

DAILY NEWS MONITOR: 18 JANUARY 2022

1. Davos dialogue: PM calls on global firms to invest, says more reforms on the anvil

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

Prime Minister Narendra Modi on 17 January pitched India as an attractive investment destination, calling on global firms to take advantage of a raft of reforms undertaken by his government in critical areas ranging from corporate taxation to reduction in the corporate compliance burden. He also pledged to do more to ensure even greater ease of doing business in India. Delivering a special address at the World Economic Forum's Davos Agenda through video conference, Modi also called for a global strategy on cryptocurrency, saying any one nation's endeavour may not be enough to deal with technological and other issues emerging from it.

2. India among top attractive destinations for global investors, says RBI paper

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

India has attracted higher FDI flows and continues to remain among the top attractive destinations for international investors, according to an article published in Reserve Bank of India's monthly bulletin for January 2022. The article has been prepared by Sumit Roy, Financial Inclusion and Development Department, Jolly Roy and Kamal Gupta, Department of Statistics and Information Management, Reserve Bank of India. The views in the article are of the authors and not that of RBI.

3. India's overall economic activity remains strong, says RBI article

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

India's overall economic activity remains strong, driven by an upbeat consumer confidence and uptick in bank credit, and expectations that Omicron may turn out to be a "flash flood rather than a wave" have further brightened the prospects, according to a RBI article. "On the vaccination front, India has made rapid strides. On the Omicron variant, the recent data from the UK and South Africa suggest that such infections are 66 to 80 per cent less severe, with a lower need for hospitalisation," the article on the state of economy published in the RBI Bulletin said on Monday. Amidst upbeat consumer and business confidence and an uptick in bank credit, aggregate demand conditions stay resilient while on the supply front, rabi sowing has exceeded last year's level and the normal acreage, it noted.

4. Crypto Bill likely to miss Budget session as govt seeks time to build consensus

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

The Centre is unlikely to introduce the much-awaited cryptocurrency bill in the upcoming budget session of Parliament as it wants to hold more discussions and build consensus on the regulatory framework. The government also wants to wait for the pilot launch of Reserve Bank of India's digital currency, expected in a few months. While the Centre is keen on the bill, it is looking to hold more discussions with stakeholders to firm up a view on the policy, according to officials with knowledge of the matter. "The crypto bill may not be introduced in the budget session. It is a complex subject. This will require more time," a senior finance ministry official told ET

5. Government plans \$19 billion fertilizer subsidy in Union Budget FY23: Sources

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

India is likely to earmark nearly \$19 billion in the Union Budget 2022 to compensate fertilizer companies for selling their products to farmers at lower than market prices, according to people with knowledge of the matter. The finance ministry has penciled in Rs 1.4 lakh crore (\$18.8 billion) as fertilizer subsidy in the budget due February 1, up from Rs 1.3 lakh crore in the year ending March 31, due to higher raw material costs, the people said, asking not to be identified as the information is not public. Discussions are still going on and a final decision is yet to be taken. The increased spending comes ahead of crucial local polls and amid efforts by the ruling Bhartiya Janata Party to win over farmers after facing massive protests against new laws that have since been scrapped. Nearly 60% percent of India's 1.4 billion population depends on farming directly or indirectly for their livelihood and their support is key for winning elections.

6. India's richest doubled their wealth to \$720 bn during Covid crisis: Oxfam

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

India's richest have more than doubled their fortunes during the Covid-19 crisis that's ravaged the country and worsened poverty, and the government should revisit its policies to redistribute wealth, according to the global Oxfam Davos report of 2022. The nation added 40 billionaires to 142 last year, when a second wave of infections overwhelmed its health infrastructure and pushed crematoriums and burial grounds to breaking point. They have almost \$720 billion in combined fortune, more than the poorest 40% of the population, the group said in a report on rising inequality published Monday. Wealth has surged globally during the pandemic as the value of everything from stock prices to crypto and commodities has jumped. The world's 500 richest people added more than \$1 trillion to their net worths

last year, according to the Bloomberg Billionaires Index. India, where urban unemployment climbed as high as 15% last May and food insecurity worsened, now counts more billionaires than France, Sweden and Switzerland combined, Oxfam said.

7. Guterres in contact with US, UK to support India's solar energy target

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

UN Secretary-General Antonio Guterres on 17 January said that he has been in close contact with the US, the UK and several other countries to ensure there are strong efforts to support India in its attempt to achieve 450 gigawatts of solar energy installed capacity, saying India does not like a coalition but it has accepted several bilateral forms of support. Guterres, in his virtual remarks to the opening of the 2022 World Economic Forum (WEF), said it must be a priority for all to phase out coal and no new coal plants should be built. We have had the US and China making an agreement that I hope will provide China with more adequate technologies in order to accelerate the transition from coal.