

Daily Economic News Summary: 13 September 2019

1. HRD ministry releases first draft of policy to boost student entrepreneurship: All you need to know about new scheme

Source: Firstpost ([Link](#))

The Ministry of Human Resources on 12 September released the first draft of the 'National Innovation and Start-up' policy, which aims to encourage entrepreneurship among students through facilities provided by higher education institutions in the country. If the proposal is implemented, it will require the institutions to set up provisions for the fledgling businesses like attendance waivers and academic credit to work on business models, CNN-News18 reported. The HRD ministry's latest push for start-ups is in line with the Centre's focus on entrepreneurial projects, as outlined by Finance Minister Nirmala Sitharaman in her Union Budget speech in Parliament this year. The HRD ministry, headed by Ramesh Pokhriyal, will also direct the institutions to provide attendance waivers and allow student entrepreneurs to take up to a semester or year off from the course to work on their businesses

2. RBI increases banks' loan exposure limit to single NBFC

Source: Livemint ([Link](#))

The RBI on 12 September increased loan exposure limit of banks to a single NBFC (excluding gold loan companies) from 15% to 20% of its capital base, a move that will help increase credit supply to the crisis-ridden shadow banking sector. According to the extant 'Large Exposures Framework (LEF)', banks' exposure to a single non-banking financial company (NBFC) is restricted to 15% of their available eligible capital base, while general single counter-party exposure limit is 20%, which can be extended to 25% by banks' boards under exceptional circumstances.

3. RCEP, including India, committed to conclude agreement by November

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

All members of the proposed Regional Comprehensive Economic Partnership (RCEP) trade agreement, including India, have committed to conclude the trade agreement in full by November, a senior Australian trade negotiator has said. His statement comes amid other members of the grouping asking India about its decision to remain in it while certain government

departments in the country oppose it. Australia's lead negotiator on the RCEP James Baxter also stressed that any deal will necessarily include all negotiating countries after discussions are completed on each issue. Malaysian Prime Minister Mahathir Mohamad had in June said the deal can be negotiated without India “for the time being”.

4. Final call at September 20 meeting: GST Council may lower levies on auto, biscuits

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

The Goods and Services Tax (GST) Council could lower levies for sectors such as automobiles, biscuits and other fast-moving consumer goods (FMCG) at its September 20 meeting, said people with knowledge of the matter. It could also discuss raising the lowest slab of 5% to as much as 8%. That could set the ball rolling for a major revamp of GST structure as part of efforts to revive growth, they said. “These proposals will be placed before the council,” said a senior government official aware of the matter. The fitment committee, comprising state and central government officials, which met last week only discussed the possible revenue impact of a rate cut on automobiles. The GST Council, which meets in Goa next week, will take a final call on the matter.

5. Modi govt floats ‘one nation, one standard’ concept to ensure quality of products

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

The consumer affairs ministry has floated a concept of ‘one nation, one standard’, under which about 50 different agencies (including food regulator FSSAI) that currently set specifications/standards for different products will fall under the purview of the Bureau of Indian Standards (BIS). “Like ‘one nation, one ration card’, we are going to have ‘one nation, one standard’ in order to ensure quality products in the country,” consumer affairs minister Ram Vilas Paswan said after chairing an inter-ministerial consultation meeting. Out of over 20,000 standards for various products and services, BIS has released mandatory standards only for 154 products, including 44 electronic items, while the remaining standards are voluntary. There are about 50-odd other agencies that have framed over 400 standards.

6. Norms for extending cheap forex credit to exporters soon: Piyush Goyal

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

Amid a persistent decline in export credit, commerce and industry minister Piyush Goyal on 12 September said the government would soon announce guidelines for extending foreign exchange credit to exporters. Such foreign exchange loans will be made available to exporters at very

competitive rates, likely to be lower than even 4%, he said. Addressing the Board of Trade meeting here, Goyal said: “We are concerned that it (export credit) has fallen, and (we) will come up with the contours of a vibrant programme soon, which will particularly support micro, small and medium enterprises.” The ministry is eyeing an export target (both goods and services) of \$1 trillion in the next five years, compared with \$537 billion in 2018-19. For this to materialise, the country needs to increase local production, improve competitiveness and bring in domestic reforms to remove any export road blocks, Goyal said.

7. New Rules For Cab Aggregators: Centre may allow three times the base fare as surge pricing

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

The Centre is likely to permit cab aggregators to charge customers up to three times the base fare during periods of high demand, according to a senior government official aware of the deliberations on a new set of regulations being drafted for the industry. Ride-hailing apps including Uber and Ola have long argued in favour of surge pricing to regulate the demand and supply of cabs on their platforms. The soon-to-be-framed regulations will specify the allowable limit for such price hike in addition to other guidelines that could be in line with those proposed in December 2016, the official told ET.

10. India exporting bulletproof jackets of international standard to over 100 nations: BIS

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

India has begun exporting bulletproof jackets as per its own standards, which conform to international norms, to over 100 countries, including European nations, according to the Bureau of Indian Standards (BIS). A top BIS official said that India is the fourth country after the US, UK and Germany to have its own national standard on bulletproof jacket which provides 360-degree protection. The BIS is a national body that sets quality standards for various products and services. So far, it has set more than 20,000 standards. “I understand that bulletproof jackets are not only produced and procured in India as per the BIS standards but also being sold in 100 other countries,” BIS Deputy Director Rajesh Bajaj told PTI on the sidelines of an event. India is the fourth country in the world having its own national standards on this product. “We brought all stakeholders together and decided on a national standard, which is of international quality. Armed forces are now procuring as per this standard,” he said.