

## Daily Economic News Summary: 7 December 2016

### 1. Centre mulls scrapping wheat import duty to boost supplies

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

The Centre is mulling scrapping import duty on wheat to boost domestic supplies amid rising prices and concerns about the 2016-17 wheat crop in view of IMD's forecast of warmer winter. The government had in September lowered wheat import duty to 10 per cent from 25 per cent till February. Private traders have imported 1.72 million tonne (MT) wheat so far and total inbound shipments are expected to cross 2 MT this year. "The Food Ministry has proposed zero import duty on wheat in order to improve domestic availability and control prices. The PMO and Finance Ministry have started deliberating on this proposal seriously," a source said. A decision on this is likely to be taken soon, he added.

### 2. India Post, SBI to help 'Mahila E-haat' expand operations

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

The Women and Child Development Ministry has tied up with India Post and State Bank of India to offer more payment options to buyers and simplify shipping of products bought from "Mahila E-haat", an online marketing platform for women entrepreneurs. SBI users can avail multiple options for making payments such as draft, cheque, e-banking and e-wallet through "SBI Buddy" application. SBI customers abroad can make use of "SBI Global". Also, one can take advantage of options like "general insurance" for insuring the item being couriered. The tie-up with India Post will help women selling products on the forum locate the nearest post office for shipping purposes. The entrepreneurs can also enter a vendor agreement with India Post, which will help them get a discount on bulk consignments. "Mahila E-haat", launched in March, was set up for the socio-economic empowerment of women and sellers can register their products on the platform without having to pay any listing fee. Around 251 vendors have registered themselves with the forum. They have a network of nearly 1700 self-help groups that put up their products for sale.

### 3. ABB well positioned for a clean energy future in India

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

[ABB](#) has recently won an order from Alstom to supply 1,600 traction transformers for 800 new electric freight locomotives in India. The new locomotives will expand Indian Railways' capacity, easing congestion. [ABB](#) has a host of solutions and technology products for railways, including the track-side transformers. [Renewable energy](#) is another area where we could add value to the Indian Railways. Digital substation, which brings in enormous efficiencies in terms of cabling, reduced installation phase, and operational cost reductions could be looked at in future. Approximately 50% of all solar energy generated in [India](#) passes through ABB's equipment. ABB's solar offering includes inverters, low-voltage products, monitoring and control systems, grid connection, stabilisation and integration products, SCADA, relays and transformers. From power plants, integration of solar power in the grid, to rooftop commercial and residential building applications and remote location applications for microgrids – each of the areas outlined provide a huge opportunity in terms of local manufacturing and supply. Renewables contribution to order book has increased from 2 per cent in 2014 to 15 per cent in 2015. [ABB](#) has been a part of the Indian power landscape for several decades with the technology portfolio delivering projects across the energy spectrum. [ABB](#) is building the world's first multi-terminal ultra-high voltage direct current (UHVDC) link to bring hydel power from the north east to Agra to serve 90 million Indians. [ABB](#) is well-positioned having already executed India's first and largest SCADA system for feeder level monitoring with 40,000 devices including transformers, circuit breakers and isolators in Karnataka. We have designed, engineered and implemented another state-of-the-art SCADA/DMS system for discoms in the NCR. The SCADA/DMS remotely monitors the health of the distribution networks in real time and covers all the grid stations and expanded to cover the 11kV transformers and feeders and aims to reduce fault restoration time by up to 60 per cent.

### 4. Travel firms offer EMI, cashback options to lure customers

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

Travel firms are luring customers with discounts and cashless payment options to tide over the weak consumer sentiment this winter. MakeMyTrip is giving attractive discounts on air tickets, packages and cashback on hotel bookings in a three-day sale beginning Tuesday. "As a company we have been focused on driving customers to shift from offline to online for their travel bookings," said Rajesh Magow, chief executive officer, MakeMyTrip. Rival portal Yatra

is promoting EMI holidays (holidays booked with equated monthly installments). While this option has been available in the market for few years, there are few takers till now. But, now companies are hopeful it will do well as consumers are deferring their purchases due to cash crunch, thanks to Narendra Modi government's demonetisation move. "We feel EMI holiday products should pick up now," said Sharat Dhall, president, Yatra.com "We are back to growth after few days of a decline in transactions," Dhall said and added that there was an increase in traffic to places in northeastern states in domestic travel space and Vietnam and Cambodia for international holidays. Foreign tourism boards including those of South Africa and the Netherlands are seeing 25-30 per cent growth in arrivals from India this year.

#### **5. BSNL records six-fold jump in operating profit at Rs 3,855 cr in FY16**

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

State-owned Bharat Sanchar Nigam Ltd (BSNL) has reported nearly six-fold jump in operating profit during 2015-16 at Rs 3,855 crore from Rs 672 crore in the preceding fiscal, while revenue from operation turned out to be highest in the last five years. BSNL's revenue from operation rose 4.4 per cent to Rs 28,449 crore during financial year ended March 2016, sources told PTI citing the latest audited financial statement of the telecom corporation placed at the AGM last week. Sources said that the PSU saw an acceleration in the mobility business during 2015-16 when 25,000 towers were installed, leading to strong addition of customers and higher revenue from the mobile segment. While the enterprise segment grew 28 per cent, the landline segment, including fixed line and broadband grew by about 2 per cent, and mobile segment grew by 8 per cent, they pointed out. The growth in income and ability to contain expenditure in salary, administrative, employee remuneration and other benefits, helped in growing Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) to Rs 3,855 crore in 2015-16 from Rs 672 crore in 2014-15.

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