

Daily Economic News Summary: 1 July 2019

1. Government to introduce further reforms in GST on Monday to mark 2 years of rollout **Source: The Economic Times ([Link](#))**

Kicking off celebration to mark two years of the GST implementation, the finance ministry will on 1 July come up with further reforms in the indirect tax system with introduction of new return system, rationalisation of cash ledger system and a single refund-disbursing mechanism, among others. Minister of State for Finance and Corporate Affairs Anurag Thakur will preside over the event alongside key secretaries and officials of various departments, the finance ministry said in a release on 30 June.

2. India seeks Kuwaiti investments in infrastructure and power sectors **Source: The Economic Times ([Link](#))**

India, showcasing its growth prospects, has pitched for investments from oil rich Kuwait across various sectors including infrastructure and power. Finance Minister Nirmala Sitharaman during a recent meeting with Kuwait envoy to India stated that there are several promising opportunities available for the Kuwaiti investors in different sectors in the backdrop of rapid economic growth and efforts to become a five trillion dollar economy by the 2022. Kuwait Ambassador to India Jassim Al-Najim said, "Kuwaiti investors both from private and public sectors should exploit the rapid Indian economic growth especially when it is looking to establish more power plants and other infrastructure including modern road networks, airports and railways and benefit from the huge Indian market of more than 13 billion people."

3. Steel ministry to give formal view on RCEP after meeting with stakeholders **Source: Financial Express ([Link](#))**

The steel ministry will provide a detailed "formal view" to its commerce counterpart on the proposed mega free trade agreement RCEP after having a meeting with its stakeholders, a senior government official said. The Regional Comprehensive Economic Partnership (RCEP) is being negotiated by 16 countries, including 10 Asean members (Brunei, Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, the Philippines, Laos and Vietnam), India, China, Japan, South Korea, Australia and New Zealand since November 2012.

4. New railway timetable comes into effect from today

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

The Indian Railways is going to implement its new timetable from July 1, it said on 30 June. Northern Railway (NR) has reshuffled the timings of around 267 trains, it said, adding that the new timetable would come into effect from 1 July. The zone has introduced two new Tejas Express trains on the New Delhi-Chandigarh-New Delhi and the New Delhi-Lucknow-New Delhi routes. It has extended the journey of four trains - the Dehradun-New Delhi Nanda Devi Express up to Kota Junction, the Aligarh-Moradabad passenger up to Gajraula, the Ambala-Amb Andaura DEMU up to Daulatpur Chowk and the New Delhi-Ludhiana Shatabdi Express up to Lohian Khas.

5. India slips to 74th rank in terms of money parked by citizens, firms with Swiss banks, UK retains top slot

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

The top-15 countries account for nearly 75 per cent of all foreign money in Swiss banks, while the contribution of the top-30 is almost 90 per cent. The top-10 countries also include Bahamas, Germany, Luxembourg, Cayman Islands and Singapore. India has moveAn analysis of the latest annual banking statistics released by the Swiss National Bank (SNB) shows that India remains ranked very low when it comes to money parked by Indian individuals and enterprises in Swiss banks, including through their India-based branches, while accounting for just about 0.07 per cent of the aggregate funds parked by all foreign clients of Switzerland-based banks.

6. Fintech, startups expect tax sops, funding access, digital push in upcoming Budget FY20

Source: Firstpost ([Link](#))

Fintech firms and start-ups expect the government to usher in a new set of reforms in the upcoming full Budget for the current fiscal and hope for tax relief, funding access, and further push to the digital economy. It comes at a time when the consumption demand is not growing fast enough, investment is tapering and exports are falling. Finance Minister Nirmala Sitharaman will unveil the full budget 2019-20 on 5 July. The interim Budget was presented on 1 February, as the general elections were due in April and May to form the new government. Loyalty programme firm PAYBACK Chief Executive Officer Gautam Kaushik said Prime Minister Narendra Modi's second term with an even bigger majority provides an opportunity to be decisive on the policy front.

7. Ease of doing business ranking: India cites reforms to get top-50 spot

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

After rising 23 places to attain the rank of 77 in World Bank's Doing Business Report last year, India is now aiming higher and eyeing a spot in the top-50 list in this year's report. To that end, it has cited at least 35 new reforms implemented in the last 12 months which have significantly cut cost, time, documentation and procedures for the conduct of business in the country. The reforms include an easier procedure for filing Goods and Services Tax (GST) returns, the elimination of incorporation fees for small businesses, increase in the recovery rate under the Insolvency and Bankruptcy Code 2016, a colour dashboard to track customs clearances in real time, among others.

8. RTGS, NEFT money transfer to cost less from today

Source: Livemint ([Link](#))

With effect from 1 July, the Reserve Bank of India (RBI) has waived off all charges on fund transfer through Real Time Gross Settlement System (RTGS) and National Electronic Funds Transfer (NEFT) System. This, in turn, will result in lowering of fund transfer charges for bank customers. After reviewing various charges levied by it on the member banks for transactions processed in the RTGS and NEFT systems, RBI has asked banks to pass on the benefits to the customers with immediate effect. While RTGS is used for real time transfers of funds above ₹2 lakh, NEFT is used for fund transfers of up to ₹2 lakh. Indian Banks' Association Chairman Sunil Mehta the RBI's move will help banks reduce the fees for RTGS and NEFT payments.

9. India had driest June in five years, fears for crops

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

India had its driest June in five years because monsoon rains were delayed, the weather department said, raising fears for crops and the broader economy. Overall, the monsoon rains were a third lower than average, though in some states including the sugar cane growing northern state of Uttar Pradesh, they were as much as 61 percent lower, data from the India Meteorological Department (IMD) showed. About 55% of India's arable land is rain-fed, and agriculture makes up about 15% of Asia's third largest economy, which is already suffering a slowdown. If the rains don't improve over the next two to three weeks, India could be facing a crisis that hammers harvests and rural demand, analysts said. Companies that sell everything from tractors to fertilisers to consumer goods to farmers would be vulnerable.