

Daily Economic News Summary: 17 November 2017

1. Moody's backs Modi, upgrades India's sovereign rating for first time in 14 years

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

International rating agency Moody's Investors Service has upgraded India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive. Moody's has revised the sovereign rating of India a notch above investment grade after a long gap of 14 years. Interestingly, the last time the global rating has revised the rating was when the BJP government led by Atal Bihari Vajpayee was in power. Moody's has also upgraded India's local currency senior unsecured rating to Baa2 from Baa3 and its short-term local currency rating to P-2 from P-3, according to a statement from the agency.

2. Anti-Profiteering body will push companies to pass on GST benefits to consumers

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

The Union Cabinet on Thursday approved setting up of the proposed National Anti-profiteering Authority (NAA) under the goods and services tax (GST) to ensure consumers get the benefit of lower taxes under the new indirect tax regime. The decision came a day after the reduction in the GST rate on over 200 items came into force. The government said the Cabinet decision was “following up immediately on yesterday’s (November 15) sharp reduction in the GST rates of a large number of items of mass consumption.

3. Jaitley hints at relaxing fiscal consolidation road map

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

Finance minister Arun Jaitley hinted at a possible relaxation of the fiscal consolidation roadmap going ahead at a Morgan Stanley investor meet in Singapore on 16.11.2017. “No pause, but challenges arising from structural reforms could change the glide path,” the minister said on the issue of fiscal consolidation at the meet, according to a note released by the brokerage. This was interpreted by some to mean that the 3% fiscal deficit target set by the government for FY19 may be deferred.

4. Virgin Hyperloop in pact with Karnataka, Maharashtra for study on new transport mode

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

Virgin Hyperloop One said today that it has entered into a pact with the Maharashtra government to conduct a preliminary study to identify potential routes for the new transportation mode and analyse its economic impact. The hyperloop mode uses technology in which a vehicle in a special tunnel floats above the track, using magnetic levitation, at a top speed of over 1,000 km per hour. The US-based company said in a statement that it has signed a MoU with "the Pune Metropolitan Region Development Authority (PMRDA) to identify potential routes and analyse the high-level economic impact and technical viability of hyperloop transportation solutions in India".

5. Number of high risk PPP highway projects fall: Crisil Ratings

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

The proportion of under-construction, high-risk highway projects has reduced significantly from 53% two years back to 21% now after a slew of steps were initiated by NHAI, a CRISIL Ratings report has said. The report said that measures taken by NHAI such as significantly shorter timelines for right-of-way and approvals, loan support from NHAI for languishing projects, termination of

stuck projects and their subsequent re-awarding, and affording a change in sponsor have led to decrease in the number of high risk projects.

6. Equitable average growth of 7% to be miracle for India: Bill Gates

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

Microsoft founder Bill Gates today said if India can achieve a 7 per cent average growth rate over the next 20 years and do that in equitable way then it will be a remarkable achievement for the country. Gates further said that getting the Goods and Services Tax (GST) passed was a step in positive direction. "If India over the next 20 years can achieve a 7 per cent average growth and do that in equitable way that's a miracle for the country and the world," he said while participating in a panel discussion organised by Observer Research Foundation and Bill & Melinda Gates foundation.

7. India, Singapore discuss ways to strengthen trade ties

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

India and Singapore on 16.11.2017 discussed ways and actions to elevate bilateral relationship to a strategic level, an official release said. The issues regarding strengthening the bilateral ties were discussed during a meeting between visiting Indian Finance Minister Arun Jaitley and Prime Minister Lee Hsien Loong. Both the leaders recalled the shared history of the countries, rooted in strong commercial, culture and people- to-people links. "They also discussed the meeting between the two Prime Ministers and elevation of India-Singapore Partnership to a strategic level and actions taken to translate their vision," the release said.

8. Government removes restrictions on export of all types of pulses

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

The government today removed export curbs on all varieties of pulses to ensure farmers get remunerative prices as domestic rates have crashed below MSP in view of record production. Pulses production in India, the world's largest producer and importer, touched an all-time high of 22.95 million tonnes in the 2016-17 crop year (July-June). Moreover, the country imported about 5 million tonnes pulses last fiscal, leading to huge availability in the domestic market and a price crash. The government is expecting bumper output even this year and it is also sitting on 1.8 million tonnes of buffer stock. The annual domestic demand is around 24 million tonnes.

9. Bid to fight air pollution: NTPC to use crop stubble in fuel mix

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

In an initiative to help curb increasing air pollution in Delhi and neighbouring states, the Centre has told NTPC to procure farm stubble from states like Punjab and Haryana to be used in its fuel mix, power minister R K Singh has said. The state-run electricity producer will use 10% of straw pellets in their energy mix, Singh said on 16.11.2017. "This will create a market for stubble for the farmers," he said. "NTPC will soon float a tender for procurement of these pellets.