

Daily Economic News Summary: 14 January 2019

1. India's textile and apparel exports to reach \$300 bn by FY25: Invest India

Source: Money Control ([Link](#))

India's textile and apparel exports are expected to touch \$300 billion by 2024-25, resulting in a tripling of the country's market share globally from 5 per cent to 15 per cent, according to Invest India, the national investment promotion and facilitation agency. The domestic textile and apparel industry including handicrafts stood at \$140 billion in 2018, of which \$100 billion was domestically consumed while the remaining portion worth \$40 billion was exported to the world market. The textile and garments industry in India is expected to reach \$223 billion by 2021. The textiles and apparel industry contributes 2.3 per cent to India's GDP and accounts for 13 per cent of industrial production, and 12 per cent of the country's export earnings. It is the second-largest employer in the country providing employment to 45 million people at present, and this number is expected to rise to 55 million people by the end of 2020.

2. Government to roll out new guidelines for silos

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

The government is planning to roll out new guidelines for construction of silos by doing away with the mandatory requirement of having railway connectivity next to the storehouses, government officials said. This will help the government deal with the storage problem of food grains as silos require 30% less land as compared to conventional warehouses, and can run round the clock, making them more efficient. The new model will also incorporate the 'hub-and-spoke' system in which various silos will be connected by road to a mother silo, which will have the rail connectivity. These steel silos will be fully automated, prolonging the shelf life of grains. The new model will also facilitate the construction of standalone silos.

3. Statue of Unity finds place in '8 Wonders of SCO'

Source: Livemint ([Link](#))

The 182-meter tall Statue of Unity in Gujarat has been included in the Shanghai Cooperation Organisation's '8 Wonders of SCO' list, External Affairs Minister S Jaishankar announced on 13

January. Taking to Twitter, Jaishankar appreciated the SCO's efforts towards promoting tourism among member nations and asserted that the statue's inclusion in the list will "surely serve as an inspiration". The 'Statue of Unity', the world's tallest statue, is a monumental tribute to Sardar Vallabhbhai Patel, independent India's first home minister as well as deputy prime minister. The statue was inaugurated in October 2018 by Prime Minister Narendra Modi on the occasion of Patel's 143rd birth anniversary.

4. India imposes anti-subsidy duty on imports of copper wire rods from 4 nations

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

India has imposed anti-subsidy duty for a period of five years on copper wire rods from Indonesia, Malaysia, Thailand and Vietnam after concluding a probe that these imports have impacted domestic players. In a notification, the finance ministry said that it has imposed the anti-subsidy or countervailing duty after considering the final findings of the commerce ministry's investigating arm Directorate General of Trade Remedies (DGTR). DGTR has recommended imposition of the duty on the imports of 'continuous cast copper wire rods' from these four countries. "The countervailing duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier)..." the notification said.

5. New mining law reduces risks for steel

Source: Livemint ([Link](#))

Commodity companies face two major risks. One is the collapse of the product prices. Another is a surge in input costs. As it turns out, both the risks are on the mend for steel producers, even though sustainability is uncertain. Prices are recovering from the lows seen in 2019 and, as a result of a recent amendment to the Mines and Minerals (Development and Regulation) Act, 1957, steel companies may as well look to retain the incremental gains. Among other things, the amendments allow state governments to auction mines before the expiry of the leases. The winner of the mining lease inherits all the rights and clearances vested with the previous operator, for two years. The firm is required to seek fresh approvals during this time. This vastly reduces the threat of raw material shortages for steel producers, especially for companies that lack captive iron ore mines, such as JSW Steel Ltd, and Jindal Steel and Power Ltd.

6. Microsoft hunts for unicorns in tier 2 cities in India, selects 54 startups

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

Microsoft, the world's biggest software maker, is increasing its efforts to empower the startup ecosystem in Tier 2 cities across the country. As part of this initiative, the Redmond, Washington-based firm's 'Highway to a Hundred Unicorns' programme, has selected 54 startups from Gujarat, Maharashtra, Rajasthan, Kerala and Telangana. Some of them include Spider G, NeuroTags, Genrobotic Innovations, AI Aeronautics, Synersense, Dealshare and NanoHealth. The top tech startups selected through 'Emerge-X', a competition for startups, win credits to access Microsoft's cloud computing platform Azure and get a host of business and tech benefits. The competition has received over 530 applications and the top three startups from each state gain access to a year-long mentorship program and a two-day founder boot camp. 'Highway to a Hundred Unicorns,' the Microsoft for startups initiative, works closely with local governments to strengthen the startup ecosystem in each state.

7. Cement capacity in India expected to cross half a billion tonne this year

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

Amidst weakened demand conditions, the total installed cement capacity in the country is expected to cross half a billion tonne this year as several companies, including UltraTech, JK Cement, Dalmia Bharat and others are in their final leg to add 23 million tonne per annum (mtpa) of production capacity. Currently, the installed capacity is 485 mtpa and with the new additions, it will rise to 508 mtpa in 2020. JK Cement will be adding 4.2 mtpa while the sector leader, UltraTech, will be adding 4 mtpa of capacity followed by Dalmia Bharat at 3.5 mtpa. Ramco Cement will add 2.1 mtpa while Ahmedabad based Sanghi Industries and Meghalaya based Star Cement are expected to commission 2 mtpa of additional capacity each. Birla Corporation, Wonder Cement and Ambuja Cement will be adding the rest of the 5.2 mt capacity.

8. Insolvency and Bankruptcy Ordinance: SC to examine pleas challenging condition introduced by IBC Ordinance

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

The Supreme Court on 13 January agreed to examine validity of the Centre's decision to amend an IBC provision which introduced a threshold of at least 10 per cent of homebuyers in a project or 100 of the total allottees for initiating corporate Insolvency Resolution Process (IRP) against the realtor. A batch of petitions challenging a provision of the Insolvency and Bankruptcy Code (Amendment) Ordinance 2019, which was promulgated on December 28 last year, came up for

hearing before a bench comprising Justices R F Nariman and S Ravindra Bhat. The Ordinance had introduced a minimum threshold of at least 100 allottees of the same real estate project or 10 per cent of total allottees under that project, whichever is less, for moving a joint plea seeking initiation of corporate IRP against the realtor.