

Daily News Monitor: 9 October 2020

1. PM Modi invites Canadian businesses to invest in education, agri, manufacturing sectors

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

Prime Minister Narendra Modi on 8 October had sold his government's latest labour and agriculture reforms, saying they will make doing business in India easier as also give farmers the right to choose their market. With its vibrant democracy, political stability and business-friendly policies, India offers an unparalleled investment destination for foreign investors, he said in his keynote address at the annual Invest India Conference. The conference is organised with a special focus on further strengthening business ties between India and Canada. The government, he said, has implemented reforms in key sectors of education, agriculture and labour with a view to improving participation of the private sector.

2. Piyush Goyal rolls out red carpet for American investors, woos US businesses with low corporate tax, reforms

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

Commerce and industry minister Piyush Goyal has called upon American businesses to look at India as their next investment destination. Addressing India Chamber of Commerce USA's Summit on global financial and investment leadership on Wednesday, he said the bilateral trade target of USD 500 billion in the next five years is "eminently doable. We are moving from red-tape to red-carpet. We are moving out of the shackles of the past into a more open and liberal foreign investment destination," he said. The bilateral trade between the two countries grew from USD 126 billion in 2017 to USD 145 billion in 2019. Wooing American investors, the minister said India is looking at logistics reform to bring down the cost of logistics and doing several tax reforms.

3. Google Pixel 4a launched in India; takes on iPhone SE and OnePlus Nord at a special price of Rs 29,999

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

Google has officially launched the Pixel 4a and Nest Audio in India. Pixel 4a India price is Rs 31,999 while the Nest Audio will retail at a price of Rs 7,999. For a limited period however, Google will be selling the Pixel 4a and Nest Audio in India at special launch price of Rs 29,999 and Rs 6,999, respectively. Both the products will go on sale for the first time on October 16, during Flipkart's Big Billion Day promotional event. Google says Nest Audio

will also be available from retail outlets across the country at Reliance Retail and Tata Cliq soon. Pixel 4a will continue to be sold from Flipkart.

4. Double-digit rise in exports helps India nearly halve trade gap with China

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

India's robust double-digit exports growth to China, coupled with sharp contraction in imports, nearly halved the trade gap between the two trading partners in the first five months of the current fiscal year (2020-21, or FY21) over the same period of 2019-20 (FY20). The restriction on imports from China, along with the Atmanirbhar Bharat campaign, has shrunk India's trade deficit with the neighbouring country to \$12.6 billion between April and August of FY21, from \$22.6 billion in the year-ago period. India's trade deficit with China stood at \$23.5 billion in the corresponding period of 2018-19 and at \$26.33 billion in 2017-18. Exports to China saw sustained double-digit growth for the fourth straight month in August, led by eightfold rise in iron and steel shipments. In the April-August period, outbound shipments to Beijing expanded 27 per cent, compared to 9.5-per cent expansion in the same period last year. Imports contracted 27 per cent in the first five months to \$21.5 billion and shrunk 21 per cent in August alone.

5. World Bank ups FY21 GDP contraction forecast for India to 9.6%

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

The World Bank has trebled its projection of contraction in India's gross domestic product (GDP) in 2020-21 — from 3.2 per cent earlier to 9.6 per cent — especially in the wake of lockdowns and a decline in household income. While it saw half the households in the country as vulnerable to shocks, it said the government's recent reforms as part of its safety net programmes should help preserve its gains against poverty. The projection, in the World Bank's "South Asia Economic Focus", released on Thursday, is more or less in line with what other economists have said but a shade better than the double-digit decline forecast by many. The report said there was uncertainty over the course and duration of the pandemic, the speed at which household and firm behaviour would adjust to the lifting of lockdowns, and a possible new round of countercyclical fiscal policy.

6. Basmati rice exporters from India are renegotiating with importers from Australia, Canada and the US

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

Basmati rice exporters from India are renegotiating with importers from Australia, Canada, the US and western Europe the new contracts to be signed by mid-October after a overseas cargo rates climbed about 50% over the past one month. Freight rates have gone up from

\$1200 to \$1800 per tonne. However, exporters say that even if they renegotiate with importers, they will not be able to recover the entire price hike in cargo. Also, the prices of the common variety of basmati rice, Pusa 1121, have fallen about a fifth compared to last year after shipments to Iran were halted because of non-payment of dues by the importers concerned.

7. Foreign airline flights will not be allowed at expense of Indian ones: Puri

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

Civil Aviation Minister Hardeep Singh Puri on 8 October said the time has come to send a loud and clear message that foreign airlines' flights will not be allowed at the expense of Indian airlines. On September 28, Lufthansa had to cancel its flights between India and Germany from September 30 to October 20 as the DGCA withdrew permission for them saying there are restriction on Indians who want to travel to Germany and this puts "Indian carriers at a significant disadvantage resulting in inequitable distribution of traffic in favour of Lufthansa". During a press conference, Puri said, "The issue is not about allowing foreign carriers in or not. We are all for foreign carriers operating here. Make no mistake. But I think the time has come for the message to go out loud and clear that it will not be done at the expense of the Indian carriers."

8. RBI sees economy shrinking 9.5% this fiscal, announces fresh measures to arrest the downtrend

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

In a grim message for the economy, RBI governor Shaktikanta Das said at the central bank's monetary policy meet that India's GDP for FY21 is likely to contract 9.5%. There may be a strong rebound following that, Das added on a note of cautious optimism. Contraction in economic growth of the size of Q1 is behind us, he said while emphasising that some silver linings are already visible. To drive his point home, he highlighted the uptick in manufacturing sector and energy consumption, among others.