

Daily Economic News Summary: 27 March 2018

1. India May Extend Anti-Dumping Duty To Jute Clothes From Bangladesh

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

India may extend the anti-dumping duty to jute sacking clothes from Bangladesh as the commerce ministry has found imports of the product to avoid duties on jute bags from the neighbouring country. The commerce ministry's investigation arm Directorate General of Anti-Dumping and Allied Duties (DGAD) has initiated a probe into circumvention of anti-dumping duties on jute sacking bags from the neighbouring country. The Indian Jute Mills Association (IJMA) has filed an application before the authority alleging that the duty on jute sacking bags is being circumvented by imports of jute sacking cloth, which is an unfinished and penultimate form of the bags, from Bangladesh. The DGAD in a notification has said that it has found "sufficient prima facie evidence" of circumvention of the anti-dumping duties leviable on jute bags by the country. The finance ministry in January 2017 imposed the anti-dumping duty on jute sacking bags to protect domestic manufacturers from cheap imports.

2. Indian, Chinese Companies Sign Commercial Deals Worth Nearly \$2.36 Billion

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

Indian and Chinese companies signed commercial deals worth nearly \$2.36 billion (Rs 15,389 crore) on March 24, ahead of a proposed meeting between commerce minister Suresh Prabhu and his Chinese counterpart Zhong Shan that would seek to stabilise bilateral relations amid talk of a global trade war. Escalating trade tensions between China and the US may have prompted the former to improve ties with India, said experts. While India-China trade grew to \$84.44 billion in 2017, trade deficit rose to \$51.75 billion, registering an 8.5% on-year rise. The commerce minister level meeting is part of a series of confidence building measures aimed at stabilising ties, as Prime Minister Narendra Modi is scheduled to visit China in June for the Shanghai Cooperation Organisation (SCO) summit and bilateral meet. The commercial deals inked by Indian and Chinese companies will give a fillip to trade in black tea, castor oil, peppermint oil, coco fibre, green coffee

bean and other products. Representatives of 30 Chinese companies are visiting India said one of the persons, who did not wish to be identified.

3. India-EU FTA: Prabhu Hints Talks May Resume Early

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

With threats of a global trade war looming, commerce and industry minister Suresh Prabhu on March 26 hinted at an early resumption of negotiations over the long-stalled free trade agreement (FTA) between India and the European Union. “We have started working on the India-EU FTA again. We have invited them and are looking at it,” the minister said. Access to the EU market is crucial for a number of Indian sectors, especially textiles and garments and IT. Similarly, India is a lucrative market for the European auto and pharma companies. At \$43 billion, the EU — including the UK — made up for 17.6% of India’s goods exports in the first 10 months of the current fiscal, while imports from the bloc stood at over \$39 billion. Garments were India’s biggest exports segment, followed by engineering goods and gems & jewellery. Similarly, the country imports capital goods and gems and precious stones worth billions of dollars from the EU.

4. India To Be Ready With 5G Roadmap By June: Telecom Secretary Aruna Sundararajan

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

India will be ready with a full roadmap for 5G technology by June this year, Telecom Secretary Aruna Sundararajan said on March 27. Terming 5G important for India's massive "digitisation and digitalisation" efforts, Sundararajan said the government is working with all stakeholders including the industry, academia and startup community, to become a frontrunner in the area of 5G. A high-level forum on 5G which includes global experts, industry experts, IITs, IISc, has already commenced work and done a fair amount of deliberation. By June, India will have full roadmap ready on this," she said addressing a COAI event. The forum is deliberating on the vision, goals, and roadmap on 5G, and will also look at related areas of spectrum policy, regulatory regime, pilot programmes and the test bed, she added.

5. JSW Steel Plans To Invest \$500 Million In Texas Unit

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

JSW Steel (US), a subsidiary of JSW Steel, has agreed to consider investment of up to \$500 million in phases in developing its steel manufacturing facility at Baytown in Texas, US. On March 26, JSW Steel announced signing a memorandum of cooperation between its US subsidiary and the office of governor, Texas, for the same. As part of the memorandum, governor Greg Abbott has also approved \$3.4-million grant from the Texas Enterprise Fund to the company. The intended investment by JSW USA will be used to undertake capability enhancement of its plate & pipe mill unit located in Baytown, Texas. Speaking to reporters at a press conference, Parth Jindal, director, JSW USA said, “JSW Steel (USA) wish to create a fully integrated steel complex that will bring precision manufacturing of high-quality steel plate and pipe to Texas, USA.” Of the \$500 million, the company will invest \$200-odd million to modernise the unit’s capabilities, while the remaining investment of up to \$350 million will be to set-up a new hot end facility to make their steel ‘melt and manufacture’ (subject to approvals). He added that the capex programme is expected to be complete by March 2020.

6. Bandhan Bank Bigger Than All PSU Banks In Market Cap Except SBI After Bumper Listing

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

The Kolkata-based private sector lender Bandhan Bank surpassed the market capitalisation of all listed PSU banks except State Bank of India upon blockbuster stock market debut on Tuesday after floating India’s biggest bank IPO earlier this month. Bandhan Bank shares jumped as high as 33% to open at Rs 499 on Tuesday against the IPO price of Rs 375 on NSE. Amid the subdued market conditions, Bandhan Bank IPO was subscribed 14.58 times with institutional investors bidding 38 times against the portion reserved for them. With an IPO (initial public offering) size of Rs 4,473 crore, Bandhan Bank IPO was touted as the biggest initial share sale by a bank ever in India. The Kolkata-based private sector lender Bandhan Bank surpassed the market capitalisation of all listed PSU banks except State Bank of India upon blockbuster stock market debut on March 27 after floating India’s biggest bank IPO earlier this month. Bandhan Bank shares jumped as high as 33% to open at Rs 499 on Tuesday against the IPO price of Rs 375 on NSE. Amid the subdued

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7. India Should Trade More With Neighbours Amid Rising Protectionism: HSBC

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

In an environment of rising protectionism in the US, Indian firms should focus "more on their backyard" and increase the share of trade with neighbouring economies, says an HSBC report. According to HSBC's global survey, that covered 6,000 companies in 26 markets, nine in ten businesses in India feel governments are turning increasingly protectionist, more than the global average. "Raising the share of trade with neighbouring economies has been high on India's agenda for some time, and has become even more important given the rising risk of protectionism in the West," the report said. The rise in protectionism leads to an increase in the cost of doing international business, altering trade routes and raising hurdles to obtaining trade finance. The rise in protectionism leads to an increase in the cost of doing international business, altering trade routes and raising hurdles to obtaining trade finance. In such a scenario, trade initiatives that are likely to lower trade barriers, are viewed positively. Moreover, companies also adopt strategies like increasing regional trade, establishing joint ventures or local subsidiaries in more markets and capitalising on trends in consumer demands and digital technologies.

8. China Promises To Address Trade Deficit Concerns: India

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

Amid heightened tensions of a trade war between the US and China, China on March 26 promised India to address the high trade imbalance between the two countries. "Chinese Minister Zhong Shan welcomed Indian investment in China and promised to address the trade deficit between the two countries," commerce and industry ministry said in a statement on M. Shan, who is China's minister of commerce, co-chaired the 11th meeting of India-China Joint Group on Economic Relations, Trade, Science in Delhi with commerce and industry minister Suresh Prabhu. Shan's statement comes in the wake of the US raising tariffs on steel and

aluminium imports, a move that impacts India and China and following it up with by announcing to impose new tariffs on \$60 billion worth of Chinese technology and consumer goods.

9. Tiger Global Slowly Steps Up Pace of India Investments

Source: Livemint ([Link](#))

Tiger Global Management is slowly increasing its pace of investments in start-ups after reaping attractive returns from share sales in Flipkart and Ola. Once the most prolific start-up investor, Tiger had almost entirely stopped investing in the past two years after its rosy investment thesis on the consumer internet business did not play out. Instead, the New York-based firm shifted its attention to getting out of some of its riskiest investments. But in the past six months, Tiger Global has invested in six of its existing portfolio companies, the highest since it suddenly pulled the plug on start-up investments at the end of 2015. Since October, Tiger Global, whose private equity investments are led by 38-year-old fund manager Lee Fixel, has invested in PolicyBazaar, InShorts, NestAway, Grofers, Razorpay and Chargebee. Over the past two years, Tiger Global has earned nearly \$1 billion from selling shares to Japan's SoftBank Group in Flipkart and Ola as well as from the sale of two portfolio companies, jewellery retailer CaratLane and online music platform Saavn.