

Daily Economic News Summary: 20 February 2018

1. Maharashtra Signs MOUs worth Rs4.8 Trillion at Magnetic Maharashtra Summit

Source: Livemint ([Link](#))

Maharashtra signed investment commitments worth around Rs4.85 trillion with a number of global and domestic companies on Feb 19, the second day of the Magnetic Maharashtra Global Investors Summit. Chief Minister Devendra Fadnavis said the state was likely to exceed its target of signing memoranda of understanding (MoUs) worth Rs10 trillion. Ahead of the three-day summit, the state had set a target of signing nearly 4,000 MoUs that would create 3.5 million jobs. On Feb 19, the state entered into 36 agreements which would create around 2.9 million jobs. The MoUs signed on Feb 19 include one between the Pune Metropolitan Region Development Authority (PMRDA) and Virgin Hyperloop One (Virgin Group) to develop hyperloop connectivity between Mumbai and Pune at an investment of Rs40,000 crore, creating 13,000 jobs.

2. Donald Trump Jr to Visit India Today, Indo-Pacific Ties, Realty Projects on Agenda

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

The executive vice-director of Trump Organisation is scheduled to arrive in India on his maiden visit on Feb 19. During the week-long trip, Donald Trump Jr. will not only endorse his luxurious residential project-Trump Towers, but he is scheduled to deliver a speech on foreign policy in India. Trump Jr. will meet with Indian investors and business leaders in Kolkata, Mumbai, Pune and Gurgaon respectively, *The Washington Post* reported. According to business partners in India, many units in the Trump Towers are selling about 30 percent per square foot higher than the current market rates. Trump Jr.'s visit to India is expected to reinforce the trend. India is Trump Organisation's biggest international market, with four real estate projects underway in Mumbai, Pune, Kolkata, and Gurgaon.

3. Centre in Pact with NASSCOM for Upskilling IT Professionals in India

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

The Centre is upbeat about upskilling the Indian IT workforce in emerging technologies and will partner the National Association of Software and Services Companies (NASSCOM) in this regard.

While signing a deal with NASSCOM on Feb 19, the Union Ministry of Electronics and IT said it would support the training of 1 million professionals of the 4 million employees the industry body would reskill in the next three-four years. The NASSCOM has launched Futureskills, a cloud-based learning and management platform, to disseminate knowledge in eight areas such as virtual reality, robotic process automation, the internet of things, big data analytics, and 3D printing. Besides, it has identified 55 segments that will generate employment. NASSCOM President R Chandrasekhar described his organisation's plans of reskilling 2 million existing technology professionals and an additional 2 million entrants in emerging technological areas through the platform. India would not only provide a skilled IT workforce but also an e-learning platform for people all over the world, he said

4. 'Tejas, a Best in Class Aircraft'

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

Tejas, India's home-grown Light Combat Aircraft (LCA), has emerged among the best in class aircraft, providing flight stability even under extreme unstable conditions says S Christopher, Chairman, Defence Research & Development Organisation (DRDO). This has been achieved thorough indigenous technology and developments. In addition, Tejas has rules-based Artificial Intelligence incorporated into its Flight Control System (FCS), he said at the third International Federation of Automatic Control (IFAC), International Conference on Advances in Control & Optimisation of Dynamical Systems (ACODS 2018) here. The FCS provides the pilot 'carefree handling'. However, flight limits cannot be exceeded, which at lower speeds on aircraft such as the MiG-23/27 or Jaguar, results in the loss of the aircraft. The Aeronautical Development Establishment, Bengaluru, and HAL have been involved in the development of Tejas. Christopher, who is also Secretary, Department of Defence R&D, said to add more features and capabilities, continuous R&D has been taken up in the area of AI. Control systems have wide applications varying from aircraft and submarines to missiles. To meet the growing requirements of aerospace and defence projects, there is a need to develop innovative guidance schemes and control algorithms, he added.

5. NHAI Seeks to Auction 1,720km of Highways

Source: Livemint ([Link](#))

Enthused by investors' response to its toll-operate-transfer (TOT) model, aimed at monetizing India's publicly funded highways, state-run National Highways Authority of India (NHAI) is planning to auction toll collection for road length totalling around 1,720km. The auction is expected to fetch the government around Rs15,000 crore, said a person aware of the development requesting anonymity. The work for these operational national highways across Odisha, West Bengal, Bihar, Uttar Pradesh, Rajasthan, Gujarat, Tamil Nadu and Telangana comes even as NHAI is preparing to auction roads totalling 648km for around \$1 billion. The tender is expected to open on 23 February. Under this model, the right to collect toll on selected national highway stretches that have been built through public funding is proposed to be assigned for a 30-year period to investors against an upfront payment of a lump-sum amount to the government. During the tenure of the contract, the operation and maintenance would be the responsibility of the developer

6. Mahindra Group to invest Rs 900 cr more into EVs

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

Despite policy the lingering uncertainties, the Mahindra Group on Feb 19 made a fresh Rs 900-crore investment in electric vehicles (EVs) over the next four years, which should ramp up its first installed capacity to 5,000 units a month. "We have already invested Rs 600 crore in EVs over the past five-six years and have announced decided to invest Rs 400 crore in Karnataka and Rs 500 crore in Maharashtra over the next four-five years. This will be used for capacity, technology and products," managing director Pawan Goenka told reporters in Mumbai. "We are not waiting for any policy to move forward. To be a pioneer, you have to create the road and we have to move forward," he said on the sidelines of the ongoing Maharashtra investor summit. Goenka, however, said there is a need for the prevailing subsidies on EVs to continue for longer to ensure growth of this industry. Once it touches a critical mass of say 2 lakh units a month, which he expects by 2022, it will be on an equal footing with the conventional internal combustion engine-based vehicles, he said.

7. Maharashtra Govt Inks Rs 350-Bn Pact with a Pilot to Build Aircraft Firm

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

The dream of a commercial pilot to set up an aircraft manufacturing company is set to take wings with the Maharashtra government on Feb 19 signed a Rs 350 billion pact with him to build aircraft. Maharashtra Chief Minister Devendra Fadnavis was present when the MoU, which envisages Rs 350 billion investment in the project, was signed at the “Magnetic Maharashtra” global investors summit in suburban Bandra. The MoU, between Amol Yadav and MIDC, will lead to generation of around 10,000 jobs in the project, which will be spread over 157 acre land in Palghar district. Maharashtra government will help in getting the required funds, Yadav said. “The government expects Rs 350 billion investment for not my company alone, but also for the ancillaries which will be a part of the hub,” Amol Yadav said.

8. India to Be \$1 Trillion Digital Economy in 5 Years: Ravi Shankar Prasad

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

Union Electronics and Information Technology Minister Ravi Shankar Prasad on Feb 19 said his ministry is working in mission mode to make India's digital sector \$1 trillion economy in next five years. This has potential to create 60 lakh to 75 lakh new jobs, he told reporters on the sidelines of World Congress on Information Technology (WCIT), 2018, which began here on Feb 19. Dispelling the apprehension that new technologies will displace jobs, he said that if a new technology displaces 10 jobs, it creates 100 new jobs. Hailing NASSCOM's initiative to upskill existing workforce and also skill potential employees, he said this could address the consequences in the pace of acquisition of new technologies. Stating that new technologies will bring in new challenges while creating new opportunities, he said ethical and regulatory issues have to be addressed.

9. Govt to Prepare Roadmap for Doubling Farmers Income by 2022

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

A two-day national conference will be held on February 19-20 to discuss challenges faced by the agriculture sector and chalk out a roadmap to achieve the government's target to double farmers' income by 2022. The conference, which will have around 300 participants, has been called by Prime Minister Narendra Modi, who himself will attend the meeting on the second

day. Participants include farmers, scientists, economists, policy makers, representatives of farmers and trade associations, corporates and officials from Centre as well as state governments. NITI Aayog and related union ministries would also attend the meet. The conference will be attended by chairpersons of farm advisory body CACP, SEBI, FSSAI and NABARD. Ashok Gulati of ICRIER, Anil Sharma of NCAER and Ajay Jakhar of Punjab Farmers' Commission have also been invited among others.

10. DMICDC Looks to Tap Pension, Equity Funds

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

The Delhi Mumbai Industrial Corridor Development Corp (DMICDC), a \$90-billion infrastructure project, will look at raising funds through capital market bonds, long-term pension funds and equity funds, a top executive of the company told. The industrial corridor project, which is receiving financial and technical aid from Japan, will span 1,483 km from Delhi to Mumbai, passing through western Uttar Pradesh, southern Haryana, eastern Rajasthan, eastern Gujarat and western Maharashtra. DMICDC has awarded tenders for developing internal trunk infrastructure such as roads, power and water supply networks, telecom networks and waste management systems in Dholera in Gujarat, Shendra-Bidkin in Maharashtra, Vikram Udyog in Madhya Pradesh and Integrated Industrial Township of Greater Noida in Uttar Pradesh. It also recently finalised a land allotment policy to companies.

11. Indian Americans Launch Tech Triangle for India, Israel & US

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

Top Indian-American entrepreneurs have initiated an organised effort to strengthen relationship between India, Israel and the US in the field of technology. A group of Indian-Americans have announced launch of several initiatives to enhance the technology collaborations between the three countries. For instance, Indian American venture capitalist and entrepreneur Desh Deshpande, is working with the Mass Challenge incubator to fund several Indian startups to receive in-house guidance from Mass Challenge mentors in Israel. Pennsylvania-based Dennis Mehta has announced the launch of a trilateral investment fund worth USD 50 million to bring innovative Israeli technologies to the Indian market.

12. India Needs More Cargo than Ports: DP World Chief

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

What India needs now is more cargo than more port facilities, says the group chairman of DP World, the UAE-based port operator that recently joined hands with National Infrastructure Investment Fund to create a fund to invest up to \$3 billion. “There are more ports in India right now, than cargo; which is not good,” Sultan Ahmed bin Sulayem told ET here over a luncheon where he praised the city’s Mughlai street food. “You should have more production facilities, more logistic and infrastructure facilities rather than (just) ports,” he said. Sulayem is in India to attend the ‘Magnetic Maharashtra’ investors summit in Mumbai. He said the success of Make in India initiative will determine how much port capacity the country needs.

13. Australia, US, India and Japan in Talks to Establish Belt and Road Alternative: Report

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

Australia, the United States, India and Japan are talking about establishing a joint regional infrastructure scheme as an alternative to China’s multibillion-dollar Belt and Road Initiative in an attempt to counter Beijing’s spreading influence, the Australian Financial Review reported on Feb 19, citing a senior U.S. official. The unnamed official was quoted as saying the plan involving the four regional partners was still “nascent” and “won’t be ripe enough to be announced” during Australian Prime Minister Turnbull’s visit to the United States later this week. The United States, Japan, India and Australia have recently revived four-way talks to deepen security cooperation and coordinate alternatives for regional infrastructure financing to that offered by China. The so-called Quad to discuss and cooperate on security first met as an initiative a decade ago-much to the annoyance of China, which saw it as an attempt by regional democracies to contain its advances. The quartet held talks in Manila on the sidelines of the November ASEAN and East Asia Summits.