

Daily Economic News Summary: 1 October 2018

1. US-China Trade War: Beijing To Resume Oil Meal Imports From New Delhi After 5 Years

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

After a gap of six years, China is all set to resume import of oil meal from India, a move that could double India's exports of rapeseed meal, popular cattle and poultry feed. As the trade war with the US has forced it to cut imports from the world's largest economy, China has lifted a ban imposed in 2012 on imports of oil meal from India and approved six plants belonging to five companies, including Adani Wilmar and Gujarat Ambuja Exports, for import of rapeseed meal. India's rapeseed meal exports stood at 6.6 lakh tonne in 2017-18; in the first half of this fiscal year, these exports were close to 5 lakh tonne. According to trade sources, Chinese demand could lead to additional exports to the tune of 4-5 lakh tonne in the second half of the year, taking total exports of the animal feed in 2018-19 to around 1.5 million tonne.

2. Habibganj To Be Indian Railways' 1st World-Class Station! Here Are 10 Facts About This Ambitious Project

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

Habibganj railway station to be India's first world-class station! The redevelopment work of Indian Railways stations across the country is going on and the first railway station that will be ready soon is the Habibganj railway station in Madhya Pradesh. Railway Minister Piyush Goyal recently reviewed the progress of work at the Habibganj railway station. After checking on the status of work, Goyal expressed satisfaction. The idea of redevelopment of stations is to develop the concourse areas into airport-like swanky retail spaces where passengers can spend quality time while waiting for their train.

3. Government Panel To Review Anti-Trust Law

Source: Livemint ([Link](#))

The Competition Act is set for a major revamp with the government on 30 September setting up a panel to suggest ways of making the anti-trust law in sync with the changing business environment and to adopt global best practices. The 10-member panel chaired by Injeti Srinivas, secretary in

the corporate affairs ministry, will pay special attention on merger guidelines and cross-border competition issues, said the corporate affairs ministry. The review of the competition law comes at a time the Indian economy is witnessing a series of acquisitions as part of a bankruptcy court monitored resolution of stressed assets.

4. India Wants To Have Trade Deal With US: Trump

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

President Donald Trump on 29 September said that India wants to have a trade deal with the US because it does not want him to impose tariffs on their products. Trump remarks, for the second time in recent weeks, comes days after Assistant US Trade Representative Mark Linscott returned from India where he had detailed discussion with senior Indian officials on bilateral trade and a possible trade deal between the two countries. Trump often accuses India of imposing 100 per cent tariffs on American products. "We have a country, take India. Good relationship. They want to make a deal now because they don't want me to do what I'm going to do, with I have to. So, they (Indians) call us. They didn't want to make a deal with anybody else," he said.

5. India Eyes Rupee-Route, Barter For Venezuelan Crude

Source: The Hindu, Business Line ([Link](#))

India is considering setting up a rupee-payment mechanism for trade with Venezuela, besides exporting rice and drugs to the South American nation, all in return for crude oil. The Ministries of Commerce, Finance and Petroleum are looking into the proposal. "Venezuela is among the top 10 crude oil suppliers to India. Since the size of the business would run into several millions, it needs to have a proper trade balance. So, there could be the possibility of using the rupee-payment system as a trade off: Venezuela wants to sell oil, India has to look at what it can sell besides rice and pharmaceuticals, to make the mechanism more attractive," an official said, adding that the arrangement "could work like a barter system".

6. Govt Mulls Stricter Disclosure Norms For Independent Directors

Source: Livemint ([Link](#))

The government plans to put in place a stricter disclosure framework for independent directors, including providing details about their resignation from companies, as part of efforts to bolster

corporate governance standards. Corporate Affairs Secretary Injeti Srinivas said the disclosure requirements would be finalised after elaborate deliberations with stakeholders. Independent directors have significant responsibilities under the Companies Act and are part of various committees, including those related to CSR and remuneration. The role of independent directors has come under the scanner in certain instances of corporate misdoings. “We will not do anything that will become burdensome and counter-productive. Whatever we will do, we will do that is absolutely necessary and in the interest of everyone,” he told PTI.

7. US Economic Growth, Rupee Fall To Boost India’s Exports: Assocham

Source: The Hindu, Business Line ([Link](#))

India’s exports hold a promising outlook with the US economy growing at its best in four years, coupled with the rupee depreciation leading to enhanced net revenue realisation, according to a report by Assocham. The US emerged as the top export destination for India, with \$47.9 billion worth of shipments in the last fiscal ended March, followed by the UAE and Hong Kong, the Commerce Ministry data showed. The US economic growth accelerated by 4.2 per cent in the second quarter of this year, its fastest pace in about four years, despite the ongoing tariff war with China. “The US accounted for about a good chunk of 16 per cent of India’s total merchandise exports of \$303 billion in the fiscal 2017-18 with the annual growth of 13.42 per cent,” the report said.

8. Force India Sale: 13 Indian Banks Lost Out On 40 Million Pounds, Alleges Bidder

Source: The Wire ([Link](#))

One of the two main bidders, keen to acquire embattled Indian businessman Vijay Mallya’s Force India Formula One racing team after it went into administration, has claimed that a consortium of 13 Indian banks lost out on estimated 40 million pounds as a result of an “unfair” sales process concluded last month. Russian fertiliser group Uralkali said that by turning down its higher bid for the company, the administrators had denied the extra funds that would have accrued to the shareholder of Force India Mallya’s Orange India Holdings Sarl which is subject to a freezing order issued by the UK’s High Court in favour of his 13 creditor Indian banks, led by the State Bank of India.

9. Monsoon Ends With Deficit This Year, But Sets Ground For Record Harvest

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

Rain during the southwest monsoon this year has ended with a shortfall of 9.4 per cent of the average, which, in the normal course, could have been enough reason to declare 2018 a “drought-” or “deficient-rainfall” year. However, the India Meteorological Department (IMD) has stopped using the word “drought” since 2015 and now classifies a year in which cumulative rain is 10 per cent less than the Long Period Average as a “deficient-monsoon” year. This year is different in many ways. Though overall rains have been over 9 per cent below normal, it hasn’t led to a sharp drop in the area under kharif crops. And, if the government’s first advance estimate, released a few weeks ago, is to be believed, production this kharif season is expected to go up to an all-time high of more than 141 million tonnes.