

Daily Economic News Summary: 08 December 2017

1. India's GDP growth to rise to 7.5 pc in 2018: Morgan Stanley

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

The Indian economy is expected to witness cyclical growth recovery, with real GDP growth likely to accelerate from 6.4 per cent this year to 7.5 per cent in 2018 and further to 7.7 per cent in 2019, says a report. According to global financial services major Morgan Stanley, corporate return expectations and balance sheet fundamentals are improving, and a strengthening financial system should be able to meet investment credit demand. "This sets the stage for a fully fledged recovery in 2018, and we expect real GDP growth to accelerate from 6.4 per cent in 2017 to 7.5 per cent in 2018 and further to 7.7 per cent in 2019," Morgan Stanley said in a research note.

2 Pressure on India as 15 countries seek e-commerce talks at WTO

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

Days after India submitted a document opposing any talks on cross-border digital trade at the World Trade Organization (WTO), the EU, Canada and Australia, among others, have upped the ante and proposed negotiations on the trade aspect of e-commerce. In a proposal made on Tuesday, a group of 15 countries has explicitly asked the WTO for a mandate to negotiate the terms and frame rules for disciplines in e-commerce. "More pressure is being built as these countries have talked about a mandate to negotiate and not merely discuss disciplines in e-commerce," said a person aware of the development. India has maintained that e-commerce per se may be good for development but it may not be prudent to begin talks since many countries don't fully understand the implications of negotiating binding rules and hence opposed any talks on the matter. However,

as per the person, this development will need a valiant effort by India” to resist pressure to allow negotiations at the ministerial in Buenos Aires from December 10 to 13.

3. Telcos to be roped in for smart meter connectivity in Uttar Pradesh and Haryana

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

Leading telecom players Airtel, Vodafone, Idea and BSNL are being roped in for providing connectivity as part of the government tender for 5 million smart meters to be deployed across Uttar Pradesh and Haryana, two people familiar with the development said. Interestingly, Mukesh Ambani-backed Reliance Jio is out of the picture. “The technology being used for the smart meters is very rudimentary,” said an industry source aware of the developments. “Naturally, if the meter itself does not support 4G, Jio will not be approached,” the person said. A smart meter is a new kind of electricity meter that can automatically send meter readings to the power supplier for billing and help consumers better understand their energy usage. A smart meter is a new kind of electricity meter that can automatically send meter readings to the power supplier for billing and help consumers better understand their energy usage.

4. India will soon have 150 to 200 operational airports: Jayant Sinha

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

More than 150 more operational airports would come up across India in coming few years including three airports in J&K, promised union minister Jayant Sinha, during his visit to Srinagar on 08.12.2017. The Aviation industry in India, Sinha said would soon be one of the biggest sectors in India, and it is already fetching revenue almost equal to Indian Railways and Telecom Industry. The minister also announced that night landing facilities at Srinagar airport will come up soon and direct flights to Dubai and Kaula Lampur would be operational within six months. In an attempt to boost tourism sector in Valley, Sinha said that direct flights to cities like Ahmedabad, Bangalore,

Chennai and Kolkata would also be made operational. Sinha was talking to young entrepreneurs in Srinagar at a function organized by Foundation for Resource Development and Education led by BJP leader Khalid Jehangir. J&K finance minister Haseeb Drabu also addressed the gathering.

5. India's new envoy invites Chinese investments

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

India's new envoy to China Gautam Bambawale has invited firms from the world's second largest economy to invest in the country, citing heavy sales being registered by Chinese mobile phone manufacturers. Being the sixth largest economy with the size of USD 2.5 trillion, growing at the rate of 7 to 8 per cent, India offers a huge market and several business opportunities, he said. "We believe that many Chinese companies are well suited and well positioned to take advantage of the large and growing Indian market," Bambawale said at a seminar on 'Investment Opportunities in India' here yesterday. "Chinese mobile phone maker OPPO has just announced that its sales revenue in India in fiscal 2016 grew by 750 per cent, thereby making it a very significant player in India's mobile phone market. I need not say more," Bambawale said.

6. Four-fold increase in paddy procurement in UP

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

Marking a four-fold increase in paddy procurement, the Uttar Pradesh government today informed that it has procured 14.49 lakh tonnes paddy for Rs 2,250 crore, thus benefiting 1,68,112 farmers. This was conveyed by Chief Secretary Rajive Kumar at a meeting here with Food Corporation of India (FCI) Chairman and Managing Director Yogendra Tripathi and other top FCI officials on procurement and storage of paddy in the state. Tripathi informed the chief secretary that the FCI had opened 132 centres for procurement of paddy. FCI Managing Director Divya Prakash Shukla said the government was monitoring purchase of paddy by private players.

7. Wassenaar Arrangement decides to make India its member

The Hindu Businessline ([Link](#))

In a significant development, elite export control regime Wassenaar Arrangement (WA) today decided to admit India as its new member, which is expected to raise New Delhi's stature in the field of non-proliferation besides helping it acquire critical technologies. The decision was taken at the two-day plenary meeting of the grouping in Vienna. "Wassenaar Arrangement participating states reviewed the progress of a number of current membership applications and agreed at the plenary meeting to admit India which will become the Arrangement's 42nd participating state as soon as the necessary procedural arrangements for joining the WA are completed," the grouping said in a statement. India's entry into the export control regime would enhance its credentials in the field of non-proliferation despite not being a signatory to the Non-Proliferation Treaty (NPT). The WA membership is also expected to build up a strong case for India's entry into the 48-member Nuclear Suppliers Group (NSG).

8. WTO Ministerial: Prabhu has a battle on his hands

Source: The Hindu Businessline ([Link](#))

Commerce & Industry Minister Suresh Prabhu, who has left for Buenos Aires for the Eleventh Ministerial Conference (MC 11) of the World Trade Organisation beginning on Sunday, is readying to fight a diplomatic battle to protect farmers, traders and the industry. India, which is primarily focussed on a satisfactory permanent solution on public stock holding subsidies at the Ministerial, has decided to take the bull by the horn by organising a delegates briefing on food security at Buenos Aires to garner popular support. "The objective behind the briefing is to draw attention to the unfairness of existing rules on agriculture that put a limit on the support developing

countries can extend to its farmers through minimum support prices. We want to mobilise public opinion in favour of removing such limits,” a government official told BusinessLine.

9 India-Japan tech tie-up brought Maruti, Metro, now bullet train: S Jaishankar

Source: The Indian Express ([Link](#))

India’s technological partnership with Japan, which has resulted in Maruti Suzuki cars and Metro rail systems in many cities, will now witness a third upgrade in the form of the high-speed rail system or bullet trains, Foreign Secretary S Jaishankar said Thursday. Speaking at the Global Technology Summit 2017 organised by Carnegie India, Jaishankar said Japanese thinking on partnership with India has evolved to a stage where a larger and stronger Indian economy is seen as being in Japan’s strategic interest. “Japan was responsible for two major technological upgrades in India — the Maruti and Metro — which had ripple effects on other sectors. It is no exaggeration to say that they helped change the modern Indian mindset and lifestyle,” the Foreign Secretary said during a session on Technology Diplomacy: Prospects for India and Japan.