

Daily Economic News Summary: 30 April 2019

1. Exports to Asia On Wane, Those To Europe, US Rise

Source: Livemint ([Link](#))

India is now exporting less to Asian economies and more to Europe and America compared to 2014, when prime minister Narendra Modi took charge. This is despite progress on Modi's promise to integrate more with the extended neighbourhood in the Indo-Pacific region. The latest official trade data analysed by Mint shows that Asia's share in India's exports basket fell from 49.56% 2014-15 to 48.77% in 2018-19, while Europe's increased from 18.17% to 19.54% during the same period. Combined exports to both North and South America jumped from 19.03% in 2014-15 to 20.89% in 2018-19. When it comes to imports, India is now sourcing far less from Europe, and more from Asia and the US.

2. Garden Reach Bags ₹6,311-Cr Order To Build 8 ASW Water Craft

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

Kolkata-based defence PSU Garden Reach Shipbuilders & Engineers Ltd (GRSE) has won a ₹ 6,311.32-crore order from the Ministry of Defence to build eight anti-submarine warfare (ASW) shallow water craft for the Indian Navy. The deal signed on 29 April is the yard's first order win after it went public in October last year. The 16-ship ASW shallow water craft tender of the Indian Navy is split equally between the lowest and the second lowest bidders with the L2 required to match the L1 price. Cochin Shipyard Ltd quoted the lowest price in the tender to emerge the top bidder, wherein GRSE was the second lowest. GRSE matched the lowest price of Cochin Shipyard to win the eight ship-order.

3. Startups: Accredited Investors May Get Exemption From Angel Tax

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

Funds received by startups from accredited investors may be exempted from angel tax subject to complying with certain net worth criteria, an official said. This provision is considered by the government as part of an exercise to define 'accredited investors' with a view to increase investment flow in startups. The Department for Promotion of Industry and Internal Trade

(DPIIT) is working on the definition, which would be submitted to the finance ministry for approval. These accredited investors, which can include trusts, individuals, family member of a startup and unlisted companies, may get exemption from angel tax under Section 56(2)(viib) of Income Tax Act, 1961, beyond the Rs 25 crore limit.

4. Zomato To Launch 20 Hyperpure Warehouses In 18 Cities By Next Year

source: Livemint ([Link](#))

Online food ordering app Zomato is expanding the reach of its online business-to-business (B2B) food ingredient ordering platform, Hyperpure, to 16 more cities, taking the total to 18 cities including Bengaluru and New Delhi. The restaurant search and discovery app aims to offer more services to restaurants across India over the next two years. Zomato opened its second Hyperpure warehouse on Monday in New Delhi and is set to add 20 more warehouses in India by end-2020 with an estimated investment of ₹55 crore, said a top company executive. The Gurugram-headquartered firm had acquired Hyperpure (formerly WOTU) in 2018, as a B2B technology platform that lets restaurant owners, caterers, hotels, and other food service businesses order fresh produce, packaged food and poultry, among other products.

5. Foreign Retail Investors, NRIs Allowed To Invest In Gift City Bourses

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

Foreign retail investors, as well as non-resident Indians (NRIs), have been allowed to invest in stock exchanges in Gujarat International Finance Tec-City (GIFT City). So far, only overseas institutional players were allowed in the capital market segment. Since foreign individuals are not permitted to open bank accounts in international financial services centres (IFSCs) under the existing Reserve Bank of India (RBI) guidelines, they were not able to participate in exchanges in GIFT City, an IFSC.

6. Shake-Up In China Industry Disrupts Vitamin C Supply In India

Source: Livemint ([Link](#))

The shake-up in China's active pharmaceutical ingredients (API) industry in the wake of environmental concerns has started taking a toll on Indian pharmaceutical companies, particularly vitamin manufacturers. GlaxoSmithKline (GSK) has sold its iconic brand of vitamin C tablets, Celin, to Koye pharmaceuticals. GSK faced "intermittent" short supplies early this year. However, people well versed with the development, said that the shutdown in China had led to GSK's decision to sell the 30-year-old product. In the past one year, nearly 150 active

pharmaceutical ingredients manufacturers in China have closed down their facilities to comply with environmental standards.

7. Seafood Exporters Expect US To Ease Restrictions On Wild-Caught Shrimps

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

Seafood exporters are pinning hopes on early easing of US restrictions on wild-caught shrimps from India following the visit by a US team to India's east and west coast regions. The United States had temporarily disallowed export of wild-caught shrimps following reports of non-fixation of Turtle Exclusive Devices in the fishing nets. US is the major market for Indian wild-caught shrimps and the restrictions had made its impact on shrimp exports, registering a 10-15 per cent drop in shipments, says exporters. India's marine export basket comprises of shrimps from aquaculture farms where species like Vanammei and black tiger have a good overseas demand. But wild-caught variety are small size shrimps and the species are known by the name Poovalan and Karikkadi.

8. India, Peru To Hold Next Round Of FTA Negotiations In August

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

India and Peru will hold their next round of negotiations for proposed free-trade agreement (FTA), aimed at boosting two-way commerce and investments, in August in New Delhi, an official said. "Chief negotiators from both the countries will hold the fifth round of negotiations for the agreement in August," the official said. In an FTA, two trading partners significantly reduce or eliminate duties on most of the goods traded between them besides relaxing norms and rules to promote trade in services and increase bilateral investments. Peru ranked third among export destinations for India in the Latin America and Caribbean (LAC) region.

9. Switzerland-based COOP In Pact For Black Tiger Prawn Farming In Kerala

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

Switzerland-based cooperative organic food giant COOP has entered into a tripartite understanding with the Kerala University of Fisheries and Ocean Studies (KUFOS) and the Indian Sea Food Exporters Association for large scale farming of black tiger prawns in Kerala waters. Vannamei dominates the aquaculture production in India, with black tiger shrimp being limited to a minimum share in small pockets. Earlier, black tiger shrimp was mostly captured from sea and not farmed. Vannamei, which is easy and economical to farm, became the

dominant species in the last 10 years. India is the second-largest fish producer in the world after China and accounts for nearly 6% of global fish production.

10. Biman Bangladesh Airlines To Start Direct Flights On Delhi-Dhaka Route From May; Resumes Operations After Six Years

Source: Firstpost ([Link](#))

Nearly six years after it discontinued operations, Biman Bangladesh Airlines will be resuming its services on the Dhaka-New Delhi route from next month, the airline said 29 April. The airline had suspended its services to New Delhi in 2013 and has been connecting the two nations since the 1980s. With the resumption of New Delhi-Dhaka flights, Biman, which is the flag carrier of Bangladesh, will be the sole airline to operate direct flights between the capital cities of the two countries. Initially, government-run airline will operate three weekly flights on Mondays, Thursdays and Saturdays deploying a 162-seater Boeing 737-800.

11. Jet Staff May Enter Fray For Co, Want SBI To Keep Them In Mind

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

A section of the Jet Airways' employees have evinced interest in bidding for the airline and is scouting for investors to get the airline flying again. The employees have communicated this to State Bank of India Chairman Rajnish Kumar, requesting him to consider their bids, as they can arrange for funding of up to Rs 7,000 crore for the airline over a period of time. Jet Airways, which was struggling with its finances since end of last year, finally grounded its aircraft and ceased to operate since April 17, 2019, due to severe cash crunch. The banks have then called for bids to find new promoters for the airline, and Etihad, TPG and NIIF have shown interest to bid for the airline. The final winners are likely to be finalised by May 10.

12. Ola, Flipkart To Launch Credit Cards, Gain Insights On Spending Patterns

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

Ola and Flipkart are gearing up to launch credit cards in partnership with large banks, several people familiar with the matter said. The move is seen giving these companies insight into the spending pattern of their card users and helping them enter an under-penetrated credit market. Ride-hailing startup Ola is set to launch a credit card, likely in partnership with State Bank of India (SBI), and begin pilots as early as next week, the persons cited earlier said, adding that the company plans to issue 1 million cards in the first year, leveraging its 150 million customer base.