

Daily Economic News Summary: 10 September 2018

1. India: No Deal To Choose US Oil Over Iran's; Price Alone Will Decide

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

India is clear that commercial considerations will drive its crude oil imports from the US and that oil bought from Washington should not be seen as replacing Iranian petroleum. “Yes, scaling up oil imports from the US was discussed at the 2+2 dialogue between the two countries as part of measures to correct the trade deficit. But we are clear that these are commercial decisions dependent on how competitively oil is priced and on the requirements of our refineries,” said a senior government official. Besides, the US is working on improving the infrastructure for exporting oil and gas, said the official, adding that “once done the scope of scaling up imports will be higher”. Asked if scaling up crude imports could mean replacing Iranian oil, the official told *BusinessLine*: “We are dealing with two issues separately and our stand has been communicated to the US.”

2. WTO: US Rejects India's Request To Join Russia In Dispute Against Duties On Steel, Aluminium

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

Signalling its unwillingness to be flexible on its decision to impose penal import duties on aluminium and steel from countries such as India, Russia and China, the US has rejected New Delhi's request to be an interested party in the dispute filed by Russia against Washington's move at the World Trade Organisation (WTO). “Issues of national security are political matters not susceptible to review or capable of resolution by WTO dispute settlement,” the US said in a reply to India. While the US has the authority to reject a member's request to join consultations that another country has requested to hold with it on a matter of dispute, it will not have a say if the issue takes the form of a full-fledged dispute and a dispute settlement panel is established.

3. Centre Sets Up Panel Of Secretaries Into Look E-Commerce Issues

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

With concerns being raised on some proposals of the draft e-commerce policy, the government has set up a group of secretaries to look into the issues, according to an official. The group will be

chaired by the secretary in the department of industrial policy and promotion (DIPP). The other members of the group include secretaries of the ministry of electronics and information technology and department of commerce. Representatives of Niti Aayog and department of economic affairs are also members of the group.

4. Bharat Bandh Today May Impact Several Non BJP States

Source: Livemint ([Link](#))

Public transport, educational institutions and government offices across several non-Bharatiya Janata Party (BJP)-ruled states are likely to be affected by the “Bharat Bandh” called by the Congress against rising diesel and petrol prices. Several states, especially in South India, where the BJP has little or no presence in terms of elected representatives, have come out in support of the Bharat Bandh call, which seeks to target the Prime Minister Narendra Modi-led Union government ahead of 2019 Lok Sabha elections. The Bharat Bandh will be observed between 9am and 3pm. Congress workers are expected to organize sit-in protests at petrol pumps.

5. Google CEO Pichai Urges India To Allow Cross-Border Flow Of Data

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

Google chief executive officer Sundar Pichai has urged electronics and IT minister Ravi Shankar Prasad to allow free flow of data across borders, which the India-born executive feels will boost India’s digital economy. Sources said Pichai, in a letter to the minister last week, reiterated Google’s commitment to being part of the India’s growth story. A senior government official said: “Pichai said he appreciates the government’s efforts in creating a conducive business environment in India. In the letter, he urged that free flow of data across borders, with focus on user privacy and security, will encourage start-ups to innovate and expand globally and encourage global companies to contribute to India’s digital economy”. Pichai’s suggestion comes within days of Prasad’s visit to San Francisco last month, where he met heads of tech companies, including Pichai.

6. Govt Plans Geo-Tagging To Crackdown On Shell Company

Source: Livemint ([Link](#))

Companies may soon have to geo-tag their registered offices in the statutory filings with the Registrar of Companies (RoC), as the government seeks to prevent fraud by tightening regulatory

systems. Geo-tagging, or attaching data of the exact location of the office, will allow the online return filing system to alert government officials wherever it detects far too many companies are registered in the same premises, a trend noticed in past investigations into shell companies. With this move, the ministry seeks to prevent abuse of the corporate structure by companies that inflate costs by issuing fake invoices and laundering unaccounted wealth in the form of loans or equity through bogus transactions.

7. Trump Wants To Stop Subsidies To Growing Economies Like India, China

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

President Donald Trump on 7 September said he wants to stop the subsidies that growing economies like India and China have been receiving as he wants the US, which he considers as a "developing nation", to grow faster than anybody. Addressing a fundraiser event in the Fargo city of North Dakota, he also accused the World Trade Organization (WTO) of allowing China to become a "great economic power". "We have some of these countries that are considered growing economies. Some countries that have not matured enough yet, so we are paying them subsidies. Whole thing is crazy. Like India, like China, like others we say, 'oh, they're growing actually'," Trump said.

8. RCEP Accord Dims As India Frets Over Trade Liberalization

Source: Nikkei Asian Review ([Link](#))

Trade ministers from 16 countries in the Regional Comprehensive Economic Partnership confirmed that they will try to reach a broad agreement by the end of the year during a two-day meeting that ended on Aug. 31. But if 15 member nations cannot find common ground with India, which is opposed to an overly liberal trade policy, the more than five years of negotiations will likely drag on into 2019. India is at odds with the other 15 RCEP members. According to a local newspaper, the country is opposed to a trade liberalization rate of at least 86%. Currently, for countries with which India does not have bilateral free trade agreements, India's default trade liberalization rate stands at 74%.