

Daily Economic News Summary: 31 January 2020

1. India 6th wealthiest country with total wealth of \$8,230 billion: Report

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

India has been ranked sixth in the list of wealthiest countries with total wealth of USD 8,230 billion, while the United States topped the chart, says a report. According to a report by New World Wealth, the United States is the wealthiest country in the world as the total wealth held in 2017 amounted to USD 64,584 billion, followed by China at the second place with USD 24,803 billion and Japan with USD 19,522 billion at third. Total wealth, refers to the private wealth held by all the individuals living in each country/city. It includes all their assets (property, cash, equities, business interests) less any liabilities. The report, however, excludes government funds from its figures.

2. 45 bills on government's agenda during budget session of parliament

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

The budget session of parliament which begins on 31 January is expected to be stormy in the light of stance of several opposition parties against the Citizenship Amendment Act (CAA), even as the government has said that it is willing to discuss all issues permitted by the chair. The government's legislative agenda for the budget session of parliament includes 45 bills and seven financial items. Parliamentary Affairs Minister Pralhad Joshi told the media in New Delhi after an all-party meeting that the government has identified 45 bills and seven financial items for the budget session. He sought the cooperation of all parties for the smooth functioning of the two Houses. Prime Minister Narendra Modi told the meeting that the government was open for discussion on all issues during the Budget Session of Parliament and agreed with the demand of MPs that there should be a discussion on economic issues.

3. Government may cut down on foreign training of officials

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

The government may cut down on the foreign training of bureaucrats under which babus go to top universities like Cambridge and Harvard for long and short-term management courses at the government's expense. The government has put on hold its Domestic Funding of Foreign

Training (DFFT) Policy under which it has been funding the foreign training of serving bureaucrats at top universities around the world, and is overhauling the policy. Around Rs 60 cr was spent on training 332 bureaucrat abroad in 2018-19, more than half of the annual training budget of DoPT and a cost which has been steadily increasing – only 150 officers were sent abroad under the scheme in 2005 at a cost of Rs 12 Cr.

4. UK-EU divorce on Friday; India on target list for post-Brexit UK trade campaign

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

India is among the countries on the UK government's target list for a new post-Brexit trade campaign from 1 February, a day after the country formally leaves the European Union, as it seeks to strike new ties with partners around the globe at the end of 47 years of EU membership. Mumbai is among 18 cities across 13 countries to be part of the drive, designed to push the message that Britain is now free to do its own new trade deals with countries around the world as a non-member of the soon-to-be 27-member economic bloc, after 47 years of UK membership ends on 31 January.

5. Govt restores 2% additional duty incentive on mobile phones export

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

The government has restored 2 per cent additional duty incentive on mobile phones export with a view to boost shipments of the product, according to a notification of the commerce ministry. The duty benefit under the Merchandise Export from India Scheme (MEIS) is effective from January 1 and will be there till March 31, 2020. "A 2 per cent additional ad hoc incentive for mobile phones is notified for exports made with let export date from January 1 to March 31, 2020," the Directorate General of Foreign Trade (DGFT) has said in a notification. DGFT is an arm of the commerce ministry which deals with issues related to exports and imports.

6. Economic Survey 2020 to be released today; Union Budget on Saturday

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

The government will release the Economic Survey for 2019-20 on 31 January, a day before Finance Minister Nirmala Sitharaman presents the Union Budget 2020-21. The Survey, a detailed report card on the economic performance in the year, comes amid concerns over a deepening slowdown. The Survey analyses the trends in agricultural and industrial production, infrastructure, employment, money supply, prices, imports, exports, foreign exchange reserves

and other relevant economic factors that have a bearing on the Budget. It is presented in the Parliament ahead of the Budget for the ensuing year. The Chief Economic Advisor is the principal author of the Economic Survey and incumbent CEA Krishnamurthy Subramanian will be presenting the Survey.

7. Govt revises drawback schedule for apparel sector; exporters want more FTAs

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

Ministry of Finance has issued a notification revising drawback schedule for apparel sector, which will come into effect from February. While for the cotton-based products it would be around 0.2 per cent increase, for man-made fiber and blended garments it would be around 0.4-0.6 per cent. While welcoming the announcement, exporters said that government should focus on signing FTA and clearing the ROSTL, which is affecting the working capital of the exporters. The notification will come into effect from February 4, 2020. For cotton t-shirt after revision the drawback rate would be 2.1 per cent as against 1.9 per cent, blended 3.5 per cent vs 2.9 per cent and man-made it will be three per cent as against 2.5 per cent. Exporters said, hike is marginal and sceptical of whether it will enhance the exports, which is dropping.

8. Modi sets the tone for budget session with stress on economy

Source: Livemint ([Link](#))

A day before the start of Parliament's budget session, Prime Minister Narendra Modi pointed to the importance of the economy at an all-party meeting, adding that there should be greater focus on how the global scenario could be turned in favour of India. At the meeting called by the National Democratic Alliance (NDA) government, Modi made clear the government was ready to discuss all issues raised by the Opposition. According to parliamentary affairs minister Pralhad Joshi, the prime minister, in his concluding remarks on the economy, spoke of how India could take advantage of the situation, keeping the global perspective in mind. A statement released later said Modi highlighted that a discussion on the economy would be in the best interest of the country. "In this budget session and in the beginning of the new year, if we can give a proper direction to the country's economy, it would be in the best interest of the country," he said, according to the statement.

9. Bharti Airtel removed from DGFT's 'denied entry list'

Source: Livemint ([Link](#))

Bharti Airtel on 31 January said its name has been removed from the Directorate General of Foreign Trade's (DGFT) 'denied entry list', and the operator is working with authorities to complete pending formalities. "We wish to clarify that the company has highlighted the relevant details and documents submitted to the DGFT and accordingly the name of the company has now been removed from the Denied Entry List," the company said in a statement. "We are actively engaged with the authorities to complete the formalities and provide additional documents for closure of the remaining cases," Bharti Airtel said. The telecom company, had on Wednesday, clarified to the stock exchanges that the company is closely working with DGFT to get its name removed from the list, which bans an entity from importing or exporting its goods and services.

10. Aura becomes Hyundai's 3 millionth 'Made-in-India' export car

Source: Hindustan Times ([Link](#))

Hyundai Motor India Limited on 30 January announced that it had shipped its 3 millionth car for export from its manufacturing plant in Sriperumbudur near Chennai. The car was the recently-launched Aura compact sedan which has commenced exports from India to 88 countries around the world. Hyundai has put forth Aura as a premium product offering in the compact sedan segment and it also became the 3 millionth 'Made-in-India' car to be shipped out. This particular Aura - shipped as Grand i10 for the Colombian market - is especially significant because it serves as a major milestone for the company which first began exporting cars from India back in 1999. At the time, 20 Santro cars became part of the first batch which was sent to Nepal.

11. Govt outlines plan to meet gems, jewellery exports worth \$80 billion in 5 years

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

Even As Indian gems and jewellery exports are struggling to meet the \$40-billion-mark that was achieved last fiscal, the Union commerce ministry has chalked out strategies to achieve \$80 billion worth of exports in the next five years through setting up common facility centres across the country that will move gems and jewellery up the value chain, especially in designs. This will create wider market access across the globe, crucial to take India towards a \$ 5-trillion economy. US, UAE and Hong Kong already account for 80% of Indian jewellery exports but to reach \$80 billion worth of exports in the next five years, the commerce ministry has planned setting up 13

common facility centres (CFCs) across the country, which will enable manufacturing quality gold jewellery with more advanced design at par with the global trend at a much lower cost.