

Daily Economic News Summary: 28 March 2019

1. Commerce Min Calls Meeting Of Stakeholders On Increasing Exports To China On Apr 5

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

The commerce ministry has called a meeting of stakeholders including export promotion councils and other government departments to discuss ways to increase exports to China, an official said. Officials from the agriculture ministry, Agricultural & Processed Food Products Export Development Authority (APEDA), and representatives from export promotion councils would participate in the meeting. Growth in exports to China is beneficial for India as it has huge trade deficit with the neighbouring country.

2. Tatas Check Into Airport Business, Buy Stake In GMR As Part Of Consortium

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

The GMR group is selling 46 per cent share in its airport business to a three-member consortium that includes the Tatas in Rs 8,000-crore deal to reduce its debt. The deal will give India's largest conglomerate indirect stakes in seven airports in India and abroad. The deal values GMR's airport business at Rs 22,475 crore. Tatas will own 20 per cent stake while GIC and SSG will hold 15 per cent and 10 per cent, respectively. While GMR will retain management control, new investors will get board seats. GMR will give an exit to private equity investors who own 5.8 per cent stake in GAL. GMR runs airports in Delhi, Hyderabad, and Cebu in Philippines, and has won bids for projects in Goa, Nagpur, Bhogapuram (Andhra Pradesh), and Crete (Greece)

3. India Demonstrates Space Shakti

Source: Livemint ([Link](#))

India on 27 March added enormous punch to its offensive defence capability after an Indian missile successfully shot down one of its low-earth orbit (LEO) satellites, registering India's credentials as a space power. The action entailed striking an object located at an altitude of 300km and moving at a speed of 25,200km per hour, a precision that requires consummate technological sophistication. Consequently, India has joined an elite club of nations possessing

anti-satellite missile technology (ASAT), which, prior to 27 March, was the exclusive preserve of the US, Russia and China.

4. NTPC Raises \$450 Million From International Market

Source: Livemint ([Link](#))

State-run power giant NTPC on 27 March said it has raised \$450 million (about ₹3,105 crore) through five-year bond offering in the international market under its \$ 6 billion (about ₹41,400 crore) medium term notes (MTN) programme. NTPC had opened the issue of \$ 450 million five-year bond offering in the international market on Tuesday, the company said in a statement. In terms of geographical distribution, Asia took the bulk of the subscription at 90 % (of the \$ 450 million MTN), with supplemental demand of 10 % from Europe, Middle East & Africa and offshore US accounts, the statement said.

5. Indian Basmati Rice Industry To Clock Its Highest Export Ever

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

The Indian basmati rice industry is on the verge of clocking its highest ever exports of around Rs. 30,000 crore in FY2019 (previous high of Rs. 29,300 crore in FY2014), according to an ICRANSE 0.11 % report released on 27 March. The growth has been fuelled by considerable firming up of average realisations, strong demand from Iran and steady increase in paddy prices for three years in a row. As per an ICRA note, the momentum of the current fiscal is likely to percolate into the next fiscal, FY2020 as well with expectation of 4-5% growth in exports, given the high base.

6. GSP: India to Ask US To Delay Removal Of Duty Benefits

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

India will likely ask the US to delay by two months the implementation of the latter's recent decision to withdraw duty benefits on annual Indian exports of \$5.6 billion from May under the so-called Generalized System of Preferences (GSP), a source told FE. New Delhi could seek more time to firm up a final offer for Washington under a trade package. The package has been being negotiated for months now, as policymakers are busy campaigning for the general election at this juncture. "The commerce ministry could write to the US Trade Representative to delay the withdrawal of the GSP benefits so that negotiations for a mutually-acceptable trade package can continue unhindered," said the source.

7. India-US Joint Crackdown On Tax Evasion By MNCs

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

India and the US 27 March signed an Inter-Governmental Agreement for exchange of Country-by-Country (CbC) reports of multinational companies regarding income allocation and taxes paid to help check cross-border tax evasion. This agreement for exchange of CbC reports, along with the Bilateral Competent Authority Arrangement, will enable both the countries to automatically exchange CbC reports filed by the ultimate parent entities of multinational enterprises (MNEs) in the respective jurisdictions, pertaining to the years commencing on or after January 1, 2016, a Finance Ministry statement said. It would also obviate the need for Indian subsidiary companies of US multinationals to do local filing of the CbC reports, thereby reducing the compliance burden.