Daily Economic News Summary: 19 November 2019

1. India ranks 59 on IMD World Talent Ranking Report
Source: Financial Express (Link)

India also witnessed one of the sharpest declines among Asian economies owing to low quality of life, negative impact of brain drain, and the low priority of its economy on attracting and retaining talents. India has slipped 6 places to 59 rank on a global annual list of 63 countries, due to low quality of life and expenditure on education, according to the latest edition of IMD World Talent Ranking, which was topped by Switzerland. The ranking, which is based on the performance in three main categories investment and development, appeal and readiness, noted that India is also lagging behind fellow BRICs countries – China ranked 42nd on the list, Russia (47th) and South Africa (50th). India also witnessed one of the sharpest declines among Asian economies owing to low quality of life, negative impact of brain drain, and the low priority of its economy on attracting and retaining talents.

2. Tata Steel plans to cut up to 3,000 European jobs
Source: Financial Express (Link)

Tata Steel plans to cut up to 3,000 jobs across its European operations, the company said on 18 November, as the sector wrestles with excess supply, weak demand and high costs. Tata Steel plans to cut up to 3,000 jobs across its European operations, the company said on 18 November, as the sector wrestles with excess supply, weak demand and high costs. Earlier, a source close to the discussions told Reuters around 3,000 people would be affected after the group's European chief executive Henrik Adam said Tata was planning to announce job cuts across the European business without giving figures. In a statement, Tata said it was urgently seeking to improve performance by increasing sales of higher value products, efficiency gains and reducing employment costs by cutting employee numbers by up to 3,000 across its European operations.

3. What the new GST should look like
Source: Livemint (Link)

The implementation of the goods and services tax (GST) in a large and diverse federal country ruled by different political parties is a remarkable achievement. Almost all the 166 countries that have implemented GST in one form or the other have taken considerable time to stabilize the value-added tax that has been seen as a money machine and an appropriate instrument to offset revenue losses from reducing tariffs. In India, the tax has been evolving over the last 27 months. This is a good time to analyse the revenue implications and economic impact of GST, as well as identify the reform areas to increase revenue productivity and minimize administrative, compliance and distortion costs. There is no “one size fits all" GST; each country has to adopt the system that it finds feasible. Often, the reform is carried out with some bad features to get it accepted, but getting rid of them can pose formidable challenges. Since the roll-out of the tax, there have been 37 meetings of the GST Council addressing changes in the structure and operations.

4. NITI Aayog proposes mandatory health insurance for all
Source: Livemint (Link)

NITI Aayog has proposed introduction of a mandatory standard basic benefit as the basis for all health insurance coverage in India. In its report titled “Health System for a New India: Building Blocks", released on 18 November, the government think tank pointed out that India does not only have a low level of risk pooling that is very fragmented but also highly fragmented benefits packages provided by the existing risk pooling schemes. Stating that both the benefits package set by Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) on the demand side as well as the less explicit benefits package set by National Health Mission (NHM) on the supply-side though preliminary versions of a potential standardized benefits package, government may further explore the basic benefit for future risk pooling options.

5. Jeff Bezos to visit India in January, may meet PM Modi
Source: Livemint (Link)

Jeff Bezos, the founder of Amazon, will visit India in January when he is likely to meet Prime Minister Narendra Modi. During his visit he will kick off the US retailer’s annual event around small and medium enterprises, which are perceived to be hurt by deep-pocketed ecommerce companies. The world’s largest online retailer is said to be worried about the changing ecommerce rules in India, where the Seattle-based company has invested more than $5 billion and created one of its largest foreign subsidiaries. Bezos comes calling amid protests by a group of small traders against foreign-funded ecommerce companies. The Amazon founder is expected to highlight that it is generating jobs in India and empowering SMEs and other small businesses, according to two people familiar with the matter. He will also raise aspects such as stable business environment and policy continuity for foreign companies, they said.

6. Russia's national capital region seeks Indian investment
Source: The Economic Times ([Link]())

Russia's national capital Moscow Region is looking at investment from India in sectors including infrastructure, auto industry, automotive components, pharmaceuticals and electronics. "Leaders of India and Russia have excellent chemistry. Both the countries have a very warm relationship. We are looking for long term business partnerships between the Moscow Region and India," Deputy Governor of the Moscow region Vadim Khromov told ET during a visit in New Delhi. A six-member delegation, headed by Khromov, met with representatives of the Delhi government and business leaders in both Delhi and Mumbai during four-day visit to India.

7. India plans strategic stake sales in 28 state-run companies-minister
Source: The Economic Times ([Link]())

India's cabinet has given 'in-principle' approval for the sale of strategic stakes in 28 state-run companies including state carrier Air India, junior finance minister Anurag Singh Thakur told lawmakers on 18 November. The government has so far raised Rs 17,364 crore ($2.43 billion) in the 2019/20 fiscal year ending in March, against the full-year's target of Rs 1.05 lakh crore, the minister said in a written reply in the lower house of parliament.

8. Govt mulling to reduce upfront payment for larger coal blocks to attract investors
Source: Money Control ([Link]())

To attract global and domestic investors to the coal sector, the government is mulling reducing the upfront payment for larger coal blocks, according to sources. The matter had come up for discussion during the meeting of a high-level committee under the chairmanship of Niti Aayog Vice-Chairman Rajiv Kumar last month, sources privy to the development said. "During the meeting, it was discussed that for larger blocks the upfront payment was more. So in order to attract investors, it was opined that the upfront payment should be reduced," the source said. Besides Kumar, the high-level committee consists of Niti Aayog CEO, Cabinet Secretary, Mines Secretary and Coal Secretary among others. The panel has been constituted to look into the overall improvement of the coal sector, the source added.