

## Daily Economic News Summary: 13 February 2019

### **1. Shipping Giants Maersk To Start Using Ganga Waterway From Tuesday**

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

The world's largest container shipping company Maersk Line will on 12 February move 16 containers on the Ganga river from Varanasi to Kolkata, the Shipping Ministry said on 11 February. "Maersk Line will move 16 containers on river Ganga (National Waterway-1) from Varanasi to Kolkata on 13 February. The firm is onboard India's inland waterways for the first time," the ministry said in a statement. On November 12, 2018, Prime Minister Narendra Modi dedicated India's first riverine multimodal terminal on river Ganga (National Waterway-1) at Varanasi to the nation.

### **2. India, Russia Draw Up Ambitious Agenda In 2019 To Boost Economic Partnership**

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

India and Russia have drawn up an ambitious agenda to boost strategic partnership through joint efforts at various economic fora in 2019. Advisor to the President of the Russian Federation Anton Kobayakov and Ambassador of India to Russia Venkatesh Varma recently met in Moscow and discussed the participation of representatives of India in major Russian business events as a driver in strengthening strategic partnership. This meeting was in backdrop of yet another leadership level contact between the two sides. On January 7, in a telephone conversation, President of the Russia Vladimir Putin invited Prime Minister Narendra Modi as the main guest of the Eastern Economic Forum in Vladivostok to be held between Sep 4–6 2019.

### **3. US- India CEO Forum To Highlight Key Market Access Issues, Help Bilateral Trade, Says Government**

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

Ahead of the Indo-US Commercial Dialogue and the Indo-US CEO Forum, the government has said the forum will help highlight key market access issues that impact the ease of doing business in both countries. The Indian side will be headed by Commerce & Industry and Civil Aviation Minister, Suresh Prabhu, and the US side will be led by Wilbur Ross, US Commerce Secretary. The two ministers will co-chair the India-US Commercial Dialogue. The co-chairs for the US-

India CEO Forum are Tata Sons Chairman Natarajan Chandrasekaran and James Taiclet, Chairman, President and CEO of American Tower Corporation. Annual bilateral trade in goods and services between the US and India doubled over the last decade, from \$58 billion in 2007 to \$126 in 2017.

#### **4. Indian Airlines May Shrink Losses In Fy20**

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

Airlines in India are expected to sharply narrow their annual losses in the next financial year as a result of a fall in jet fuel prices and higher fares, aviation advisory firm Capa India said on 12 February. Budget as well as full-services carriers are expected to lose between \$550 million and \$700 million in FY20, compared with a combined loss of up to \$1.7 billion this year through March, said Kapil Kaul, Capa's chief executive officer (CEO) and director South Asia, at the Capa India annual summit in New Delhi. This year's figure is an improvement from the \$1.9 billion loss expected by Capa in its previous outlook issued in September when crude oil prices were trending higher.

#### **5. NDA Pins Hopes On Flagship Ujjwala Scheme To Return To Power**

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

The National Democratic Alliance (NDA) government is banking on its marquee schemes such as the Pradhan Mantri Ujjwala Yojana (PMUY), which provides free cooking gas connections to poor families, to put it on a home run in the general elections. The government may also bring in an innovative financing scheme for refilling the cylinders and make efforts to give consumers the choice to fill as much gas as they want, irrespective of the size of the cylinder, petroleum minister Dharmendra Pradhan recently said. This comes in the backdrop of concerns such as PMUY beneficiaries not using their LPG cylinders. The government, on its part, claims that around 80% beneficiaries have been refilling the cylinders, with the average per capita consumption being 3.28.

#### **6. Big Investors Approached For Sbi General Insurance Deal**

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

Some of the world's largest strategic investors such as Swiss Re, Zurich Insurance, Liberty General and bulge-bracket private equity firms such as Apax, Advent, Blackstone Group, Warburg Pincus and KKR have been approached to buy a 26 per cent stake in SBI General Insurance for around Rs 3,400 crore, said people with knowledge of the matter. The biggest

Australian general insurer is restructuring its Asia-Pacific operations and has already exited Indonesia, Thailand and Vietnam, said the people cited above. India and Malaysia are next on the agenda.

### **7. Govt Eases Rules For Budget Hotels Seeking Food Licences**

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

The government has relaxed norms for budget hotels in procuring food safety licences to promote ease of doing business for micro, small and medium enterprises (MSMEs) in the hospitality industry. The move comes in the wake of the Food Safety and Standards Authority of India (FSSAI) receiving several representations from stakeholders to review the provisions requiring hotel food business operators (FBOs) to furnish star rating certificates from the ministry of tourism's Hotel & Restaurant Approval & Classification Committee (HRACC) while applying for a fresh licence or to renew a licence. FSSAI, the food safety regulation arm of the health ministry, has said budget hotels will not require star rating certificates for seeking food safety licences.

### **8. Surprise! India And China Are Greening Faster Than Rest Of The World**

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

China and India – two economic powerhouses of Asia are contributing significantly to the greening of the planet, a new global study released on 11 February has found. The world now has about 5.5 million square kilometres of extra green leaf area round the year compared to 2000. A bulk of this increase is due to greening in China and India. China has contributed 25 percent to this increase while India added 6.8 percent of the total global net increase in leaf area between 2000 and 2017. The contribution to the greening by the two countries is much higher though they have less vegetated area than some of the developed countries. China has 6.6% and India only 2.7% of global vegetated area.

### **9. Venezuela To Seek Oil Payments In Currencies Other Than The Dollar**

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

Venezuela is in talks with oil consuming countries like India to find ways beyond the dollar to foot the bill for crude oil purchases. Venezuela has plunged into a political and economic crisis after the US mounted sanctions and supported Venezuelan opposition leader, Juan Guaido's bid for presidency. "The exchange of crude and products in general that we have been dealing with is a way of handling trade and that does not necessarily mean barter...Proper trade, fair trade,

efficient trade which can benefit India and Venezuela,” Quevedo said. The sanctions cut off Venezuelan firms from American banking channels, making it difficult for global players to pay for purchases. This has forced the Venezuelan government to seek alternative methods for crude oil buyers to foot the bill.