

Daily Economic News Summary: 22 November 2018

1. European Union Unveils Strategy Paper For Ramping Up Ties With India

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

The European Union on 21 November unveiled a 'strategy paper' outlining the broad roadmap for stepping up cooperation with India in a range of key sectors, including trade, investment, defence and security, innovation, and on dealing with various global challenges. Releasing the paper, European Union's Ambassador to India Tomasz Kozlowski said the two sides are also going to have military cooperation in the Indian Ocean region.

2. India, 44 WTO Members Object To Penalty Plan For Not Notifying Sops

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

India, South Africa and 43 countries of the African Group have raised concerns at a proposal by the US, the EU and Japan that requires member countries to increase their funding to the World Trade Organization (WTO) if they introduce or increase subsidies for domestic industry without reporting to the organisation. The proposal also prohibits defaulters from presiding over WTO bodies and allows other countries to not answer questions posed by them.

3. Half Of India's Atms May Close Down By March 2019, Warns Catmi

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

Changes in regulatory landscape are making it unviable to operate ATMs, and may lead to the closure of half of the 2.38 lakh machines in the country by March 2019, the Confederation of ATM Industry (CATMi) warned 21 November. Closure of the ATMs will impact thousands of jobs and also the the financial inclusion efforts of the government, the industry body said in a statement. The industry body said that recent regulatory changes, including those on hardware and software upgrades, coupled with mandates on cash management standards and the cassette swap method of loading cash, will make ATM operations unviable, resulting in the closure.

4. Govt May Report Jobs Growth Data Across All Sectors By Early 2019

Source: Livemint ([Link](#))

Come 2019, the Union government may have some answers on the number of jobs it has created over the past few years both in the formal as well as informal sectors. It is likely to unveil a series

of employment generation data collected from industries and households, as well as small businesses that have taken out Mudra loans from the government, said three government officials, requesting anonymity. While the employment and unemployment survey, and NSSO findings are all household surveys, the one related to Mudra loans is a review of the informal sector. The quick employment survey will gauge the actual number of jobs added by companies.

5. ECF Panel To Submit RBI Reserves Report By February End

Source: Livemint ([Link](#))

The expert committee to examine the economic capital framework (ECF) of the Reserve Bank of India (RBI) will be formed within a week, two people aware of the discussions said, adding that it will submit its report by the end of February. RBI had on 19 November announced, after a meeting of its central board, that the membership and terms of reference of the committee will be jointly determined by the government and the central bank. The first person cited above said the committee will examine the optimum level of reserves required to be maintained by the central bank. It will be on the lines of earlier committees like the Subrahmanyam Group (1997), the Usha Thorat Group (2004) and the Malegam Committee (2013). All three committees have suggested different levels of reserves to be maintained by the central bank.

6. Data Protection Bill: EU Cautions India Against Stressing On Mandatory Local Storage

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

The European Union has suggested that the Indian government, which is in the process of making a data protection law, should not stress on data localisation as apart from being unnecessary and potentially harmful to the cause of data protection, any such measure would create unnecessary costs, difficulties and uncertainties that could hamper business and investments. The caution with regard to data localisation being part of a proposed data protection law is part of EU's responses to the draft Data Protection Bill drafted by Justice Srikrishna committee which is being processed by the ministry of electronics and information technology.

7. RBI Board Next Meet: MSME Credit Issue Sorted, Government To Now Pitch For Real Estate Sector Stress

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

After raising the MSME credit issue, government is likely to pitch for stress in the real estate sector in the RBI's next board meeting scheduled on December 14. In addition, infusion of liquidity in the NBFC sector may also come up in the meeting, the Indian Express reported. The last mile funding is the major issue which the developers are facing and if it's not solved it will have a domino effect on the economy and on home buyers, Getamber Anand, chairman, Confederation of Real Estate Developers' Associations of India (CREDAI) and CMD ATS Infrastructure, said. The central bank needs to push banks to begin lending to the real estate sector, the central bank.

8. NCLT Could Lose Power To Approve Mergers And Acquisitions In Reform Move

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

The government is considering taking away the power of the National Company Law Tribunal (NCLT) to approve or reject mergers and acquisitions (M&A) and give the responsibility to the regional directors of the Ministry of Corporate Affairs (MCA). The proposal is aimed at easing the burden on NCLT benches and ensuring that they only hear cases related to the Companies Act and the Insolvency and Bankruptcy Code. An approval from the NCLT under the Companies Act is one of the several regulatory clearances required for any merger or acquisition.

9. Mukesh Ambani's RIL May List Retail Arm Reliance Retail Ventures In 2019

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

Buoyed by rising sales of its retail arm, Reliance Industries (RIL) is considering listing Reliance Retail on the domestic stock exchanges by mid-2019 to unlock value. The blockbuster listing of Avenues Supermarts, a much smaller company which runs D-Mart brand of superstores, has prompted Mukesh Ambani-owned company to fast forward its plans and is in talks with investment bankers, say sources. In October, Reliance Retail was valued by global brokerage firm Jefferies at Rs 1.4 trillion on discounted cash flow model but peer-based valuations could imply Rs 2 trillion.