

Daily Economic News Summary: 24 January 2020

1. Centre plans to create National Business Register: Report

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

The Centre now plans to come out with a database for business enterprises across the country — a National Statistical Business Register, sources told The Economic Times. The register will basically have a compilation of data on all existing businesses across India, that produce or distribute goods and services. As per the ET report, the list will be made based on data from the ongoing seventh economic census. Data from the Goods and Services Tax Network and the databases of Employees' State Insurance Corporation, Employees' Provident Fund Organisation as well as those with the corporate affairs ministry will be used to regularly update the national business register, the report added.

2. Brazil expresses willingness to import wheat, rice from India

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

Brazil on January 23 expressed willingness to import items such as wheat, rice, millets, and sorghum, from India, said an official release after a meeting of ministers of the two countries. Agriculture and Farmers' Welfare Minister Narendra Singh Tomar held a meeting with Brazilian Minister for Agriculture, Livestock and Food Supply Tereza Cristina Correa da Costa Dias to discuss various bilateral trade opportunities, interests and issues. Both ministers affirmed that agriculture is a priority for both Brazil and India and resolved to strengthen cooperation in the agriculture and allied sectors, said the release.

3. Brazil urges India to cut import taxes on chicken products

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

Brazil wants India to cut its import taxes on chicken and chicken products, so it can cash in on India's burgeoning demand for poultry and poultry products as incomes rise and food habits change. India imposes a 100% import tax on chicken products and a 30% duty on whole chickens, too high for countries such as Brazil and the United States to gain a foothold in the market, where the poultry industry is growing at more than 10% a year. "We would like to urge

India to lower its tariffs on chicken and chicken products which are far too steep," Brazilian Agriculture Minister Tereza Cristina Dias told Reuters during a visit to India.

4. Free Trade Agreements: Talks with European Union, UK soon, says Piyush Goyal

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

Commerce and industry minister Piyush Goyal on 23 January said India would hold talks with the EU and the UK to forge free trade agreements (FTAs). He, however, insisted that the China-dominated Regional Comprehensive Economic Partnership (RCEP) pact, in its present form, is an “unbalanced trade agreement which is really not fulfilling the guiding principles on which it started”. New Delhi could also clinch a trade deal with Australia — an RCEP member – in the next 6-8 months, having revived talks that were stuck, he said. Formal talks with the UK will likely start after the Brexit, which is expected to be over by January 31.

5. Govt creating room for more foreign portfolio investment: RBI doubles investment limit for FPIs in debt

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

At a time when foreign investors are dumping Indian rupee bonds, the government is creating room for more foreign portfolio investment in Indian debt. The Reserve Bank of India (RBI) on 23 January doubled the investment limit for FPIs (foreign portfolio investors) in government and corporate bonds to Rs 1.5 lakh crore, via the Voluntary Retention Route and allowed them to invest in exchange-traded funds (ETF) that invest only in debt instruments. The government also plans to launch the second tranche of its Bharat Bond ETF having mopped up Rs 12,400 crore in December 2019 from the first tranche.

6. Kuwait firm to sets up Rs 49,000 crore oil refinery in TN

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

Tamil Nadu chief minister K Palaniswami on 23 January said Kuwait-based Al Kharafi will set up an oil refinery and a petrochemical manufacturing facility in the state with an investment of Rs 49,000 crore. With the building of the refinery, the southern districts of the state would see development like Jamnagar in Gujarat and Jurong Island in Singapore, he said. The state cabinet on 20 January had cleared the proposal to establish the oil refinery complex in Tuticorin which will produce BS-6 petroleum products, among others.

7. One nation, one road tax may soon be a reality

Source: Livemint ([Link](#))

The Union government is making a renewed push to get states on board to levy a uniform road tax for personal vehicles across the country, a senior government official said. The move is expected to bring relief to automobile buyers, while also helping protect revenue of states as some consumers tend to purchase vehicles in states with lower taxes, resulting in a loss of revenue for those with higher taxes. "In a recent meeting with the Centre, states have said they are on board to implement uniform (road) tax," the official cited earlier said on condition of anonymity. Senior officials of some states, however, said they are weighing the Centre's proposal, as a rejig in tax rates will have fiscal implications. A senior Kerala government official said the state will take a final call after its budget session, slated to begin in the next few weeks.

8. Draft policy seeks lower taxes for LNG, CNG vehicles

Source: Livemint ([Link](#))

In a bid to boost India's gas economy, the ministry of petroleum and natural gas on 23 January released a draft city gas distribution policy, which could be adopted by states to facilitate speedy implementation of city gas distribution (CGD) networks and value-added services. Reduced road taxes and value-added tax (VAT) may also be in the offing for gas-driven vehicles. The draft policy suggests setting up of a committee, under the chairmanship of the chief secretary, which will help formulate policies and streamline the processes for various permissions to develop the CGD infrastructure.

9. India ranked 80th in Corruption Perception Index

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

India has been ranked at the 80th position among 180 countries and territories in the Corruption Perception Index (CPI) prepared by Transparency International. The CPI, released at the WEF 2020 in Davos, ranks 180 countries and territories by their perceived levels of public sector corruption, according to experts and business people. Denmark and New Zealand have cornered the top spot, followed by Finland, Singapore, Sweden and Switzerland in the top ten. With a score of 41, India is at the 80th spot. The rank is also shared by China, Benin, Ghana and Morocco. Neighbouring Pakistan is ranked at the 120th place.

10. Niti Aayog seeks Cabinet nod for battery push

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

The Niti Aayog has sought Cabinet approval for a proposal to build up to 10 large factories that would get subsidies to produce lithium-ion batteries used in electric vehicles. Once it gets the nod, the Aayog will invite bids for setting up these gigafactories, with a total capacity of 50 Gigawatt hours (GWh), over 10 years, a senior government official told ET. The projects would cost as much as \$5 billion (Rs 35,500 crore). The move is part of an effort to push use of EVs, for which high battery cost is a big hurdle. The batteries, currently being imported, account for more than half the cost of an EV and local manufacturing could help bring this down.

11. Niti Aayog to develop National Data Platform

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

Government think-tank Niti Aayog will develop a national data and analytics platform to make all government data accessible to stakeholders in a user-friendly manner. Releasing the Vision Document for the National Data and Analytics Platform (NDAP), Niti Aayog vice-chairman Rajiv Kumar said that the NDAP will strive to ensure that the data is assured, consistent, coherent and credible. According to the vision document, data across sectors should be coherent to support analysis and dissemination. "In addition, there should be easy access to the most recent data, published reliably," the document noted.

