

Daily Economic News Summary: 2 January 2019

1. India cuts duty on refined, crude palm oil from ASEAN

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

The government has cut import duties on crude and refined palm oil from Southeast Asian countries. India imports 60% 15.5 million tonnes annually of its edible oil requirements, largely from Malaysia, Indonesia, Argentina and Ukraine. The duty on crude palm oil from Malaysia, Indonesia and other members of the Association of South East Asian Nations was cut to 40% from 44%, while the tax on refined palm oil was cut to 45% from 54% if imported from Malaysia and to 50%, if purchased from Indonesia or other member-nations of Asean, the ministry of finance said in a ministry notification issued on 1 January.

2. Ministries told not to directly engage with US on trade issues

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

The Cabinet Secretariat has instructed ministries, including information technology, agriculture and animal husbandry, not to directly engage with the US on trade issues and instead go through the department of commerce. This comes after some US officials approached other ministries in an attempt to push their demands. The US has been trying to seek unconditional market access for its dairy products in India, besides incentives and tariff concessions for its ICT products including mobile phones issues that are being discussed in the trade package that the two countries are negotiating.

3. SMEs set to get GST relief ahead of 2019 Lok Sabha elections

Source: Livemint ([Link](#))

With Lok Sabha elections due by May 2019, the GST Council is set to further ease the compliance burden for small businesses at its meeting later this month. The GST Council, chaired by union finance minister Arun Jaitley, will consider raising the sales threshold for compulsory GST registration from ₹20 lakh to anywhere between ₹50 lakh and ₹75 lakh, one person privy to the development said on condition of anonymity. A GST Council meeting is

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likely to be convened by mid-January to consider the proposal that is based on the experience gained since the tax reform was implemented in July 2017.

4. PMJAY Ayushman Bharat: Nearly 7 lakh provided treatment in first 100 days

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

Over 6.95 lakh beneficiaries have availed free hospitalisation benefits worth Rs 924 crore in the first 100 days of the Pradhan Mantri Jan Arogya Yojana (PMJAY), which offers Rs 5-lakh-a-year free health cover to 10.7 crore households. “Once awareness on the scheme increases, it is anticipated that in the next few years, almost 1 crore plus families will benefit each year,” finance minister Arun Jaitley said in a Facebook post, lauding the scheme as a game changer in healthcare. In the first 100 days, 5.29 lakh hospitalisation claims have been filed worth about Rs 684.6 crore, with average hospitalisation cost of 12,932 per patient. NHA plans to issue about five crore beneficiary cards to inform people and generate hospitalisation demand from rural population. The hospitalisation and treatment cost are shared in 6:4 ratio between the Centre and states. The cost of the scheme would be much lower in FY19 as half of the year is over.

5. Govt to discuss IT Act changes on social media with advocacy groups on January 5

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

The Ministry of electronics and IT (MeitY) is meeting members of various advocacy groups related to internet freedom on January 5 to deliberate on the proposed changes to the IT Act which will make social media companies more accountable. Apart from the meeting, ministry officials will also take questions regarding the proposed amendments, on Twitter. The government has initiated a process to amend the Section 79 of the Information Technology (IT) Act, 2000, in a manner that social media platforms such as WhatsApp, Facebook and Google would have to comply with its direction in providing information and assistance within 72 hours of a request made with regard to origin of any content deemed unlawful and to remove it.

6. Government notifies new annual GST return forms

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

The government has notified new annual GST return forms, which are required to be filed by businesses registered under the Goods and Services Tax regime by June 30, 2019. In the annual return forms, businesses have to provide consolidated details of sales, purchases and input tax credit (ITC) benefits accrued to them during the 2017-18 fiscal. The Central Board of Indirect Taxes and Customs (CBIC) on December 31, 2018, notified form GSTR-9, GSTR-9A and GSTR-9C. GSTR-9 is the annual return form for normal taxpayers, GSTR-9A is for composition taxpayers, while GSTR-9C is a reconciliation statement. Trade and industry bodies had raised several objections on the GST annual return filing forms, which were earlier notified in September last year. Following this, the CBIC has notified the new forms. AMRG & Associates Partner Rajat Mohan said “it is disheartening to witness that only minor modifications have been made in these forms and all other demands have been rejected.

7. India remains ahead of China; retains world's fastest growing economy title

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

India remained ahead of China to retain the tag world's fastest growing large economy withstanding several ups and downs, the spike in oil prices and global trade war like situation during 2018. Indian economy's roller-coaster ride during the year gone by was best captured by the GDP growth. In the first quarter of 2018-19 ending June 30, it grew at an impressive 8.2 per cent, after 7.7 per cent in the first three months of the year. Then it slipped to 7.1 per cent in the next quarter ending September 30. Fitch Ratings slashed India's GDP growth forecast to 7.2 per cent for the current fiscal, from 7.8 per cent projected in September, citing higher financing cost and reduced credit availability.