INDIAN Economy & Policy WATCH

Week ended March 04, 2006 Issue No: 49 FY2006

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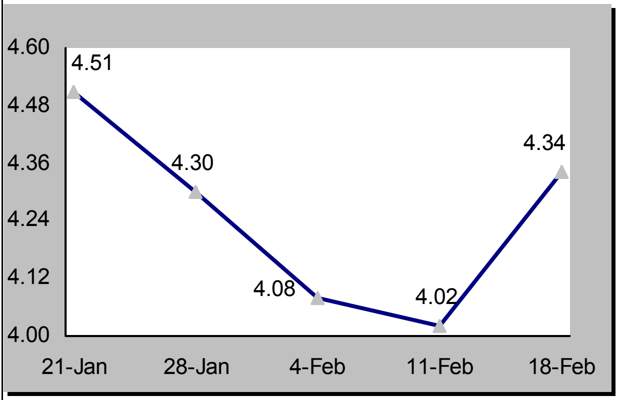
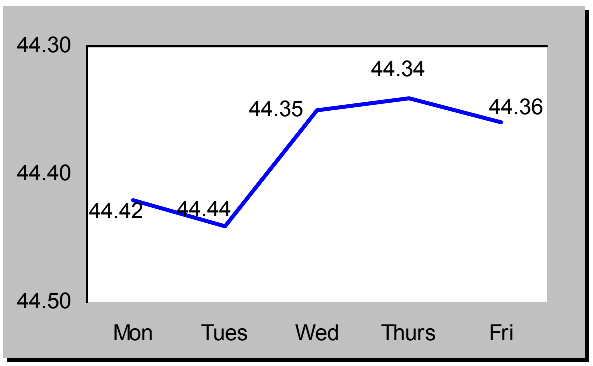
ECONOMIC INDICATORS



Inflation

The annual wholesale price index-based inflation rose 4.34 percent during the week ended February 18, up from the previous week's annual rise of 4.02 percent. The increase in the year-on-year inflation rate was largely on account of a surge in prices of iron ore, essential non-food, industrial fuel and manufactured items, according to data released by the Government on Friday.

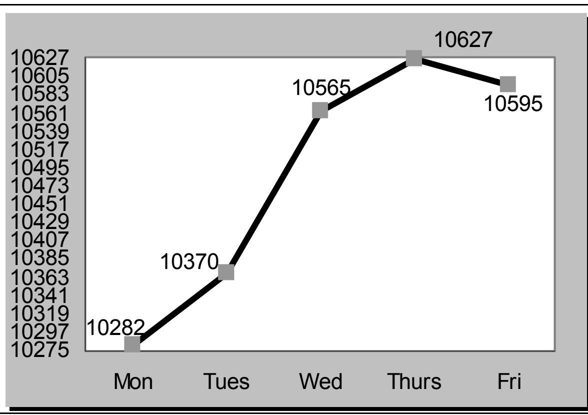
During the latest reported week, the Wholesale Price Index (WPI) was up 0.3 percent to 197.1 points. It was at 188.9 points a year ago.



Rs v/s US $

The rupee closed weaker on Monday, giving up early gains inspired by a rally in the yen, after state banks stepped into the market in late trade to buy dollars for the local currency. The rupee closed at 44.4850/4950 per dollar, down 0.12 percent from Friday's close but holding above last week's 7-week low at 44.65.

The budget was seen by traders as supporting growth, and they said it could boost the rupee with foreign investors expected to pump more money into the country's stock market.



BSE Sensex

The Budget`s focus on the road, power and infrastructure sector boosted the market further this week. The BSE Sensex gained a whopping 394 points to close at 10595. The budget aims to boost economic growth to 10% in coming years from an estimated 8.1% in the current year.

The markets started the week on an optimistic note with the Sensex gaining 81 points on Monday and 88 points on the budget day. On Wednesday the index made a hefty gain of 195 points and on Thursday it added 61 points on the news of nuclear deal between India and US. The markets witnessed correction on Friday with the Sensex losing 31 points.

Economy & its sectors

India Budget 2006-07: Highlights

The following are the highlights of the central budget for fiscal 2006-07 presented by Finance Minister P. Chidambaram in parliament Tuesday:

* Tax revenues in 2005-06 up by 21 percent.
* Revenue deficit placed at Rs.84,727 crore.

Taxation proposals follow:

** Peak customs duties for non-agricultural products reduced to 12.5 percent.
** Duty on alloy steel reduced to seven percent.
** Duty on plastics reduced to five percent.
** Duty on 10 anti-AIDS and 14 anti-cancer drugs reduced to five percent.

* Armed forces to get Rs.89,000 crore, including Rs.37,458 crore for capital expenditure.
* Universities of Mumbai, Kolkata and Madras to get Rs.100 crore each in two lots of Rs.50 crore each on their 150th anniversaries.
* Rs.10 crore for preparatory activities to celebrate 150th anniversary of first War of Independence.
* NABARD to get Rs.1,000 crore.
* India aims at 10 percent growth in coming years.
* Study to be conducted for deepwater port in West Bengal.
* Barring mining, all sectors performing satisfactorily.
* Government to fund disaster rehabilitation.
* National Rural Health Mission to get Rs.8,207 crore.
* One thousand new residential schools to be set up in 2006-07 for girls of Scheduled caste and Scheduled Tribe categories.
* Polio to be eradicated by December 2007.
* Mumbai Metro project under active consideration.
* Power generation to be augmented by 34,000 MW during the 10th Five Year Plan.
* Budget will go extra mile for farmers. Farmers will get short-term credit at seven percent.
* Farm credit to be doubled in three years.
* Gross budgetary support to plan schemes up by 20.4 percent.
* Hyderabad Metro may be brought under National Urban Renewal Mission.
* College of Horticulture to be established in Nagaland.
* Rural employment outlay at Rs.14,300 crore.
* Education gets Rs.24,115 crore.
* Old age pension raised to Rs.200 per month.
* Rural health spending at Rs.8,207 crore.
* Gender budgeting on in 32 ministries.
* Bharat Nirman projects to get an allocation of Rs.18,696 crore.
* Northeastern region to get Rs.12,041 crore.
* Sarva Siksha Abhiyan to get Rs.10,041 crore.
* Mid-day meal scheme allocated Rs.4,813 crore.
* Golden Quadrilateral to be completed by 2008.
* Savings up 21.9 percent of GDP in 2005-06.
* Gross capital formation up 30 percent in the current financial year.
* Foodgrain output in the year 209.5 million tonnes.
* Non-food credit is growing by 25 percent.

Central Plan outlay put at Rs 2,54,041 cr - Energy, social services & transport corner major chunk

The Budget has proposed a higher Central Plan outlay of Rs 2,54,041 crore for the next fiscal, compared to budgeted Rs 2,11,253 crore in the current fiscal, marking a growth of 20 percent, with energy, social services and transport accounting for close to 70 percent cornering a substantial chunk of outlays.

While the allocations for the energy sector for the next fiscal is Rs 69,593 crore against the revised Rs 53,720 crore for the current fiscal, social services account for Rs 63,313 crore (Rs 51,271 crore).

Transport sector gets a Plan outlay of Rs 48,614 crore (Rs 40,412 crore), while communications segment gets Rs 19,884 crore (Rs 17,525 crore).

The outlay for agriculture and allied activities for the next fiscal is placed at Rs 7,385 crore (Rs 5,907 crore), while for rural development it is put at Rs 18,269 crore (Rs 16,716 crore).

It is also significant that except in the case of communications, the revised Plan outlay for all other segments for the current fiscal was considerably lower than what was budgeted for 2005-06.

Thus in the case of 2005-06, while the overall budgeted Central Plan outlay was Rs 2,11,253 crore, the revised figure shows that they amounted to 2,05,338 crore, a shortfall of more than Rs 5,500 crore.

The reason is not far too seek as the Union Finance Minister, P Chidambaram, conceded in his speech that "obviously the bulk of the resources must go to the UPA Government's eight flagship programmes: Sarva Sikshha Abhiyan, Mid-day Meal Scheme, Rajiv Gandhi Drinking Water Mission, Total Sanitation Campaign, National Rural Health Mission, Integrated Child Development Services, National Rural Employment Guarantee Scheme and Jawaharlal Nehru National Urban Renewal Mission."

In these programmes, the total allocation in 2005-06 was Rs 34,297 crore, while in the ensuing fiscal this has been stepped up to Rs 50,015 crore, representing an additionality of Rs 15,088 crore or 23.2 percent.

Chidambaram said the Plan expenditure for 2006-07 is estimated at Rs 1,72,728 crore, up by 20.04 percent, while the non-Plan expenditure is estimated at Rs 3,91,263 crore.

The increase of 5.5 percent over non-Plan expenditure in 2005-06 (Budget Estimates) is due to normal growth and is one of the smallest in recent years.

Of the non-Plan expenditure, the 2006-07 Budget has proposed an increase in the allocation for defence from Rs 83,000 crore in the 2005-06 estimates to Rs 89,000 crore next fiscal, which will include Rs 37,458 crore for capital expenditure.

Even in subsidies, against the estimated Rs 47,424.46 crore and the revised Rs 42,349.35 crore, the next fiscal year proposal for all the major subsidies is only Rs 46,213.52 crore.

The total expenditure as per the Budget Estimates for 2006-07 is estimated at Rs 5,63,991 crore. While the total revenue receipts of the Union Government is estimated at Rs 4,03,465 crore, the revenue expenditure is at Rs 4,88,192 crore.

Consequently, the revenue deficit is estimated at Rs 84,727 crore which is 2.1 percent of the GDP.

The fiscal deficit is estimated at Rs 1,48,686 crore which is 3.8 percent of GDP.

With the revised figure for the current fiscal year's fiscal deficit being lower at 4.1 percent against budgeted 4.3 percent of GDP and the revenue deficit too at 2.6 percent against budgeted 2.7 percent of GDP, the Finance Minister said that he has "redeemed the promise that the process of fiscal correction would be resumed in 2006-07".

Economic Survey proposes reforms in tax system Pegs growth rate at 8.1 percent; cites crude prices as a risk factor

If the Economic Survey 2005-06, tabled in Parliament on Monday by the Finance Minister, P Chidambaram, is an indication of things to come, Indian industry can look forward to some relief on the taxation front. Specifically mentioning that the reform of the tax system remains an unfinished task, the survey has said that the industry needs to be unburdened from high level of taxes and the distortive exemptions that provide perverse incentives. "The process of withdrawal or grand-fathering of exemptions is being speeded up and higher revenues have accrued even with unchanged or lower rates," the survey said.

While that is one specific observation, the survey, in its assessment of the economy, has taken note of the robust demonstration of the nascent strengths of the economy, which is projected to grow at 8.1 percent in the current fiscal. "The growth trends for the last three years appears to indicate the beginning of a new phase of cyclical upswing in the economy from 2003-04... In contrast to the sharp fluctuations in agriculture, industry and services have continued to expand steadily and have acted as the twin engines propelling the overall growth of the economy."

At the same time, the survey cautions that the possible risks to an otherwise rosy outlook arise from three factors - inflation, interest rates and fiscal stance. Elaborating, it says that high and volatile international petroleum prices impart an element of uncertainty in the inflation outlook not only for India but also the world economy. "With increasing dependence on imported crude and growing openness, India is no longer insulated from the rest of the world. This inflation uncertainty, together with the unresolved global macroeconomic imbalances, casts it shadow on the interest rate scenario. A continued firming up of global interest rates beyond a point poses the risk of dampening the domestic investment boom," the survey noted.

As for the fiscal risk, both at the Central and State levels, the survey says it arises from the argument that the fiscal adjustment process has led to expenditure compression of the wrong kind. "It is important to safeguard against this argument as the solution lies in not increasing the deficits, but in meeting squarely the challenge of improving the quality of expenditure," it said, hinting at pressures to enlarge expenditure without corrective measures of stopping leakages in the expenditure stream.

While noting some other positives in the economy like year-on-year growth during 2005-06 (till end-October) in bank credit to industry at a high of 45.7 percent and increased flow of credit to agriculture and self-help groups, the survey has pointed to some disturbing trends too.

For instance, low inflation in primary articles observed in the last two years came to an end as the point-to-point inflation rate for this group increased from 1.2 percent to 5 percent between February 5, 2005, and February 4, 2006.

Similarly, it has been noted that the distinct improvement in manufacturing growth in the last two years notwithstanding, overall industrial growth remained well short of the Tenth Plan target and the deceleration in the growth of mining and electricity sector in the current year may put added pressure on manufacturing to maintain overall industrial buoyancy.

The other negatives include the sharp slowdown in accretion to foreign exchange reserves during the current year, the doubling of the current account deficit, reflecting the burgeoning trade deficit, and infrastructure investment continuing to remain far below the requirement with public-private partnership in this sector meeting with limited success.

Similarly, the high growth pattern in the economy has failed to provide greater employment; rather the unemployment rate during 1993-94 to 2004 on the basis of current daily status went up, in the case of males from 5.6 percent to 9 percent in rural areas and from 6.7 percent to 8.1 percent in urban areas.

External sector

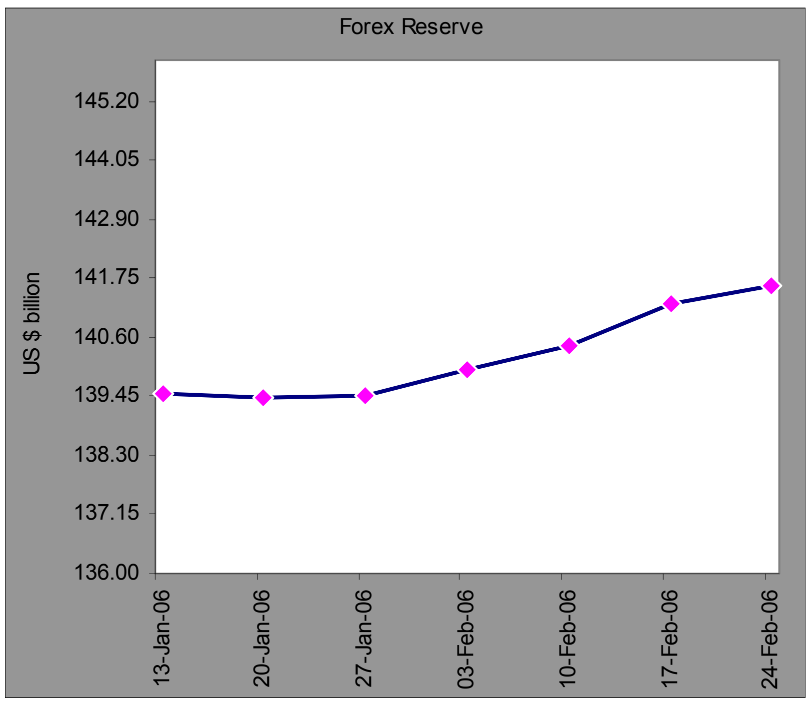
FOREIGN EXCHANGE RESERVES

Foreign currency reserves rise by US$ 350 million

India's total foreign exchange reserves rose by US$ 350 million to US$ 141.590 billion for the week ended February 24, mostly due to a rise of US$ 349 million in foreign currency assets (including the effect of appreciation/depreciation of non-US currencies) to US$ 135.15 billion according to the RBI's weekly statistical supplement released on March 03.

Gold and SDRs were unchanged at $5.680 billion and $3 million, respectively.

The country's reserve tranche position at the IMF improved by US$ 1 million to US$ 752 million.



Money & Banking

INTEREST RATES & DEBT MARKET

Gilts cautious ahead of budget, possible borrowings

Gilts ended higher on Monday on signs of improving liquidity in the money market. However, the trading activity remained poor. Concerns that the state loan auction worth Rs. 3,700 crore would further suck out liquidity from the banking forced traders to cut positions in the opening trade.

Anxiety over the impending Union Budget kept the market undertone cautious. A rise in US Treasury yields and oil prices further impaired sentiment. However, buying at lower levels helped market recoup some of its losses.

The yield on the actively traded 8.07% 2017 closed at 7.37% 2bps lower than its previous close of 7.39%.

Gilt prices dipped across the curve on Tuesday. Losses were more pronounced at the far end. Prices rose in the morning trade as the market rallied on the news of a hike in the FII investment cap in government debt to $2 billion from $1.75 billion previously.

But gilts gave up early gains as the prospects of fresh debt borrowing started to weigh on the market. Gross government borrowing for the coming fiscal year is estimated to be 11% higher than previous year's figure. Caution over fresh borrowing overshadowed the comfort offered by a projected fall in fiscal deficit.

The yield on the actively traded 8.07% 2017 closed at 7.39%, 2 bps higher than its previous close of 7.37%.

Gilts traded subdued midweek amidst poor activity. FM P. Chidambaram's comments on likeliness of future borrowing impaired sentiment.

Furthermore, a rise in oil prices and a fall in U.S. Treasuries on the back of stronger-than-expected manufacturing data fuelled concerns that the Fed would keep raising interest rates.

However, easing liquidity crunch in the money market helped check losses in gilts.

The yield on the actively traded 8.07% 2017 stood at 7.40% unchanged from its previous closing level.

Gilts prices dropped on Friday as a larger-than-expected rise in the inflation rate impaired sentiment. The WPI inflation rate rose to 4.34% for the week ended Feb 18 from 4.02% previously. The Government revised the inflation rate for the week ended Dec 24 to 4.62% from 4.40%.

Higher global oil prices, firmer US yields and speculations over the details of a potential government borrowing in March also kept market weak.

Furthermore, concerns over the impact of the possible auction and upcoming advance outflows on liquidity prompted traders to cut positions.

The yield on the 8.07% 2017 spiked to 7.44% from its previous close of 7.41%.

Call rates rangebound

Call rates traded in the range of the repo rate at 6.40-6.50%.

The low residual demand for funds ahead of the reporting Friday in addition to improving supplies helped the call rates ease.

Rupee hits two-week high after budget

The rupee closed weaker on Monday, giving up early gains inspired by a rally in the yen, after state banks stepped into the market in late trade to buy dollars for the local currency.

But overall trade was thin, with many investors moving to the sidelines ahead of Tuesday's federal budget.

The rupee closed at 44.4850/4950 per dollar, down 0.12 percent from Friday's close but holding above last week's 7-week low at 44.65.

The rupee ended higher on Tuesday, after the federal budget raised the cap on foreign investment in debt and renewed a push for fiscal prudence, moves that could eventually lead to a ratings upgrade, dealers said.

The budget was seen by traders as supporting growth, and they said it could boost the rupee with foreign investors expected to pump more money into the country's stock market.

The rupee had briefly come under pressure earlier in the day after the government announced a higher tax on securities transactions, dampening sentiment among stock market investors.

The rupee ended at 44.3750/3825 per dollar, up 0.26 percent from Monday's close and moving further away from last week's 7-week trough at 44.65 per dollar.

The Indian rupee hit a two-week high on Wednesday as optimism following the annual budget drove the stock market to a new record peak, but currency gains were capped by suspected intervention from the central bank.

A fall in the dollar to one-month lows at about 115.46 yen and weakness versus other major currencies after disappointing U.S. economic data helped the rupee post a second straight day of gains.

But by late trade, it was only just in positive territory. Dealers said they suspected state banks had bought dollars for rupees at the request of the central bank, which probably wanted to limit volatility in the currency market.

The rupee ended the day at 44.3750/3825 per dollar, up 0.4 percent from Tuesday's close but off a two-week high hit earlier in the session at 44.25 against the dollar.

The Indian rupee gave up early gains against the dollar on Thursday as suspected central bank intervention countered the impact of strong foreign demand for local stocks.

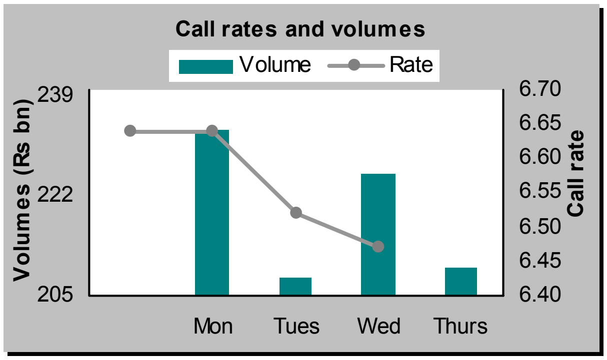
Upbeat sentiment following Tuesday's budget and sharp gains in benchmark Indian shares pushed the rupee to a two-week high on Wednesday at 44.25 per dollar.

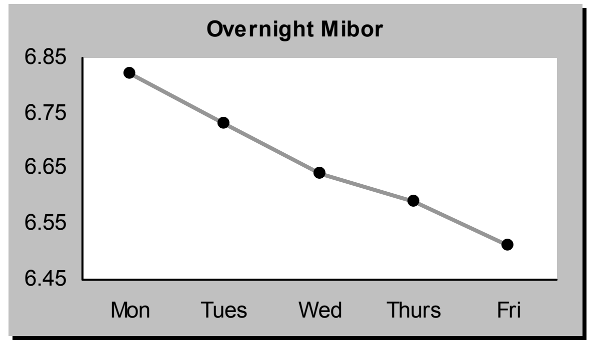
But on Thursday, dealers said state banks were seen buying dollars for rupees, most probably on behalf of the central bank to curb volatility in the market.

The rupee ended the day at 44.37/38 per dollar, hardly changed from Wednesday's close and off a session peak at 44.3050.

The Indian rupee trimmed early gains on Friday, pushed down after dealers suspected state banks of buying dollars for rupees on behalf of the central bank.

At 10:57 a.m., the rupee was quoted at 44.35/36 per dollar, 0.07 percent firmer than Thursday's close and off a session high at 44.3375.





Stock Markets

Weekly Wrap : Sensex gains 394 points

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The markets started the week on an optimistic note with the Sensex gaining 81 points on Monday and 88 points on the budget day. On Wednesday the index made a hefty gain of 195 points and on Thursday it added 61 points on the news of nuclear deal between India and US. The markets witnessed correction on Friday with the Sensex losing 31 points.

The annual rate of inflation rose 4.34% on a point-to-point basis for the week ending February 18, higher then the previous week`s 4.02%, due to higher tobacco and fuel prices.

FIIs invested $407.2 mn in equities this week and mutual funds bought Rs 556.95 crore. (from Monday to Thursday)

Auto stocks surged this week after the finance minister proposed cuts in duties on small cars and duties on key raw materials including steel and plastic in the budget for the year to March 2007.

FMCG stocks were also in the limelight as the finance minister had levied an additional import duty of 4%, a step that will add more cheer to the domestic FMCG sector.

Steel shares moved up this week after domestic steel maker raised steel prices tracking firm global prices. With effect from 1 March 2006, steel firms raised hot-rolled steel prices by Rs 2,000 per tonne to around Rs 21,000 a tonne for spot delivery. Galvanized steel prices have been increased by Rs 750-1,000 per tonne from 1 March 2006.

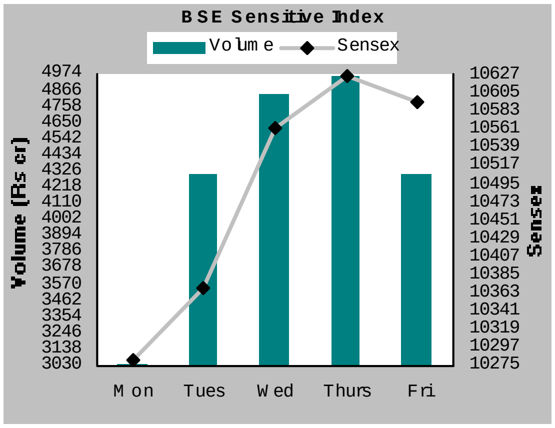
Car major Maruti Udyog (MUL) gained 19.35% to close at Rs 928.45. The finance minister announced a sharp cut in excise duty to 16% from 24% on small cars in the budget. MUL has slashed small car prices. The price reductions on Maruti`s five small car models range from Rs 12,704 on the mini 800 to Rs 25,052 on a premium Zen hatchback.

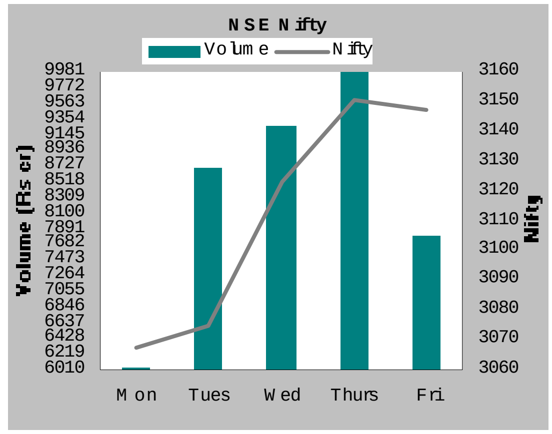
Associated Cement Companies rose 15.29% to close at Rs 683.10 . The cement despatch rose 11.80% to 1.534 million tonnes in Feb 2006 as compared to1.372 million tonnes in Feb `05. The cement company`s cumulative despatch inceased 10.63% to 3.182

million tonnes in Feb `06 as compared to 2.876 million tonnes in Feb `05. Gujarat Ambuja Cements` despatch rose 16% to 10.72 lakh tonnes in Feb `06 as compared to 9.27 lakh tonnes in Feb `05.

Sunil Hitech Engineers, a thermal power plant construction major, made its debut on the BSE today. The stock was listed on the BSE at Rs 125. It closed at Rs 142.9, down 8.51%.

The securities transaction tax was raised by 25% across the board in the budget.





Inflation

Inflation rises on surge in mineral prices

The annual wholesale price index-based inflation rose 4.34 percent during the week ended February 18, up from the previous week's annual rise of 4.02 percent. The increase in the year-on-year inflation rate was largely on account of a surge in prices of iron ore, essential non-food, industrial fuel and manufactured items, according to data released by the Government on Friday.

During the latest reported week, the Wholesale Price Index (WPI) was up 0.3 percent to 197.1 points. It was at 188.9 points a year ago. The inflation rate was higher at 4.89 percent during the corresponding period last year. On a disaggregated basis, the Primary Articles group index rose 0.5 percent to 195.2 points due to costlier non-food items while food items became cheaper. The index was 184.4 points a year ago.

The Fuel, Power, Light and Lubricants group index was up by 0.1 percent to 311.9 points due to rise in prices of furnace oil and bitumen. The index was 289.7 points in the year ago period. The Manufactured Products group index rose by 0.2 percent to 172.1 points due to costlier food, beverages tobacco, textiles, chemicals, non-metallic mineral and base metals. The index was 168 points a year ago.

Among the Primary Articles' group, the Food Articles group fell 0.2 percent to 196.5 points due to lower prices of eggs (4 percent), vegetables and bajra (3 percent), fruits and jowar (2 percent each) and barley, condiments and spices (1 percent each). But prices rose for poultry chicken and fish (10 percent), urad (3 percent), arhar, moong and gram (2 percent each).

The Non-Food Articles group was up by 1 percent to 176.7 points owing to increase in prices of soyabean (15 percent), groundnut seed, raw tobacco and sunflower (2 percent each) and castor seed (1 percent); but copra, rape and mustard seed became cheaper by 2 percent. The index for Minerals group shot up by 9.2 percent to 389.5 points due to higher prices of silica sand (50 percent), felspar (20 percent) and iron ore (11 percent). However, prices declined for magnesite (4 percent) and fire clay and fluorite (1 percent each).

Among the Manufactured Products' group, the Food Products group index was up by 0.7 percent to 181.9 points owing to rise in prices of rice bran oil (5 percent), sugar and imported edible oil (2 percent each).

INDIAN Policy WATCH

March 04, 2006 Issue No: 49 FY2006

HIGHLIGHTS

- Govt to release 1 lt more wheat
- Cargill among 38 FDI plans cleared
- Petroleum regulatory board Bill passed

C O N T E N T S

POLICY WATCH

POLICY WATCH

AGRICULTURE

Govt to release 1 lt more wheat

In order to keep the wheat prices in control, the Government has decided that the Food Corporation of India would release one lakh tonnes of wheat under the open market sale scheme as the first instalment in March 2006, said an official release.

While10,000 tonnes of wheat would be released each for Delhi, Haryana, Punjab, Tamil Nadu Maharashtra; 5,000 tonnes each for Jharkhand, Orissa, West Bengal, J&K, Andhra Pradesh, Kerala, Karnataka and Gujarat; 4,000 tonnes for Uttaranchal; and 3,000 tonnes each for Madhya Pradesh and Chhattisgarh, it added.

F D I

Cargill among 38 FDI plans cleared

Cargill Holdings BV's Rs 218-crore investment plan for starting commodities trading in India was among the 38 FDI proposals totalling Rs 361.32 crore cleared by the Government on Thursday.

Following the recommendations of the Foreign Investment Promotion Board (FIPB), the Finance Minister, Mr P. Chidambaram, also approved French insurer AXA's proposal to bring in its share of capital worth Rs 24.55 crore in the life insurance venture with telecom major Bharti.

Pilkington Italy of UK has got the green signal to set up a wholly owned subsidiary in Andhra Pradesh with an initial investment of Rs 58 crore to manufacture automotive glass products in India.

Mauritius-based Spectrum Technologies' FDI proposal of Rs 18 crore in Dynamic Generation Pvt Ltd has also been approved by the FIPB.

IT company Red Hat of Ireland will increase its holding in the Indian arm from 60 to 100 percent. Randox Laboratories of UK will expand its Indian operations for which it will invest Rs 15.5 crore.

Sur Tec International GmbH of Germany will invest about 1 million for starting a wholly owned subsidiary in India for carrying out surface treatment chemicals trading.

The US-based Fisher Scientific International Inc will pump in Rs 4.81 crore in Scientific Products India Pvt Ltd for undertaking trading activities.

Swedish firm Alfa Laval has got the clearance for increasing its investment in Indian arm Alfa Industrial Products for expansion.

Petroleum regulatory board Bill passed

The Bill to set up a regulatory board for the downstream petroleum and natural gas sector was passed by the Rajya Sabha on Thursday.

The Petroleum and Natural Gas Regulatory Board Bill, 2005 envisages setting up of an independent regulatory mechanism with the objective of regulating the refining, processing, storage, transportation, distribution, marketing and sale of petroleum production and natural gas.

Another aspect that the board would look into is to ensure uninterrupted and adequate supply of petroleum and petroleum products and natural gas across the country. As this sector is increasingly getting deregulated, the proposed regulator will prevent exploitation of consumers and provide a mechanism for ensuring uninterrupted and adequate supply of petroleum products at fair prices, the Minister for Petroleum and Natural Gas, Mr Murli Deora, said.

The Bill also entails provision of retail service obligations for the retail outlets and marketing service obligations for the players in the petroleum and gas sector. The Petroleum Regulatory Board Bill, 2002 was introduced in Lok Sabha on May 6, 2002. It was then referred to the Parliamentary Standing Committee on Petroleum and Chemicals. The committee presented its report on May 8, 2003 recommending that the Bill could be passed, subject to their recommendations and observations. The official amendments, as proposed by the committee were introduced in Lok Sabha in December 2003. However, the Bill could not be taken up for consideration and it lapsed. The Bill was again introduced in December 2005.

Some of the amendments proposed include the provision to empower the board to register entities that propose to establish storage facilities for petroleum, petroleum and natural gas beyond a certain capacity. The standing committee had also recommended that the Government should lay down separate regulations incorporating provisions essential to handling the specific problems of the gas sector. The Government has agreed to this proposal, the Minister informed the House.

Appropriate provisions have been incorporated in the Bill, that specifically pertain to the gas sector, he said. These relate to affiliate code of conduct, pipeline access code, introduction of the concept of contract carrier, marketing service obligations of city or local gas distribution entities, and methodology for fixation of transportation tariffs.

Further, the Bill also proposes to have a member legislation/judicial on the Board, introduce the concept of `restrictive trade practice' instead of `profiteering', a common appellate tribunal for the electricity and petroleum sectors, deleting the exclusion of jurisdiction of the MRTP Commission or Competition Commission. It also empowers the board to register, instead of authorise, the entities seeking to market petroleum products and setting up liquefied natural gas terminals.

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