### Highlights

- **India exploring trade agreements with USA & EU**
- **Quick estimates of Index of Industrial Production for the month of September 2019**
- **RBI released the report of the Working Group to review the regulatory and supervisory framework for Core Investment Companies**
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MINISTRY OF COMMERCE & INDUSTRY

India exploring trade agreements with USA & EU; FTAs with Japan, Korea & ASEAN being reviewed; No trade agreements in a hurry says Piyush Goyal

Union Minister of Commerce and Industry & Railways assured that India will never finalize any trade agreement in a hurry. During trade negotiations the focus will be on India first said the Minister while addressing a press conference, on the decision taken by India on the Regional Comprehensive Economic Partnership (RCEP), in New Delhi.

He said that India’s economic interests and national priorities come first and the concerns of the farmers, dairy sector, MSMEs and domestic manufacturing will be addressed and these sectors will be protected. Commerce and Industry Minister informed that throughout the seven year long negotiations in RCEP India has consistently stood its ground to uphold its demands particularly over controlling trade deficit, stronger protection against unfair imports and better market opportunities for Indian goods and services. The opening up of the Indian market must be matched by openings in areas where our businesses can benefit and India will not allow its market to become a dumping ground for goods from other countries said the Minister.

Commerce and Industry Minister further informed that the Free Trade Agreements (FTAs) with Japan, South Korea and ASEAN countries are being reviewed. The review of the FTA with South Korea, which began 3 years back, is being fast tracked. He further informed that India has already secured agreement in ASEAN for a review of the FTA and a Joint Working Group (JWG) is discussing the issues to be addressed in Japan FTA.

Replying to questions Commerce and Industry Minister informed that at present India is exploring trade agreements with the USA and European Union, where Indian industry and services will be competitive and benefit from access to large developed markets.
MINISTRY OF COMMERCE & INDUSTRY

High level Task Force Setup to Fast Track Implementation of Schemes in Himachal

A High Level task force will be constituted with Secretary Department for Promotion of Industry and Internal Trade Secretary as chairperson, and representatives of the Union Ministries of agriculture and food processing, railways and tourism, to study all schemes of the Government of India and the Himachal Pradesh State Government in order to ensure better implementation of these schemes. The high level task force will give its recommendations within three months. This was announced by the Union Minister of Commerce and Industry & Railways, Piyush Goyal, while speaking at the Rising Himachal Global Investors’ Meet 2019, in Dharamshala, Himachal Pradesh today.

The State Government of Himachal Pradesh organized the Global Investors’ Meet 2019, a flagship business event, at Dharamshala, on November 7 -8, 2019. The event was held showcase the policy and regulatory environment, investment opportunities in eight focus sectors to boost manufacturing and employment generation in the State. The eight focus sectors are agri-business and post-harvest technology, manufacturing and pharmaceuticals, tourism and hospitality, civil aviation, hydro and renewable energy, wellness, healthcare and AYUSH, housing and urban development, IT-ITeS and electronics, education and skill development.

Commerce and Industry and Railway Minister, Piyush Goyal attended the Rising Himachal Global Investors’ Meet 2019 today in Dharamshala and informed about the investment and policies of the Ministry of Commerce and Industry for promoting investment in Himachal Pradesh and the hill states of India. The Global Investors’ Meet was attended by diplomats, leaders from corporate sector, senior policy makers, development agencies and investors from across the world.

Himachal Pradesh has implemented online Single Window System which provides approvals and renewals for investment in all the sectors. Investor can now apply for permission for purchase of land under section 118 of the Himachal Pradesh Tenancy and land Reform Act, 1972, through online portal. The State Government has eased out the process of getting construction permits by curtailing required NoCs.

The State Government of Himachal Pradesh has brought HP MSME (Facilitation of Establishment and Operation) Ordinance, 2019, that allows implementation of project for MSME’s without waiting for approvals/ NoCs/ permissions in order to strengthen the MSME sector which is the backbone of the State.

To provide impetus to tourism sector in a sustainable way, the State Government has notified HP Tourism Policy 2019 to promote development of new tourist destinations by providing Capital Investment Subsidy.

The State Government has also brought other sector specific polices such as IT and ESDM Policy, Film Policy and Electric Vehicle Policy.
Finance Minister Launches two new IT Initiatives -ICEDASH & ATITHI for improved monitoring and pace of Customs clearance of imported goods and facilitating arriving international passengers

Union Minister of Finance and Corporate Affairs, Smt Nirmala Sitharaman today unveiled two new IT initiatives – ICEDASH and ATITHI – for improved monitoring and pace of Customs clearance of imported goods and facilitating arriving international passengers by electronic filing of Customs baggage and currency declarations. Minister of State, Finance and Corporate Affairs Shri Anurag Singh Thakur, Secretary (Revenue), senior officials of CBIC and members of trade and industry were present.

Speaking on the occasion at the CBIC’s DG Systems office here in New Delhi, Finance Minister lauded the measures taken by CBIC to leverage technology for providing better taxpayer services. She was particularly appreciable of the work being done in the Network Operation Centre and Security Operation Centre. Finance Minister also mentioned that the significant improvement in India’s global ranking in the Trading Across Border is in no small measure on account of the IT and other reforms carried out by CBIC. She also expressed optimism that both ICEDASH and ATITHI would be key drivers for further improvement especially as they reduce interface and increase transparency of Customs functioning. She added that ATITHI would in particular create a tech savvy image of India Customs and would encourage tourism and business travel to India. Finance Minister further urged the officers to develop IT based insights for focused policy making.

Shri Anurag Thakur commended the work being done by officers of DG Systems, CBIC and noted that the ATITHI app will facilitate hassle free and faster clearance by Customs at the airports and enhance the experience of international tourists and other visitors at our airports. He added that the CBIC must strive to use technology in each sphere of its activity and while facilitating genuine business it must identify ways to detect and stop frauds especially in GST.

Dr Ajay Bhushan Pandey, Secretary (Revenue) stated that technology is key to improving governance in today’s times and acknowledged CBIC’s efforts in bringing technology to the forefront while also being serious about information security. Shri P.K. Das, Chairman, CBIC
informed about CBIC’s steps to make the Department more IT savvy with an aim to further improve the ease of doing business.

**About ICEDASH & ATITHI:**

ICEDASH is an Ease of Doing Business (EoDB) monitoring dashboard of the Indian Customs helping public see the daily Customs clearance times of import cargo at various ports and airports. With ICEDASH, Indian Customs has taken a lead globally to provide an effective tool that helps the businesses compare clearance times across ports and plan their logistics accordingly. This dashboard has been developed by CBIC in collaboration with NIC. ICEDASH can be accessed through the CBIC website.

With ATITHI, CBIC has introduced an easy to use mobile app for international travelers to file the Customs declaration in advance. Passengers can use this app to file declaration of dutiable items and currency with the Indian Customs even before boarding the flight to India. ATITHI is available on both, iOS and Android.
MINISTRY OF FINANCE

FM chairs 21st Meeting of the Financial Stability and Development Council (FSDC)

The 21st Meeting of the Financial Stability and Development Council (FSDC) was held here under the Chairmanship of the Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman.

The meeting was attended by Shri Shaktikanta Das, Governor, Reserve Bank of India (RBI); Shri Atanu Chakraborty, Secretary, Department of Economic Affairs; Shri Rajiv Kumar, Finance Secretary and Secretary, Department of Financial Services; Shri Injeti Srinivas, Secretary, Ministry of Corporate Affairs; Shri Ajay Bhushan Pandey, Revenue Secretary; Shri Ajay Prakash Sawhney, Secretary, Ministry of Electronics and Information Technology; Dr Krishnamurthy V. Subramanian, Chief Economic Adviser, Ministry of Finance; Shri Ajay Tyagi, Chairman, Securities and Exchange Board of India; Shri Subhash Chandra Khuntia, Chairman, Insurance Regulatory and Development Authority of India; Dr M.S. Sahoo, Chairperson, Insolvency and Bankruptcy Board of India; Shri Ravi Mital, Special Secretary, Department of Financial Services and in charge, Chairperson, Pension Fund Regulatory and Development Authority; and other senior officers of the Government of India and Financial Sector Regulators.

The Council reviewed the current global and domestic macro-economic situation and financial stability and vulnerabilities issues, including inter-alia, those concerning NBFCs and Credit Rating Agencies.

The Council reviewed the action taken by members on the decision taken by FSDC earlier and held discussions on the proposals submitted for further strengthening of the resolution framework and framework for cyber security of the financial sector.

The Council also took note of the activities undertaken by the FSDC Sub-Committee chaired by the Governor, RBI and the initiatives taken by the various regulators in the financial sector.
RESERVE BANK OF INDIA

RBI released the Report of the Working Group to Review the Regulatory and Supervisory Framework for Core Investment Companies

The Reserve Bank of India had constituted a Working Group (WG) to Review Regulatory and Supervisory Framework for Core Investment Companies (CICs), on July 03, 2019, with Shri Tapan Ray, former Secretary, Ministry of Corporate Affairs, Government of India as the Chairperson.

The WG has submitted its report to the Governor. The key recommendations of the WG are as follows:

- Capital contribution by a CIC in a step-down CIC, over and above 10% of its owned funds, should be deducted from its Adjusted Networth, as applicable to other NBFCs. Further, step-down CICs may not be permitted to invest in any other CIC, while allowing them to invest freely in other group companies;
- The number of layers of CICs in a group should be restricted to two. As such, any CIC within a group shall not make investment through more than a total of two layers of CICs, including itself;
- Every Group having a CIC should have a Group Risk Management Committee (GRMC);
- Constitution of the Board level committees viz., Audit Committee and Nomination and Remuneration Committee should be mandated;
- Offsite returns may be designed by the Reserve Bank and may be prescribed for the CICs on the lines of other NBFCs. Annual submission of Statutory Auditors Certificates may also be mandated; and
- Onsite inspection of CICs maybe conducted periodically.
- The report is placed on the RBI website today for comments of stakeholders and members of the public. Comments on the report may be sent by November 30, 2019 through email.

(Yogesh Dayal)
Chief General Manager

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The Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 for the month of September 2019 stands at 123.3, which is 4.3 percent lower as compared to the level in the month of September 2018. The cumulative growth for the period April-September 2019 over the corresponding period of the previous year stands at 1.3 percent.

The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of September 2019 stand at 86.5, 126.5 and 158.7 respectively, with the corresponding growth rates of (-) 8.5 percent, (-) 3.9 percent and (-) 2.6 percent as compared to September 2018. The cumulative growth in these three sectors during April-September 2019 over the corresponding period of 2018 has been 1.0 percent, 1.0 percent and 3.8 percent respectively.

In terms of industries, seventeen out of the twenty three industry groups (as per 2-digit NIC-2008) in the manufacturing sector have shown negative growth during the month of September 2019 as compared to the corresponding month of the previous year. The industry group ‘Manufacture of motor vehicles, trailers and semi-trailers’ has shown the highest negative growth of (-) 24.8 percent followed by (-) 23.6 percent in ‘Manufacture of furniture’ and (-) 22.0 percent in ‘Manufacture of fabricated metal products, except machinery and equipment’. On the other hand, the industry group ‘Manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials’ has shown the highest positive growth of 15.5 percent followed by 9.2 percent in ‘Manufacture of basic metals’.

As per Use-based classification, the growth rates in September 2019 over September 2018 are (-) 5.1 percent in Primary goods, (-) 20.7 percent in Capital goods, 7.0 percent in Intermediate goods and (-) 6.4 percent in Infrastructure/ Construction Goods. The Consumer durables and Consumer non-durables have recorded growth of (-) 9.9 percent and (-) 0.4 percent respectively.
MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION

Consumer Price Index Numbers on Base 2012=100 for Rural, Urban and Combined for the Month of October 2019

The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation is releasing CPI (Rural, Urban, Combined) on Base 2012=100 for the month of October 2019 in this press note. In addition to this, Consumer Food Price Index (CFPI) for all India Rural, Urban and Combined are also being released for October 2019. All India Inflation rates (on point to point basis i.e. current month over same month of last year, i.e., October 2019 over October 2018), based on General Indices and CFPIs are given as follows:

All India Inflation rates (%) based on CPI (General) and CFPI

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<td>CPI (General)</td>
<td>4.29</td>
<td>5.11</td>
<td>4.62</td>
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<td>CFPI</td>
<td>6.42</td>
<td>10.47</td>
<td>7.89</td>
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Notes: Prov. – Provisional, Combd. - Combined

Monthly changes in the General Indices and CFPIs are given below:

Monthly changes (%) in All India CPI (General) and CFPI: Oct. 2019 over Sep. 2019

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<th>Indices</th>
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<th>Urban</th>
<th>Combined</th>
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<tr>
<td></td>
<td>Index Value</td>
<td>% Change</td>
<td>Index Value</td>
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<tr>
<td>CPI (General)</td>
<td>148.3</td>
<td>146.7</td>
<td>1.09</td>
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<tr>
<td>CFPI</td>
<td>147.5</td>
<td>144.4</td>
<td>2.15</td>
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Note: Figures of October 2019 are provisional.