

January 18th news:

International:

Nations at North Korea Meeting Agree to Consider More Sanctions

A 20-nation meeting on North Korea agreed on 16th January to consider imposing unilateral sanctions on Pyongyang that go beyond those required by U.N. Security Council resolutions, the United States and Canada said in a joint statement. The meeting -- held to discuss North Korea's nuclear weapons program -- also vowed to support dialogue between the two Koreas "in hopes that it leads to sustained easing of tensions", the statement added.

National:

PM Modi and Netanyahu inaugurated iCreate centre

Indian Prime Minister Narendra Modi and his Israeli counterpart Benjamin Netanyahu have inaugurated the iCreate centre in Ahmedabad's Deo Dholera Village on 17th January.

About iCreate: A joint venture between Gujarat Mineral Development Corporation Limited (GMDC) and Gujarat Entrepreneurship and Venture Promotion Foundation (GEVPF), iCreate is an independent centre to promote Narendra Modi's 'Start-up India' scheme. The centre aims to provide technology and assistance to "the innovative and imaginative minds in their entrepreneurial journey."

Business leaders from various sectors have associated with the project. Under the helm of Dilip Shanghvi, MD, Sun Pharmaceutical Industries Limited, the advisory board also consists of Uday Kotak, Executive Vice Chairman and MD of Kotak Mahindra Bank, Narayan Murthy, Infosys co-founder and Professor Jagdish Bhagwati among others.

iCreate provides 13-week grooming program to equip an individual with the right skill and tools required in the entrepreneurial world. At the end of this, the participants have the option to pitch their idea for further development. The proposals are evaluated by an independent panel and selected subsequently. Financial assistance up to Rs 50,000 is provided by the venture for few deserving pitches. Apart from this, a platform is also provided for the participants to meet leaders from various sectors.

Students, existing entrepreneurs, traders, small sized businessmen can participate in the program. The skeleton business panel will be evaluated by the mentors and further guidance will be provided.

"The 'i' of iCreate has been kept in small letters for a reason. The biggest hurdle towards creativity is 'i' becoming big," Narendra Modi said during the inauguration.

Bilateral:

Third Raisina Dialogue held in New Delhi

The third edition of the geo-political conference – Raisina Dialogue was held in New Delhi. It was inaugurated by Israeli Prime Minister Benjamin Netanyahu.

The event is jointly organized by the Ministry of External Affairs (MEA) and Observer Research Foundation (ORF). The theme of the conference for this year is 'Managing Disruptive Transitions: Ideas, Institutions, and Idioms'.

Indian Oil signed agreement with 2 Israeli Firms

Indian Oil Corporation signed Letters of Intent (LoI) with Phinergy, an Israeli start-up company, and YEDA, a technology spin-off company from Weizmann Research Institute, Israel.

The agreement with Phinergy will allow Indian Oil to work on adoption of advanced energy systems for the Indian market both for mobility and stationary industrial applications. This association could lead to the setting up of manufacturing units for these energy systems initially in India.

India and US to enhance information exchange

In order to enhance the effectiveness of information exchange and transparency, India and United States of America (USA) signed the Inter-Governmental Agreement (IGA) under FATCA in 2015. The Notably, the two countries are committed to establishing, by January 1, 2017, rules requiring their Reporting Financial Institutions (RFID) to obtain the Tax Identity Number (TIN) of each reportable person having a reportable account as of June 30, 2014 (pre-existing account). The Income-tax Rules, accordingly, provide for reporting of U.S. TIN from the year 2017 onwards in respect of any pre-existing account. The US-IRS has issued guidelines through Notice 2017-46 dated 25.09.2017 providing relaxation to Foreign Financial Institutions (FFIs) with respect to reporting of U.S.TIN for calendar years 2017, 2018 and 2019.

Economy:

Centre trims additional borrowing to Rs. 20,000 cr

The Finance Ministry on 17th January announced that it would scale back its additional borrowing to Rs. 20,000 crore for the fiscal, from its earlier plan to raise an extra Rs. 50,000 crore from the market. The government has reassessed additional borrowing requirements taking note of revenue receipts and expenditure pattern

The Ministry further said the Centre has not accepted borrowings of Rs. 15,000 crore in the last three auctions. The remaining Rs. 15,000 crore would be reduced from the notified borrowing programme of the ensuing weeks

On December 27, the Finance Ministry had said it would raise additional market borrowing of Rs. 50,000 crore through dated Government securities in the current financial year.

Following the announcement, the yield on the 10-year government security dropped by 16 basis points to close at 7.22 per cent, the lowest since November 2016.

Fiscal deficit

The reduction in the additional borrowing could also ease pressure on the Centre's fiscal deficit, which had breached the Budget estimate by 12 per cent by November end.

With the announcement coming just two weeks ahead of the Union Budget 2018-19, analysts said the Centre is likely to meet its fiscal deficit target of 3.2 per cent for 2017-18, while setting a more relaxed target for next fiscal.

Noting that the Centre would be keen to maintain its fiscal consolidation roadmap in the year that it secured a sovereign rating upgrade, another analyst said the government may partially relax its fiscal deficit for 2018-19 by a small margin.

Direct tax mop-up

Tax collections too have presented a mixed picture. Direct tax collections rose 18.7 per cent by January 15 to Rs. 6.89 lakh crore, which represents 70.3 per cent of the total Budget Estimates of Rs. 9.8 lakh crore for the fiscal.

Gross collections have increased by 13.5 per cent to Rs. 8.11 lakh crore by January 15, the refunds of Rs. 1.22 lakh crore have been issued in the period.

On the other hand, GST revenue fell for the second straight month in December to Rs. 80,808 crore from Rs. 83,346 crore in November.

Divestment hopes

There are expectations that the proceeds from disinvestment, which are currently at Rs. 54,337.60 crore, may exceed the Budgeted target of Rs. 72,500 crore. There could also be some expenditure tightening and internal savings towards the end of the fiscal.

According to the medium-term fiscal policy statement, the Centre plans to lower its fiscal deficit to 3 per cent of GDP by 2018-19. The Finance Ministry is also expected to review the recommendations of the NK Singh Committee report on the FRBM Act.

Union Budget 2017-18 had pegged the Centre's gross borrowing target at Rs. 5.8 lakh crore and net borrowings at Rs. 4.25 lakh crore.

Science and Technology

China builds World's Biggest Air Purifier

China constructed a 330-foot tall air purifying tower dubbed the "world's biggest air purifier".

The tower, which is being tested by researchers, has produced more than 10 million cubic meters of clean air since it was launched. The air purification system works through greenhouses covering about half the size of a soccer field around the base of the tower.

Awards:

Sangeet Natak Akademi: President Ram Nath Kovind on 17th January conferred Sangeet Natak Akademi Fellowships and Awards for 2016 on an eminent group of musicians, dancers, and theatre artists. This year, four eminent artists and scholars in performing arts were conferred Fellowships of the Akademi and 43 artists received the Akademi Awards.

The function was held at Rashtrapati Bhavan in New Delhi. Recipients of Fellowships (Akademi Ratnas) are Arvind Parikh, R Vedavalli, Ram Gopal Bajaj and Sunil Kothari.

The Sangeet Natak Akademi Fellowships (Akademi Ratna) and Sangeet Natak Akademi Awards (Akademi Puraskar) are national honours bestowed by the government on performing artists as well as teachers and scholars in the field of performing arts.

Persons in news:

Romania's left-wing Prime Minister Mihai Tudose resigned after losing the backing of his party due to internal power struggles, barely seven months after his predecessor suffered the same fate.

He handed in his resignation after senior members of the ruling **Social Democrats (PSD)** voted to withdraw their support at a leadership meeting.