

## Daily Economic News Summary: 11 March 2016

### 1. Govt eyes Australia, Africa to boost textile exports

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

The Union textiles ministry is looking at Australia, the Commonwealth of Independent States and Africa to boost exports through bilateral agreements as free trade agreements (FTAs) with the European Union and the US are delayed. The ministry is chasing a target of doubling textile exports in 10 years and is working on a new textiles policy to promote value-addition. Guidelines had been finalised for a revised Textile Upgradation Fund Scheme and these would be placed before the Cabinet, Textiles Secretary Rashmi Verma said on the sidelines of the India International Handwoven Fair in Chennai. Textile exports are unlikely to reach their 2015-16 target of \$47.5 billion (Rs 3.17 lakh crore) because the figure was \$32 billion (Rs 2.14 lakh crore) till December. Last year, India's textile exports were \$42 billion (Rs 2.81 lakh crore), which was in large part cotton and yarn. *"We might be a little short of target, but by and large we will achieve it,"* Verma said and added since India did not have FTAs with the US and the EU, the sector was at a big disadvantage compared to Bangladesh and Vietnam. These countries export textiles to the West at zero duty while Indian exporters face duties of 10-14 per cent.

### 2. Rajya Sabha passes Real Estate Bill

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

A bill seeking to regulate the real estate sector, bring in transparency and help protect consumer interests was passed by the Rajya Sabha today. Moving 'The Real Estate (Regulation and Development) Bill, 2013' for consideration and passage, Urban Development Minister M Venkaiah Naidu said it aims to protect the interests of buyers and bring more transparency in the sector. The Congress had extended its support to the Bill, which was passed by a voice vote in the House. It is touted as a major reform measure to regulate the vast real estate sector and bring order in it. "The Bill is need of the hour," Naidu said, responding to clarifications by members saying it can see further changes in the coming times. He also sought the support of AIADMK members, who had opposed the measure. He said the bill would prohibit unaccounted money from being pumped into the sector and as now 70 per cent of the money has to be deposited in bank accounts through cheques. The Bill also provides for imprisonment of up to three years in case of promoters and up to one year in case of real estate agents and buyers for any violation of orders of Appellate Tribunals or monetary penalties or both.

### 3. Govt to unlock \$37 BN Oil and Gas reserves

Source: **Times of India** ([Link](#))

The government announced bigbang policy measures to help explorers unlock hydrocarbon treasure worth \$36.6 billion (Rs 2.33 Lakh crore or more than 50% of the crude import bill estimated for 2015-16) retain and expand jobs amid low oil and gas prices as well as make it easier for them to do business. The decision by the Cabinet's panel on economic affairs are expected to kickstart investment in the country's E7P (Exploration and production) sector by cutting red tape and removing government discretion, and creating a fair marketplace with a transparent policy regime.

The underpinnings of investment and employment come with the overlay of raising government's earnings. The exchequer is expected to get richer by Rs 2890 crore in additional revenue from a uniform 10 year extension of 289 oilfield contracts up for renewal. The measures come within less than a fortnight of Finance Minister ARun Jaitley announcing the intent of some of them in the budget.

### 4. India best among Ems: IMF

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

India needs to address the stress emanating from leveraged corporate balance sheets and asset quality woes of state-run banks to sustain the recovery process, even as the country is best placed among emerging markets, IMF's financial counselor Jose Vinals said on Thursday. *"Vulnerabilities in corporate financial positions and public bank asset quality pose risks to the economic recovery and to financial stability if left unaddressed,"* Vinals, who looks after the financial stability aspect at the International Monetary Fund (IMF), said during a talk at the Reserve Bank of India. *"To sustain the robust growth in the future and to keep inflation under control and in continuing to keep a lever on fiscal consolidation, it is very important that priority is given to clean-up public sector bank balance sheets and to corporate debt overhang,"* he said during the talk at the bank's headquarters in presence of Governor Raghuram Rajan. Other aspects, which can help prop-up the recovery are actions from the government on the supply side front, and reforms in the power and mining sectors, he said. He singled out the country as being the best placed among emerging markets, but underlined that it has problems of its own which need to be dealt with

## 5. Real Estate assets in Karnataka to get expensive from April

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

The real estate assets in Bengaluru and elsewhere in Karnataka will cost more from April 1, with Chief Minister Siddaramaiah giving his nod to an increase in the guidance value of properties. Guidance value is an indicative market value of a property, and the government would register a sale transaction only at that given value or higher. "The increase in guidance value ranges between 10% and 30%. There are also places where guidance value has gone up only 5%, and in some place it has not moved at all," Inspector General of Registration & Commissioner for Stamps Dr NV Prasad told ET. *"The last revision happened in December 2014, and the revision is usually adjusted to inflation."* The realty sector, however, has urged the government to withdraw the revision on the grounds that the volume of transactions has already dropped, and this step will make homes unaffordable for buyers. *"The government is already collecting a VAT on flats sold, and this kind of frequent revisions will only make our products more expensive, while the supposed aim of the government is to cut the transaction costs,"* Credai Bengaluru President JC Sharma told ET.

## 6. Uber inaugurates Asia's First Engineering Centre in Bengaluru

Source: **Business World** ([Link](#))

In peak hours, Bengaluru is the slowest city in India. This is what technology company Uber is trying to address - mobilise commuters better by seamlessly connecting riders and drivers at the push of a button. In a step towards "fixing India problems", Uber on Thursday inaugurated its engineering centre in Bengaluru which is the first in Asia for the company.

With this engineering centre, Uber aims to deliver world-class experience from India, Thuan Pham, CTO, Uber Inc. said. *"The talent we see in India and the sheer passion and eagerness of these engineers to build world-class products and services to improve the lives of people and cities around the world is remarkable."* Uber is looking to hire software engineers in Bengaluru across various levels who will work closely with the rest of the team in San Francisco. *"The engineering centre will hire the best-in-class software engineers who will focus on developing customised solutions to better serve our rider and driver partners in India, in collaboration with on-the-ground operations team as well as global engineering and product teams,"* Uber said in a statement.

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**By Harsha Hazarika**