

Daily Economic News Summary: 25 April 2019

1. Canada Trumps US, Opens H-1b Doors To Indians

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

With the Trump administration tightening regulations for H-1B visa holders in the United States, software professionals, mostly Indian, are making a beeline to Canada, said two people with direct knowledge of the people movement. A large chunk of technology professionals on H-1B visas in the US are Indians, with the country offering 85,000 H-1B visas each year. The Canadian government has adopted a programme called Global Skills Strategy in 2017, which has set a target to welcome 3,10,000 new permanent residents in 2018 and 3,30,000 in 2019.

2. India Seeks Right Balance Of Ties With US, Iran

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

India is looking to balance its ties between the US and Iran even as New Delhi plans to source oil from alternate sources following expiry of waiver for Iranian oil imports from early May. New Delhi plans to assert its strategic autonomy by continuing to pursue its partnership with Tehran in long-term strategic interests, according to sources. India's sole gateway to Iran is through Afghanistan and provides a shorter route to Central Asia and Eastern Russia via the Chabahar Port.

3. Xiaomi Shifts Gears In India, Eyes Half Of Its Revenue From Offline Sales

Source: Livemint ([Link](#))

After dominating the online sales channel, India's largest smartphone brand Xiaomi Corp. has realized that further growth will come from physical stores. The Chinese firm is now aiming to garner half of its overall revenue from offline sales. Xiaomi entered the Indian market, its biggest outside China, in July 2014 to sell smartphones through e-commerce platforms. Xiaomi sold the highest number of smartphones by any company in India in the past six quarters. Its offline journey, however, began in 2017, which the company believes will be crucial to retain its top spot.

4. Madras High Court Lifts Tiktok Ban In India, In Boost To Bytedance source: Livemint ([link](#))

In a boost to Beijing Bytedance Technology Co., the Madras high court on 24 April lifted the TikTok ban that it had imposed on 3 April following a case accusing the short video-sharing app of propagating pornographic content and exposing children to predators. "I argued that there shouldn't be a ban on the intermediary, there should be removal of offending content. I showed the court the do's and don'ts of the statutory guidelines on how intermediaries should function," said Arvind Datar, who was appointed as Amicus Curae (independent counsel) to the court.

5. GST Council Gives Firms More Flexibility On Use Of Input Tax Credit Source: Business Standard ([Link](#))

In yet another simplification, the Goods and Services Tax (GST) Council has added flexibility into the way a company can utilise the available input tax credit. Any company would now be eligible to use credit available against paid integrated GST (IGST) to set off tax liabilities of state GST (SGST) and central GST (CGST) in any proportion and in any order, the GST Council said in a circular sent to field formations on 23 April. Previously, the order of using the IGST credit was kept flexible it was the company's choice to set off CGST or SGST first in a notification dated March 29. However, it was not clear whether a company would be able to use IGST credit to set off SGST liability and CGST liability partially at the same time.

6. Reserve Bank of India Sells Entire Stake In National Housing Bank, Nabard To Govt For Rs 1,470 Cr Source: Firstpost ([Link](#))

The Reserve Bank of India (RBI) has exited the National Housing Bank (NHB) and the National Bank for Agriculture & Rural Development (Nabard), by selling its entire stake to government for Rs 1,450 crore and Rs 20 crore, respectively, making them fully government-owned. The central bank has sold its stake in NHB on 19 March, while it sold the stake in Nabard on 26 February, the bank said in a statement 24 April. "With this divestment, the government now holds 100 percent stake in both these financial institutions," RBI said in a statement.

7. Sensex Ends Above The 39k Mark, Up 490 Pts Source: The Statesman ([Link](#))

Sensex ended above the psychological mark of 39,000 after it gained sharply during the end of the trade session on 24 April, closing with a 489 points gain. Except for the auto company stocks, all the other stocks, led by oil and gas, closed higher. The benchmark Sensex finished

489.80 points or 1.27 per cent higher at 39,054.68 while the Nifty ended 150.20 points or 1.30 per cent up at 11,726.15. Besides, the Nifty IT index hit its highest level in a year (52 week high) on 24 April, owing to the weakness in the rupee over surging oil prices which may benefit the export-oriented sector.

8. Chabahar Port In Iran Unlikely To Attract US Sanctions

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

The US will apply sanctions on India if it continues to import oil from Iran after 2 May but New Delhi is unlikely to attract any punitive action for developing the Chabahar Port since it is primarily meant for assisting the people of Afghanistan, informed sources said on 24 April. India has invested hugely in the Chabahar Port as it provides New Delhi a critical transport link to land-locked Afghanistan, bypassing Pakistan. India decided to develop the strategic port since Islamabad has continuously denied permission to New Delhi to send goods to Afghanistan through the Pakistani territory.

9. Review of RBI Reserves: Jalan To Submit Report By June

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

Former governor of the Reserve Bank of India (RBI) Bimal Jalan said on 24 April the panel headed by him to determine the appropriate capital reserves with the central bank will submit its report by May-June. The six-member panel, which was appointed on December 26, 2018 to review the Economic Capital Framework (ECF) for the RBI and held its first meeting on January 8, has also got an extension, according to Jalan. Earlier, the panel was supposed to submit the report in 90 days from holding of its first meeting.

10. GST Relief For Small Businesses; Simplified 'Self Assessed' Gst Return Filing In Composition Scheme

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

Giving relief to composition scheme taxpayers under the GST, the finance ministry has allowed such businesses to file 'self-assessed tax' return on quarterly basis in a simplified form. So far, businesses opting for composition scheme had to file tax returns every quarter in GSTR-4 which ran into around seven pages. As per a Central Board of Indirect Taxes and Customs (CBIC) notification, composition scheme taxpayers will now file GSTR-4 annually by April 30 for the previous financial year ending March 31. The CBIC has notified the simplified 'statement for payment of self-assessed tax' in Form GST CMP08 to be filed by taxpayers who have opted for composition scheme, under which businesses have to pay lower rate of tax on their turnover.