November 25th news

International:

Hafiz Saeed walks free as house arrest ends

A Pakistani review board on 22nd November set aside a request from authorities to extend the house arrest of Lashkar-e-Taiba founder Hafiz Saeed and ordered his immediate release.

Saeed, accused of masterminding the terror attacks in Mumbai that killed 166 people nearly nine years ago, had been placed under house arrest in January, largely because of pressure from the Paris-based Financial Action Task Force that tracks terror financing.

The government of Punjab province had sought a three-month extension in Saeed's detention but the request was turned down by a judicial review board. Saeed, who now heads the Jamaat-ud-Dawah, is scheduled to be released on 23rd November

The Jamaat-ud-Dawah (JuD) head, carries a 10 million US Dollar American bounty for his role in terror activities. The JuD is believed to be the front organisation for the banned Lashkar-e-Taiba (LeT) which is responsible for carrying out the Mumbai terror attack in 2008 in which 166 people, including six Americans, were killed. Saeed was declared a global terrorist by the US and the UN after the Mumbai attack.

National:

Union Government to initiate Safe city plan for women in eight cities

Union Government will soon initiate a comprehensive 'safe city' plan for women in eight cities for women in eight metropolitan cities of the country. The Safe city plan will serve as robust emergency response system and provides police-verified public transport will come into place. The plan will be forwarded by respective State Level Committee headed by Chief Secretary of the state

Economy:

CCEA approves expansion of Beti Bachao Beti Padhao Scheme

The Cabinet Committee on Economic Affairs (CCEA) approved the expansion of Beti Bachao Beti Padhao (BBBP) Yojana for a pan India coverage from 2017-18. It expansion has proposed outlay of Rs.1132.5 crore. It will cover all the 640 districts (as per census 2011) of the country to have a deeper positive. The expansion of scheme was approved based on its successful implementation in 161 districts.

S&P refuses to do a Moody's; maintains status quo on India's rating

Credit rating agency Standard & Poor's (S&P) on 24th November retained India's sovereign rating at the lowest investment grade with a stable outlook. It attributed its decision to a weak fiscal position, particularly of states, high government debt, and low per capita income.

S&P’s rating remains at BBB-, one notch above junk and a notch below what Moody’s Investors Service upgraded India to recently.

The rating agency estimated that public sector banks would need $30 billion for haircuts on bad debts and for meeting Basel III capital adequacy norms.

The agency pointed out India’s economic growth was forecast to be robust in 2018-20 despite two quarters of weaker-than-expected expansion due to demonetisation and the goods and services tax (GST). Besides, foreign exchange reserves would continue to rise. The stable outlook means positive and negative factors supporting S&P’s rating are balanced.

Railway Minister Piyush Goyal said S&P's assessment was an affirmation of the policies of the government being recognised worldwide as it had given an overall positive outlook with much praise for the government's initiatives.

S&P said the ratings could be upgraded if the government's reforms improved markedly its fiscal position and reduced debt levels. A downgrade was likely, it said, if growth was disappointing and fiscal deficits rose inordinately. Also, if the political will to maintain India's reform agenda lost its momentum.

Given a planned rise in public sector-led infrastructure investment and persistent deficits at the state level, fiscal consolidation would remain difficult, S&P said. Besides, the country's fiscal challenges reflect revenue underperformance; India's general government revenue, at an estimated 22 per cent of the GDP, is low among peer sovereigns.

However, S&P said administrative efforts to expand the tax base, including demonetisation, which had increased the number of tax registrants, and the introduction of the GST in July, would accelerate government revenues.

The agency expected the Centre to succeed in controlling its deficits, but it said problems at the state level would add 3 per cent on average to the consolidated general government deficit during 2018-20. Besides, India's per capita income is estimated at close to $2,000 in 2017, the lowest for all investment-grade economies that S&P rates.

India's half-year fiscal deficit crosses 91% of full year target

The Indian budgetary fiscal deficit over the first half of the current financial year -- at Rs 4.99 lakh crore - stood at 91.3 per cent of the full year`s target of Rs 5.46 lakh crore, official data showed

The data furnished by the Comptroller General of Accounts (CGA) showed that April-September fiscal deficit was 83.9 per cent of the budget in the like period of the last fiscal.

According to the CGA data, tax revenue during the period under review was Rs 6.23 lakh crore, or 41.1 per cent of the estimates, while total receipts -- from revenue and non-debt capital -- during the fiscal`s first half were Rs 6.50 lakh crore, or 40.6 per cent of the estimates for the current year.

The 2017-18 deficit -- the difference between revenue and expenditure -- has been pegged at Rs 5.46 lakh crore for 2017-18, as compared to the deficit of Rs 5.34 lakh crore for the last fiscal.

The revenue-expenditure dynamic can be said to have improved over the previous month when the April-August fiscal deficit touched 96.1 per cent of the budget estimate for the full fiscal.

The data revealed that total expenditure during the April-September period was Rs 11.49 lakh crore, or at 53.5 per cent of the entire fiscal`s estimate.

The revenue deficit during the period under review was over Rs 3.8 lakh crore, or 91.9 per cent, of the estimates.The government has a target of keeping the fiscal deficit for the current year at 3.2 per cent of the GDP.

Persons in news:

Emmerson Mnangagwa: Emmerson Mnangagwa was sworn in as Zimbabwe's President on 24th November. Mnangagwa, until recently one of Mugabe's closest allies, took the oath of office