

Daily Economic News Summary: 10 October 2018

1. India Chance To Contain Its Trade Deficit

Source: Financial Express ([Link](#))

The ongoing trade war between the US and China that has witnessed Beijing slapping higher duties on American goods in tit-for-tat action has opened up a window of opportunity for India that has long struggled to contain a widening trade deficit with its giant neighbour. But gains are contingent on getting market access and achieving competitiveness in many cases. According to a commerce ministry study, of the 603 American tariff lines (items) on which Beijing has imposed extra duties in the range of 15-25%, India can ship out more in case of 44 items without much difficulty, as it currently has access to the Chinese market in these products. However, in case of 17 items where American supplies are substantial, India doesn't have market access; so, it can export these items only if China opens up further.

2. Govt To Widen Basket Of Essential Drugs, Medical Products

Source: Livemint ([Link](#))

The government has decided to increase the basket of medicines and medical products such as devices, disposables and hygiene items that it says should be available within the health system in adequate numbers and assured quality. The newly constituted committee on National List of Essential Medicines (NLEM) that met on 18 September decided that sub-committees will be formed to categorize medicines, medical devices, disposables, and health and hygiene products according to how essential they are for healthcare. With this, the government departs from the existing mechanism by delinking essential medicines from price control. NITI Aayog had earlier sought the views of experts on whether the NLEM should be linked from the Drug Price Control Order (DPCO), which drugs to bring under price control and how price caps should be determined.

3. PMO Asks NBR To Find Reasons Behind Foreign Investors Leaving Country

Source: Financial Express ([Link](#))

The Prime Minister's Office (PMO) has asked the National Board of Revenue (NBR) to find reasons behind the departure of some large foreign investors. In a recent meeting, the PMO wanted to know whether the NBR could do something to bring back their investment. PMO Principal

Coordinator SDG (Sustainable Development Goals) Affairs Md Abul Kalam Azad said some major industrial units and airlines are withdrawing their business operations from Bangladesh. "NBR will have to examine the reasons behind their departure, and consider possible measures in this regard," he said in the meeting, according to officials who were present at the meeting.

4. Real Estate Transactions, Enquiries By Nris On The Rise As Rupee Depreciates

Source: Livemint ([Link](#))

The depreciating rupee has affected most Indians either directly or indirectly (read here to know how), but it has benefitted non-resident Indians (NRIs) when it comes to investing in Indian real estate in India. In the last one year, the rupee has depreciated around 14% from ₹65 at the beginning of October 2017 to above ₹74 at present. The depreciation has put more rupees in NRIs' hands, making properties cheaper for them than they were earlier. As a result, there is an improvement in both inquiries and transactions by NRI in the real estate sector. "The charms to own a property back in their country of origin makes NRIs consider real estate as an option. Needless to say, the depreciating rupee value against currencies such as dollar, pound, the UAE dirham, among others, is prompting a large number of NRIs to invest into the country's realty market," said Anuj Puri, chairman, ANAROCK Property Consultants.

5. India Ranks Bottom Of Oxfam World Inequality Index

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

India has been ranked among the bottom 10 countries in a new worldwide index released on 9 October on the commitment of different nations to reduce inequalities in their populations. UK-based charity Oxfam International's 'Commitment to Reducing Inequality (CRI) Index' ranks India 147th among 157 countries analysed, describing the country's commitment to reducing inequality as a "a very worrying situation" given that it is home to 1.3 billion people, many of whom live in extreme poverty.

6. RBI To Inject Rs 120 Bn Into System On Oct 11 To Manage Liquidity

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

The Reserve Bank of India (RBI) on 9 October announced it will inject Rs 120 billion liquidity into the system through purchase of government bonds on October 11 to meet the festival season

demand for funds. The government will purchase bonds with maturity ranging between 2020 to 2030, the RBI said in a statement. The auction to purchase government bonds is a part of the Open Market Operations (OMO) to manage liquidity in the system which seems to be facing liquidity tightness. The result of the auction will be announced on the same day and payment to successful participants will be made during banking hours on October 12, it said.

7. India Imposes Anti-Dumping Duty On Nylon Filament Yarn Import From Vietnam, EU
Source: The Hindu, Business Line ([Link](#))

India has imposed an anti-dumping duty of up to \$719 per tonne for five years on import of nylon filament yarn from the European Union (EU) and Vietnam following recommendations by the commerce ministry's investigation arm DGTR. "The anti-dumping duty imposed...shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the 6th day of October, 2018 and shall be paid in Indian currency," the Department of Revenue has said in a notification. The Directorate General of Trade Remedies (DGTR) in its probe has stated that nylon filament yarn (multi filament) has been exported to India from these two regions below normal values and the domestic industry has suffered material injury on account of such dumped imports.

8. Ordinance To Alter Companies Act
Source: The Economic Times ([Link](#))

The government is likely to promulgate an ordinance soon to make changes to the Companies Act with an aim to promote ease of doing business, ensure better corporate compliance and expedite insolvency proceedings. The changes may include easing of various penal provisions in the Act and introduction of measures to unclog National Company Law Tribunal (NCLT) and special courts. Finance and corporate affairs minister Arun Jaitley discussed the ordinance 9 October in a meeting with railway and coal minister Piyush Goyal and commerce & industry and aviation minister Suresh Prabhu, among others.

9. UIDAI Plans Aadhaar Seva Kendras; Project Cost At Rs 300-400 Cr

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

The Unique Identification Authority of India (UIDAI) plans to set up 'Aadhaar Seva Kendras', similar to the concept of Passport Seva Kendras, covering 53 cities across India at an estimated project cost of Rs 300-400 crore, official sources said. These proposed Aadhaar centres, meant to facilitate enrolment, updation and other activities, will be UIDAI's own and operate in addition to 30,000 centres, currently being run by banks and post offices, and in government premises (offering similar Aadhaar services), they added. The Aadhaar Seva Kendras will provide people the facility to book prior appointment for these services, the officials familiar with the development said, adding that each metro will have four of these centres, and other cities two centres each.