

Daily Economic News Summary: 23 October 2018

1. Indian Steel Cos To Forge Pacts With Global Firms To Expand

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

Leading domestic steel producing companies, including SAIL, JSPL and Mecon Ltd, are set to sign more than 20 MoUs with top global companies this week for producing capital goods. This could lead to substitution of an estimated \$5 billion in imported equipment over the next decade in line with the Centre's 'Make in India' initiative. "Top global companies from Germany, Spain, Luxembourg, the Netherlands and Japan are participating in the steel conclave in Bhubaneswar on 23 October. They will forge joint ventures with Indian companies," a government official told *BusinessLine*. The MoUs, to be signed at the event being co-organised by the Steel Ministry, CII and Mecon, will focus on increasing self-reliance of the capital goods sector in diversifying its produce to meet the needs of the domestic industry.

2. OnePlus Partners With Reliance Digital To Target Tier II Markets

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

Chinese premium smartphone maker OnePlus is partnering Reliance Digital to expand its offline reach in India and reach out to customers in smaller cities. The company, in a bid to accelerate its growth momentum, has been growing its line of exclusive OnePlus Experience and Authorised stores. It also sells its devices through Tata Group-owned electronics retail chain Chroma, which it partnered in September. OnePlus had started its journey on online footing in 2013, but the premium smartphone manufacturer is increasingly turning to offline experiential marketing, said Vikas Agarwal, general manager at OnePlus, India.

3. Trade War: Government Sees Space For Indian Exporters In US

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

The commerce department is sensing an opportunity for exporters in the US due to the trade war with China and has identified close to 180 items where Indian players can take advantage of the opportunity that has opened up due to higher duties on Chinese products. Trade experts, however, said that there is a limited scope for Indian exporters to break into the American and Chinese markets given that many of the products are specialised products, where domestic players may not

have the capability to produce the matching category of goods. Besides, in case of China, trade barriers are so high that Indian exporters often find it tough to break in.

4. Cabinet To Take Up Second Sugar Relief Package

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

A second bailout package for sugar industry could be in the offing as the food ministry plans to float a Cabinet note seeking loan incentives for ethanol producers. This will be in addition to the sugar package announced in June, government sources said. The mills may get up to 6% interest subvention on the loans they take to set up ethanol production units or increase capacity of the existing ones. The Cabinet note is expected to be floated as soon as this week, the official said adding that cane harvest is underway and the government wants mills to get more involved in ethanol production.

5. Cross-Border Insolvency Panel Recommends Global UN Model For Framing Law

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

Foreign investors may be able to drag a defaulting Indian company into insolvency proceedings if recommendations of a panel on cross-border insolvency are accepted by the government. The same may also be true for Indian investors in foreign companies. The panel, headed by Corporate Affairs Secretary Injeti Srinivas, recommended using the UNCITRAL Model for cross-border insolvency. Cross-border insolvency norms will provide a mechanism to liquidate or recover from foreign assets of Indian companies undergoing insolvency or vice-versa.

6. Invest India Wins Top UN Award For Promoting Renewable Energy Investment

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

Invest India has received the top UN Investment Promotion Award in recognition of its efforts to boost investments in the renewable energy sector in India. The award was presented by Armenian President Armen Sarkissian to Deepak Bagla, the CEO of Invest India, on 22 October in Geneva at the inaugurations of the World Investment Forum organised by the UN Convention on Trade and Development (UNCTAD). A non-profit venture of the Department of Industrial Policy and Promotion, Invest India promotes sustainable investment.

7. India Has Second Highest Insurance Gap Of \$27 Bn After China, Reveals New Study; Global Underinsurance At \$162.5 Bn

Source: Firstpost ([Link](#))

India has the second largest insurance gap in the world of \$27 billion (in absolute terms) after China, where the underinsurance or insurance gap is over \$76 billion, a report said on 22 October. According to the global underinsurance report, despite the general global economic growth in recent years, the insurance gap is hardly closing. The global underinsurance gap is now \$162.5 billion, which is down only over 3 percent since 2012 when it stood at \$168 billion. The report notes that emerging countries are the least insured, accounting for \$160 billion or 96 percent of the total global insurance protection gap. In absolute terms, the gap identified is \$160 billion for the emerging nations and just \$2.5 billion in developed countries.

8. Agriculture Ministry Plans To Set Up Over 7K Seed-Testing Labs

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

The agriculture ministry is planning a massive increase in the number of seed-testing laboratories in the country as part of its push to boost crop yield. Officials told ET that use of quality seeds can boost farm production by up to a fifth. The ministry is consulting with state governments to set up 583 seed-testing labs in major towns and 6,600 labs at the block level in rural areas, the officials said, adding that sowing quality seeds leads to higher germination, resistance to pest attacks, and increase in crop yields by 15-20%. At present, India has 130 seed-testing labs where farmers can get quality analysed for a nominal fee.

9. Mospi To Anvil National-Level Data Warehouse Soon, To Be One-Point Source Of All Official Statistics

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

The Ministry of Statistics and Programme Implementation (MoSPI) is coming up with 7th economic census for 2019. The census, coming after a gap of five years, will focus a national-level data warehouse which will collate all official statistics. It will also cover GDP related data and three surveys regarding services, unincorporated enterprises and time use. MoSPI is expected to release national-level data warehouse within next six months. Employment and Household

Consumer Expenditure related surveys will also also expected to come out in a couple of months, Chief Statistician of India Pravin Srivastava told Indian Express.

10. Reliance, BP To Jointly Set Up 2,000 Petrol Pumps In India

Source: Livemint ([Link](#))

British oil major BP Plc and Reliance Industries Ltd (RIL) are planning to jointly set up as many as 2,000 petrol pumps in India over the next three years, according to two people aware of the development. The exact arrangement of the venture is being worked out and would be decided in a few months, a Reliance executive, one of the two people cited above, said on condition of anonymity. India is one of the few major global markets where fuel demand is growing and has attracted attention from foreign fuel retailers seeking to gain a toehold in a country where fuel retailing is dominated by state-run companies.