

Daily Economic News Summary: 6 November 2019

1. In strategic shift, India mulls a trade agreement with US after RCEP pull out

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

A day after opting out of the China-backed RCEP (Regional Comprehensive Economic Partnership), the government said on 5 November it was exploring an agreement with the US, a move many see as a strategic shift. "At present, India is exploring trade agreements with the USA and the European Union, where Indian industry and services will be competitive and benefit from access to large developed markets," commerce and industry minister Piyush Goyal said. For years, India has shot down suggestions of a free trade agreement with the US and had denied that there was any move when President Donald Trump hinted at it in a tweet a few months ago.

2. Now, FM Nirmala Sitharaman hints at booster dose for real estate sector

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

Finance minister Nirmala Sitharaman on 5 November said the government and Reserve Bank are working to resolve the issues being faced by realty sector. Admitting that realty sector has been left out of the booster measures announced earlier, she said the sector has a spillover effect on many sectors, especially the core sector. "The government is very keen and is working very clearly together with the RBI to see how best we can, where necessary, tweak the existing norms to help the people who are affected in the realty sector," she said at an NSE event. It can be noted that after the July budget roiled the market and business sentiment, the government has rolled back many of the tax measures and also went to the extent of drastically cutting corporate tax to 22 percent--making the biggest tax giveaways to the tune of Rs 1.3 lakh crore.

3. 12 champion services to build Brand India; Piyush Goyal says, govt will select high-performers

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

Minister of Commerce and Industry & Railways Piyush Goyal said to increase the contribution of the services sector in the economy, the government will support well-performing sectors in the services industry to enable them to grow and expand. Twelve such sectors will be selected to be promoted and Brand India will also be developed for them. Piyush Goyal highlighted that the

services sector will contribute USD 3 trillion out of the USD 5 trillion economy that India is set to grow to. Speaking at the event of the 5th Global Exhibition on Services, Piyush Goyal asked Services Export Promotion Council (SEPC) and Confederation of Indian Industry (CII) to focus on tourism and other sectors such as legal services, financial and accounting services apart from IT and ITeS so that a bouquet of services covering wider areas can be offered to consumers.

4. India attends China's biggest import expo as 'Guest of Honour Country'

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

Making a strong pitch for increasing its exports to China to reduce the trade deficit, India on 5 November took part in China's 2nd International Import Expo (CIIE) where it has been accorded the status as the "Guest of Honour Country". An Indian delegation headed by Commerce Secretary Anup Wadhawan took part in the import expo which is aimed at enabling countries from the world over to showcase products to enhance their exports to China. China's total imports last year amounted to USD 2.14 trillion. In this year's expo inaugurated by Chinese President Xi Jinping, India is among the fifteen nations given the symbolic designation of "Guest Countries of Honour". The other countries are Cambodia, the Czech Republic, France, Greece, Italy, Jamaica, Jordan, Kazakhstan, Malaysia, Peru, Russia, Thailand, Uzbekistan, and Zambia. A number of European leaders, including French President Emmanuel Macron, took part in the import expo, which is being held from November 5 to 10 for businessmen.

5. Amazon to e-tail Haldiram's delicacies in US

Source: Livemint ([Link](#))

Indian savoury and confectionary major Haldiram's signed up for Amazon's global selling program to e-tail its delicacies in the United States, the company said on 5 November. "We want to further expand our presence amongst our global customers. Collaborating with Amazon's global selling program allows us direct access to the American market," said Haldiram's snacks managing director Pankaj Agarwal in a statement. The agreement with the e-commerce powerhouse will catapult the Indian snacks major to expand and make inroads in the American market, and discover millions of new buyers. Interestingly, the United States accounts for 40% of the company's exports. "Through the global selling program, we offer them (Haldiram's) end-to-end solutions for quality made in India products among global consumers," said Amazon India global trade head Abhijit Kamra.

6. In massive crackdown on fraud, CBI searches 169 places across India

Source: Livemint ([Link](#))

Amid its ongoing probes into several high-profile cases of bank frauds, the Central Bureau of Investigation (CBI) on 5 November launched a massive crackdown at 169 places across India with alleged links to cases of financial crimes worth a total of ₹7,200 crore. The agency's crackdown comes against the backdrop of its current probes against several financial and white-collar crimes, including the Punjab National Bank (PNB) fraud and the ICICI Bank probe. Those questioned include top industry bankers. With the Reserve Bank of India (RBI) recording more than 6,800 cases of bank fraud amounting to ₹71,500 crore in 2018-19 alone, the probe agency on 5 November said that the searches were based on complaints by the State Bank of India (SBI), PNB, Andhra Bank, Oriental Bank of Commerce, Indian Overseas Bank, Allahabad Bank, Canara Bank, Dena Bank, Punjab & Sind Bank, Central Bank of India, Union Bank of India, IDBI Bank, Bank of Baroda, Bank of Maharashtra, and Bank of India.

7. India open for engagement with RCEP nations again if our concerns are addressed:

Piyush Goyal

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

Commerce and Industry Minister Piyush Goyal indicated that India is open for negotiations if the member countries of RCEP would come up with a better offer which can address concerns and provide greater market access for the domestic industries. He, however, said that for the present it is the final decision of the government that India will not join the China-backed mega free trade agreement-Regional Comprehensive Economic Partnership (RCEP). Prime Minister Narendra Modi in Bangkok on 5 November said that India will not join the RCEP deal as negotiations failed to address New Delhi's "outstanding issues and concerns". As many as 16 countries - 10 nation bloc ASEAN and its six trading partners including India -- were negotiating the mega free-trade pact RCEP.

8. Rajnath Singh urges Russian defence industries to jointly manufacture in India

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

Union Minister Rajnath Singh called upon the Russian defence industry to work jointly to modernise India's defence platforms and manufacture equipment to give a massive boost to the two nations' exports to third countries. The defence minister said the Indian government is encouraging Original Equipment Manufacturers (OEMs) to make use of the 'Make in India' initiative. Singh was addressing the CEOs of OEMs from the Russian defence industry after

jointly inaugurating the 'India-Russia Defence Industry Cooperation Conference' with Russian Minister of Industry and Trade Denis Manturov in Moscow. He urged industry leaders to make use of the significant economic reforms undertaken by the government under the leadership of Prime Minister Narendra Modi to improve ease of doing business and opening up the defence manufacturing sector for foreign participation.