

## Daily Economic News Summary: 27 September 2018

### **1. Rupee Defence: Customs Duty Hiked On 19 Products – Check What Could Get Costlier** Source: Financial Express ([Link](#))

Intervening to support a falling rupee, the government on 26 September increased the import taxes (basic customs duty) on 19 items ranging from white goods, gold jewellery and aviation turbine fuel to footwear and certain plastic items by 2.5 to 10 percentage points. The move covering goods whose aggregate imports last fiscal were `86,000 crore could jack up the prices of these goods in the domestic market and make air travel costlier. While many of these items like air conditioners and refrigerators saw a reduction in the goods and service tax (GST) rates recently, domestic manufactures could now use reduced competition from imports to hike prices, analysts said.

### **2. India Proposes Free Trade Agreement With Bangladesh** Source: Financial Express ([Link](#))

India has proposed Bangladesh to consider negotiating a comprehensive free trade agreement with a view to promote two-way commerce and investments, an official statement said on 26 September. Commerce and Industry Minister Suresh Prabhu, who is in Dhaka, has said that after Bangladesh graduates from the Least Developed Country (LDC) status, it will no longer have duty-free and quota-free access for its products to the Indian market under SAFTA (South Asia Free Trade Agreement).

### **3. Supreme Court Strikes Down Some Sections Of Aadhaar Act: What It Means** Source: Livemint ([Link](#))

In a historic judgement, the Supreme Court on 26 September laid down the blueprint of a revamped legal framework for Aadhaar, fine-tuning the scheme's focus from inclusion—its original *raison d'être*—to the prevention of exclusion. The five-member Constitution bench headed by Chief Justice of India Dipak Misra, while taking into consideration the concerns of the petitioners, struck down and re-worked some of the provisions of the Aadhaar Act and Aadhaar Regulations. This move is also expected to make the legal architecture of Aadhaar more citizen-friendly by addressing concerns around privacy of personal data, including biometrics.

#### **4. Cabinet Clears Another Rs 55-Bn Bailout Package For Sugar Mills**

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

With sugarcane arrears stubbornly remaining around Rs 130 billion ahead of the new crushing season that begins next month, the central government on 26 September approved a fresh Rs 55.38-billion package for the sugar industry of which almost 75 per cent will be directly paid to growers provided mills export 5 million tonnes of the sweetener. To facilitate the exports, a transport subsidy amounting to Rs 13.75 billion was also approved as part of the relief package. The transport subsidy will be given at the rate of Rs 1,000 a tonne to mills located within 100 km from ports, Rs 2,500 a tonne for mills located beyond 100 km from the port in coastal states and Rs 3,000 a tonne for mills located in other than coastal states, an official statement said.

#### **5. Cabinet Approves Converting GSTN Into 100% Government-Owned Company**

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

The Cabinet on 26 September approved the acquisition of privately-held equity in the GST Network (GSTN), which will make the not-for-profit company 100% government-owned. This proposal was approved by the GST Council earlier this year. After the acquisition, the central and state governments would hold 50% each of the company, the government said in a statement. The GSTN board will now comprise of 11 directors: Three each from the Centre and the states, three independents, along with one chairman and a chief executive officer.

#### **6. India, Morocco Sign Pact To Expand Collaboration In MSME Sector**

**Source: The Hindu, Business Line ([Link](#))**

India and Morocco have signed an agreement for deepening cooperation in the MSME sector, a move which will facilitate transfer of Indian technologies and products to the North African nation. The MoU was signed in Rabat, Morocco on 25 September by National Small Industries Corporation (NSIC) CMD Ravindra Nath and Director General, Maroc PME, Rabri Barrazouka, an official statement said. Through this MoU, NSIC and Maroc PME will work together to enhance cooperation opportunities between the micro, small and medium enterprises (MSMEs) of the two countries. Besides, Alka Arora, Joint Secretary in the Ministry of MSME, who is leading the official delegation along with CMD NSIC to Morocco, held bilateral meetings with Othman El

Ferdaous, Secretary of State in the Ministry of Industry, Investment and Trade and Digital Economy and with other related departments.

### **7. New Digital Policy To Safeguard Data Privacy And Autonomy Of Individuals**

**Source: The Hindu, Business Line ([Link](#))**

The Union Cabinet has approved the National Digital Communications Policy-2018 (NDCP-2018) and the re-designation of the Telecom Commission as the 'Digital Communications Commission'. The new policy, which replaces the National Telecom Policy 2012, sets targets to be achieved by 2022. Since technologies and commercial businesses have undergone a massive change since 2012, there was a need for a new telecom policy, Finance Minister Arun Jaitley told reporters after a Cabinet meeting here on 26 September. The policy also proposes establishing a comprehensive data protection regime for digital communications that safeguards the privacy, autonomy and choice of individuals.

### **8. Government To Strictly Implement Rules Of Origin For Import Of Edible Oils From Bangladesh**

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

Government puts strict enforcement of rules of origin for imports of edible oils from Bangladesh under South Asian Free Trade Agreement (SAFTA) No imports of edible oils will now be cleared without an NOC (no objection certificate) from Directorate of Revenue Intelligence (DRI), Kolkata. "Similar action under active consideration for edible oil and vanaspati imports from Sri Lanka, Nepal etc," said sources from edible oil industry.

### **9. Mounting Import Of Vietnamese Pepper Via Sri Lanka Worries India**

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

Pepper exporters have expressed concern at the rising import of Vietnamese pepper routed through Sri Lanka into the country despite the imposition of minimum import price of Rs 500 per kg by India. The MIP was fixed last year to protect the interest of the local pepper growers after over 40% decline in prices though productions were normal. The MIP was fixed last year to protect the interest of the local pepper growers after over 40% decline in prices though productions were normal. Pepper import from Sri Lanka carries 8% duty under south Asian Free Trade Agreement

(SAFTA) while there is no duty for a quantity of 2500 tonnes. A change in the policy has enabled pepper traders in Sri Lanka to re-export Vietnam pepper available at \$2500 to 2800 per tonne, which is about Rs 200 per kg.

**10. Cabinet Approves \$100-Billion Investment Goal In E-Communication**

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

The Union Cabinet on 26 September has cleared a new telecom policy, which aims to provide broadband to all, create an additional four million jobs and get \$100 billion investment in the digital communications sector by 2022. The objectives of the National Digital Communications Policy (NDCP) 2018 include enhancing the contribution of the digital communications sector to 8 per cent of India's GDP from 6 per cent in 2017 and propelling the country to the top-50 nations in the ICT Development Index of International Telecommunication Union (ITU) from 134 in 2017. The policy also calls for rationalisation of levies for the telecom sector, which is struggling under financial stress. Telecom Minister Manoj Sinha said work on most of the aspects of the policy will be done within a year.