

Daily Economic News Summary: 2 November 2018

1. IMF Says Monitoring Situation In India; Bats For RBI's Independence

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

The IMF has said it was monitoring the reported rift between the RBI and the Centre in India, and expressed its opposition to any move that compromises the independence of central banks anywhere in the world. There were reports of mounting tension between the Ministry of Finance and the Reserve Bank of India (RBI) over the autonomy of monetary policy makers after Finance Minister Arun Jaitley on 30 October criticised the central bank for failing to check indiscriminate lending during 2008 and 2014 that has led to the present bad loan or Non-Performing Asset (NPA) crisis in the banking industry.

2. US Withdraws Duty Benefits On Indian Exports Worth \$75 Million

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

Indian exports of certain musical instruments, leather, textiles, dairy, chemicals and processed fruits and vegetables to the US will no longer enjoy duty-free access, with the Trump administration withdrawing such concessions effective November 1. Other countries that have had duty concessions withdrawn by the US include Thailand, Argentina, Pakistan, Turkey, the Philippines, Brazil, Suriname, Belize, Ecuador, Falkland Islands, Kazakhstan, Egypt and Bosnia and Herzegovina.

3. Cabinet Approves An Ordinance To Alter Companies Act To Declog Nclts

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

The Union Cabinet on 1 November approved an ordinance to change the Companies Act to declog national company law tribunals (NCLTs) and decriminalise minor offences by companies. The ordinance will transfer 90 per cent of the cases to regional directors under the Ministry of Corporate Affairs from the NCLTs. A senior official from the ministry told Business Standard, “The way the Act is being amended, regional directors will be able to look into the cases. With this amendment, 90 per cent company law cases will move from NCLTs to regional directors.” The status of all non-compoundable offences will be retained since they are serious in nature. The ordinance will come into force after President Ram Nath Kovind gives his assent.

4. European Union May Widen Scope Of Testing For Indian Marine Products

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

The European Union is considering to widen the scope of testing of Indian aquaculture products after finding deficiencies in the control of residues and contaminants in animals and animal products from India. The Directorate-General for Health and Food Safety (DG SANTE) of the European Commission had conducted an audit in India (April 16-27, 2018) on the control of residues and contaminants in live animals, animal products and veterinary medicines. The outcome of the EU's audit was discussed at two standing committee meetings of the European Commission last month.

5. Tanzanian Govt Opposes Bharti Airtel's Plan For IPO In International Market

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

The Tanzanian government, a 40 per cent shareholder in joint venture Airtel Tanzania, has opposed Bharti Airtel's plan for an initial public offering in an international market for its African business. The Indian company holds the balance in the joint venture. A statement of the treasury registrar of the government, reported in local newspapers, said it did not recognise the plan to invite new shareholders in the holding company Airtel Africa, in which the Tanzanian joint venture is a subsidiary.

6. India Postpones Levying Retaliatory Tariffs On US Goods To December 17

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

India has deferred imposing higher duties worth \$235 million on 29 American goods to December 17. The retaliatory tariffs were scheduled to come into effect November 2 and have been postponed for the third time. "...the central government, being satisfied that it is necessary in the public interest so to do," the government said in a notification on 1 November. In June, India decided to impose higher tariffs on these American imports from August 4, in retaliation to the March 9 decision of US President Donald Trump to impose heavy tariffs on imported steel and aluminium items

7. Investors Hitch A Ride On Mobility Startups In India

Source: Livemint ([Link](#))

Buoyed by the success of ride-hailing firms Ola (ANI Technologies Pvt. Ltd) and Uber Technologies Inc., investors are pouring funds into the next wave of mobility startups in India as urban transportation bookings move online. At least half a dozen new mobility startups including Rapido, Ather Energy, Bounce and Vogo—are in advanced talks to raise large amounts of capital from investors, said several people familiar with the matter. “India has a billion people and only 18% have access to personal mobility and the rest 80% don’t have access to personal mobility. It’s complex and needs localized solutions. Hence, scooter-sharing solution like ours are attracting large amounts of capital,” said Hallekere.

8. India, China To Undertake Joint Research On WTO Reforms

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

India and China on 1 November agreed to undertake joint research in the areas of WTO reforms, urbanisation and frontier technologies with a view to enhancing economic cooperation between the countries, an official statement said. Both sides also agreed to examine various trade sector related issues, and the need for enhanced policy coordination to facilitate investments, the statement said. The statement was issued after the conclusion of the fourth dialogue of NITI Aayog-Development Research Centre (DRC) of the State Council, Peoples' Republic of China, held in Mumbai 1 November.