaishou is the other major player in the market. In India, startups like Bulbul and Simsim (now acquired by YouTube) are building the same model. During this year's Prime Day event, Amazon launched its own 'Amazon Live' the retail giant's video shopping platform. Amazon announced Prime Exclusive Deals to its network of influencers allowing them to create live video content around featured products and create an engaging experience for shoppers to explore video content featuring discounts. Recently, even Myntra has announced that it is going to launch live commerce. Flipkart has also announced that it has partnered with short-video platform Moj to introduce video commerce to users on its platform while shopping online.

Live commerce is destined to become mainstream in the next ten years. It reduces the distribution costs for the company as the products are sold directly to the consumers and not through wholesalers, traders or dealers. The overall customer experience also enhances as now buying is more lively right from the comfort of home. For the marketing teams, there's more tracking and

measuring data than ever before, thus, more accurate advertisement targetting. For the brands, they have a place to build their presence moving away from the brick and mortar showrooms in the shopping malls. And for the influencers, they are going to become more powerful than ever. It's a win-win everywhere!

The road ahead

All things apart, if you are considering becoming an influencer, don't be shy, it's a real career now, with some great prospects in the future. For the brand owners, the people in the background with a big smile, it seems like the smile is going to be intact for a long time ahead. The brands with the marketplace and social media together – money will make money for itself. The technology and marketing industry will gain more impetus, as the demand for more immersive shopping experiences will rise. Thus, everyone is expected to be in money, and customers too can expect an upgraded shopping experience. However,

things are not all green as there are some greys which need to be sorted.

The advertisement industry has become a wild beast, untamed and beyond control. There are authorities, however, their contribution to making advertisement safer is equivalent to the contribution of ants to the country's GDP. India and many other developing nations still do not have proper laws for data protection, data privacy, online safety and more importantly, standards and ethics for advertisement and stricter implementation of the same. There are so many fake campaigns and schemes that run online and dupe people, cryptocurrencies and Non-fungible tokens are the latest means for doing the same. The Government is nowhere in the picture as neither the legal framework is in place, nor the administrative machinery. For the shopaholics, the experience ahead is going to be exciting. However, for those others, their privacy is at stake.



49% people rely on recommendations from their favourite influencers while purchasing goods and services online

Source: InfluencerMarketingHub



Government policies

- The intergovernmental forum G-20 has endorsed the proposal for a global minimum tax on corporations, a new era of international tax rules aimed to tax the profits of multinational businesses who stash their profits in countries where they pay little or no taxes, the tax havens. A global minimum tax of at least 15% has been proposed for companies with annual revenues of over 750 million euros (USD 864 million).
- India and the United States have agreed to settle differences relating to the 2% equalisation levy imposed by the Indian Income-tax department on e-commerce operators, on the lines of the Unilateral Measures Compromise among the UK, Austria, France, Italy and Spain with the United States on October 21 this year. Under the agreement, India will continue to impose the levy on March 31, 2024, or till the implementation of Pillar 1 of the OECD agreement on taxing multinationals and cross-border digital transactions. The United States has agreed to terminate the trade tariff actions it had announced in response to the levy and will not take any further actions.
- The Government has permitted the export of 5 crore doses of Covovax produced by the Serum Institute of India (SII), as the jab has not yet been approved for emergency use in the country. The SII had submitted an application to the Drugs Controller General of India (DCGI) seeking a grant of emergency use authorisation for Covovax on May 21 and it is still awaiting approval from the drug regulator.
- Health Minister Manuskh Mandaviya has announced that India has entered into a mutual agreement of recognizing vaccination certificates with 96 countries across the world, including the US, UK and several EU countries, to boost international travel. The announcement comes a day after the World Health Organization approved Bharat Biotech's Covaxin for global use. However, there are still several countries where Indians administered with Covaxin cannot take direct flights, including Greece, Australia, the Philippines, Mexico and Mauritius, among others. India already has an air bubble pact with 28 countries, under which special international flights can operate between the two countries with specific restrictions.
- India has started receiving delivery of Russian S-400 air defence systems under the USD 5.2 billion contract for five S-400 systems signed in 2018. The deliveries were delayed because of payment issues. The deliveries bring the threat of the United States imposing sanctions under the Countering America's Adversaries through Sanctions Act (CAATSA) passed in 2017 to take action against countries buying from Russia.

- The Electricity Amendment Bill, 2021 is likely to be placed before Lok Sabha during the winter session of the Parliament. The Bill proposes certain amendments to the Electricity Act, 2003 amongst which the key changes are – 1) delicensing power distribution and allowing private sector players to compete with state-owned power distribution companies, 2) constitution of the Electricity Contract Enforcement Authority (ECEA) who will have the sole authority to adjudicate upon contract-related disputes in the electricity sector.
- The Data Protection Bill which was referred to a parliamentary panel in December 2019 is likely to be placed before the Lok Sabha during the winter session of the Parliament after two years of deliberations and five extensions. The proposal for the bill came after the Supreme Court declared that privacy was a fundamental right and directed the government to come up with a data protection regime in 2017. The bill aims to protect the privacy of individuals by regulating how their data can be used and processed by governments, private companies, and individuals.
- The Government has announced that it shall install 6,000 charging stations for electric vehicles on nine expressways. The advanced chemical cell (ACC) which is the main component of the EV battery is currently being imported.
- The New Bills to be introduced in the Lok Sabha during the Winter Session of Parliament, are as follows:
 1. The Narcotic Drugs and Psychotic Substances (Amendment) Bill, 2021 - to replace the ordinance
 2. The Central Vigilance Commission (Amendment) Bill, 2021 - to replace the ordinance
 3. The Delhi Special Police Establishment (Amendment) Bill, 2021 - to replace the ordinance
 4. The Chartered Accountants, the Cost and Works Accountants and the Company Secretaries (Amendment) Bill, 2021 - to reform and speed up the Disciplinary Mechanism of the Institutes.
 5. The Insolvency and Bankruptcy (Second Amendment) Bill, 2021 – to strengthen and streamline the law
 6. The Cantonment Bill, 2021 - to improve the governance structure of Cantonment Boards.
 7. Inter-Services Organizations (Command, Control and Discipline) Bill, 2021 - to empower the Joint Commander-in-Chief of Army, Navy and Airforce, for maintaining discipline and proper discharge of their duties
 8. The Indian Antarctica Bill, 2021 - to provide policy and regulatory framework for India's Antarctic activities as per the Antarctic Treaty
 9. The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021 – to create a framework for the official digital currency to be issued by the Reserve Bank of India and prohibit all private cryptocurrencies in India
 10. The Pension Fund Regulatory and Development Authority (Amendment) Bill, 2021 – to separate the National Pension System Trust from Pension Fund Regulatory and Development Authority and to ensure universal pension coverage
 11. The Banking Laws (Amendment) Bill, 2021 – for privatisation of two public sector banks
 12. The Indian Maritime Fisheries Bill, 2021 – to provide for the sustainable development of fisheries resources in the exclusive Economic Zone of India
 13. The National Dental Commission Bill, 2021 – to set up National Dental Commission and repeal The Dentists Act, 1948
 14. The National Nursing Midwifery Commission Bill, 2021 - to repeal the Indian Nursing Council Act, 1947 and set up a National Nursing and Midwifery Commission with 'selected' regulators rather than 'elected' regulators
 15. The Metro Rail (Construction, Operation and Maintenance) Bill, 2021 - to provide a legal framework for construction, operation and maintenance of metro rail projects including those under the Public-Private Partnership.

16. The Emigration Bill, 2021 – to replace Emigration Act, 1983
17. The High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Bill, 2021 – to change the salaries of the high court and supreme court judges
18. The Electricity (Amendment) Bill, 2021 – to de-license electricity distribution business in India and bring in Appellate Tribunal for Electricity (APTEL)
19. The Energy Conservation (Amendment) Bill, 2021 - to provide for enhanced financial, technological and capacity-building support to meet the Paris commitments and implement Nationally Determined Contributions (NDCs)
20. The National Transport University Bill, 2021 - to re-designate National Rail and Transportation Institute (NTRI) as National Transportation University (NTU) and declare it as an autonomous body and Institute of National Importance (INI).
21. The Constitution (Scheduled Castes and Scheduled Tribes) Order (Amendment) Bill, 2021 – amend the list for the state of Uttar Pradesh
22. The Constitution (Scheduled Castes and Scheduled Tribes) Order (Amendment) Bill, 2021 – amend the list for the state of Tripura
23. The Trafficking of Persons (Prevention, Protection and Rehabilitation) Bill, 2021 - To prevent and combat trafficking in persons, especially women and children
24. The National Anti-Doping Bill, 2021 – to provide a legislative framework to the National Anti-Doping Agency
25. The Farm Laws Repeal Bill, 2021 – to repeal the farm laws
26. The Mediation Bill, 2021 - pre-litigation mediation and safeguards in the interest of the litigants to approach the competent adjudicatory forums/courts in case an urgent relief is sought.

Goods and services tax

- A revamped and enhanced version of GSTR-1/IFF is being made available on the GST Portal to improve the taxpayer experience. Under the revamped version – All the tables are being regrouped under two sections ‘Add Records’ and ‘Amend Records’; the tables will now be coloured according to Saved, Pending and Errored; the tables will display document counts more prominently; search functionality has also been added to the document details page to search for specific records; if new records are added the submit and preview buttons will be disabled until the summary has been regenerated. Earlier, if the returns were filed without regenerating the summary, old data before updating the same would get submitted even if the records have been updated and changed, as the system only considers the data when the summary is re-generated. The GSTN is also working on removing the submit button before filing, the option to generate recipient wise PDFs and enhanced GSTR-1 summary view in its next enhancement phase.
- The Central Board of Indirect Taxes and Customs (CBIC) has notified increase in goods and service tax rate on various kinds of textiles, apparel and footwear from 5% to 12% and for synthetic fibres and yarn from 18% to 12%, to bring uniformity of rates for the entire textiles sector and to remove distortions due to the inverted duty structure. The rates are effective from January 1, 2022.
- The Goods and Services Tax (GST) Fitment Committee has proposed raising the tax slab of 5% to 7% and the tax slab of 18% to 20%. The feasibility of merging 12% and 18% to one single slab at 17% is also being examined. It is also proposed that GST on precious metals be hiked from 3% to 5%. The committee is also evaluating whether the compensation rate can be hiked from 1% to 1.5%. Meanwhile, the National Institute of Public Finance and Policy has recommended the Government that the GST rates can be rejigged from 5%, 12%, 18% and 28% to a three-rate framework of 8%, 15% and 30%.

- Goods and services tax authorities have started issuing notices to several companies using deep analytics tools embedded in the GSTN software, uncovering mismatches in tax credits.
- The Central Board of Indirect taxes and Customs (CBIC) has issued clarifications that taxpayers having excess money lying in the cash ledger would be able to take refunds even after two years from the date of paying tax. A taxpayer claiming a refund is required to file a refund application to the GST authorities within two years from the relevant date, generally the date of payment of tax, and in case of exports, the date on which a ship or aircraft leaves India.
- The Kerala High Court has issued notice to the Goods and Services Tax (GST) Council on a Public Interest Litigation (PIL) seeking to include petrol and diesel prices under the purview of GST. The court has asked the council to inform why petrol and diesel prices were not included in the purview of the GST.
- The Authority for Advance Rulings (AAR), Karnataka bench, has held that a separate GST registration is not required in the state (the place of supply) by a subcontractor for executing an infrastructure project and instead can raise an invoice by charging IGST from its principal registered office.
- The Authority for Advance Rulings (AAR), Maharashtra bench, has held that recovery of an amount towards top-up of medical insurance and parental insurance premium from employees is not a supply, and hence not subject to goods and services tax (GST).

(For queries or more information relating to GST, contact our colleague Ashish Gandhi at ashish.gandhi@greenvissage.com)

Income tax

- After Infosys claimed to resolve most of the glitches in the new income tax e-filing portal and having set it back in operation, the Income-tax department has also begun an aggressive campaign through emails, SMS, tweets and other modes advising 'Sooner the better, File your income tax returns now, 1.09+ crore income tax returns already processed for AY 2021-22.'
- The Income-tax department has rolled out the new Annual Information Statement (AIS) and Taxpayer's Information Summary (TIS) where the former provides all details about your financial transactions during the year, as available with the income tax department while the latter contains the final summary of all these transactions considered for evaluating returns, after filtering out the duplicates.
- The income tax department has exempted e-auctioneers from tax deducted at source (TDS) at 1% on e-commerce platforms, subject to certain conditions such as the sale and purchase takes place directly between the buyer and the seller outside the electronic portal maintained by the auctioneer and price discovery only acts as the starting point for negotiation. The Finance Act, 2020 had imposed TDS from October 1, 2020, on e-commerce operators at 1% of the gross amount of sale of goods or services.
- The Multi-agency Group via Income tax department has broadened its probe into information leaked by the 'Pandora Papers'. People named in the Pandora papers are being summoned under section 131 (1a) to provide the details of their foreign assets, bank accounts which no longer exist or were closed long ago, firms that were dissolved, directorships in overseas firms and tax residency status over the past 16 years. Further, the probes also seek to identify the service providers who set up offshore entities and structures as well as handle clients' communication in the tax havens, to make enquiries if it suspects non-disclosure of earnings.
- The Central Board of Direct Taxes (CBDT) has notified re-settlement scheme to settle pending income tax settlement applications transferred to a settlement commission, applicable to pending applications where the applicant has not exercised the option under section 245M(1) and which has been transferred by the CBDT to the interim board. The proceedings before the interim board shall not be open to the public.
- The Income Tax Appellate Tribunal (ITAT), Mumbai

bench, in an appeal filed by the Board of Control for Cricket in India (BCCI) has upheld the arguments of the sports body that even though it is making money through the Indian Premier League (IPL) the object of promoting cricket remains intact and hence its income is exempt from tax. BCCI had earlier been issued show-cause notices by the revenue department in FY 2016-17 to explain why the tax exemption under Section 12A should not be revoked for generating income through the IPL.

(For queries and more information relating to Income Tax, contact our colleague Sneha Halder at sneha.halder@greenvissage.com)

Corporate laws

- The Securities and Exchange Board of India (SEBI) has issued new disclosure requirements for listed entities to be placed before the audit committee and shareholders for related party transactions (RPTs) whereby the company will have to justify why the transaction is in the interest of the company, along with a copy of the valuation or other external party report.
- The Securities and Exchange Board of India (SEBI) has proposed to place a monetary limit on the money raised from initial public offerings (IPOs) that the startups can use for mergers and acquisitions (M&As) unless takeover targets are explicitly identified beforehand. It has also requested IPO advertisements to display risk factors more prominently and the acquisition cost of all transactions in three years before the listing to be a part of the risk factors.
- The Securities and Exchange Board of India (SEBI) has issued its investor charter for investors in the securities market to protect investors' interests. The charter includes the rights and responsibilities of investors and dos and don'ts of investing in the securities market. The vision is to protect the interests of investors by enabling them to understand the risks involved and invest in a fair, transparent, secure market, and get services in a timely and efficient manner.
- The Ministry of Corporate Affairs is undertaking

rigorous testing of its new MCA21 Version 3 Portal expected to be launched by the end of financial year.

(For queries and more information on Corporate Laws, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Customs and foreign trade

- The Central Government has announced a reduction in the Central Excise Duty on Petrol and Diesel by INR 5 and INR 10 respectively, yielding to the pressure from industry and the general public. This will bring down the central taxes on petrol and diesel to INR 27.9 per litre and INR 21.8 per litre, respectively and will also reduce the state taxes which are based on the rates of the central taxes.
- Online exports marketplace eBay, in its India Small Online Business Trade Report 2021 has stated that its sellers are exporting 'Made in India' products to customers across 42 foreign markets each year. States with maximum sellers adopting cross-border trade on eBay are Delhi, Rajasthan, Maharashtra, Bihar, Gujarat, Haryana, Punjab, Madhya Pradesh, West Bengal, amongst others.

(For queries and more information relating to Foreign Trade, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Banking and finance

- The Cash in Circulation (CIC) to Gross Domestic Product (GDP) ratio has hit a record high of 14.5% despite demonetization and digitization of payments. The ratio had dropped to 8% from 12% had revived to 12% again by March 2020. Demonetization had changed the face of the Indian payment ecosystem with the total cash in circulation dropping from INR 18 trillion to merely INR 8 trillion in January 2017. It was believed to be the end of cash, however, cash is still the king. The pandemic boosted the demand for cash, especially for buying covid drugs in black markets and admitting patients in hospitals. According to the Reserve Bank of India (RBI) study, most people still preferred cash payments for small value transactions up to INR 500. Almost 90% of e-commerce transactions still used cash on delivery in smaller cities.

- The total value of UPI transactions in India has crossed USD 100 billion, as per the data provided by the National Payments Corporation of India (NPCI). The total volume of transactions carried out in October was 4.2 billion, higher than from 3.6 billion transactions recorded in September. Google Pay, PhonePe and Paytm account for the bulk of these transactions. The massive growth has largely been attributed to the ongoing festive season which began in October.
- The Reserve Bank of India (RBI) has withdrawn more than 100 redundant circulars following the recommendations of the Regulations Review Authority (RRA 2.0). The redundant circulars relate to norms concerning foreign investment in India by Foreign Portfolio Investors, RTGS, Know Your Customer (KYC), and Anti-Money Laundering (AML), Combating of Financing of Terrorism (CFT) - Standards. The Regulations Review Authority (RRA 2.0) was set up by the Reserve Bank of India (RBI) in April this year to review the regulatory instructions, remove redundant and duplicate instructions, reduce the compliance burden on regulated entities by streamlining reporting structure, revoking obsolete instructions and wherever possible obviating paper-based submission of returns.
- The Reserve Bank of India (RBI) has imposed several restrictions on Laxmi Cooperative Bank Limited, Solapur including INR 1,000 cap on withdrawals for customers, restrictions on granting or renewal of any loans and advances, complete prohibition on making any investment, liability or disburse or agree to disburse any payment, due to deterioration in its financial position. The restrictions shall remain in force for six months from the close of business on November 12.
- The Reserve Bank of India (RBI) Governor Shaktikanta Das, has alarmed a few bankers especially the private ones by stating that the RBI is watching closely banks driven solely by a profit motive. The Governor also warned that the RBI has serious concerns about cryptocurrencies and that there are deeper issues involved and also deliberated that blockchain technology is a decade old, and it is here to stay and

grow, however, cryptocurrencies are different matters altogether.

(For queries and more information on banking and finance, contact our colleague Kethaan Parakh at ksparakh@greenvissage.com)

Accounting and auditing

In Focus: AS 1

- *A company has not complied with AS 2 on the valuation of inventories. Can the management of the Company append a note in the financial statements disclosing the accounting policy followed which is not in compliance with AS 2?* No. Disclosure of accounting policies or changes therein cannot remedy a wrong or inappropriate treatment of the item in the accounts. Therefore, the disclosure given by the company is not correct.
- *A company sold its commercial property to another company for a certain consideration and gave possession of the property. However, documentation and legal formalities are still pending. Due to this, the company has not recorded the sale and has shown the amount received as an advance. Is this accounting treatment appropriate?* The treatment is incorrect. Principles of prudence, substance over form and materiality should be looked into, to ensure true and fair consideration in a transaction. In the given case, the economic reality and substance of the transaction are that the rights and beneficial interest in the property have been transferred although the legal title has not been transferred. Hence, the company should record the sale and recognize the profit in its financial statements and the value of the building should be removed from the balance sheet.
- *If a company does not have any inventory, whether accounting policy for inventory needs to be disclosed even though it does not apply to the Company?* As per Para 24 of AS 1, all significant accounting policies adopted in the preparation and presentation of financial statements should be disclosed. In this case, the company is required to disclose all accounting policies which are adopted in the financial statements. Where a particular AS does not apply to the Company, it need not disclose related accounting policy.

- *A company has certain investments which are all sold during the year. Whether accounting policy for investments needs to be disclosed as there are no investments as on the Balance sheet date?* Considering Para 24 of AS 1, although there are no investments on the balance sheet date, the profit or loss on sale of investments is recorded in the Statement of Profit and Loss based on the accounting policies laid down as per AS 13. Therefore, the accounting policy for the investments is required to be disclosed.
- *What are details to be disclosed apart from the significant accounting policies?* (1) Background of the company should cover the fact that it is registered under the Companies Act 2013, incorporation date, nature of business of the company, registered office and principal place of business of the Company. (2) For consolidated financial statements, details of group entities also needs to be disclosed such as name of the Company, relation, principal place of business, principal activities, percentage holding, etc. (3) Statement of compliance with the Accounting standards with exemptions or relaxations availed, if any. (4) Basis of preparation and presentation of financial statements covering measurement basis such as historical cost convention. (5) In case of consolidated financial statements: Basis of consolidation (6) Management judgement and estimates (7) Disclosure notes as per the requirements applicable AS (8) Disclosures as required under Schedule III.
- *Whether accounting policies for segment, earnings per share, cash and cash equivalents, cash flow statement, related party transactions, income from interest, dividend and rentals, provisions, contingent liabilities and contingent assets need to be disclosed?* As per the Quality Review Board observations, accounting policies in such cases should be disclosed. Accounting policies for related party transaction is not required to be disclosed.
- *What are the details to be disclosed if there is a change in accounting policy?* As per Para 26 of AS 1, any change in the accounting policies which has a material effect in the current period or which is reasonably expected to have a material effect in later periods should be disclosed. In the case of a change in accounting policies

that has a material effect in the current period, the amount by which any item in the financial statements is affected by such change should also be disclosed to the extent ascertainable. Where such amount is not ascertainable, wholly or in part, the fact should be indicated.

(For queries and more information relating to Accounting, contact our colleague Rahul Mundada at rahul.mundada@greenvissage.com)

Payroll and personal finance

- The Reserve Bank of India has launched the 'RBI Retail Direct Scheme', which allows retail investors to open and maintain their government securities account with the Reserve Bank of India for free. The RBI Retail Direct seeks to ease the access for retail investors to the government securities market. Investors will be able to bid in primary auctions in the central bank's trading platform for government securities called Negotiated Dealing System-Order Matching Segment (NDS-OM). The Retail Direct Gilt Account' (RDG) can be opened through the online portal.
- The Reserve Bank of India (RBI) has stated in a report that Indian equities are overpriced compared to conventional measures of comparison. However, the report also notes that promoters are steadily raising ownership in listed firms affirming the confidence they have in the businesses.
- The rate of return of various small savings schemes of Government as compared to prior period are as follows:

Scheme	Current	Prior	%
Savings	4.00	4.00	0.00
FD (5 years)	6.70	6.70	0.00
RD (5 years)	5.80	5.80	0.00
NSC	6.80	6.80	0.00
PPF	7.10	7.10	0.00
KVP	6.90	6.90	0.00
SSA	7.60	7.60	0.00

(For queries and more information relating to Payroll, contact our colleague Kumari Snigdha at kumari.snigdha@greenvissage.com)

Economic indicators

- Latest statistics relating to the key economic indicators of Indian economy stand as follows:

Indicator	As on	Current	Prior
GDP Growth (%)	Sep-21	8.4	20.1
Inflation (%)	Oct-21	4.5	4.4
Unemployment (%)	Sep-21	6.9	8.3
Trade Balance (\$m)	Nov-21	-23.27	-19.73
GOI Bond 10yr (%)	Nov-21	6.33	6.39

- The movement in the major indices of various stock exchanges, during November, 2021 was as follows:

Equity Index7	Country	%
NIFTY 50	India	-3.09
BSE SENSEX	India	-2.83
INDIA VIX	India	+19.58
NIFTY BANK	India	-7.58
DOW JONES	USA	-5.90
NASDAQ	USA	-3.53
S&P 500	USA	-3.17
FSTE 100	UK	-1.11
NIKKEI 225	Japan	-5.78
SHANGHAI COM	China	+2.15
MOEX	Russia	-5.39
CAC 40	France	-0.99
DAX	Germany	-3.05
ASX 200	Australia	-2.27
BOVESPA	Brazil	-4.58
KOSPI	South Korea	-1.48
HANG SENG	Hong Kong	-5.43

- The movement in the major commodities futures with latest expiry, during November, 2021 was as follows:

Commodity	Expiry	Price	%
Gold	Feb 4	47,691	0.18
Silver	Feb 4	61,113	-5.31
Crude Oil	Dec 17	4,961	-20.80
Natural Gas	Dec 28	321	-21.49
Aluminum	Dec 31	212	-4.15
Copper	Dec 31	721	-3.27
Cotton	Dec 31	30,720	-5.77

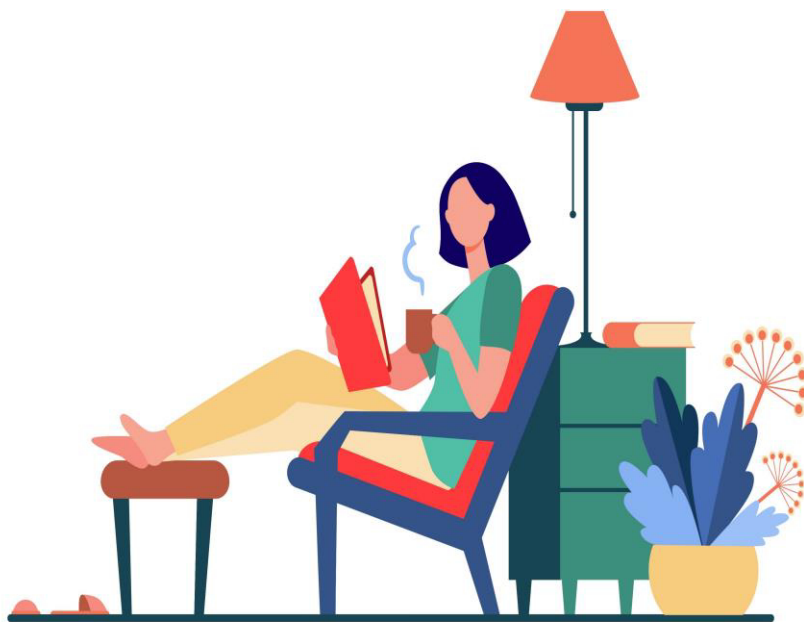
- The movement in the reference rates of major global currencies during November, 2021 was as follows:

Currency Pair	Current	Prior	%
INR/1 USD	74.41	74.78	+0.50
INR/1 GBP	99.55	103.16	+3.50
INR/1 EUR	83.65	87.01	+3.87
INR/100 YEN	64.71	65.63	+1.40

- Movement in the major cryptocurrencies during November, 2021 was as follows:

Currency	Pair	Price	%
Bitcoin	BTC/USD	57,101	-7.01
Ethereum	ETH/USD	4,731	+9.57
Tether	USDT/USD	1.00	+0.08
XRP	XRP/USD	1.01	-7.13
Btc Cash	BCH/USD	573	-0.97

- The much-anticipated cryptocurrency bill has been listed to be tabled in the Lok Sabha's upcoming winter session. The description as per Lok Sabha's bulletin for the bill provides for banning all private cryptocurrencies in India, however, it allows for promotion of underlying technology of cryptocurrency. Experts believe it won't be a blanket ban as the bill bans 'private' cryptocurrencies which are undefined.



Indian corporates

- **Reliance Industries** has announced that their deal with Saudi Aramco for a 20% stake sale of the oil to chemicals business is being reevaluated, due to evolving nature of Reliance's business portfolio. In 2019, the company had signed a deal with Saudi Aramco to sell 20% of their oil-to-chemical business to the Saudi company which was rumoured to be valued at USD 15 billion. Reliance has recently announced their plans for the New Energy and Materials business which includes the development of the Dhirubhai Ambani Green Energy Giga Complex in Jamnagar and would be one of the largest integrated renewable energy manufacturing facilities in the world.
- **Naukri.com**'s founder Sanjeev Bikhchandani has been awarded Padam Shree, India's fourth-highest civilian honour, for his work in trade and industry. The businessman founded Info Edge India Limited and is well-known for investing in potential online start-ups. He is also the co-founder of Ashoka University. With a net worth of approximately USD 2.1 billion, he is listed at 68 in Forbes India Rich List 2020.
- **IndusInd bank**'s subsidiary and microfinance arm Bharat Financial Inclusion Limited (BFIL) disbursed nearly 84,000 loans without customer consent in May

2021 due to a technical glitch. The company said in an official statement that the customer consent was not recorded at the time of loan disbursement and the bank's staff highlighted the same within two days and the glitch was rectified immediately, denying the allegations of evergreening.

- **Amazon India**'s executive directors have been booked by the Madhya Pradesh police in a case in connection with the smuggling of marijuana through the company's platform. The police have reportedly booked the directors under section 38 of the Narcotic Drugs and Psychotropic Substances (NDPS) Act. However, the case does not name any of the directors of Amazon directly. The case relates to the alleged sale of marijuana on the platform by two Amazon sellers who set up a fake company to ship marijuana across India from Vishakapatnam. Police have estimated that about 1,000 kg of marijuana, worth roughly USD 148,000 was sold via Amazon.
- **JSW Energy** has planned to raise USD 500 million through a strategic stake sale in its green energy business as the company aims to catch up with its peers Tata Power and Adani Power. The company has planned to use the proceeds to ramp up the generation of non-conventional power.

- **Nestle** has teamed up with plant-based meat alternative maker Sundial Foods to develop vegan chicken wings with skin and bones. The California based Sundial Foods announced that it has raised USD 4 million in a funding round led by Nestlé, Food Labs, Clear Current Capital and others. The decision has been undertaken as part of the company's research and development accelerator program. Sundial's vegan chicken wings are made up of eight basic ingredients, including water, chickpeas, sunflower oil, soybeans, and nutritional yeast, designed in a way that offers a complete wing experience, including the skin, muscle, and bone. Sundial plans to utilize the latest funding in expanding the company's reach through its chicken wings that are expected to hit the market by the spring of 2022.

Public sector undertakings

- **NCPI International Payments Limited (NIPL)**, the subsidiary of National Payments Corporation of India (NCPI), has signed a Memorandum of Understanding (MoU) with Network International to facilitate UPI payments in the UAE. Both the parties will collaborate on the acceptance of the real-time payment system UPI in the UAE, to benefit Indian travellers visiting the UAE by allowing them to make payments seamlessly through UPI-based mobile applications. The rollout of UPI mobile payment solutions in the UAE is expected to commence in the first quarter of 2022. Earlier, in July, NPCI had announced its partnership with the Royal Monetary Authority (RMA) of Bhutan to implement UPI-based payments in Bhutan, the first foreign country to adopt UPI.
- **BSNL and MTNL's** real estate assets have been listed for sale at a reserve price of around INR 1,100 crore by the Central Government, according to the documents issued by the Department of Investment and Public Asset Management (DIPAM). The e-auction for MTNL assets is scheduled for December 14. BSNL properties in Hyderabad, Chandigarh, Bhavnagar, and Kolkata have been listed for sale at a reserve price of around INR 800 crore, while MTNL assets in Vasari Hill, Goregaon in Mumbai were listed for sale at a reserve price of around INR 270 crore. Further, MTNL's 20 flats located in Oshiwara have also been put for sale with reserve prices ranging from INR 52.26 lakh to INR 1.59 crore. The asset monetization is a part of the INR 69,000 crore revival scheme for MTNL and BSNL approved by the government in October 2019.

Startups

- **Byju's** has raised USD 1.2 billion in debt to gear up for acquisitions and working capital ahead of a potential public listing next year. The company took a Term Loan B from the overseas market of USD 1,000 million, meant for institutional investors who aim to maximize their long-term total returns on their investments. More importantly, the loan has been taken at record low-interest rates available in overseas markets at Libor plus 550 basis points - significantly lower than that in India. Byju's has made nine acquisitions this year alone shelling out around USD 2.5 billion to acquire the likes of Aakash Educational Services Ltd, Great Learning, Epic and Tynker.
- **Mensa Brands** founded only six months ago by Myntra's former Chief Executive Ananth Narayanan is the latest and also the youngest startup to enter the unicorn club. Mensa brand's business model is based on the New York-based e-commerce player Thras.io which acquires small merchants and brands listed on the Amazon marketplace. Thras.io has acquired more than 100 third party sellers or fulfilled by Amazon businesses and is valued at USD 5 billion. Ananth Narayanan served as the chief executive officer (CEO) of Myntra for four years between 2015 and 2019. Earlier, he worked at management consultancy firm McKinsey for almost 16 years and rose to the position of a Managing Partner.
- **Myntra**, India's leading online fashion portal is now testing the influencers-led live commerce model, the first such platform to implement a live online shopping experience. Instead of going to a specific link that your favourite influencer asked you to visit, Myntra now

features influencers on its page and let you buy the tagged products. The millennials view an influencer on YouTube or Instagram and try to emulate their style, however, finding the same dress or shoes is a daunting task. To put things in perspective, 33% of Indians have bought a product because an influencer recommended it. Flipkart too is following the lead and has partnered with short video platform Moj for a similar offering. China's Alibaba was among the first to bring influencers on board for live commerce in 2017, and its e-commerce platform Taobao Live turned out to be a huge success. Indian startups like BulBul and SimSim have also tried to replicate this model and are in the early stages of production.

- **Ola**, the ride-hailing platform, has ventured into the quick commerce sector through a pilot quick-delivery service for items in 15 minutes in Bengaluru. Ola is reportedly starting an 'Ola Store' in Bengaluru targeting a few key localities, and then planning to expand across major cities in India. The service will be available to select customers in Bengaluru for now and is aiming for a sub-15 minute delivery timeline instead of the one-day deliveries typical of traditional e-commerce services. Customers will be able to choose from around 2,000 items across multiple categories including groceries, beverages, home and personal care, and pet care products.
- **Coinbase** has bought crypto wallet firm BRD for an undisclosed amount. The largest United States cryptocurrency exchange has said that they will be sharing more information in the coming months about how BRD and Wallet teams will unite. BRD's unique expertise in self-custody crypto wallets will be help achieve the company's goal of enabling more people to access the crypto.
- **Good Glamm** has become a unicorn (thirty-fifth unicorn in 2021) after it managed to raise USD 150 million in a Series D funding round valuing the content-to-commerce platform at USD 1.2 billion. The round was led by Prosus Ventures (Naspers) and Warburg Pincus and also saw participation from

existing investors like Stride Ventures, Alteria Capital, L'Occitane, Bessemer Venture Partners, Amazon, Ascent Capital and the Mankekar Family Office. The group had recently rebranded itself as Good Glamm Group from MyGlamm in an attempt to consolidate its businesses under one name. The company is clocking an annual revenue run rate of USD 120 million and aims to grow to USD 250 million by March 2022. It currently has a presence across 30,000 retail stores in the country and plans to increase it to 100,000 stores by March. The company also wishes to go public in the next three years and expand its business overseas by August next year.

- **Nykaa**, the beauty and fashion e-commerce platform, which wowed the investors with its stellar debut in the stock market had spent one in every ten rupees in marketing in the quarter before its initial public offer (IPO) according to the latest quarterly reports. The company reported a profit after tax of INR 1.2 crore in this quarter, significantly lower than INR 27 crore reported in the same quarter last year.
- **Nykaa's** founder, Falguni Nayar, has become India's wealthiest self-made female billionaire. Nayar owns around half of Nykaa which is now worth around USD 6.5 billion after the company's shares surged as high as 89% on the listing. It is also the country's first woman-led unicorn. Falguni Nayar was formerly an investment banker and graduated from IIM Ahmedabad before beginning her career in consulting with A.F. Ferguson & Co. and thereafter she was with Kotak Mahindra Bank for 18 years. She was also the Managing Director of Kotak Mahindra Investment Bank and the director at Kotak Securities.
- **TabTrader**, Amsterdam based startup has garnered USD 5.8 million for a mobile app that aggregates crypto exchanges. The company has secured USD 5.8 million in Series A funding from 100X Ventures, Hashkey Capital, Spartan Capital, SGH Capital, SOSV, and Artesian Venture Partners. The company has been profiting with a platform that aggregates prices and token availability across dozens of exchanges.

- **Zomato**, the food aggregator company, is looking to make investments worth USD 50-100 million in several startups over the next few quarters to diversify their portfolio, similar to one of its largest shareholders, InfoEdge. Recently, the company raised more than USD 1.25 billion through its initial public offering. The company is in talks with 10-20 startups, offering to invest in them in return for a stake. Zomato is in advanced talks with logistics aggregator Shiprocket to invest in a USD 200 million round.

Equity markets

- **Sigachi Industries** delivered a stellar premium of 252.76% to its IPO investors with a listing at INR 575 per share. Sigachi's bumper debut makes it one of the biggest gainers on listing in the history of Indian equities. With an aggregate installed capacity of 11,880 metric tons per year, Sigachi Industries manufactures 59 different grades of microcrystalline cellulose (MCC) at its manufacturing units in Hyderabad and Gujarat. The company also entered into operations and management agreements with Gujarat Alkalies and Chemicals (GACL) to manufacture sodium chlorate, stable bleaching powder, and poly aluminium chloride. The company had declared that the proceeds from the issue would be used to expand production capacity in Gujarat and manufacture croscarmellose sodium (CCS) at Kurnool, Andhra Pradesh.
- **Paytm** who launched India's biggest IPO faced one the weakest listing with the stock slipping over 27.4% from its issue price of INR 2,150. Although 2021 has been a great year for IPOs, Paytm failed to stay buoyant as it saw a muted investor response owing to a high valuation. Back in 2015, Coffee Day Enterprises, the owner of Cafe Coffee Day, fell 17.64% from its issue price of INR 328 on its listing day. Meanwhile, Windlas Biotech was listed at a 54% discount even as it was oversubscribed 22.5 times.
- **IPOs** announced by the companies and expected to be launched in coming months are as follows:
 1. Tega Industries

2. Star Health and Allied Insurance
3. LIC
4. Go First (Go Airlines)
5. MobiKwik
6. Shriram Properties
7. Penna Cement Industries
8. Adani Wilmar
9. Fincare Small Finance Bank
10. Tamilnad Mercantile Bank
11. Ixigo
12. PKH Ventures Limited
13. Wellness Forever
14. OYO
15. Ruchi Soya
16. Lava International

Global conglomerates

- **American Airlines** has relaunched flights to India nearly a decade after stopping them, to capitalise on the growing demand for non-stop travel amid the coronavirus pandemic. American Airlines wants to expand its international network and India is one of the biggest untapped markets for the company. American Airlines had suspended services to India in 2012, and has now resumed flights between New Delhi and New York on the weekend and will add flights between Bengaluru and Seattle in March. If it succeeds with those two routes, it will add services to India's financial capital of Mumbai. The expansion would also depend on the availability of aircraft as it awaits deliveries of wide-body aircraft from Boeing.
- **Facebook** has announced that they would shut down their facial recognition program due to the growing concern among users and regulators over privacy and delete more than 1 billion people's facial recognition templates as a part of this change. The company, now known as Meta, has said that more than a third of the social media's active users around 600 million accounts opted for the facial recognition technology. This step of



removal will affect those who are blind or visually impaired, as Facebook's automatic alt text system used facial recognition and artificial intelligence and gave the blind or visually impaired people the description of images that let them know details of pictures posted.

- **WhatsApp** has said that it has doubled its payment service in India, as its renewed efforts to boost its payment play has been paying off on the Unified Payments Interface (UPI) platform seeing an uptick, a year after it went live. As per data from the National Payments Corporation of India (NPCI) for October, WhatsApp saw 26 lakh transactions, amounting to INR 104 crore, more than two-fold from the 10 lakh transactions in September. However, WhatsApp's share in monthly UPI payments continues to remain at a minuscule at 0.06% as compared to rivals such as PhonePe and Google Pay, which have a 47% and 34% share, respectively.
- **General Electric (GE)**, the United States conglomerate operating in power, renewable energy, aviation, healthcare, and financial services, has decided to split into three companies, focusing on Healthcare, Renewables, and Power business. Founded in the late 1800s by Thomas Edison, General Electric is a leader in appliances, jet engines, and power turbines, however, the company was severely hit during the financial crisis, and the stock was dumped from the Dow Jones Industrial Average. GE shares have underperformed in the market over the last two decades losing 2% annually since 2009 compared with a 9% return for S&P500. Experts believe that the move is aimed at improving the stock performance in the market and also reducing its overleveraged balance sheet by divesting.
- **Netflix**, the streaming platform, has launched mobile games which will be available for all Android users across the world with no additional costs for the members. The company is launching 1984 (BonusXP), Stranger Things 3: The Game (BonusXP), Shooting Hoops (Frosty Pop), Card Blast (Amuzo & Rogue Games), and Teeter Up (Frosty Pop) amongst several others. These games can be played on multiple mobile devices using the same account. The games are included in the Netflix subscriptions and will not have advertisements or in-app purchases.
- **Starlink**, founded by Elon Musk, and Mukesh Ambani's Jio are set to lock horns over the race to dominate rural India's broadband internet sector, as Elon Musk's SpaceX is set to launch Starlink in December 2022 putting itself in direct competition with telecom service providers like Reliance Jio, Bharti Airtel, and Vodafone-Idea. Starlink's kit will include a dish antenna, a stand, its power supply, and a wifi router, since it will be a satellite-based service and thus, unlike other telecoms, it will be able to easily carve a niche for itself in the market. Starlink has registered a subsidiary in India called Starlink Satellite Communications Private Limited (SSCPL). The company has already received more than 5,000 pre-orders in the country and aims to have 200,000 connections in India by December 2022, up to 80% of them would be in rural areas. Its pilot project will provide 100 devices for free in schools of Delhi and neighbouring rural districts, after receiving government approval.
- **OYO**, the hospitality services company has launched the Employees' Stock Option Plan (ESOP) to cover more than 80% (1200 employees) of its staff. OYO has a total ESOP pool of 638.24 million options worth close to USD 1 billion upon conversion. The startup had allotted each equity share at USD 58,490 to Microsoft when it raised USD 5 million in its pre-IPO round.
- **Tesla** has announced that it will let non-Tesla electric vehicles use the company's charging network. The initiative will first be tested in the Netherlands. This would be the first time that the company is making its EV charging network available to other brands as well. Non-Tesla cars will need to pay extra costs or sign up for a charging membership to get the services at lower rates. Tesla has more than 25,000 Superchargers worldwide, its Superchargers are open to cars with the Combined Charging System (CCS) used by BMW, Mercedes-Benz maker Daimler, Ford, and Volkswagen.

Home loans – best investment of idle money and wealth creation

Before you point it out, yes, there's an oxymoron in the title – how can a loan be an investment? However, this is the twenty-first century – the mindset of loans and borrowings being a burden or a negative aspect of finance, is an old school theory. Modern economics teaches us how leveraging the balance sheet can lead to exponential growth in business because the logic is simple – if you can earn at a rate higher than the interest rate for the loan ...



The Economics of Olympics – Good Sport, Bad Business!

Olympics – once in every four years, athletes and teams from around the world compete against each other – a global event in a true spirit. Ever since the first modern games in 1896, the Olympics have evolved dramatically. The sports have become competitive and it's a pride to watch national athletes compete at a global level – something that brings people of a nation together irrespective of the differences within. However, the business end...



Factoring – How bill discounting can revive the MSME sector

Businesses are often stuck between debtors who won't pay on time and creditors who won't wait. In between, a businessperson often ends up offering higher discounts to their debtors for early clearing of receivables or buying at higher prices from its creditors who may offer a longer credit period to settle the bills. If you are a businessperson, you might have already experienced how ...



Why are Gold Jewellers protesting new hallmarking rules? A man in Kerala was recently arrested by the Customs for smuggling gold in a rather novel way – he had 'painted' gold worth INR 14 lakhs in the inner layers of the jeans that he was wearing, in a paste form. That speaks for Gold and its royal properties, and of course the innovative smuggling methods. Gold has been traditionally the most preferred long term investment for Indians...



Newsletter by:



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Greenvissage is a consulting firm with the passion and expertise in helping companies setup in India and in managing their finances, accounts, payroll, taxes and compliances. Greenvissage serves clients from over 12 countries and wades them through hundreds of statutory and internal target lines every year.

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