

Daily Economic News Summary: 13 May 2019

1. Ease Of Doing Business: Commerce Ministry Seeks Cut In Compliant Burden On Firms Source: Financial Express ([Link](#))

In an attempt to bring down the compliance burden on companies, especially the small and medium enterprises (SMEs), the commerce ministry has urged the ministry of corporate affairs (MCA) to explore avenues where firms can opt for self-certifying their returns as well as clubbing all the returns to be filed in a year into a single annual return. Besides, it also wants that forms such as those related to certifying a company's registered office and for becoming director in a company too should be clubbed with the annual return.

2. Hinduja Brothers Top Uk Rich List, Reuben Brothers Second Source: Financial Express ([Link](#))

Indian-origin brothers dominate the annual rich list of Britain's wealthiest, with the Hinduja brothers ranked at No. 1 with a fortune of 22 billion pounds followed by Mumbai-born Reuben brothers in second place with 18.66 billion pounds. Sri and Gopichand Hinduja, who run the Hinduja Group of companies in the UK, registered a 1.35 billion pounds jump in their fortunes over the previous year to return to the top of the 'Sunday Times Rich List' after topping it back in 2014 and 2017. The list, which estimates the 1,000 richest people in the UK, is based on identifiable wealth including land, property, other assets such as art, and shares in companies. It does not include the amount contained in people's bank accounts.

3. Top Automakers Cheer Govt Push For EV Localization Drive Source: Livemint ([Link](#))

Top automakers have cheered the government's recent push to localise manufacturing for hybrid and electric vehicle (xEV) under the revised norms of the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles Scheme (FAME 2). This is in sharp contrast to the several instances over the last decade where auto industry stakeholders have clashed with government agencies on multiple fronts such as dual fuel policy, roll out of CNG stations, vehicular pollution, emission norms, safety mandates, as well as the government's thrust on biofuels and electrification of vehicles.

4. Government Plans Further Curbs On Audit Firms

Source: Livemint ([Link](#))

Audit firms may face more restrictions on the juicy non-audit assignments they could accept from statutory audit clients. This is part of a government initiative to tighten the rules to improve the quality of statutory audit. The ministry of corporate affairs and the National Financial Reporting Authority have been assessing how the quality of audit can be further improved and whether the list of non-audit services that auditors are barred from accepting should be widened in order to prevent a conflict of interest, corporate affairs secretary Injeti Srinivas said in an interview. The idea is to ensure that any pecuniary relationship on account of offering non-audit services do not compromise auditors in giving a true and fair picture of the audited company's financial health.

5. India, Mongolia To Ink Pact For Petrochemical Unit

source: Livemint ([Link](#))

India and Mongolia are expected to sign an agreement this week for the construction of Mongolia's first petrochemical refinery that is expected to cut some of its dependence on Russian fuel. When signed, the project will be the largest being undertaken by the government of India under its Lines of Credit programme, two people familiar with the matter said on 12 May. The petrochemical refinery -near Sainshand in southern Dornogovi province -is to be built at an approximate cost of \$1.25 billion utilising the \$1 billion line of credit announced during Prime Minister Narendra Modi's visit to Ulan Bator in 2015. It is expected to be completed by 2022.

6. Govt To Set Up Panel Under DGFT To Look At Steel Availability For Engineering Exporters

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

The government has decided to set up a committee under the Director General of Foreign Trade (DGFT) to look into availability of steel at competitive prices for engineering goods exporters, an official said. "The committee will submit its report to steel and commerce ministries within two months. It will suggest measures which will be a win-win situation for both steel producers and engineering exporters," the official added. Engineering goods exporters are demanding that they should get steel at global prices as domestic rates are higher. However, steel producers state that freight charges and cost of production is high in the country, which push up prices. The decision to set up the committee, which will also have members from the engineering sector, was

taken during a meeting last week between the senior officials of steel and commerce ministries and exporters.

7. Multilateral Trade: India To Hold 2-Day Wto Ministerial Meeting From Today

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

India has convened a WTO (World Trade Organization) ministerial meeting of 16 developing and six least developed countries starting 13 May. Issues such as impasse on the appointment of WTO's appellate body members and way forward on reforms at the global trade body would be discussed in the meeting of developing countries in New Delhi on May 13-14. The meeting is being held at a time when the multilateral rule-based trading system is facing serious and grave challenges. The 22 countries would also try to build consensus on how to move forward on the WTO reforms, while preserving the fundamentals of the multilateral trading system, it said.

8. Thyssenkrupp To Seek New Steel Partners After Abandoning European Merger With Tata Steel: CEO

Source: Firstpost ([Link](#))

Thyssenkrupp will still seek partners for its steel operations after abandoning a European merger with Tata Steel, Chief Executive Guido Kerkhoff said in comments published on 12 May. Kerkhoff ditched a restructuring plan on 10 May, in which the merger was a key part, and resolved instead to transform the steel-to-submarines group into a holding company and list its profitable elevators business. Thyssenkrupp abandoned its long-planned merger of its steel business with the European operations of Tata Steel, which would have created the region's Number 2 producer after ArcelorMittal, due to opposition from European Union regulators.

9. Universal Debt Relief Scheme On Cards For Small Borrowers

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

India has begun work on a universal debt relief scheme for small borrowers aimed at micro enterprises, small farmers and artisans, which should be ready for implementation when the next government is in place. Individuals below a specified income and asset threshold will be eligible for debt relief. People with annual income of Rs 60,000 or less, outstanding loans of Rs 35,000 or less, and assets worth Rs 20,000 or less may be eligible. The scheme, which is being worked on by the Ministry of Corporate Affairs (MCA), will be one of the key features of changes being considered to the Insolvency and Bankruptcy Code (IBC). The cost of the scheme is unlikely to

exceed Rs 20,000 crore, but will benefit millions in the very small-ticket loan category, Srinivas said.

10. Ford Likely To Fuel India Drive With \$1 Billion

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

Ford Motor Co is likely to make an additional investment of as much as \$1 billion in Indian operations over five to seven years as it restructures or exits key businesses around the world. Although the Indian passenger vehicle market crawled to its slowest growth in recent years in FY19, Ford is looking to make the country a centrepiece of its longterm global strategy, said people with knowledge of the plan. At least \$500 million will go toward two SUVs that will be developed by Ford's India centre. An additional \$400-500 million will likely be in Project Black, in partnership with Mahindra & Mahindra. The two companies had announced plans for a C-segment SUV last month.