

<b>Daily Economic News Summary: 23 July 2019</b>
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**1. Chandrayaan-2 mission: From SAIL to private players like Larsen & Toubro, Godrej Aerospace, all gave a push to Rs 978-cr unmanned spacecraft**

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

Private sector players had a significant role to play in the success of the state-run ISRO's Chandrayaan-2 mission with companies like Larsen & Toubro (L&T) and Godrej group contributing with hardware and testing solutions. Dubbed as 'Baahubali', the Rs 978 crore unmanned mission lifted-off from the second launchpad at the spaceport into skies at 2.43 pm and successfully placed the 3,850-kg Chandrayaan-2 into the earth orbit about 16 minutes later. Apart from these two large corporates, companies like Ananth Technologies, MTAR Technologies, Inox Technologies, Lakshmi Machine Works, Centum Avasarala and Karnataka Hybrid Microdevices, are reported to have contributed to the successful launch of the mission. "Godrej's contribution to the mission includes critical equipment such as L110 engine and CE20 engine for the launcher GSLV Mk III, thrusters for the orbiter and lander, and components for the DSN antenna," Godrej Aerospace Executive Vice President and Business Head SM Vaidya said in a statement.

**2. Skill India | Govt to spend Rs 5,000 crore to skill unorganised sector workers**

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

India's skill mission will shift its focus from the formal to the informal sector with an annual expenditure of around Rs 5,000 crore, a move that is being seen in sync with government's tilt towards creating more beneficiaries. The Ministry of Skill Development and Entrepreneurship feels that while there has been an intense focus on the formal sector in the last five years, it left out 93 percent of the workforce in the informal sector, at least three government officials said. The Ministry, therefore, believes that unless the informal sector is targeted, the skills mission will not be successful, which was also acknowledged at a recent meeting at the Prime Minister's Office.

### **3. 50 days of Modi 2.0: Infrastructure drive to be in focus**

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

Betting on the infrastructure theme, Minister of Information and Broadcasting Prakash Javadekar said that in the next five years, the government is planning to invest around Rs 100 lakh crore in that sector. With the Modi government completing 50 days in office, the infrastructure sector's growth has to be on an overdrive. To fund road and highway projects, the Ministry of Road Transport and Highways signed an MoU with National Infrastructure and Investment Fund (NIIF) earlier this month. In an effort to promote sustainable practices, the government rolled out initiatives in the Union Budget 2019 to promote the adoption of electric vehicles and encourage development of charging infrastructure.

### **4. No GST invoice required if goods taken abroad for exhibition are brought back in 6 months**

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

The Finance Ministry on 22 July said entities taking goods abroad for exhibitions or other export promotion events will not have to generate tax invoice for those goods which are brought back to India within six months. Issuing a clarification in respect of goods taken out of India for exhibition or on consignment basis for export promotion, the ministry said exporters were facing problems due to the lack of clarity on the procedure to be followed under GST at the time of taking these goods out of India and at the time of their subsequent sale or return to India. It said that the activity of taking goods out of India on consignment basis for exhibition would not in itself constitute a supply under GST since there is no consideration received at that time, but such goods would need to be accompanied by a 'delivery challan'.

### **5. Industry miffed as govt mulls dairy import from New Zealand, Australia**

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

Apprehensive that cheap dumping will hurt domestic producers and farmers alike, Indian dairy producers are protesting against a proposal by the government to allow dairy imports from the world's largest producers- New Zealand and Australia. Gujarat Cooperative Milk Marketing Federation (GCMMF), India's largest milk producer in cooperative sector and the owner of the Amul brand, is planning to write to the Union Ministry of Commerce and other concerned ministries to stall cheap dairy imports from New Zealand and Australia. Responding to a Business Standard query, R S Sodhi, Managing Director, GCMMF, said, "We will be writing a

letter to the Ministry of Commerce and other concerned ministries soon highlighting the possible impact of cheap dairy imports from these two countries."

## **6. Panel favours cryptocurrency ban in India**

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

An inter-ministerial committee set up by the government on virtual currencies has proposed banning of private cryptocurrencies in India by enacting a law and imposing fines and penalties for carrying on activities related to such cryptocurrencies. The committee headed by finance secretary Subhash Chandra Garg has proposed a draft bill "Banning of Cryptocurrency & Regulation of Official Digital Currency Bill, 2019", which has been placed in the public domain. The committee has, however, taken a lenient view on the government launching an official digital currency, asking it to keep an open mind on the matter. "As virtual currencies and its underlying technology are still evolving, the group has proposed that the government may establish a standing committee to revisit the issues addressed in the report as and when required," it said.

## **7. Higher surcharge effective from April 1: Super-rich need to pay interest on June advance tax**

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

The super-rich are likely to be hit with a double whammy. They will have to pay interest on the advance tax instalment that was due on June 15, in line with their increased liability on the back of higher surcharge on those with incomes above Rs 2 crore. The surcharge, although announced only in the July 5 budget, will be effective from April 1, the start of the financial year. Interest on the additional liability due to the surcharge has to be borne as there is no specific waiver from this. Tax experts said the government should provide a waiver as the taxpayers aren't to blame. "Individuals will be saddled with the liability for payment of interest under Section 234 C for no default on their part," said Dilip Lakhani, a senior chartered accountant. The government should carry out a suitable amendment to waive interest, levied at the rate of 3%, he said.

## **8. Railways seeks Cabinet nod for building 3 freight corridors at Rs 3 lakh crore**

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

The railways ministry has sought the approval of the Union Cabinet to build three new dedicated freight corridor (DFC) networks at a total investment of about Rs 3 trillion, said a senior government official aware of the matter, in what may help Indian Railways meet growing

demand for faster and efficient movement of freight. While the East-West Corridor (2,328 km) will be built between Kolkata and Mumbai, the North-South Corridor (2,327 km) is planned between Delhi and Chennai and the East Coast Corridor (1,114 km) between Kharagpur and Vijaywada. Indian Railways' DFC project involves constructing five freight corridors across the country. The railways, through its arm Dedicated Freight Corridor Corp. of India Ltd (DFCCIL), is already building the first two freight corridors—Eastern Freight Corridor from Ludhiana to Dankuni (1,856 km) and Western Freight Corridor from Dadri to Jawaharlal Nehru Port (1,504 km)—at a total cost of Rs 81,000 crore.

## **9. India mulls ways to give least duty cuts to China in long time period in RCEP**

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

India is looking at different arrangements to give minimum tariff cuts to Chinese goods and delay the concessions by a long number of years amid industry's fears of cheap imports from Beijing flooding the country as it prepares to conclude a mega regional trade pact next month. In marathon meetings with industry on 22 July in Mumbai, which will continue on Tuesday in Delhi, commerce and industry minister Piyush Goyal heard their objections and the products they want to be protected in the Regional Comprehensive Economic Partnership (RCEP). The stakeholder consultations could be the last set of talks ahead of trade minister-level deliberations in China on the proposed agreement in August 2-3 when it is expected to get concluded after having been negotiated for seven years.