

Daily Economic News Summary: 28 August 2019

1. Consumer Law: Government to make E-Commerce guidelines mandatory

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

The government has decided to make the draft e-commerce guidelines mandatory under the new Consumer Protection Act, in which stringent action has been prescribed against violators. The proposed guidelines for e-commerce firms entail a 14-day deadline to effect refund request, mandate e-tailers to display details of sellers supplying goods and services on their websites and moot the procedure to resolve consumer complaints. As per the draft guidelines on e-commerce, the companies are required to submit a self-declaration to the ministry stating that they are conforming with the guidelines. Among other key guidelines, the e-commerce companies will also be required to ensure that personally identifiable information of customers are protected and should not directly or indirectly influence the price of the goods or services and ‘maintain a level playing field.’

2. Nationwide ban on single use plastic! At G7, PM Modi highlights India’s large scale efforts on climate

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

Prime Minister Narendra Modi on 27 August highlighted India’s large scale efforts towards eliminating single use plastic, conserving water, harnessing solar energy and, protecting flora and fauna for a sustainable future in his address to a G7 session on environment in the French city of Biarritz. Prime Minister Modi said he addressed the session where he highlighted India’s large scale efforts towards eliminating single use plastic, conserving water, harnessing solar energy and, protecting flora and fauna for a sustainable future. The country had decided to better adapt to climate change by enhancing investments in development programmes in sectors vulnerable to climate change, particularly agriculture, water resources, Himalayan region, coastal regions, health and disaster management.

3. Paytm eyes healthcare payments space, seeks to add doctors to widen user base

Source: Livemint ([Link](#))

Digital payments company Paytm, valued at about \$15 billion, is set to enter the healthcare payments space to widen its customer base. Last month, Paytm had said it was expanding its educational services from fee payments, application forms and career counselling, to education insurance, loans and job applications. The firm now aims to create a payments mechanism solely for doctors to help them receive consultation fees using Paytm to and make bulk purchases such as medical supplies. "We want to be a category creator of payments. Doctors don't accept digital payments as they often visit multiple hospitals in a week and there is no reconciliation method for all the payments. There is complexity involved in handling such payments. So, we are bringing the simplest of QR codes, which are replaceable and usable at multiple places," said Paytm founder Vijay Shekhar Sharma.

4. Cabinet to soon consider India-Mauritius free trade agreement for approval

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

The Cabinet will soon consider the proposed India-Mauritius free trade agreement, aimed at liberalising norms to boost two-way commerce and investments, for approval, an official said. In a free trade agreement, two trading partners cut or eliminate duties on majority of goods besides liberalising norms to promote services trade and boost investments. "The Cabinet would soon take up the agreement for its consideration. After its approval, a date would be finalised for signing of the agreement, after which it will be implemented," the official said. India and Mauritius have been negotiating the pact, officially dubbed as the Comprehensive Economic Cooperation and Partnership Agreement (CECPA), since 2005. According to experts, India may not get huge benefit in goods sector as Mauritius is a small market, but services sectors such as IT and tourism hold huge potential to enhance economic ties.

5. Government exploring mini food parks in Jammu and Kashmir

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

The government is exploring to set up mini food parks in Jammu and Kashmir to boost investment in the state, Rameshwar Teli, minister of state, Food Processing said. Apart from enhancing processing capacity in the region, this will also ensure farmers get remunerative prices for their produce, he said. Teli said that currently to set up a mega food park the requirement was to have minimum 50 acre of land. "In hill states, its not possible to have land bank on 50

acres, so we are exploring to change the policy. In places like Jammu and Kashmir or the north east states, mini food parks spread on 25-30-acre land will be successful," he said.

6. RBI releases report on Bimal Jalan panel review of Economic Capital Framework

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

The Reserve Bank of India (RBI) on 27 August released the report compiled by an expert committee headed by Bimal Jalan, formed to review the Economic Capital Framework of the Central Bank. "The Committee noted that while there may occasionally arise a difference of views in the conduct of the central bank's operations, there always needs to be harmony in the objectives of the Government and the RBI," the panel noted in the report. Some of the recommendations of the committee included maintaining the RBI's Contingency Risk Buffer (CRB), which is the country's fund to handle a financial stability, to be maintained at a range of 5.5 percent to 6.5 percent of the RBI's balance sheet, which is above the available level of 2.4 percent of balance sheet as on June 30, 2018.

7. 6 IT centres developed in several African nations in last 4 years: MEA

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

Six IT centres have been developed in several African nations in the last four years and India is helping them bridge the digital divide, a senior MEA official said. Addressing the India-Africa Higher Education and Skills Development Summit, T S Tirumurti, Secretary (Economic Relations) in the Ministry of External Affairs (MEA) said every year thousand of bright minds come from Africa to Indian universities and colleges. Asserting that India is also helping African countries to bridge the digital divide, Tirumurti said, "The Pan Africa e-Network was launched in Africa at the continental level in 2009. It aimed at harnessing socio-economic benefits of ICT (information and communications technology) for tele-education and tele-medicine.

8. Cabinet may ease FDI norms in single-brand retail, insurance today

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

The government is likely to further ease foreign direct investment (FDI) norms, with the Cabinet on 29 August expected to give its approval to relaxed norms in single-brand retail trade and insurance sectors. In the Budget, the government had made clear its intent to further relax FDI norms in several sectors. Earlier this year, Commerce and Industry Minister Piyush Goyal had said that the government was exploring ways to allow foreign investors in single-brand retail to meet their 30 per cent mandatory local sourcing requirement through other ways. This includes

counting the sourcing they do in India for exporters to other markets as part of the 30 per cent norm, apart from the goods they sell in their stores in the country. Currently, 100 per cent investment is allowed in the sector under the automatic route.

9. China's new drug law may open door for Indian generic medicines: Report

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

China's revised drug law, which removes drugs that are legal in foreign countries but not approved in China from the category of fake medicines, may allow entry of Indian generic medicines in the country, media reports said on 28 August. China's top legislature, the Standing Committee of National People's Congress, passed the revised law on 27 August to enhance management and supervision of the pharmaceutical market following numerous fake drugs and vaccine cases that had triggered a call for stronger measures to ensure drug safety. India has been demanding that China open its pharmaceutical market to Indian drugs as part of the efforts to lower the USD 57 billion trade deficit in about USD 95.5 billion total trade last year. No major Indian pharma company managed to establish itself in China in view of the rigid regulations and the costs involved.