

Daily Economic News Summary: 20 November 2017

1. Government looks to cut GST on white goods

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

After consumer products and other daily-use items, the government is now looking to reduce goods and services tax (GST) on consumer durables like washing machines and refrigerators from the current level of 28% as part of the next round of rationalisation. While the move is expected to help push demand in the sector, amid repeated complaints of a slowdown and excess capacity, the exercise will also be aimed at women and will reduce their daily workload by making such white goods cheaper, said a senior government official, who did not wish to be quoted.

2. Moody's India upgrade seen boosting Modi amid growth slowdown

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

India's longer-term financial health received a vote of confidence at a time when the government's economic policies are facing criticism and growth has slipped to levels last seen in 2014. In a development that could help Prime Minister Narendra Modi consolidate his popularity, Moody's Investors Service raised India's sovereign rating for the first time in 14 years on Friday, offering a political victory to Modi and his at-times-controversial reform agenda. The praise for India's new goods and services tax and efforts to reduce the size of the informal economy gives the prime minister's Bharatiya Janata Party a boost ahead of a crucial election in his home state of Gujarat next month and their re-election bid in 2019.

3. HUA keen to tap Singapore's expertise for Smart City Mission

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

The Union Housing and Urban Affairs Ministry is keen to tap Singapore's expertise in the urban sector with a focus on the Smart City Mission and IT-enabled services, a senior official said. Keeping this in view, around 100 Indian town and country planners were recently trained by Singapore-based companies, a move aimed at giving momentum to the government's flagship Smart City Mission, which has a major component of IT-enabled services, he said. Under the Mission, 90 cities have been selected so far by the government and each city will get Rs 500 crore as central assistance for implementing projects.

4. Government invites bids for consultant for 4-km tunnel from Dwarka Expressway

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

Delhi will get its biggest tunnel road, about four kilometres long, to link Gurugram and Dwarka to the International Airport. The government invited bids on 17.11.2017 for appointing a consultant for this ambitious project, proposing to complete the same in the next three years. The present approach to the airport from the Millennium city is a highly congested one through the National Highway-8, also known as the Delhi-Gurugram Expressway. An underconstruction 'Dwarka Expressway' will act as a by-pass of NH-8 from Gurugram to Dwarka. The plan finalised now is to build a 4-km tunnel road from the Dwarka Expressway straight to the T3 terminal of the Delhi Airport.

5. 'India moves up one notch to 126 in GDP per capita terms'

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

India has moved up one position to 126th in terms of GDP per capita of countries, still ranked lower than all its BRICS peers, while Qatar remains the world's richest on this parameter, as per IMF data. The data, which forms part of the latest World Economic Outlook report of the International Monetary Fund, ranks over 200 countries in terms of per capita GDP based on purchasing power parity (PPP). PPP between two countries is the rate at which the currency of one country needs to be converted into that of a second country to ensure that a given amount of the first country's currency will purchase the same volume of goods and services in the second country as it does in the first.

6. Budget deficit may rise in FY18, but will improve in years: Moody's

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

Lower taxes and higher public expenditure could widen budget deficit in 2017-18, but steps taken by the government to broaden the tax base and improve spending efficiency would help in narrowing it going forward, US-based rating agency Moody's said. In an interview to Moody's Investors Service V-P (Sovereign Risk Group) William Foster said the agency believes that the government's commitment to fiscal consolidation remains and sustained growth would help it reduce debt burden.

7. India increases import duties on edible oils as domestic prices of Oilseeds plunged below MSP

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

India has increased import duties on various edible oils ranging between 60% to even 100% on some oils like crude palm oil. With prices of oilseeds plunging way below the minimum support price levels and oilseed crushing industry too facing competition from cheaper imports, the

industry had been demanding restrictions on import of edible oils in the country. The Soybean Processors Association of India (SOPA) has welcomed the customs duty increase on edible oils. Late last evening, the Government substantially increased import duty on all edible oils and also soybean.

8. Ivanka Trump to lead American team for business summit in India: US

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

President Donald Trump's daughter and advisor Ivanka Trump will lead the US contingent to a global entrepreneurship summit in India this month, the state department announced today. The Global Entrepreneurship Summit (GES) in Hyderabad, to be attended by 1,500 entrepreneurs from 170 countries, will be co-hosted by India and the US with the theme of "Women First, Prosperity for All" and on supporting women entrepreneurs and fostering economic growth globally. During the Summit, following closely on the heels of the Global Entrepreneurship Week, the attendees will participate in three days of interactive discussions and workshops with accomplished entrepreneurs and investors who will share their knowledge and experience on how to start and scale a business.

9. New issues at WTO only after sufficient ground work: Commerce Secretary Rita Teotia

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

Ahead of the WTO ministerial meeting, India today said new issues like e-commerce and investment facilitation could be taken up only after completion of sufficient ground work. Commerce Secretary Rita Teotia said that many of the new issues, being pushed by developed countries including the US, are not directly linked to trade. "Our position has been continuously that we will not refuge to engage (on new issues). We are ready to engage. Nevertheless, the technical work must happen at the committee level.

