

Daily Economic News Summary: 3 October 2018

1. India Likely To Clinch The S-400 Triumf Deal

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

India will become the second country in the world to have S-400 Triumf advanced air defence missile system from Russia which is expected to be inked during the Indo-Russia annual summit later this week. It is expected to be announced in the presence of Prime Minister Narendra Modi and Russian President Vladimir Putin and it will be big boost to the bilateral relations. In December 2015, The Defence Acquisition Council under defence minister Manohar Parrikar had cleared the purchase of \$ 5.5 bn S-400 Triumf advanced air defence missile system from Russia through government to government route.

2. Modi Govt's Twin Target: Support Sugar, Cut Oil Import Bill With Ethanol. Here's Latest Step

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

The government has decided to raise the amount of subsidised loans to sugar mills to expand their ethanol production to Rs 6,139 crore, up 38% from Rs 4,440 crore announced earlier, an official source told FE. The lure of subsidised loans and a recent hike in prices of ethanol meant for blending with petrol, have prompted dozens of sugar companies to plan capacity expansion to produce more ethanol. As many as 114 sugar units belonging to various companies have been selected by the food ministry to avail of the subsidised loan.

3. Women Rule Financial World! IMF, World Bank, OECD All Have Female Chief Economists Now

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

With the appointment of Kolkata-born Indian-American economist Gita Gopinath as the first female Chief Economist of International Monetary Fund (IMF), women are the big bosses now. It is not just IMF which has named a female as its chief economist. In April, the World Bank Group also appointed Pinelopi Koujianou, Elihu Professor of Economics at Yale University, as the chief economist. Later in June, Laurence Boone, then chief economist at insurer AXA and a former

adviser to President Francois Hollande, was appointed as the chief economist at Organisation for Economic Co-operation and Development (OECD).

4. Modi Pitches For A Global Electricity Grid At First ISA General Assembly, Opens It Beyond Tropics

Source: Livemint ([Link](#))

Prime Minister Narendra Modi pitched for a global electricity grid while inaugurating the first general assembly of the International Solar Alliance (ISA) on 2 October. He also announced the “universalization” of membership for the first treaty-based international government organization headquartered in India that will help provide a platform for climate justice. India will move the proposal to make all United Nations members eligible for ISA membership in the assembly, Modi said while also inaugurating the second Indian Ocean Rim Association renewable energy ministerial meeting, and the second global renewable energy investment meeting, which was also attended by United Nations secretary-general António Guterres.

5. Russian Sovereign Fund To Invest In Indian Infrastructure

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

Russian Direct Investment Fund or commonly known as RDIF – Russia’s sovereign wealth fund (with reserved capital of \$10 billion) has been increasing its footprints in India steadily eyeing to boost infrastructure funding. It was RDIF that along with DP World and Government of India co-founded National Investment and Infrastructure Fund (NIIF). In a wide-ranging interview Kirill Dmitriev, CEO, RDIF tells ET’s Dipanjan Roy Chaudhury that RDIF will sign two key deals at this annual summit on 5 October-one deal with NIIF to jointly invest in port and logistics; second deal - joint investment in mineral fertilisers.

6. Ministries Seek Suresh Prabhu’s Help To Boost Exports

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

The department of defence production has sought the commerce department’s help in boosting defence exports from existing Rs 5,000 crore to Rs 35,000 crore while the ministry of electronics and information technology (Meity) has asked it to formulate a strategy to get electronics companies exiting China to invest in India. The requests were made on 1 October when commerce

and industry minister Suresh Prabhu met officials of various ministries to boost exports. The department has identified nine sectors – gems and jewellery, leather, textiles, engineering, electronics, chemicals, pharma, agriculture and marine products – to achieve at least 16% growth in exports in FY 19. India's exports were \$303 billion in 2017-18.

7. Sops For Skimmed Milk Powder Exports Come Under WTO Lens

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

Export incentives given to the skimmed milk powder (SMP) industry by the Centre and the Gujarat and Maharashtra governments, to help ease the glut in the domestic market, are under scrutiny at the World Trade Organization (WTO). “Members including the EU, the US, New Zealand and Australia have asked India to explain how the move was in line with the existing agreement on agriculture of the WTO and the decision to eliminate all export subsidies,” a Geneva-based official, privy to a recent meeting of the WTO's Committee on Agriculture, said. In July, the Directorate-General of Foreign Trade notified 10 per cent export incentive for milk powder, under the Merchandise Export from India Scheme.

8. Solar Alliance To Play OPEC's Role'

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

The International Solar Alliance will take over as the dominant energy policy determining forum from the Organisation of Petroleum Exporting Countries (OPEC) in the future, believes Prime Minister Narendra Modi. Speaking at a ceremony to mark the first assembly of the International Solar Alliance (ISA), Modi said, “ISA will play the role of OPEC in the future. The role, which is played by oil wells today will be taken over by the sun rays. The ISA will meet the energy requirements of the world in the years to come.” The ISA was conceptualised by India and France during the COP-21 conference in 2015. “In three years, this institution has become a treaty based inter-government organisation,” Modi said.

9. Farm Policy Will Be In Sync With Global Rules: India To WTO

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

India has informed the World Trade Organization (WTO) that its proposed national agriculture export policy would be consistent with global trade rules. In a meeting held last week to review

farm policies of various countries, India's proposed policy drew attention owing to concerns over its potential impact on global markets. The policy aims to do away with restrictions such as minimum export prices or outright bans as it seeks to double India's farm exports to more than \$60 billion by 2022. According to India's submission, the financial support provided through various state policies was intended to compensate farmers for marketing, handling, distribution and associated costs, which are allowed by the global trade regulator.

10. 12 Indian Firms In Forbes' Best Regarded Companies List

Source: The Times of India ([Link](#))

Infosys, TCS and Tata Motors are among the 12 Indian companies which feature in a list of the world's best regarded firms compiled by Forbes. Housing finance major HDFC was the only company from India's banking and finance sector to figure in the list and was placed 217th. IT giant Infosys, rival TCS and automaker Tata Motors are among the top 100, at the 31st, 35th and 70th ranks, respectively. Tata Steel, L&T, Grasim, GIC, Mahindra & Mahindra, Asian Paints, SAIL and ITC are the other Indian companies on the list, which evaluates firms on parameters such as trustworthiness, social conduct, and performance of the product or service. Entertainment giant Walt Disney snagged the top spot globally, followed by hospitality major Hilton and Italian carmaker Ferrari.