

Daily Economic News Summary: 13 January 2019

1. IRDAI starts work on standardising general clauses in health insurance policy contracts
Source: The Hindu, Business Line ([Link](#))

Insurance companies may soon have to offer uniform clauses in indemnity-based health products to simplify customer experience with standardised wordings for provisions such as claim settlement within 30 days and cancellation of policies with a 15-day notice. Keen on bringing uniformity in the wording of health insurance policy contracts, the Insurance Regulatory and Development Authority of India (IRDAI) has proposed to standardise some of the general clauses that are commonly used in indemnity-based health products. “The objective of these guidelines is to standardise the common general clauses incorporated in indemnity-based health insurance (excluding personal accident and domestic/overseas travel) products covering hospitalisation, domiciliary hospitalisation and daycare treatment, in order to simplify the wordings of general clauses in the policy contracts and ensure uniformity and greater transparency,” said the draft guidelines issued by the IRDAI recently.

2. India aiming at USD 250 billion maritime economy by 2024: Def Secy
Source: Money Control ([Link](#))

India is looking at a USD 250 billion maritime economy by 2024, which the Indian Coast Guard (ICG) has the responsibility to safeguard, Defence Secretary Ajay Kumar said on 12 January. India's exclusive economic zone in the seas along its 7,500-kilometre coastline comprises over 2 million square kilometres, he said. "With a target of becoming a USD 5 trillion economy by 2024, we are looking at over USD 250 billion coming from the maritime zone. "It is this USD 250 billion economy that the ICG has the responsibility to protect and safeguard," Kumar said after commissioning coast guard ships 'ICGS Amrit Kaur' and 'ICGS Annie Besant' which will be deployed along the eastern coast.

3. India is in talks with Mongolia and Russia for importing coking coal: Pradhan

Source: Money Control ([Link](#))

Union Minister Dharmendra Pradhan has said India is in talks with Mongolia and Russia for importing coking coal to reduce dependence on few countries for supplies of the commodity. The minister said the Centre is looking to import coking coal, a raw material for making steel, at a reasonable price as the country has set a target to produce 300 million tonne of the metal by 2030-31. "India has been importing coal from Australia, which is good, but high-quality coking coal is also available in Mongolia. We are looking to bring that coal at a reasonable price. We are in talks with the Mongolian government," Pradhan said at a programme in Delhi on 11 January.

4. Govt plans to restrict coal supply to Andhra Pradesh

Source: Livemint ([Link](#))

The Centre is considering restriction of coal supplies and all sanctioned loans and funding to Andhra Pradesh from central public sector units (PSUs) such as Power Finance Corp. Ltd (PFC) and REC Ltd, if the state government refuses to reconsider its decision to revise renewable energy contracts, according to two people aware of the development. Such a measure is likely to be adopted in case of all states that renege on power purchase agreements (PPAs), as such moves send a negative signal to international investors and imperil India's ability to attract overseas investments. "This is not specifically targeted at Andhra Pradesh but will be applicable to every state that takes recourse to such a path," said a senior union government official, one of the two people cited above, requesting anonymity.

5. Commerce Ministry moving to put in place institutional structure to turn districts into export hubs

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

In line with Prime Minister Narendra Modi's proposal put forward in his Independence Day speech last August on turning every district into an export hub, the Commerce Ministry is planning to put in place an institutional structure for this and is collecting data for the same. A plan for district-wise export hubs could be announced in the Budget to be presented by Finance Minister Nirmala Sitharaman on February 1, an official told BusinessLine. "Commerce Ministry officials will hold meetings with counterparts from the GST Network (GSTN) and ICEGATE to generate district-wise data on enterprises and exports," the official said. As the GSTN has the responsibility of managing the entire IT system of the GST portal, which is the mother database

for everything connected with GST, the Commerce Ministry hopes to get the district-wise information on manufacturing and exports.

6. India to acquire 200 fighter jets for Air Force: Defence secretary

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

The government is in the process of acquiring around 200 aircraft to cope with the depleting aerial inventories of the Indian Air Force, defence secretary Ajay Kumar said in Kolkata on 12 January. The contract for HAL-manufactured 83 LCA Tejas Mark 1 A advanced fighter jets are in the final stages, he said. Apart from these, Expression of Interest (EOI) has been floated for another 110 aircraft, based on which Request for Proposal (RFP) will be floated, Kumar said. "Roughly (for) 200 aircrafts, the acquisition is in process," he said. "We are in the process of finalising the contract for 83 Light Combat Aircraft (LCA) Mark 1 A, which are advanced fighters to meet the urgent needs of India," the defence secretary told reporters on the sidelines of commissioning Indian Coast Guard vessels. Kumar said that the contract for the LCAs will be signed "definitely this year".

7. India vs US at WTO: Panel formed to examine retaliatory tariff on 29 American goods

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

New Delhi viewed Washington's move as inconsistent with the WTO rules and had informed the multilateral body in 2018 about its plan to retaliate. The dispute settlement body (DSB) of the World Trade Organisation (WTO) has formed a three-member panel to examine a complaint by the US against India's retaliatory tariff on 29 American goods last year. Ironically, although the US has crippled the WTO's dispute appellate mechanism by blocking the appointment of judges, the DSB is still functional. However, as per the established practice, the DSB's findings cannot be binding on a losing party if it appeals against the verdict. Since the appellate mechanism is now paralysed, it's unclear how the WTO will handle the matter. The US had alleged that India's move "appears to nullify or impair the benefits accruing to the US directly or indirectly" under the GATT 1994. In an escalation of trade tussles, the US had rolled back export incentives from India under its GSP programme last year.

8. Goyal wants to put Railways on fast track with pvt sector help

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

Railway Minister Piyush Goyal on 12 January referred to the famous 'railgaadi' song of actor Ashok Kumar while stressing the need for support of the private sector to accelerate

development of the railways. He dismissed speculations of privatisation of the railway network, but highlighted the need for a public-private partnership funding model for the sector. "Some trains are still chugging (moving slowly) like actor Ashok Kumar's 'railgaadi' song (due to lack of infrastructure)," Goyal told reporters, referring to the song from Hrishikesh Mukherjee's 1968 film "Aashirwad". The film is remembered for the rap-like "railgaadi" song performed by legendary actor late Ashok Kumar. Goyal also announced that a special train will soon operate from Ujjain in Madhya Pradesh to Uttar Pradesh's Varanasi, which is famous for the Kashi Vishwanath temple. The train will be run by the Indian Railway Catering and Tourism Corporation, the minister said.