

## Daily Economic News Summary: 21 February 2019

### 1. Saudi Prince Expects Investment Worth More Than \$100 Billion In India

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

Saudi Arabia's Crown Prince Mohammed bin Salman said on 20 February he expected investment opportunities worth more than \$100 billion in India over the next two years as he began his first official visit amid tensions between arch foes India and Pakistan. India rolled out the red carpet for the crown prince as it seeks diplomatic support against Pakistan following a militant attack in the disputed region of Kashmir. The crown prince, whose country is facing frosty ties with Western countries after the killing of Saudi journalist Jamal Khashoggi, was also given a lavish welcome this week in Pakistan where the two sides signed memoranda of understanding valued at about \$20 billion to help prop up Pakistan's economy.

### 2. OECD, G20 Members Like India & China Should Not Get Special Rights: US To WTO

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

The US has proposed withdrawal of special rights and exemptions for emerging economies such as India and China, which are members of the Organisation for Economic Cooperation and Development (OECD), Group of 20 (G20), classified as “high income” by the World Bank or account for more than 0.5% of global merchandise trade. The proposal made to the World Trade Organization last week comes days after the US accused emerging economies of claiming rights and using exemptions from commitments meant for poorer nations in global trade negotiations. India’s share in global exports was 1.68% in 2017 while that in global imports was 2.48%

### 3. New Social Media Norms: Ravi Shankar Prasad Assures Widest Possible Talks Before Formalising Rules

Source: Firstpost ([Link](#))

Union minister Ravi Shankar Prasad on 20 February assured the government will have the widest possible consultations before formalising rules governing social media companies, but made it clear the sovereign has all the rights to bring in laws to better serve its people. The comments come weeks after the government floated draft social media rules which seek to look at social media giants like Facebook and Twitter as intermediaries who carry data, causing a lot of

concern among the industry and are reportedly planning to challenge the proposed rules. Earlier, he launched a report on the country's trillion dollar digital opportunity, which focuses on 30 themes to achieve a target of USD 1 trillion by 2025.

#### **4. Darjeeling Tea Rates Up 43% As Demand Rises**

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

Prices of early harvest, or first flush, Darjeeling tea have jumped nearly 43 per cent on improved quality and strong overseas as well as domestic demand, spreading optimism among the planters that 2019 will be a good year. Darjeeling tea is selling at Rs 3,500 per kg as against Rs 1,500 a kg a year ago. First flush teas from lower elevation gardens, though not in big volumes, have started arriving in the market and its quality is much better this year, traders said, adding that a Tea Board directive issued on October 31, 2018 to close gardens by early December seems to have paid off.

#### **5. National Electronics Policy Approved; Know Key Features**

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

The Union Cabinet on 19 February approved the National Electronics Policy, which targets domestic production of electronics goods to touch \$400 billion by 2025 against the current around \$80 billion. The striking feature of the policy is the proposed interest subvention scheme, wherein it is suggested that an interest subsidy of 4% will be provided on loans of up to Rs 1,000 crore on plant and machinery. In case of a larger loan, subsidy will be limited to Rs 1,000 crore. Currently, the department of expenditure is being consulted on it after the completion of stakeholders' consultation. Electronics and IT minister Ravi Shankar Prasad said around 1 crore jobs are likely to be created under the new policy.

#### **6. Govt Announces Rs 48,239 Cr Recapitalisation Plan For 12 Public Sector Banks**

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

The Finance Ministry on 20 February announced to pump in Rs 48,239 crore in 12 public sector banks (PSBs) in this fiscal to help them maintain regulatory capital requirements and finance growth plans. With this funding, the total amount of capital infusion would increase to Rs 1,00,958 crore of the planned recapitalisation of Rs 1.06 lakh crore for PSBs for the current fiscal, according to Financial Services Secretary Rajiv Kumar. The remaining Rs 5,000 crore capital infusion would be used as a buffer for any contingency or growth capital for Bank of Baroda which is in the process of merging Dena Bank and Vijaya Bank with itself.

## **7. Defence Minister Invites Investors In Aerospace And Other Sectors**

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

Defence minister Nirmala Sitharaman on 20 February invited investors to capitalise on the ecosystem in aero space and other sectors in India which offered a big market for Defence manufacturing. In her inaugural remarks at the Aero India 2019, the 12th edition of Asia's premier air show at the Yelahanka air base here, Sitharaman made a strong pitch for 'Make in India' and referred to a slew of initiatives taken by the government, including permitting 100 per cent Foreign Direct Investment (FDI) in defence manufacturing. Besides the Tejas, the HTT-40 (Basic Trainer Aircraft), first indigenously upgraded Hawk Mk132- named as Hawk-i, Civil Do-228, Advanced Light Helicopter (Rudra), Light Utility Helicopter (LUH), Light Combat Helicopter (LCH) are scheduled to fly in the air show.

## **8. Centre Launches ₹9,000 Crore Plan To Digitize Education Delivery**

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

The government on 20 February launched a ₹9,000 crore initiative to digitize education delivery in state-run schools and colleges. Human resource development (HRD) minister Prakash Javadekar said the initiative by the “digital board” will be implemented over the three years beginning 2019-20 academic year. Javadekar said the move will make the teaching-learning process interactive and popularize “flipped learning as a pedagogical approach”. Flipped classroom is a concept first used by top B-schools, which did away with the linear syllabus model of education delivery and adopted an interactive model to improve education outcome.