

Daily Economic News Summary: 30 October 2018

1. India Can Seek Duty Cuts From China On 200 Items

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

Naphtha, bovine leather, shrimps and cotton yarn are among about 200 export items from India for which tariff concessions can be sought from China under the Asia-Pacific Trade Agreement and the Regional Comprehensive Economic Partnership. China has granted deeper duty cuts to India's competitors including Peru, Pakistan, Australia, South Korea and ASEAN in free-trade agreements with them, which has displaced some of India's exports, commerce department officials said. Other products eligible for potential concessions include frozen, shelled shrimps, broken rice, fresh grapes, zinc, aluminium oxide and hydrocarbons like paraxylene, polyethylene, polypropylene and benzene, according to a commerce department study

2. Huge Potential In ICT, Aerospace, Healthcare, Agriculture, Infrastructure To Boost Economic Ties With India: Italy

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

Huge potential exists in sectors like information and communications technology (ICT), aerospace, healthcare, agri, infrastructure and transport to boost trade and investments between India and Italy, a top Italian official said on 29 October. Italy's Deputy Minister for Economic Development Michele Geraci said that his government is finalising a programme to attract more foreign investments by cutting red-tape, increasing fiscal incentives, and speeding up the procedures of legal disputes. He said that all these fields would become the main pillars of future economic bilateral cooperation between the two nations.

3. Indian Makes Pitch To Export Rice To China; Urges It To Open Up Its USD 2 Bn Rice Market

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

The world's biggest exporter of rice, on 29 October made a big pitch to export its rice varieties to China and urged it to open up its USD 2 billion rice import market based on an agreement signed between the two nations during Prime Minister Narendra Modi's visit to China in June. A protocol on the exports of non-Basmati Rice from India to China was signed in the presence of Prime

Minister Narendra Modi and Chinese President Xi Jinping during their meeting at Qingdao in June on the sideline of the Shanghai Cooperation Organisation summit.

4. CAD, Rupee Woes: India Increases Size Of Currency Swap With Japan To \$75 Bn

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

In another move by the Modi regime to shore up the rupee and address current account deficit (CAD) woes, India and Japan on 29 October inked an agreement to raise their emergency provision to increase the forex flow up to \$75 billion from the current \$50 billion. Technically called the bilateral currency-swap agreement, this facility will not only enable India to save up to \$75 billion on tap when the need arises, it will also help in bringing down the cost of capital for Indian entities while accessing the overseas market. However, the Reserve Bank of India (RBI) is yet to address the hedging requirement for investment in infrastructure.

5. India May Postpone Duty Hike For 29 US Products By 45 Days A Third Time

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

The government, for the third time, is expected to postpone the deadline for the imposition of higher customs duties on 29 US products, including almond, walnut and pulses, by another 45 days, an official said. The commerce ministry has asked its finance counterpart to extend the deadline for the rollout of duty hike further and a notification in this regard will be issued soon, the official added. The duty hike move by India was in retaliation to US President Donald Trump's March 9 decision to impose heavy tariffs on imported steel and aluminium items. Senior officials of India and the US are in discussions to finalise a kind of trade deal. Both the sides holding two track discussions -- to increase trade in short and medium term, and identify long-term trade potentials.

6. Nitin Gadkari To Lay Foundation Of Rs 1,799 Cr Dry Dock At Cochin Shipyard

Source: Money Control ([Link](#))

Union Minister Nitin Gadkari will on 30 October lay foundation for India's largest Rs 1,799 crore dry dock at Cochin Shipyard, a move that will equip Cochin Shipyard to build specialised and technologically advanced large vessels. The project is expected to be completed by May 2021 and generate employment opportunities for about 2,000 people. Transport and Shipping Minister

Gadkari will also lay foundation stone for three national highway projects in Kerala, costing Rs 1,557 crore. At present, Cochin Shipyard has two dry docks, one predominantly used for ship building of size 255m x 43 x 9m and capacity 1,10,000 DWT and the other one for ship repair of size 270 x 45 x 12m and capacity 1,25,000 DWT. The new Dry Dock is being constructed at a cost of Rs 1,799 crore. It will be 310 m long, 75 m wide, with a depth of 13 m and draught of 9.5 m. The dock will be designed to handle both ship building and repairs.

7. Donald Trump Administration's Policies On H-1B Visas Creating Uncertainties Among Small IT Firms In US

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

The Donald Trump administration has elevated efforts to undermine H-1B programme, creating "unexpected level of uncertainties" among small and medium-size IT companies, a large number of which are owned by Indian Americans, an advocacy group for these firms have said. The policies being implemented by the Trump administration have adversely affected IT businesses, said Gopi Kandukuri, president of the IT Serve Alliance, the largest association of small-medium IT Services organisations in the US.

8. Russia May Invest In DMIC, Smart Cities, Railways, Public Transport: Suresh Prabhu

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

Russia has expressed interest in investing in projects like Delhi-Mumbai Industrial Corridor (DMIC) and smart cities besides railways, and public transport, Commerce and Industry Minister Suresh Prabhu has said. The minister also said that in the November 23 trilateral meeting on International North South Corridor (INSTC), all issues are expected to be resolved in order to operationalise the route as early as possible. INSTC is an initiative taken by India, Russia and Iran to promote transportation cooperation and to enhance connectivity with central Asian countries.

9. India, Japan Ink Pact To Promote Cooperation In Ayurveda, Yoga

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

India and Japan on 29 October decided to cooperate for the first time in the areas of Indian traditional medicinal systems such as Yoga and Ayurveda to provide holistic healthcare and wellness in both the countries. The Memorandum of Cooperation (MoC) between India's Ministry

of AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy) and the Kanagawa Prefectural Government was signed during the ongoing Prime Minister Narendra Modi's visit to Japan. The MOC will also complement another MoC to promote cooperation in the areas of National Health Protection Mission.