

Daily Economic News Summary: 20 November 2019
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1. Reliance Industries breaks into club of six oil elites

Source: Livemint ([Link](#))

Reliance Industries Ltd., run by Asia's richest man Mukesh Ambani, has eclipsed BP Plc to break into an elite club of energy supermajors. The Indian conglomerate's market capitalization was about \$133 billion, overtaking the British energy giant's \$132 billion value at the close of trading on 19 November. Reliance's shares have increased at three times the pace of India's benchmark index this year after its billionaire owner in August announced plans to cut the company's net debt to zero in 18 months through measures including a stake sale in the oil-to-chemicals business to Saudi Aramco. The surge in shares gives Ambani a net worth of \$56 billion, making him Asia's richest person, above Alibaba Group's Jack Ma, according to the Bloomberg Billionaires Index.

2. Delhi in fastest growing residential markets list

Source: Livemint ([Link](#))

New Delhi has retained its position as a prime residential market among top global cities and witnessed an uptick in prices in the September quarter, even as India faces its worst-ever housing crisis. The city, known for its tight housing supply, moved up by one place and has been ranked as the ninth fastest-growing prime residential market, according to the latest Prime Global Cities Index by property advisory Knight Frank. Weighted average home prices in the city's prime locations such as Greater Kailash, Vasant Vihar, Anand Niketan, Defence Colony and Green Park rose 4.4% to ₹33,511 per sq. ft in the September quarter, compared to a year ago. From the preceding June quarter, New Delhi and Mumbai have moved up by one and two places, respectively, to ninth and 10th ranks, while Bengaluru has slipped five places from the 15th rank in Q2 to 20th rank in Q3 2019.

3. National retail framework for small stores on cards

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

India is preparing a national retail framework for small neighbourhood stores to ensure they can better cope with competition from ecommerce platforms, which have been gaining ground. The programme could include one-time registration fees, soft loans for working capital and support to

adopt electronic payments. “Work has started on a national framework that states can adopt,” a government official told ET. Retail is a state subject and each one of them follows varying policies with regard to the sector. As part of the exercise, the Department for Promotion of Industry and Internal Trade (DPIIT) has asked the states to embark on a count of such stores. Domestic trade contributes about 15% of India’s \$2.7 trillion GDP with more than 60 million business enterprises across the country.

4. AIIB plans \$2.5 billion investment in India’s metro, road projects

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

The Asian Infrastructure Investment Bank (AIIB) is planning to invest up to \$2.5 billion in urban transport projects, such as Metro commuter-rail networks and radial roads, giving a boost to New Delhi’s Smart City initiative. AIIB is in advanced talks with different nodal agencies, including Chennai Metro Rail and the Mumbai Metro Rail Corp, two people with direct knowledge of the matter told ET. The supranational lender is expected to sign financing agreements with these two railroad operators. It may invest \$400 million each in the two metro projects. In Bangalore, it has decided to invest \$350 million. “I can confirm we are in talks, but there is still due diligence to be completed and board approvals needed before we can say definitively that these projects will be funded by AIIB,” said Laurel Ostfield, director general, communications, at AIIB.

5. Govt to set up Agri Entrepreneurial Cell for startups

Source: Money Control ([Link](#))

The government plans on setting up an Agri Entrepreneurial cell to encourage agri startups, said Ashok Dalwai, Chief Executive Officer at National Rainfed Area Authority, in an address at FICCI’s Nurturing Agri Innovations 2019. “We have now reserved 20 percent of Rashtriya Krishi Vikas Yojana to set up incubator facilities and to promote entrepreneurs. We need to ensure this is utilised properly,” said Dalwai. Dalwai asked for industry inputs on how this fund should be utilised. He listed out the five key areas where agri startups should look to innovate. Increasing productivity, decreasing cost of production, transfer of real prices at higher rate to the producers, risk management and sustainability describe every stage of this vast agriculture value platform. He said these are the areas where disruption is required. He added there is an absence of robust policy at the government level to nurture agri-startups and there is a need to look at policy restrictions.

6. Govt explores national brand for textiles for global market

Source: Money Control ([Link](#))

The textile Ministry has convened a stakeholders meeting for inputs for a new textile policy, which will include in it the need for creating an umbrella brand for the country's textiles sector for the global market, an official said on 19 November. The meeting is slated to be held on 20 November in Delhi by the trade advisor of the ministry and will also discuss on the quality mark for the sector, he said. The notice for the meeting called for discussion on the need for brand positioning of Indian textile and apparel in the global market by creating an umbrella brand for textile and introducing quality marks, the official said. The ministry will also seek feedback to improve functioning in several key aspects of the sector, which is a high employment creating industry.

7. Tata Steel plans to axe 3,000 jobs across Europe as crisis bites

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

Tata Steel Ltd. plans to axe about 3,000 jobs across its European operations to cut costs in the latest blow to the region's industry. About two-thirds of the estimated reduction in staff would be office-based, or white-collar, positions, according to a statement. The company didn't give a detailed breakdown of where the job losses would take place "Stagnant EU steel demand and global overcapacity have been compounded by trade conflicts, which have turned the European market into a dumping ground for the world's excess steel capacity," Tata Steel said. The European steel industry has faced growing headwinds this year amid declining demand, slowing growth and the consistent threat from supplies from overseas, including exports from Turkey, Russia and China.

8. India is heading for economic growth below 5%: Economists

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

India's economic growth probably hit a new low last quarter, with early forecasts showing expansion below 5%. Economists at State Bank of India, Nomura Holdings Inc. and Capital Economics Ltd. lowered their growth forecasts for the quarter ended September to between 4.2% to 4.7%. The government is scheduled to publish the data on Nov. 29. Growth of 4.2% would be the lowest since authorities adopted a new base year for gross domestic product data in 2012. The economy expanded 5% in the three months through June. "We now believe GDP growth did not bottom in" the April-June period, said Sonal Varma, chief economist for India and Asia at

Nomura in Singapore, who is predicting 4.2% growth for last quarter. “High-frequency indicators have plunged and domestic credit conditions remain tight amid weak global demand.”