

Daily Economic News Summary: 05 October 2017

1. Government may hike import duty on wheat to 20-25 per cent

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

The government is likely to raise import duty on wheat to 20-25 per cent from 10 per cent to curb cheap shipments and give positive price signal to farmers who will start sowing winter crop after the Diwali festival, an official source said. In March, the government had imposed 10 per cent import duty on wheat to contain sharp fall in local prices in view of bumper crop of 98.38 million tonnes in 2016-17 crop year (July-June). As farmers start planting of rabi (winter) wheat crop from end of this month, the government wants to give positive price signal and encourage farmers to grow wheat in more area, the source said.

2. Indian services activity returns to growth in September: PMI

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

Services sector activity in India expanded for the first time in three months in September as it rebounded from GST-related contractions, driven by a surge in new business orders that supported job creation, a monthly survey said on 05.10.2017. The Nikkei India Services PMI Business Activity Index rose to 50.7 in September -- from 47.5 in August -- a reading that pointed to a slight pace of expansion. In PMI parlance, a print above 50 means expansion while a score below that denotes contraction.

3. ADB \$500 million funding soon for private sector infrastructure in Asia and Pacific

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

Asian Development Bank (ADB) today said it is actively processing USD 500 million (about Rs 3,275 crore) as debt and equity funding for private infrastructure projects in countries, including India and Pakistan. Further, the ADB said it has approved two projects worth over USD 210 million in debt financing from the co-financing arm Leading Asia's Private Infrastructure Fund (LEAP) in its first year of operation. "ADB is actively processing over USD 500 million of LEAP debt and equity transactions for private infrastructure throughout the region. "This includes potential projects in India, Indonesia, Myanmar, Pakistan, the Philippines, and Thailand," the Manila headquartered multi-lateral lending agency in a statement.

4. Bangladesh signs \$4.5 billion loan deal with India

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

Bangladesh on 04.10.2017 signed USD 4.5 billion third line of credit (LoC) agreement with India for its infrastructure and social sector development. The agreement was signed in the presence of Finance Minister Arun Jaitley and his Bangladeshi counterpart A M A Muhith after the two leaders held talks here.

The new Indian line of credit, worth a staggering USD 4.5 billion, will be used to fund 17 major projects in Bangladesh, which include electricity, railroads, roads, shipping and ports. As with previous LoC agreements, Bangladesh will pay an interest rate of 1 per cent a year. It will have 20 years to pay back the loans, with a grace period of five years.

5. Mylan gets USFDA nod for multiple sclerosis drug

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

Natco Pharma shares on Wednesday gained ₹159.05 apiece to hit the upper circuit limit of 20% on the back of USFDA approving marketing partner Mylan's application for generic version of Teva's Copaxone that is used in the treatment of multiple sclerosis (MS). The FDA has approved the products as therapeutic AP-rated equivalents to Copaxone, meaning if they are substituted for their

branded counterpart they can be expected to have the same clinical effect and safety profile, Mylan N.V. said in its announcement late on 03.10.2017 evening.

6. Urban focus helps Hershey to turn the tide

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

A new business strategy and change in market focus proved beneficial for Hershey in India, a top company official said. Hershey, which entered India in a joint venture with the Godrej Group in 2008, exited the JV in 2012 and reworked its strategy. Hershey India Pvt. Ltd. is the wholly owned subsidiary of The Hershey Company, the United States's biggest chocolate major and the world's fourth largest confectioner.

7. Wipro Digital to acquire Cooper for Rs 55.4 crore

Source: Live Mint ([Link](#))

Wipro Digital, the digital business arm of IT major Wipro, on Thursday said it will acquire Cooper, a design and business strategy consultancy company for \$8.5 million (approx Rs 55.4 crore). The acquisition of US-based Cooper, which will become a part of Designit, will further strengthen Wipro's design and innovation capabilities, it said in a statement. The deal is expected to close in the third quarter of this fiscal, subject to customary closing conditions.

8. RBI to allow interoperability in prepaid payment instruments

Source: Live Mint ([Link](#))

The Reserve Bank of India (RBI) will allow interoperability among 'know your customer'-compliant prepaid payment instruments (PPI), including mobile wallets, within six months of issuing revised rules, in an attempt to make electronic payments seamless. The new rules are expected by 11 October. Currently, a person who has a Paytm wallet, for example, can't make a payment from his wallet to one run by a rival company. That will change after the new rules are introduced. "This will be a major game changer primarily for the merchants with physical outlets who have to go through the process

of sign-ups for different wallets that they accept payments from,” said Sunil Kulkarni, joint managing director at Oxygen Services (India) Pvt Ltd, an e-wallet and payment solutions company.