

Daily Economic News Summary: 4 March 2019

1. India, US Near Amicable Trade Deal: New Delhi To Replace Price Cap For Stents, US May Lift Levy On Steel

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

Ending months of negotiations, India and the US could soon clinch a trade deal, resolving vexed issues like extra American tariff on Indian steel and New Delhi's price cap policy for medical equipment, while granting each other greater market access in sectors including agriculture. Though Washington is yet to make its final offer, as part of the deal, India will likely replace its extant price cap regime for coronary stents with a trade margin policy, similar to the one notified last week for 42 cancer drugs.

2. NITI Aayog To List Non-Core Assets Of CPSES For Sale

Source The Hindu, Business Line ([Link](#))

NITI Aayog has been tasked with drawing up a list of non-core assets of various CPSEs, both healthy and sick ones, as a first step towards the Finance Ministry's plan to monetise such assets and unlock value to shareholders. This is part of the overall plans of the government to lay down procedure and mechanism for monetisation of non-core assets of Central Public Sector Enterprises (CPSEs), which include mainly land and building. NITI Aayog's report will be taken up by the alternative mechanism on disinvestment, headed by Finance Minister Arun Jaitley, following which the CPSE and the respective administrative ministry will further proceed with the monetisation process, the official added.

3. India, Russia To Ink \$3 Billion Nuclear Submarine Deal This Week

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

India is set to sign a \$3-billion deal with Russia this week to lease another nuclear attack submarine that will be customised and fitted with indigenous communications systems and sensors. The deal for the Akula class submarine dubbed Chakra III after the first two similar vessels India obtained from Russia will be the biggest signed with Moscow since the \$5.5-billion contract for the S-400 air defence system was finalised last year. Sources told ET that the intergovernmental agreement for the submarine lease is likely to be inked on March 7 and that

the vessel will be ready by 2025 after an extensive building programme on mothballed hulls at a Russian shipyard.

4. Firms Scramble To Reply To Draft Ecommerce Policy Within A Week

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

US technology companies and Indian startups are working overtime to put together a response within a week to the government's proposed ecommerce policy, which is being touted as a digital economy policy that will have far-reaching impact on the country's technology ambitions. The policy deals with contentious subjects such as data dominance, data sovereignty and abuse of market power by big technology companies. Many technology lawyers and think tanks feel that instead of demonising US companies, the government should make rules that encourage the Indian startup ecosystem to grow through tax incentives and friendly Indian equity investment rules.

5. Government Plans Skill Vouchers To Make Youth More Skilful

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

The government is considering issuing skill vouchers or skill wallets to incentivise youths to undertake skilling programme of their own choice. The vouchers can be used to pay for skill training at any of the approved skill providers, a senior government official told ET. The official said the ministry of skill development and entrepreneurship is deliberating on ways to incentivise India's youth to take on skilling programmes and one of the ways of doing this is to issue vouchers/wallets that can be redeemed by students after the skills training is imparted. It is expected to empower the youth to opt for courses of their choices besides ensuring trainers impart quality training.

6. Reliance Industries Inks Pacts To Acquire Startups Grab, C-Square Info Solutions; Investments To Boost E-Commerce Initiatives

Source: Firstpost ([Link](#))

RIL-arm Reliance Industrial Investments has entered into agreements to acquire logistics services platform Grab and software firm C-Square Info Solutions. Reliance Industries, in a regulatory filing, said its wholly owned subsidiary Reliance Industrial Investments and Holdings has entered into an agreement for acquisition of equity shares of Grab A Grub Services Private Limited ('Grab') for a cash consideration not exceeding Rs 106 crore. "RIIHL will further invest an amount of up to Rs 40 crore and is likely to be completed by March 2021. The total

investment will translate into 83 percent of equity capital in Grab on a fully diluted basis," RIL said.

7. Pepperfry To Invest Around \$12 Mn To Set Up Over 100 Offline Stores, Strengthen Supply Chain Operations

Source: Firstpost ([Link](#))

Furniture and home products marketplace Pepperfry expects to pump in about \$12 million (over Rs 85 crore) this year as it sets up over 100 offline stores and strengthens its supply chain operations to reach more customers. The company aims to touch a GMV (gross merchandise value) of \$1 billion by March 2021 as it scales up its operations across metros and tier I and II cities. Pepperfry has a number of in-house brands like Woodsworth, Mintwud, Casacraft, Amberville, Bohemiana, Mudramark, Mollycoddle, and Clouddio. The company is looking at tapping into locations like Goa, Lucknow, Vadodara, Imphal, Hubballi, Coimbatore, Trivandrum, and Mysore among others with its retail expansion.