

Daily Economic News Summary: 30 September 2019

1. Ease of doing business: India among 20 most improved countries

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

In a boost to Prime Minister Narendra Modi's ambitious target of India breaking into top 50 nations on the World Bank's ease of doing business ranking, the country has figured among the 20 countries that have improved the most on the list. China, Bangladesh, Myanmar and Pakistan are also part of the list which, as per the bank "is purely based on the improvements across 10 different regulatory areas". "India made it easier to do business in four areas measured by Doing Business," the multilateral agency said. The best performing/ranked economies will be disclosed on October 24. Authorities in Mumbai and New Delhi made it easier to obtain construction permits by allowing the submission of labor inspector commencement and completion notifications through a single-window clearance system. Starting a business is less costly thanks to abolished filing fees for the SPICe company incorporation form, electronic memorandum of association and articles of association.

2. Govt to set up working group on proposed new industrial policy

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

The government will soon constitute a working group on the proposed new industrial policy which is aimed at promoting emerging sectors, reducing regulatory hurdles and making India a manufacturing hub, an official has said. Earlier, the Department for Promotion of Industry and Internal Trade (DPIIT) had prepared the policy and sent it for the Union Cabinet approval, but certain new suggestions have been made with regard to the policy. The working group will rework on it and submit the same to the DPIIT, the official said. The group will have members from different government departments of the Centre and states, as well as from industry chambers, including the Confederation of Indian Industry (CII).

3. Centre bans export of all varieties of onions with immediate effect to curb rising prices, no definite deadline when prohibition will be lifted

Source: Firstpost ([Link](#))

The Centre issued a ban on the export of onions with immediate effect on 29 September in a bid to check the rising prices across the country. A notification issued by the Ministry of Commerce

and Industry said, "Export policy of Onion is amended from free to prohibited till further orders. Hence, export of all varieties of onions is prohibited with immediate effect." According to reports, the ban is effective for the export of all varieties of onions and the notification did not set a definite time-frame for the new policy. India Today reported that the ban was an "expected measure" because other measures to curb the increasing prices had not been successful.

4. RCEP talks: India may reduce tariff on 80% Chinese goods over 20 years

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

RCEP is a proposed mega trade pact between the 10 Asean members, India, Australia, China, Japan, South Korea and New Zealand. According to initial estimates, it accounts for 25% of global gross domestic product, 30%. Shedding initial inhibitions, India will likely endorse a 16-nation Regional Comprehensive Economic Partnership (RCEP) deal in November but to protect its industry from the onslaught of cheaper imports, it may agree to trim or remove tariffs on Chinese goods only in five phases over a 20-year period, a source aware of the negotiations told FE. Similarly, India's tariff concessions would be the least ambitious for China — it plans to reduce or abolish import duties on a total of 80% of imports from China, against 86% from New Zealand and Australia, and 90% from Asean, Japan and South Korea, the source said.

5. FE Best Banks Awards: It's time to celebrate top bankers

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

India's most prestigious financial sector awards — FE Best Banks awards — will be presented in the country's financial capital on 30 September. It will be celebration time for banks, non-banking financial companies (NBFCs), small finance banks and fintechs. Romesh Sobti, CEO and MD, IndusInd Bank, will carry home the Lifetime Achievement Award, while Sanjiv Bajaj, MD and CEO, Bajaj Finserv, will walk away with the Banker of the Year award for 2017-18. The winners have been chosen by a high-powered jury chaired by S Ramadorai, former chairman, Tata Consultancy Services (TCS), and a team comprising R Shankar Raman, director & CFO, Larsen & Toubro, Leo Puri, former managing director, UTI Asset Management, Biswamohan Mahapatra, former executive director, Reserve Bank of India, and Sharad Sharma, founder, Ispirit. Helping with some detailed research and number work was a team from EY.

6. Saudi Arabia to invest USD 100 billion in India

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

Saudi Arabia, the world's biggest oil exporter, is looking at investing USD 100 billion in India in areas of petrochemicals, infrastructure and mining among others, considering the country's growth potential. Saudi Ambassador Dr Saud bin Mohammed Al Sati has said India is an attractive investment destination for Saudi Arabia and it is eyeing long-term partnerships with New Delhi in key sectors such as oil, gas and mining. "Saudi Arabia is looking at making investments in India potentially worth USD 100 billion in the areas of energy, refining, petrochemicals, infrastructure, agriculture, minerals and mining," Al Sati told PTI in an interview.

7. With eye on China, India to push for setting up northeast apex water agency

Source: Livemint ([Link](#))

The National Democratic Alliance (NDA) government will push for passing an Act for setting up the North East Water Management Authority (NEWMA) in the winter session of the Parliament. The earlier plan to amend the Brahmaputra Board Act to set up NEWMA has been dropped to provide more teeth to the apex authority, that will also spear head India's efforts to establish prior user rights on waters from the rivers that originate in China. This comes in the backdrop of China's ambitious \$62 billion south-north water diversion scheme. "It would have required around 40-50 amendments to the Brahmaputra Board Act and make it confusing. Hence, that approach was dropped. We have had a meeting recently on the issue and the plan is to get the Act on NEWMA passed in the next session of the Parliament," said a senior government official requesting anonymity.

8. PMO steps in to ease supply of credit for green energy firms

Source: Livemint ([Link](#))

The Prime Minister's Office has intervened to help ease credit supply to renewable energy firms, as the government moves to ensure that India's efforts to emerge as a clean energy champion are not undermined by a lack of access to funds. The PMO has asked federal policy think tank NITI Aayog to assess the situation after debt financing for green energy projects dried up with large banks such as State Bank of India (SBI) declining to fund projects that have committed to sell power at less than ₹3 per unit, two government officials said on condition of anonymity. Sanction of funds by sectoral lenders such as Power Finance Corp. (PFC) and REC Ltd has also

slowed down after the former bought a controlling stake in state-run rival REC. India had achieved a record low solar power tariff of ₹2.44 per unit in May 2017. Wind power tariffs also plummeted to ₹2.43 per kilowatt hour at an auction held in December 2017. Prices have firmed up a bit, but banks are still wary of lending to developers as they suspect the viability of projects that have agreed to sell power at rock-bottom tariffs.