

Daily Economic News Summary: 19 August 2019

**1.'Robot Restaurant' comes to Bengaluru**

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

'Robot Restaurants' has announced the launch of the city's "first" restaurant where food service is done by robots. The restaurant claimed that its Bengaluru launch was after its "resounding success" in Chennai and Coimbatore. "The restaurant will be located on Indira Nagar's high street 100 Feet Road and will be able to accommodate 50 diners. The menu will largely comprise Indo-Asian cuisine and will also have an exotic mocktail menu," it said in a release. The restaurant will have a team of 6 robots (one usher and 5 bearers), it said, each table will be equipped with a tablet from which diners can place their order and summon the robots, and the food service is then done by the robots. The robots are interactive and are programmed to sing birthday wishes and wishes for special occasions.

**2. Government plans debt waiver for 'small distressed borrowers' under insolvency law**

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

The government plans to give debt waiver for "small distressed borrowers" under the insolvency law framework, according to a senior official. The proposed waiver would be offered as part of 'Fresh Start' provisions under the Insolvency and Bankruptcy Code (IBC). Corporate Affairs Secretary Injeti Srinivas said discussions have been held with the microfinance industry regarding criteria for the proposed waiver for small distressed borrowers from the economically weaker section (EWS). He emphasised that the waiver as part of individual insolvency would be for the most distressed within the EWS.

**3. Ministry keeps new CSR amendments on hold**

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

Corporate India may have cause for cheer as regards the proposed onerous CSR provisions. This is because the Corporate Affairs Ministry (MCA) has refrained from putting into effect the controversial CSR amendments in the recently enacted Companies (amendment) Act 2019 while going ahead with implementation of all other provisions in the amendment law. By keeping the implementation of Section 21 (amendments to the CSR provisions in Companies Act 2013) in abeyance, the government has restored status quo ante as regards CSR provisions, say company

law experts. This would mean that CSR for now would only be voluntary for corporate India and not spending the 2 per cent on CSR would not be treated as criminal offence, attracting jail term for company officials.

#### **4. Watch out, Starbucks: OYO is brewing plans to start premium coffee chain**

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

After hotels, homestays, co-working and co-living spaces, OYO Hotels & Homes is planning to go all out in the food business by launching a coffee chain as well as a slew of restaurants. It is learnt that over the next few months, the Ritesh Agarwal-led company is ready to set up more than 50 premium coffee shops under the brand name The French Press. Plans to start a restaurant chain on the back of its four cloud kitchens are also on the drawing board. Significantly, OYO is changing tack and shedding its “affordable” image for its chain of premium coffee shops so that it can take on coffee chain giant Starbucks. Sources said that to ensure that the brand is considered exclusive, the company has decided not to use the OYP branding with The French Press.

#### **5. NITI Aayog plans to review laws that hinder ease of living**

**Source: Livemint ([Link](#))**

NITI Aayog is identifying statutes and rules that need to be abolished for being a burden on people, as part of the Narendra Modi administration’s efforts to improve ease of living. The federal policy think tank will comb through all the laws in the country and make recommendations to the government, NITI Aayog vice chairman Rajiv Kumar said in an interview. The idea is to replace highly prescriptive laws with new ones that encourage voluntary compliance, and lay down only broad principles and a negative list of prohibited actions. Kumar said that improving living standards involves making sure that people’s actions are not in response to government pressure or to rules and regulations all the time. It involves ensuring that people have the space to do what they want to, in economic or other terms.

#### **6. Tesla shows interest in India’s plans to build battery plants**

**Source: Livemint ([Link](#))**

Tesla and China’s Contemporary Amperex Technology Co. Ltd (CATL) are among the companies that have shown an initial interest in the Indian government’s plan to build large factories to make lithium-ion batteries at an investment of about ₹50,000 crore. Among the other firms that have shown an interest in the mega project is China’s BYD Co. Ltd, said two

government officials aware of the matter, requesting anonymity. The robust global interest comes amid a strong push by the government to make India a global manufacturing hub for electric vehicles and their components. This is aimed at arresting the South Asian country's reputation as the world's third-largest crude oil importer, saving on precious foreign exchange and also controlling pollution in its major cities. Tesla is still to launch its electric cars in India, with its chief executive Elon Musk blaming the decision on "challenging government regulations" and "extremely high" import duties in India.

### **7. Indian IT fears impact as US moves on new H-1B process**

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

The US has moved a step closer to changing how the H-1B visa issuance process is carried out from next year that would impact Indian IT services firms. Last week, the Office of Management and Budget said it has completed a review of a proposed regulation from the Department of Homeland Security (DHS) that would mandate employers to register without paying the H-1B visa fees of those employees who they intend to sponsor for H-1B visa permit. A lottery system would shortlist people for the work permit, following which the applications will be accepted. Indian companies are concerned that the process of issuing visas would be non-transparent and would favour US technology companies over them.

### **8. Traders body calls for boycott of Chinese goods, seeks up to 500% import duty**

**Source: Livemint ([Link](#))**

Traders body CAIT on 18 August gave a call for the boycott of Chinese products and sought high customs duties of up to 500 per cent on these goods as China supported Pakistan's case on abrogation of Article 370 in Jammu and Kashmir at the UNSC. It said that while presenting and supporting Pakistan's case on abrogation of Article 370 in United Nation Security Council, China has placed itself on the list of probable enemies for the national security of the country which has made citizens and trading community in particular grossly anguished. The Confederation of All India Traders (CAIT) has "given the call to boycott Chinese products to make China understand the repercussions of supporting Pakistan". It added that the issue will be discussed in a national conference of traders from all states convened by CAIT on August 29.

## **9. Mobile phone exports: Amitabh Kant panel eyes Vietnam-like model**

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

A committee headed by NITI Aayog CEO Amitabh Kant is expected to make its recommendations soon on how to jump-start India's exports of mobile phones in particular and electronics in general. The committee was set up in the context of the failure of India's phased-manufacturing-programme (PMP) for mobiles while production of mobile handsets grew rapidly, so did imports. As US-China trade tensions escalate, several big manufacturers who have facilities in China are keen to relocate, and as many are looking at Vietnam, India is hoping to get a slice of that pie as well. Kant's committee has to come up with suggestions to reduce India's 'disability' or higher production costs in comparison with China and Vietnam. Vikramjit Singh Sahney, president of the International Chamber of Commerce, said: "Vietnam is a favourite hub for investors for companies in high-technology, manufacturing and communications technology, including Samsung, Nokia, LG etc. while the Prime Minister's call for 'Make in India' is impressive, the facilities provided in India have to be in sync with the need of foreign investors so that they set up shop in India.