

## Daily Economic News Summary: 24 April 2019

### 1. Reliance Prepares The Ground For E-Commerce Launch

Source: Livemint ([Link](#))

Reliance Industries Ltd's retail arm Reliance Retail Ltd is testing its food and grocery app among its employees before the commercial launch of its e-commerce venture, mirroring the strategy India's most valuable company adopted ahead of launching its 4G telecom service in Reliance Jio Infocomm Ltd. The grocery app would be made available to the public by this year-end and orders made on the app fulfilled by local merchants, two people aware of the matter said, requesting anonymity.

### 2. India Explores For Crude Oil On Sweeter Terms After End Of Iran Oil Waiver

Source: Livemint ([Link](#))

India is trying to leverage its robust ties with West Asian crude oil producers such as Saudi Arabia, Kuwait and the United Arab Emirates (UAE) to source additional volumes at terms similar to those of its annual contracts in a bid to avert any sharp rise in its domestic oil prices. India, the world's third-largest oil importer, is in discussions with oil producers in West Asia as well as in other geographies to procure a total of about 15 million tonnes of extra crude over the year to urgently bridge a supply gap that will be caused by the exit of Iran from its energy basket.

### 3. India Tiktok Ban Causing \$500,000 Daily Loss, Risks Jobs: China's Bytedance

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

India's ban on popular Chinese video app TikTok is resulting in "financial losses" of up to \$500,000 a day for its developer, Beijing Bytedance Technology Co, and has put more than 250 jobs at risk, the company said in a court filing seen by Reuters. TikTok allows users to create and share short videos with special effects and is one of the world's most popular apps. It has been downloaded by nearly 300 million users so far in India, out of more than 1 billion downloads globally, according to analytics firm Sensor Tower.

#### **4. Iran Crude Imports After Deadline May Invite US Curbs But Bid To Develop Chabahar Port May Not**

**Source: Livemint ([Link](#))**

India may face US sanctions if it continues to import crude oil from Iran after 2 May, but New Delhi's efforts to develop the Chabahar port will not result in any action from the US, two people familiar with the developments said on 23 April, requesting anonymity. On 22 April, Washington said that it will end exemptions to countries importing oil from Iran. New Delhi views Chabahar as a strategic investment as it will help India circumvent Pakistan to gain access to Central Asia and Afghanistan.

#### **5. RBI to buy Rs 25,000 crore of bonds in two instalments via OMO in May**

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

The Reserve Bank of India (RBI) plans to buy Rs 25,000 crore worth of bonds in two installments from the secondary market in May, it has notified. The first such open market operations (OMO) for the fiscal year 2019-20, amounting to Rs 12,500 crore, will happen on May 2. The date for the second auction has not been given. This would be on top of the dollar swaps that the central bank is undertaking. The system liquidity was short of Rs 1.4 trillion as on Monday. This is despite the central bank buying bonds worth Rs 3 trillion in the last fiscal year and infusing another about Rs 70,000 crore through two dollar swaps.

#### **6. Government Extends Ban On Import Of Milk Products From China**

**Source: Livemint ([Link](#))**

The government on 23 April extended the ban on import of milk and its products, including chocolates, from China till laboratories at ports for testing presence of toxic chemical melamine are upgraded. Food regulator FSSAI had recommended extending the ban until all labs at ports are modernised to test the chemical. The ban was first imposed in September 2008 and extended subsequently from time to time. The latest ban imposed by the government ended on 23 April. "Prohibition on import of milk, milk products (including chocolates, chocolate products, candies/ confectionary/ food preparations with milk or milk solids as an ingredient) from China is extended until the capacity of all laboratories at ports of entry have been suitably upgraded for testing melamine," the Directorate General of Foreign Trade (DGFT) said in a notification.

## **7. Softbank Eyes \$2-3 Billion Investment In Mukesh Ambani's Reliance Jio**

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

Japan's SoftBank is looking at buying a \$2-3 billion stake in Reliance Jio, Reliance Industries' telecom subsidiary and the country's fastest-growing telco. "For the past two years, our conversations with investors have highlighted the expectations of SoftBank investing in Jio and hence the news flow is not surprising," wrote Pinakin Parekh, analyst, JP Morgan, in a report to investors. Mukesh Ambani-led Reliance Industries Ltd (RIL) is interested in deleveraging its balance sheet, and reports of SoftBank's Jio investment follow last week's news that Saudi Aramco is in talks with RIL to pick up to 25 per cent in the latter's refining and petchem business for \$10-15 billion.

## **8. Government Likely To Raise Wheat Import Duty To 40%**

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

The government is likely to raise the import duty on wheat from the current 30% to 40% to rule out any possibility of cheaper imports amid the harvesting of the new crop. The import duty increase will force flour millers to buy wheat from FCI, which is set to offload stocks rather than source the grain from other countries. The Election Commission (EC) is likely to clear the proposal soon to increase the import duty on wheat to 40% after the plan was approved by a panel of secretaries last week, sources said. The Centre is expecting to buy 38-40 million tonne of wheat this year, after which the stock with FCI may reach to about 58 million tonne by end of May.

## **9. Canada Trumps Us, Opens H-1b Doors To Indians**

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

With the Trump administration tightening regulations for H-1B visa holders in the United States, software professionals, mostly Indian, are making a beeline to Canada, said two people with direct knowledge of the people movement. A large chunk of technology professionals on H-1B visas in the US are Indians, with the country offering 85,000 H-1B visas each year. The Canadian government has adopted a programme called Global Skills Strategy in 2017, which has set a target to welcome 3,10,000 new permanent residents in 2018 and 3,30,000 in 2019.

## **10. Kazakhstan Sets Up Coordinating Council To Attract Indian Investments**

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

Central Asia's biggest and resource-rich Kazakhstan has set up Coordinating Council for attracting foreign investments including from India. The Kazakh government on Monday held a

session to discuss the issues of attracting investments under the chairmanship of the Prime Minister of Kazakhstan Askar Mamin. New approaches to improve investment in Kazakhstan were discussed in the course of the meeting. In order to coordinate and efficiently interact with investors, as well as provide solutions to current problems, it was decided to lay the functions of Investment Ombudsman under the Prime Minister of Kazakhstan.

#### **11. PM Kisan: Centre Pays Around Rs 10.5 K Cr Towards 1st, 2nd Tranche**

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

The central government has disbursed around Rs 11,000 crore among 31 million farmers in the PM KISAN scheme so far. PM KISAN CEO Vivek Agrawal told ET that the government is giving both first and the second instalment of Rs 2000 each simultaneously to the farmers. Out of 31 million beneficiaries, 21 million have received the second instalment also. The government has registered data of 47.6 million farmers who were enrolled before the code of conduct came into force. Out of 31 million beneficiaries, 21 million have received the second instalment also. The government has registered data of 47.6 million farmers who were enrolled before the code of conduct came into force.

#### **12. RBI Gets Higher Demand For Second 3-Year Dollar-Rupee Swap Auction At \$18.65 Bn Against \$16.31 Bn In Maiden Auction**

**Source: Firstpost ([Link](#))**

The Reserve Bank of India (RBI) on 23 April said it has raised \$5 billion through the second tranche of the forex swap auctions, which saw an increased response--nearly over three-times the offer of \$5 billion at \$18.65 billion--from banks compared to the maiden auctions on held on 26 March. The central bank introduced the tool, wherein it buys dollars from banks for three years and offer them rupees in return, last month to bridge the liquidity gap. In the latest auctions on 23 April, the total amount offered stood at \$18.65 billion against an offer of \$5 billion, through 255 offers, as against \$16.31 billion from 240 offers in the earlier instance, the RBI said in a statement.

#### **13. Chinese Entrepreneurs Ride India Internet Consumer Wave**

**Source: Livemint ([Link](#))**

Around 50 Chinese entrepreneurs have launched internet companies in India in the past one year, inspired by success stories of NewsDog, Shein and TikTok, according to multiple people aware of the matter. While some of them such as e-commerce platform Mayfair and video-based e-

commerce platform BulBul have recently attracted investments, there are several others that are being worked on by Chinese entrepreneurs in India. The reason: they are keen to ride the Indian consumer internet wave as China's consumer internet market plateaus.