

## Daily Economic News Summary: 8 May 2019

### **1. US Wants India To Eliminate Trade Barriers For American Companies: Ross**

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

The US wants India to eliminate trade barriers for American companies and remove restrictions with regard to data localisation to cut the cost of doing business, visiting US Commerce Secretary Wilbur Ross said on 7 May. "Our goal is to eliminate barriers to the US companies operating here including data localisation restrictions that actually weaken data security and increase the cost of doing business," he said in New Delhi. Ross was speaking at the Trade Winds Forum and Trade Mission. He is accompanying a delegation of over 100 American businesses.

### **2. Iran Steel Imports: Indian Industry Flags Concerns Over Predatory Pricing**

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

The Indian Steel Association (ISA) has raised concerns regarding import of steel from Iran with the Indian Banks Association (IBA). Surging steel imports from Iran routed via UAE were at predatory prices and a cause of concern for the industry, the association pointed out in a recent letter to the IBA. The price difference was around Rs 5,000 a tonne when compared to China, said sources. Apart from the IBA, the association has also raised it with the steel ministry and custom authorities.

### **3. Tariffs Unjustifiably High, Need Level Playing Field: US Commerce Secretary**

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

Pulling no punches, US Commerce Secretary Wilbur Ross on 7 May repeatedly hit out at India for charging high tariffs on US products, implementing market access barriers, and having a difficult regulatory environment. Ross, in India to discuss a long list of trade disputes between the two countries, lambasted "multiple practices and regulations that disadvantage foreign companies". US Ambassador to India Kenneth Juster said Ross met Prime Minister Narendra Modi in the morning, where he raised various issues. "The (Indian) government understands what our position is on trade issues," Juster said.

#### **4. Another H-1B Fee Hike To Hit Indian Techies**

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

Engineers hoping for an onsite in the US are set to receive another jolt as the Trump administration could soon increase the H-1B visa fee further, pushing IT companies to hire locally in the US. Indian IT companies so far have been the biggest beneficiaries of the H-1B visa, but increased visa fee in the last few years along with higher scrutiny under the Trump administration has already resulted in a rapid decline in applications from India. Large Indian IT services such as TCS, Infosys and Wipro are also heavily investing in STEM programmes in the US to develop IT talent in the country. All the large companies have also nearly doubled their US hiring in the last couple of years.

#### **5. India Considers New Solar Tender With Focus On Factories**

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

India is considering a new tender to develop solar power equipment manufacturing that does not include a requirement to also generate electricity, said a source. In addition to separating manufacturing of solar cells and modules from generation, the Government may also offer some form of financial aid, said the source. India has been struggling to spur its nascent domestic manufacturing industry, which the Government estimates can currently only meet just 15 per cent of the country's annual needs. The nation has been seeking to boost its capabilities through both manufacturing tenders as well as a safeguard duty on cheaper Chinese imports.

#### **6. Piramal, Canadian Fund Launch Renewables InvIT**

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

The government is offering wheat at a base price of Rs 2,080 per quintal for three main wheat-producing states-Punjab, Haryana and Madhya Pradesh, while for other states the freight charges at Ex-Ludhiana will be added to the base rate. The Food Corporation of India (FCI), the government's nodal agency for procurement and distribution of grains, will sell wheat through an e-auction under the open market sale scheme (OMSS) throughout the fiscal except during procurement period in wheat growing states, it added. Prior to its launch, PEL and CPPIB will jointly warehouse seed assets for the proposed InvIT. PEL will act as the sole investment and project manager for the venture.

## **7. Nirav Modi Set For Fresh Bail Plea In UK Court**

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

Fugitive diamond merchant Nirav Modi will file a third bail plea on 7 May before a UK court, which has already rejected his bail twice before as he fights his extradition case in the Punjab National Bank (PNB) fraud and money laundering case amounting to up to USD 2 billion. Chief Magistrate Emma Arbuthnot is scheduled to hear the third bail application at Westminster Magistrates' Court in London. It remains unconfirmed whether Modi will appear in person or via videolink from Wandsworth prison in south-west London, where the 48-year-old has been lodged since his arrest in March.

## **8. Suresh Prabhu For Govt-To-Govt Agreement Between India And US To Facilitate Private Sector Firms**

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

Commerce and Industry Minister Suresh Prabhu 7 May made a case for a government-to-government agreement between India and the US to facilitate private companies in both the countries. Prabhu said public policies may sometimes create challenges for corporates "but if we have a government-to-government agreement, we can clearly spell out the certainty, stability, forward-looking policies and this will facilitate companies to prepare their corporate plans". He also expressed hope that issues being faced by businesses in India and the US can be sorted out in a way that benefits both the countries.

## **9. India May Ease Price Control Regime For Medical Devices On US Request**

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

India is favourably considering a US request to loosen its price control regime for medical devices and apply trade margin on coronary stents and knee implants at the first point of sale (price to stockiest), instead of imposing it on the landed prices, as was planned earlier, a source told FE. New Delhi is weighing a time frame to roll out this proposal, which will be finalised after the new government takes over, said the source. This could be part of New Delhi's revised offer to Washington under a bilateral trade package that has been under negotiations for months now without success.