

Daily Economic News Summary: 30 January 2019

1. Supreme Court Verdict On IBC: Indian Banks' Fight Against Bad Loan Has Just Got A Thumbs-Up From Judiciary

Source: Firstpost ([Link](#))

The Supreme Court had to step in to restore the constitutional validity of the Insolvency and Bankruptcy Code (IBC) 2016 in its 'entirety'. The intent and purpose behind the enactment of the IBC was to pave the way for expeditious resolution of the burgeoning pile of non-performing assets (NPAs) in the financial sector. The lenders' helplessness due to excruciatingly slow and cumbersome legal processes afforded an upper hand to the borrowers at the cost of the creditors. The unbreachable timelines of 270 days prescribed by the IBC wherein the stakeholders have to either resolve or liquidate the enterprise, was intended to ensure that the solution does not get bogged in red tape.

2. Government looks to hone Skill India Mission

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

The government is considering revamping the Skill India Mission, which has not achieved the desired results despite a series of initiatives. Officials said the mission in its new avatar will be based on incentives rather than subsidies and it will focus largely on fiscal sops for attracting private players. A senior government official told ET that there have been internal deliberations on how to make skilling more effective so that the quality of skill training matches international standards and the outreach of skilling is massively scaled up to cover millions of youths that enter the workforce every year.

3. Govt All Set To Tighten Noose Around Organic Food Manufacturers Not Adhering To Norms

Source: Livemint ([Link](#))

The government is all set to tighten the noose around manufacturers of organic food products. The Food Safety and Standards Authority of India (FSSAI), the food regulator of the country, last week wrote to all food safety commissioners, authorised officers and its central designated officers to ensure that food business operators (FBOs), involved in the organic food business,

should adhere to the regulations pertaining to organic food. The FSSAI decided that its organic logo (Jaivik Bharat) has to be used from 1 April 2019. This was based on representations by stakeholders and a review of the preparedness of the implementation of regulations concerning organic food.

4. Walmart's Flipkart Warns Govt Of Major 'Customer Disruption' If New Rules For E-Commerce Not Delayed By Six Months

Source: Firstpost ([Link](#))

Walmart Inc's online retailer Flipkart has told the government that the company faces the risk of "significant customer disruption" if the implementation of new curbs for e-commerce is not delayed by six months, a source told Reuters. India's new foreign investment restrictions will, from 1 February, bar e-commerce companies from selling products from firms in which they have an equity interest and also ban them from reaching deals with sellers to only sell on one platform. In a letter to industries department earlier this month, Flipkart chief executive Kalyan Krishnamurthy said the rules required the company to assess "all elements" of its business operations, according to a person privy to the communication.

5. UAE Seeks Talks On Revising Air Services Pact With India

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

India and the United Arab Emirates (UAE) are to hold talks soon on revising a 2007 air services pact and four sectoral agreements that will allow an increase in the number of flights between the two countries, which stand at 1,068 a week, the Emirates envoy to India, Ahmed Al Banna, said in New Delhi on 29 January. Al Banna also attributed the surprise extradition of alleged Agusta Westland chopper deal middleman Christian Michel from the UAE to India last month to the warming of ties between the two countries following Prime Minister Narendra Modi's 2015 visit to the Emirates.

6. Yogi Adityanath Govt Approves Rs 36,000-Cr Ganga Expressway; World's Longest Expressway Will Connect Allahabad And Meerut

Source: Firstpost ([Link](#))

In a historic Cabinet meeting during the ongoing Kumbh Mela, the Uttar Pradesh government on Tuesday approved the construction of the Ganga Expressway for better connectivity of Allahabad with western districts of the state. Chief Minister Yogi Adityanath, who presided over the meeting, told reporters that the Cabinet gave its approval for the construction of the 600 km

expressway, which will be the longest expressway in the world. It will start from Meerut and touch Amroha, Bulandshahr, Badaun, Shahjahanpur, Farrukhabad, Hardoi, Kannauj, Unnao, Rae Bareilly, Pratapgarh before reaching Allahabad, he said.

7. India's Entry In PISA Will Help Boost Labour Productivity: OECD

Source: Livemint ([Link](#))

As India decides to participate in the much acclaimed Programme for International Student Assessment (PISA), the World Bank and the Organization for Economic Cooperation and Development (OECD) on 29 January said the move will help a young generation achieve success in the labour market and allow the Indian education system to be benchmarked against the best in the world. PISA is a test for secondary school students from across 80 countries and its outcome is considered the gold standard for evaluating the education system of a country. It assesses students in science, mathematics, reading and collaborative problem solving, and considers the collective performance of students from countries to rank them.

8. Several Agreements On The Anvil When Argentinian President Visits India Next Month

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

The Argentine President Mauricio Macri is arriving on a three day visit on February 17 accompanied by a high level ministerial and business delegation. This year the two countries are celebrating their 70th year of bilateral relations. India and Argentina will seek to further deepen and expand cooperation in wide range of sectors including renewable energy, nuclear energy, space and agriculture, aviation, mining (lithium, gold and copper), pharmaceuticals and automobiles. After a full day of official meetings in New Delhi, President Macri will leave for Mumbai on February 19, where he will be addressing industry captains at a meeting organised by the industry chambers, besides other official engagements.

9. India Becomes Less Corrupt; Ahead Of China, Pakistan, Improve Its Ranking On Global Corruption Index In 2018: Study

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

India has improved its ranking on a global corruption index in 2018, while its neighbour China lagged far behind, according to the annual index released by an anti-graft watchdog on 29 January. India rose by three points to 78 in the list of 180 countries in the world, while China ranked 87 and Pakistan 117 in 2018, the Transparency International said in its Corruption Perceptions Index (CPI) for 2018. The top countries on the list are Denmark and New Zealand,

with scores of 88 and 87 respectively. Somalia, Syria and South Sudan are at the bottom of the list, with scores of 10, 13 and 13 respectively. Overall, more than two-thirds of countries score below 50 in the 2018 CPI, with an average score of only 43.