

Daily Economic News Summary: 16 November 2017

1. Hint of recovery seen in India Inc's bottom line for the second quarter after GST

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

There's a hint of recovery in India Inc's bottom line for the second quarter that followed rollout of GST. Net profit of a sample of 1,455 companies (excluding banking and financial institutions) rose 2.5% y-o-y after sliding 14.6% in June quarter. Operating profit grew 10% y-o-y compared with 7.8% in the previous 3 months. Growth in net sales was unchanged at 8.6%. Operating margin slipped 10 bps to 16.4%. Performance improved in businesses like alcoholic beverages, automobiles, consumer durables and nondurables, hospitality, jewellery, media and entertainment, and retail – capturing the consumption momentum. Net profit of a sample of 219 firms from these sectors surged 32.6% — the fastest in six quarters.

2. Trai looks at norms to give priority to crucial services like financial transactions

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

The telecom regulator is considering putting in place guidelines which may allow subscribers to do financial transactions and access other important services faster than the rest on their mobile phones, as the authority finalises its recommendations on net neutrality, an issue that has been hotly debated in India for the past two years. A senior official at the Telecom Regulatory Authority of India (Trai) said that the authority was zeroing in on the broad contours of net neutrality, an issue that has been hotly debated in India for the past two years. A senior official at the Telecom Regulatory Authority of India (Trai) said that the authority was zeroing in on the broad contours of net neutrality while considering the possibility of introducing some form of network

management, or traffic management practices (TMPs), which telcos can adopt to prioritise critical services, for example banking and social welfare services.

3. Decks cleared for first mega CEZ; 45 companies may invest Rs 15k-crore in phase-I

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

The government has given the go-ahead for setting up India's first mega coastal economic zone (CEZ) at the Jawaharlal Nehru Port in Maharashtra as part of a plan to develop 14 such industrial clusters to spur manufacturing and generate jobs. About 45 companies across telecom, auto and IT sectors will soon bid for 200 hectares of land to set up manufacturing units in the zone, senior officials told ET. The plan envisages a total investment of Rs 15,000 crore in the first phase and creation of more than 1.5 lakh jobs, they said. "The idea is to attract large firms interested in serving the export markets as they would bring with them technology, capital, good management and links to the world markets," said one of the officials, who did not wish to be identified.

4. Country's longest expressway from Agra to Lucknow to offer free Wi-Fi

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

Free Wi-Fi will soon be available on the entire 302-kilometre stretch of India's longest expressway from Agra to Lucknow. Nearly a year after the expressway was thrown open to the public by its predecessor, the Yogi Adityanath government in Uttar Pradesh has offered to lease out space for laying an optical fibre cable (OFC) along the six-lane expressway, officials said. The plan is to earn revenue to maintain the expressway and have a win-win agreement with a private player by giving out leasing rights to lay OFC in order to offer free Wi-Fi facility along the entire stretch, they said.

5. Huge potential for Subsurface engineering in highway tunnels: Nitin Gadkari

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

There is huge potential for Subsurface engineering in highway tunnel projects specially in Jammu & Kashmir, Union Minister Nitin Gadkari said today. There are about 20 tunnel projects currently being implemented in Jammu & Kashmir, which could absorb Subsurface engineers, the Road, Transport and Highways Minister said while inaugurating a School of Subsurface engineering by MIT World Peace University (MIT-WPU) here. In his address Gadkari said, "With rapid urbanisation, there comes a need to have robust infrastructure. In India, we have seen the emergence of newer technologies which are addressing the infrastructure issues. Subsurface engineering is one such area, which will help in easing not just infrastructure issues but can help in many other domains"

6. India, EU hold discussions on proposed free trade agreement

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

Senior officials of India and European Union (EU) today held discussions on the long-stalled free trade pact and expressed willingness to address issues in a time-bound manner, the department of commerce said on 15.11.2017. The chief negotiators of India and EU held discussions here on the proposed free trade agreement, officially dubbed as Bilateral Trade and Investment Agreement (BTIA), the department said in a series of tweets.

7. Indo-US cooperation helps talented entrepreneurs: PM ahead of Ivanka visit

Source: The Indian Express ([Link](#))

Ahead of the India visit of US President Donald Trump's daughter Ivanka, Prime Minister Narendra Modi said today that cooperation between the two countries helps people, particularly

the talented and innovative entrepreneurs. “We look forward to welcoming you @IvankaTrump. Closer economic cooperation between India and USA helps our people, particularly our talented and innovative entrepreneurs,” he tweeted. Earlier, Ivanka had tweeted that she is excited to join “many of these remarkable entrepreneurs with Prime Minister @narendramodi in India for #GES2017 in just two weeks!”

8. India M&A to reach \$46.5 billion in 2017

Source: The Hindu Businessline ([Link](#))

Boosted by Rosneft's \$13 billion takeover of Essar Oil, India M&A is expected to touch \$46.5 billion across 944 deals in 2017. This is a 165 per cent rise in value and a 70 per cent jump in volume from 2016, according to a forecast by Baker McKenzie. India recorded 553 deals worth \$17.5 billion last year. M&A activity is expected to continue to gather pace on the back of Modi government's continued efforts in removing regulatory hurdles and simplifying laws to further attract foreign investment, until it reaches its cyclical peak of \$52.8 billion in 2019. Pending the results of the 2019 national elections, there is potential for more ambitious economic reforms. The forecast for 2020 is therefore not set in stone and deal trends could move in either direction, it added.

9. Indian economy recovering from ‘temporary blip’: Jaitley

Source: The Hindu Businessline ([Link](#))

India's economic slowdown has bottomed out and now it should start moving upwards after recovering from the “temporary blip” seen during the recent structural changes, Finance Minister Arun Jaitley said on 16.11.2017. Addressing investors at the Morgan Stanley annual conference here on ‘India: Structural Reforms and Growth Path Ahead’, Jaitley talked about the “massive”

economic reforms undertaken by India. He acknowledged that there was a “temporary blip” as a result of structural changes that were initiated by the government. “I think the bottoming out of the economy is complete and now it should start moving upwards. The global economy is also moving up,” said Jaitly.

10. GSTN utility for exporters to claim refunds gets activated

Source: The Hindu Businessline ([Link](#))

Merchant exporters can start claiming tax refunds using the new utility that will be activated on the GST Network portal tonight, GSTN CEO Prakash Kumar said. With the new utility RFD-1A, a merchant exporter can claim refund of GST paid at the time of buying goods which he has exported in the relevant month. “GST RFD-1A for refund of input tax credit on export of goods and services and additional amount in cash ledger would go live on GSTN portal tonight,” Kumar told PTI. The refund claims can be filed for July-September and that would be matched with the corresponding GSTR-3B filed by the exporter. Earlier, GSTN had launched the utility for processing refund claims by manufacturing exporters who had paid Integrated GST (IGST) while exporting goods.

