

Daily Economic News Summary: 5 February 2018

1. 'New Draft Telecom Policy within a Week'

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

The Department of Telecom (DoT) is likely to float draft of the National Telecom Policy 2018 within a week for public comments, an official source said. “The draft (of the NTP 2018) is very likely to be issued within a week,” the source, who is closely associated with policy draft formulation, told PTI. The Economic Survey 2017–18 tabled in Parliament last week noted the telecom sector is going through stress due to a huge debt pile, tariff war and irrational spectrum costs and called for policy measures to minimise over-bidding of assets during auctions. Telecom Secretary Aruna Sundararajan last month had said the government will look at positioning the telecom sector primarily as an enabler to boost the economy rather than a revenue earner under the new NTP.

2. NITI Aayog Facilitator for Implementing Act East Policy, Says Amitabh Kant

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

NITI Aayog would act as a “facilitator and catalyst” for the north eastern states in implementing the Centre’s Act East Policy, a top official of the government think-tank said on Feb 4. “We will provide full support in providing advocacy to the north eastern states in the implementation of the policy and the Aayog’s role will be primarily to act as a facilitator and catalyst,” NITI Aayog CEO Amitabh Kant said. Assam Chief Minister Sarbananda Sonowal is driving the PM’s Act East Policy and if the region progresses, “we will be able to lead a vast section of the population towards prosperity”, the CEO said. The Assam government was the first in the country to set up an Act East Department, and the policy is key to the growth, progress and upliftment of people from poverty to prosperity, the official said

3. Central Board of Excise and Customs to Be Renamed CBIC by April

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

Rechristening of the apex indirect tax policy-making body CBEC to Central Board of Indirect Taxes and Customs (CBIC) is likely to happen by April after the budgetary exercise gets

Parliament nod. With excise duty, service tax, alongside nearly a dozen other central and state levies being subsumed in the Goods and Services Tax (GST) rolled out from July 1, the ambit of the Central Board of Excise and Customs (CBEC) has widened. In his budget speech for 2018-19, Finance Minister [Arun Jaitley](#) said with the roll out of GST the name of CBEC would be changed to CBIC.

4. Railways to Phase Out Diesel Locos in Delhi by March 2019: Goyal

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

Railway Minister Piyush Goyal today said he has been informed by the railway board that no diesel locomotives will be allowed in the Delhi area after March 2019, indicating that the national transporter was on track to completely phase out such locomotives by 2022. Speaking at the Institute of Railway Electrical Engineers, Goyal emphasised the need for transformation and change in the work culture of the Railways. The railway ministry has set a target of 2022 to switch to electric locomotives completely by phasing out their diesel counterparts with a focus on increasing speed.

5. Budget 2018 Extends Sops to MSMEs in Push to Formalize Indian Economy

Source: Livemint ([Link](#))

Union Budget 2018 proposes to cut corporate tax rate to 25% for companies with annual revenue of up to Rs250 crore, earmarks Rs3 trillion for 2018-19 under the Mudra scheme. The Union Budget 2018 on Thursday extended sops to micro, small and medium enterprises (MSMEs), as part of the government's efforts to bring businesses under the formal economy's fold. Aimed at easing cash flow challenges, these announcements come against the backdrop of demonetization in November 2016 and the introduction of the goods and services tax (GST) in July 2017.

6. Britain to Host Createch Summit in Mumbai

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

UK for closer ties with India in areas such as creative robotics, augmented reality. Britain is to push for closer links with India's creative and technology sectors as it hosts its first India-UK Createch Summit in Mumbai this week. The event, which will bring together more than 1,000 personalities from business and government, including a UK delegation, in areas that include

creative robotics, gaming and augmented reality and immersive technology, will be launched by Britain's Minister for Trade and Export Promotion, Baroness Rona Fairhead, who will also visit Bangalore.

7. Msmes to Lead Consolidation Phase of Economy: Arun Jaitley

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

Terming the MSME sector as the backbone of the economy, Finance Minister Arun Jaitley today said the sector would lead the current consolidation phase of the economy. "Having gone through a series of very major structural reforms in the past two years, now (this) also is a phase for consolidation as far as the economy is concerned. And this phase of consolidation will also be led by the MSME sector," he said after launching CriSidEx, the first sentiment index for micro and small enterprises (MSEs). Jaitley further said the health of the sector is extremely vital to the economy and with a number of steps taken there is an increased integration of the sector into the formal economy. Pointing out that it is one of the largest employers, he said, "This is one sector where people not only exhibit their entrepreneurial skills, become part of large value chains but then also become job creators in the process."

8. Greenko Group, Hero Future Energies eye Essel Infraprojects' Solar Business

Source: Livemint ([Link](#))

Greenko Group and Hero Future Energies Pvt. Ltd are separately looking to acquire Subhash Chandra's Essel Infraprojects' solar business, according to two people aware of the development. Both Greenko and Hero are looking to rapidly expand capacities as a wave of consolidation sweeps through India's clean energy industry. India's large green energy deals include Tata Power Co. Ltd acquiring the entire 1.1 gigawatt (GW) renewable energy portfolio of Welspun Energy Ltd for \$1.4 billion and Greenko Energies Pvt. Ltd—backed by Singapore's sovereign wealth fund GIC Holdings Pte and the Abu Dhabi Investment Authority—acquiring SunEdison Inc.'s Indian assets for \$392 million in 2016. Also, in the largest global clean energy acquisition till date, Global Infrastructure Partners led a group of investors that last year announced plans to buy Equis Energy for \$5 billion. The sale includes the Indian portfolio of the Singapore-based renewable energy developer comprising green energy platforms Energon and Energon Soleq.

9. Reliance Industries Emerges Sole Contender to Acquire Stake in JBF Industries

Source: Livemint ([Link](#))

Billionaire Mukesh Ambani's Reliance Industries Ltd (RIL) has emerged as the sole contender to acquire a part of polyester maker JBF Industries Ltd's operations in a transaction that will include its entire overseas operations and an upcoming plant in Mangalore, two people directly aware of the ongoing negotiations said. JBF group is the second-largest manufacturer of textile-grade chips and third-largest producer of partially-oriented yarn and biaxially-oriented polyethylene terephthalate (BOPET) chips and films domestically. If the transaction goes ahead, Reliance Industries will acquire a controlling stake in the Singapore subsidiary of JBF while the domestic operations of JBF group will remain with the promoters of the company

10. Maruti Open to Forge Partnerships with Local Tech Firms

Source: Livemint ([Link](#))

Maruti Suzuki India is keeping options open to partner with tech firms locally and play a part in parent Suzuki's future product development. With new technologies reshaping the future of automobile industry, Maruti Suzuki India is keeping options open to partner with tech firms locally and play a part in parent Suzuki's future product development, according to its Managing Director and CEO Kenichi Ayukawa. Waiting for EV policy—Ayukawa said although the company is firm on its target of launching an electric vehicle in India by 2020, MSI is waiting for a clear policy road map from the government to accelerate its preparation for the new technology. “Although the government is providing some sort of support in the form of lower GST, is it enough or not? Those kind of discussions are still going on,” he said.

11. Apple co-founder Steve Wozniak to Address Global Business Summit on February 24

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

The tech maven, affectionately known as 'The Woz', will address the power-packed GBS audience on February 24, at New Delhi's Taj Palace Hotel. In a fireside chat on Saturday morning, Wozniak will be speaking on “Rebooting Silicon Valley: Dealing with monopolies, culture wars & greed.” The maverick Apple co-founder, Steve Wozniak, will be a star speaker at the 2018 edition of the Global Business Summit (GBS), presented by Yes Bank and The Economic Times. A technology

pioneer, Wozniak co-founded Apple Computer with Steve Jobs in April, 1976, with a corpus of \$1300.

12. Advantage Assam Summit: Investment of Rs 1,00,000 crore Committed

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

Assam's investment scouting exposition "Advantage Assam" attracted series of investment proposal. In the two day event as many 200 MOUs were inked and investment proposal to the tune of Rs 1,00,000 crore is committed. The event was inaugurated by Prime Minister Narendra Modi on Feb 3. Mukesh Ambani of Reliance Group of Industries announced that his company will be investing close to Rs 2500 crore in next three years. Assam Finance Minister Himanta Biswa Sarma said that Rs 1500 crore investment is coming in tourism sector. Mahindra will invest in tourism infrastructure in Assam. On Feb 4, homegrown cab-hailing company Ola has inked MOU with Government of Assam to pilot an app-based river taxi service in Northeast India's financial hub Guwahati. According to the MOU, bringing water taxis on the online platform, a localised and key mode of commute in the capital city will further strengthen the transportation ecosystem.

13. Customs Hike to Hit \$65 Billion Imports, May Lead to WTO Dispute

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

The government's decision to increase import duty on a number of products will impact at least \$65 billion worth of imports, and could even land the country in a trade dispute at the World Trade Organisation (WTO), experts say. The Union Budget has proposed higher customs duty on goods including mobile phones, completely or semi-knocked down automobile parts, electronics, capital goods, edible oils, footwear, imitation jewellery and juices, whose imports in the first seven months of this fiscal are valued at more than \$38.3 billion. Higher import duties are intended to discourage imports from China and propel the Make in India mission forward, and domestic manufacturers have welcomed them.