

Daily Economic News Summary: 11 December 2019

**1. India asks Japan to reduce trade surplus before Shinzo Abe's visit next week**

Source: Livemint ([Link](#))

India asked Japan on 10 December to take steps to reduce the Japanese trade surplus and sought more market access for Indian goods and services, a government statement said, before Japanese Prime Minister Shinzo Abe's visit next week. Prime Minister Narendra Modi and Abe plan to hold a summit in Guwahati on Dec. 15-16. During Modi's visit to Tokyo last year, they agreed to seek closer economic and military ties as both countries are wary of China. Bilateral trade between the two countries rose to \$17.63 billion in 2018/19 from \$10.9 billion in 2008/09. The trade balance widened to \$7.9 billion in favour of Japan. Despite India's decision to walk out of an ASEAN-led 15- nation regional free-trade pact, Japan is still hopeful that Modi will reconsider his decision, officials said.

**2. PhonePe raises \$82.5 million from Singapore holding firm**

Source: Livemint ([Link](#))

Digital payments firm PhonePe Pvt. Ltd has received ₹585.66 crore (\$82.5 million) from its Singapore parent. The board of PhonePe approved on 26 November the allotment of about 1.38 million shares to its parent, PhonePe Pvt. Ltd, Singapore, at ₹4,230 each, according to a regulatory filing accessed by business intelligence platform, Tofler. This is the third infusion into PhonePe by its parent in this financial year. The Flipkart-owned company had in October received ₹405 crore from the Singapore parent, earlier known as Flipkart Payments Pvt. Ltd. This followed a fund infusion of about ₹698 crore in July from the holding company. PhonePe chose not to comment on Mint's queries. The latest fund infusion comes even as PhonePe is reportedly in talks to raise around \$1 billion from marquee investors such as Tencent and Tiger Global, according to media reports.

**3. Majority of top 100 Indian firms in terms of m-cap are new entities: Report**

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

As many as 54 per cent of the top 100 companies in India in terms of market capitalisation have been replaced by new companies over the past two decades, a report by Edelweiss Securities showed on 10 December. "In the evolution over the past two decades, there have been 54

changes in the top 100 names, of which the highest number of stocks have come from the 'banking and financial' sector," the report said. According to the report, companies such as SBI Life, Bandhan Bank, HDFC AMC and PNB found their way into the top 100 club led by fresh listing or market capitalisation gains. "A 54 per cent churn in the top names, over the years, belies the market perception of large becoming larger. "On average, every year, the composition of top 100 companies changes 11 per cent, of which 3 per cent is led by fresh listing and 8 per cent is due to change in market capitalisation," the report said. Notwithstanding the trend, the report revealed that stocks like RIL, HDFC, SBIN, ITC, INFO and ONGC have maintained their top 20 position for the past two decades.

#### **4. Lack of bilateral pacts may hamper India's trade, investment positions**

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

Commerce and Industry Minister Piyush Goyal on 10 December said in Parliament future trade and investment talks would be based on reciprocity, only after India was assured of business growth and the security of its farmers and small businesses. His remarks came a day after he said the government would stop countries from participating in public tenders if Indian firms were accorded similar opportunities abroad. India's stance on business talks with other nations have hardened at a time when criticism has mounted over investment pacts not yielding significant benefits even as free trade agreements led to rising trade deficit. Experts, however, say the lack of bilateral investment pacts with most major nations may hamper India's position. After unilaterally terminating pacts in 2016, India has pushed for individual deals based on Bilateral Investment Treaty. Three years later, few have materialised.

#### **5. One nation, one ration card: Single platform for 12 states by January to buy subsidised food grain**

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

In a step towards the launch of 'One Nation, One Ration Card' by June next year, the Ministry of Consumer Affairs, Food and Public Distribution is working to integrate 12 states on a single portability platform that will enable beneficiaries of the National Food Security Act (NFSA) to purchase subsidised food grains from any fair price shop in these states. This was conveyed to members of the ministry's consultative committee during a meeting on 10 December, according to sources. The committee is headed by Consumer Affairs, Food and Public Distribution Minister Ram Vilas Paswan. The members also discussed the issue of reforms in the Targeted

Public Distribution System. “It is planned that inter-state portability through One Nation, One Ration Card system shall be launched in four other states of Goa, Madhya Pradesh, Tripura and Jharkhand and these shall be integrated along with the eight existing states into the single portability platform — Public Distribution System Network (PDSN) — with effect from January next year,” the sources said.

#### **6. Oil India keen on taking full control of NRL**

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

State-run Oil India Ltd may pitch for full control of Numaligarh Refinery Ltd (NRL), according to two executives aware of the development. NRL is a subsidiary of state-run Bharat Petroleum Corp. Ltd (BPCL). As part of its strategy to divest stake in BPCL, the government on 21 November decided to carve out NRL from BPCL. BPCL holds 61.65% stake in NRL, while Oil India holds 26% and the government of Assam 12.35%. Oil India did not reply to an email sent on 6 December. NRL was set up at Numaligarh in Assam’s Golaghat district, in accordance with provisions of the Assam Accord signed on 15 August 1985, and has been associated with the industrial and the economic development of the region.

#### **7. Gujarat Statue of Unity attracted 2.9 mn tourists, earned ₹82 cr in one year**

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

Over 29 lakh tourists visited the Statue of Unity in Kevadiya in Gujarat's Narmada district since it was inaugurated on October 31 last year and revenue of ₹82.51 crore was generated, the state government told the Assembly on 10 December. The Gujarat government will be tabling Statue of Unity Area Development and Tourism Governance Bill, 2019 on 11 December in the Assembly as it felt "there was imminent need for developing the area due to the ever increasing number of tourists from all over the country and abroad". "As many as 29.38 lakh tourists visited the imposing structure near the Sardar Sarovar Dam between November 1, 2018 till November 16 this year, and had earned revenue of ₹82.51 crore during this period," said Deputy Chief Minister Nitin Patel in his written reply during Question Hour to a query raised by Congress MLA Chandrika Bariya.

#### **8. Govt moves to offer quality diagnostic services under PMJAY**

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

The ministry of health and family welfare is exploring options to provide quality diagnostic services from certified laboratories to beneficiaries of the Ayushman Bharat-Pradhan Mantri Jan

Arogya Yojana (AB-PMJAY). Towards this end, the government plans to evaluate models for partnering with diagnostic companies which can provide such services. The government has already announced the establishment of 150,000 health and wellness centres under AB-PMJAY, which will also offer diagnostic services. The NITI Aayog has called for making these centres operational by 2022–23 to ensure sufficient coverage and to lower the burden on secondary and tertiary care.