

Daily Economic News Summary: 30 August 2018

1. India's Textile Sales Likely To Rebound On Retail Growth In US

Source: Livemint ([Link](#))

The US market for textiles is vital to the health of local textile exporters. After a turbulent time in FY18, the market is gradually improving. Walmart Inc. and Target Corp., large retailers in the US, reported their best quarterly performances in recent years. This has created hope that measures taken by traditional retailers to combat industry changes (such as a consumer shift to online retail) are beginning to yield results.

2. BIMSTEC Summit 2018: PM Narendra Modi Arrives In Nepal For Two-Day Event

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

Prime Minister Narendra Modi arrived Katmandu on 30 August to attend the 4th BIMSTEC Summit that will focus on enhancing regional connectivity and boosting trade. Modi said on August 29 that his participation in the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) summit in Kathmandu signals India's highest priority to its neighbourhood and a strong commitment to continue deepening ties with the "extended neighbourhood" in South-East Asia

3. Philippines Plans To Copy India's Success In Aadhaar Biometric ID System To Get Poorest On Map

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

The aim is to replicate the success of India's biometric ID program, the largest in the world, which has enrolled about 1.2 billion people since its launch in 2009. Known as Aadhaar, or foundation, the ID is used for everything from opening a bank account to registering a marriage. In the Philippines, Southeast Asia's worst saver, the program is key to the central bank's financial inclusion push, which centers around using mobile-phone applications and online payments systems to draw more people into the banking system. At least 10 million people can't open bank deposit accounts because they don't have identity documents and cards.

4. Modi Government Revives Uttarakhand Dam Project, 42 Years After Approval

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

Big boost for Uttarakhand! After 42 years a dam project in Uttarakhand has been revived by the Central government. The project had been suspended 20 years ago. With Union Minister of Water Resources Nitin Gadkari signing a MoU with Chief Ministers of Uttarakhand, Uttar Pradesh, Delhi, Himachal Pradesh, Haryana and Rajasthan, the Lakhwar Multipurpose Project, worth Rs 3,966.51 crore recently got the go-ahead. The upcoming 204-m concrete dam in the upper Yamuna basin near Uttarakhand's Lohari village is said to provide water for drinking, domestic and industrial use in the six basin states.

5. Paytm Mall Looks To Deepen Regional Partnerships In Fight With Walmart-Controlled Flipkart

Source: Firstpost ([Link](#))

Paytm Mall, the e-commerce venture backed by China's Alibaba Group, is looking to deepen ties with regional retailers as well as partner with top online grocer BigBasket to compete with Walmart-controlled Flipkart and Amazon's local unit, a company executive said. Patym Mall, owned by Paytm E-Commerce, is currently the third biggest player in India's rapidly-growing online retail space. The company already has a revenue-sharing partnership with Future Retail, which owns hypermarket stores like Big Bazaar and fashion shops. It is now set to forge a partnership with BigBasket, also backed by Alibaba, Amit Sinha, the chief operating officer of the online marketplace, told *Reuters* in an interview on August 28.

6. India's Future Crunching Status In The Regional Comprehensive Economic Partnership

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

With India's commerce minister Suresh Prabhu headed for Singapore on August 30, it's crunch time for India regarding its future status in the Regional Comprehensive Economic Partnership (RCEP), a mega free trade pact that would cover 16 nations, including the 10 member-countries of Asean. At the key trade ministers' meeting, Prabhu will convey India's position as conveyed by PM Narendra Modi who had set up a four-member ministerial group to tackle the issue. Given that India has been dragging its feet for so long and holding up the deal, some Asean nations

have asked Singapore, the current chair, to give New Delhi an ultimatum either it steps up or they would go without it.

7. Cabinet Approves 2% DA Hike For Central Govt Employees

Source: The Hindu, Business Line ([Link](#))

The Union Cabinet on August 29 gave its nod for 2 percentage point increase in Dearness Allowance (DA) for Central Government employees and Dearness Relief for pensioners with effect from July 1. This is intended to compensate them for price rise in the economy. The combined impact on the exchequer on account of both Dearness Allowance and Dearness Relief would be Rs 6112.20 crore per annum and Rs.4074.80 crore in the financial year 2018-19 (for a period of 8 months from July, 2018 to February, 2019), an official release said.

8. MUDRA Launches Major Impact Study Of Loans To SMEs

Source: The Hindu, Business Line ([Link](#))

Pradhan Mantri Mudra Yojana (PMMY), which has completed three years with a cumulative disbursement of about ₹6-lakh crore in loans to small businesses so far, is being reviewed. The Micro Units Development & Refinance Agency Ltd (MUDRA), an apex body for the scheme, is commissioning a massive field-based longitudinal impact assessment by an independent agency. MUDRA is now looking at understanding the role of alternative channels such as microfinance institutions (MFIs) and other intermediary organisations in reaching out to end-users by leveraging additional funds.