

Daily Economic News Summary: 10 May 2019

1. Flipkart Completes A Year With Walmart, Launches 'Supermart' In Mumbai

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

It has been a year since India witnessed the largest M&A deal in its history. Walmart Inc. on May 9 last year had announced it is buying 77 per cent stake in Flipkart for about \$16 billion at a valuation of \$21 billion. On 9 May, Flipkart celebrated its one-year anniversary of being part of the global retail giant. However, a lot has changed in one year. Sachin Bansal and Binny Bansal, who started the company in 2007, have both exited the firm. Close on the heels of Binny's exit, Ananth Narayanan, the top boss of Flipkart's branded fashion platform Myntra Jabong, also exited the firm.

2. Reliance Industries Buys British Toy Retailer Hamleys For About Rs 620 Cr

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

Mukesh Ambani-led Reliance Industries (RIL) will acquire British toy retailer Hamleys for a cash consideration of £67.96 million (about Rs 620 crore), the company said in a statement on 9 May. "Reliance Brands, a subsidiary of RIL, and C. banner International Holdings, a Hong-Kong listed company, today signed a definitive agreement for Reliance Brands to acquire 100 per cent shares of Hamleys Global Holdings, the owner of the Hamleys brand, from C. banner International," the company said in its statement to the BSE. At present, RIL has the master franchise in India for Hamleys and operates 88 stores across 29 cities. "The worldwide acquisition of the iconic Hamleys brand places Reliance into the frontline of global retail," said Darshan Mehta, president and chief executive officer, Reliance Brands. Globally, Hamleys has 167 stores across 18 countries.

3. Finance Commission To 'Reconcile Data', Come Up With Own Conclusion

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

The 15th Finance Commission would reconcile data from various public sources to come up with its own conclusion of a reliable economic data, the commission's chairman N K Singh told reporters at the Reserve Bank of India (RBI) headquarters on 9 May. The commission members

were in Mumbai to meet the RBI governor and senior officials, as well as economists and bankers. The commission expressed its concerns on shrinking household savings, as that would eventually crowd out private sector investment. The commission was happy with the buoyancy of direct taxes, but “projections of indirect tax collections, especially with regard to the goods and services tax (GST), have not been as healthy”, Singh said.

4. India Seeks Greater Access For Agri, Milk Products, Bovine Meat In Chinese Market If ICT Tariffs Scrapped, China Will Benefit, India Tells US

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

India has sought greater access for agricultural and animal husbandry products in Chinese market to boost exports and bridge trade deficit with the neighbouring country, an official said. Necessary documents for bovine meat, milk and milk products have been submitted to China’s General Administration of Customs of China (GACC). China does not permit imports of Indian bovine meat due to fears over foot-and-mouth disease. The issues were raised during a meeting between Commerce Secretary Anup Wadhawan and GACC Vice Minister Li Guo here Thursday. India informed the Chinese side that it is exporting de-glanded and de-boned frozen meat to as many as 70 countries since several years. “China has stated that they would look into the issue,” the official said.

5. China and India seen as Europe's Last Hope To Save Iran Deal

Source: Livemint ([Link](#))

The European Union will defend the Iran nuclear accord despite Tehran's decision to backtrack on its commitments in response to the US sanctions, diplomats believe, but European powers expect it to collapse without a deal to sell Iranian oil to China or India. Britain, France and Germany, which signed the 2015 deal along with the United States, China and Russia, are determined to show they can compensate for last year's US withdrawal from the accord, protect trade and still prevent Tehran from developing a nuclear bomb. But with Iran's economy dependent on crude exports that are traded in the US dollars, a promised European trade channel to bypass American sanctions has proved complicated, is not yet operational, and may never be able to handle oil sales.

6. Indian Origin Cybersecurity Startups Seek Singapore Funding

source: The Statesman ([link](#))

Two Indian-origin cybersecurity startups are planning to expand their base to Singapore and are in talks for funding with investors in the city-state for their concepts on preventing cyber attacks. Seconize, which was formed in Bangaluru in 2017, recently set up its office in Singapore for expansion across Asia Pacific and has already secured support from Singapore telecom giant Singtel and National University of Singapore (NUS) Enterprise. The startup enables enterprises to manage their cyber risks through its continuous predictive risk intelligence product. Damages to businesses by each cyber attack could be as high as USD 4 million, Chetan Anand, CEO & Co-Founder of Seconize, said. The company's proof of concept has been tried out by a large Indian enterprise, said Anand, who pitched for investment at the Innovation Cybersecurity Ecosystem at BLOCK71 (ICE71) Accelerated Demo Day in Singapore on 8 May.

7. SpiceJet goes business class with Jet's planes

Source: The Hindu ([Link](#))

Low-cost carrier SpiceJet said it would introduce business class called SpiceBiz on key domestic routes from May 11. It will have a dedicated cabin crew for business class. This service is being made available in Boeing 737 aircraft which were with Jet Airways till recently. Depending on the aircraft configuration, SpiceJet will offer 8, 12 and 28 business class seats on its B737-700/800/900 aircraft respectively. The front row and the over-wing exit rows of the economy cabin will be offered as the premium economy seats called SpiceMax.

8. Govt Prohibits Imports Of Unregistered, Non-Compliant Second-Hand Electronics, IT Goods

Source: Firstpost ([Link](#))

Import of second-hand or refurbished electronics and IT goods without registration with the Bureau of Indian Standards (BIS) is prohibited, the government has said. Under the Electronics and IT Goods (Requirement of Compulsory Registration) order 2012, imports of these goods is allowed through the registration with the BIS or on specific exemption letter from the ministry of IT and electronics (MeitY). Without the registration and compliance with BIS labelling requirements, it said, the imported goods will be re-exported by the importer, otherwise the customs authorities will deform those products and dispose of them as scrap.

9. McDonald's Strikes Out-Of-Court Settlement With Vikram Bakshi; Buys Out Former Indian Partner From Joint Venture

Source: Firstpost ([Link](#))

US fast food chain McDonald's on 9 May said it has reached an out-of-court settlement with estranged partner Vikram Bakshi, buying out the former partner from their joint venture that operated outlets of the chain in north and east India. Connaught Plaza Restaurants Pvt Ltd (CPRL) is now wholly owned by McDonald's India Pvt Ltd (MIPL) and its affiliate (McDonald's Global Markets LLC, "MGM"), following the completion of a settlement reached with Bakshi, the company said in a statement. As part of the agreement, MGM has acquired 50 percent voting equity shares in CPRL, held by Bakshi and his affiliated entity since inception. CPRL operates McDonald's outlets in north and east India.

10. India Signs Protocol For Export Of Chilli Meal To Chinese Markets

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

China on 9 May allowed India to export Chilli meals to its market, providing the crop with a much-needed export outlet. A protocol to this extent has been signed with Chinese customs officials. Chilli meal is the residue left after the oil is extracted from chillies. It is widely used as an industry input in the manufacturing of chilli sauce and other products. Chilli is the largest exported spice from India and China has emerged as a major buyer in the last few years. India has persistently pushed for market access for agricultural and processed food products to China. India's firm stance on the issue has led China to commit to providing market access after a gap of 13 years. Last year, Beijing had allowed market access to three Indian food products — mangoes, grapes and rice.

11. Rosneft's Nayara Begins Fuel Retail Expansion In India

Source: Livemint ([Link](#))

Russian oil giant Rosneft-led Nayara Energy is expanding its fuel retail network, nearly two years after the company acquired Essar Oil's assets, including its fuel retail outlets. Rosneft in August 2017 bought Essar Oil for \$12.9 billion and later renamed the company Nayara Energy, which now operates a 20-million-tonnes-a year oil refinery at Vadinar, Gujarat. "As the fastest growing pan-India private fuel retail network, we are expanding retail presence at an extensive pace. Today we have more than 5,000 fuel retail outlets in the country and we plan to increase the network to over 7,000 by 2020," said B. Anand, CEO, Nayara Energy in an emailed response.