

Daily Economic News Summary: 9 March 2017

1. Ban on Vietnam coffee imports will hit India's re-export

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

India's move to ban farm product imports from Vietnam on phytosanitary issues will hurt the exports of value-added instant coffees from the country, exporters said. Instant coffee makers in India such as Tata Coffee, CCL Products and Nestle India, among others, depend on Vietnam for cheaper robusta imports and re-export the same after value-addition here. Vietnam is a major producer of the robusta variety. The low-priced imported robustas are converted into soluble coffees such as instant and freeze-dried coffee and re-exported mainly to Russia and other European countries. Instant coffees, in terms of green bean equivalent, accounts for about a third of India's coffee exports. "The ban on imports can potentially derail India's instant coffee industry and hurt the exports of soluble coffees," said Ramesh Rajah, President of the Coffee Exporters Association. The coffee industry has been caught off guard by the Union Agriculture Ministry's move to ban six farm products, including coffee and pepper, on concerns over phytosanitary issues, with effect from March 7. India's move comes close on the heels of Vietnam announcing its intent to suspend imports of Indian peanuts, cassia seeds, cocoa beans, harricot beans and tamarind over phytosanitary issues.

2. Delhi govt slashes VAT on jet fuel to 1% from 25%

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

The Delhi government's Budget proposal to slash VAT on aviation turbine fuel to 1 per cent from 25 per cent for flights headed from the Capital to 'regional' airports has been welcomed by domestic airlines and the logistics industry. The State government's proposal will aid the Centre's Regional Connectivity Scheme (RCS), which seeks to connect big cities to smaller, 'regional' airports. Terming the decision a "welcome move", SpiceJet CMD Ajay Singh said the move will help reduce costs, which in turn would help bring down fares to smaller airports. "We support all initiatives that help reduce fares for our customers," Singh said. While welcoming the move, IndiGo Airlines President Aditya Ghosh urged that the tax-break be broadened to all air travel out

of Delhi. “It will allow IndiGo to provide even more affordable air travel to millions of our customers out of Delhi, which is our biggest base of airplanes,” he said.

3. Ministers to brainstorm policy for an all-electric vehicle future

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

India’s dream of an all-electric vehicle fleet by 2030 will receive a fillip this week, with finance minister Arun Jaitley expected to chair a meeting that will be attended by other key ministers, to help formulate an electric vehicle (EV) policy, according to four people in the know. Road transport and highways minister Nitin Gadkari, heavy industries minister Anant Geete, environment minister Anil Dave and minister for power, coal, new and renewable energy and mines Piyush Goyal are expected to attend the meeting, said two of the people, both government officials, who asked not to be identified. The effort is being driven by the Prime Minister’s Office, the two officials added. Spokespersons for the five ministries did not respond to request by *Mint* for comment. *Mint* learns that the initiative, which envisages all passenger and commercial vehicles in India being powered by electricity by 2030, may, in the first stage, see the creation of standards and specifications.

4. Three Indian firms among the 50 most promising start-ups in the world

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

Two Artificial Intelligence (AI) firms—Mihup Communications and Mad Street Den—and online fashion rental Flyrobe (Omapal Technologies) from India figure in a *Bloomberg* list of the world’s 50 most promising start-ups. The report, titled *The 50 most promising start-ups that you’ve never heard of*, was compiled by market researcher Quid. Imagine yourself browsing one of the over-the-top content apps. You want to figure out if a certain movie is available for viewing. You can type it out, but feel a bit too lazy. You say the name. And the movie pops up on the screen. This is what exactly Mihup Communications Pvt. Ltd, a company that is building a platform for speech-to-text recognition, enables. In the process, it has dared to compete with Amazon’s Alexa and MindMeld Inc. Mihup—a brainchild of Tapan Burman, Biplob Chakravorty, Sandipan Mandal and Sandipan Chattopadhyay, who was earlier chief technology officer at JustDial—was set up in June last year. Burman, Chakravorty and Mandal had earlier founded Nectar Consultancy Services

in Kolkata, a firm that provided responses to SMS queries from consumers, before devoting themselves to create a “man-machine interface” in vernacular languages.

5. Google to train SMBs in digital tech

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

Google India on Wednesday launched 'Digital Unlocked' training for small and medium (SMBs) here. "In India, consumers are moving faster than businesses, which is a challenge as well as an opportunity," Kevin O'Kane, Managing Director, Marketing Solutions, Google - Asia-Pacific told newsmen at a press conference. Google will be conducting 5,000 training workshops for SMBs across 40 cities India over next three years, he added. "We will be investing heavily in helping small businesses and start-ups to benefit from digital technology," Rajan Anandan, Vice-President, India and South-East Asia, Google, told newsmen at a press conference. Citing the findings of a joint research study with KPMG, Anandan said 68 per cent of 51 million Indian SMBs were offline. Rising penetration and uptake for digital by SMBs could help increase their contribution to GDP by 10 per cent, taking it up to 46-48 per cent by 2020, he added.

6. IISc Bangalore ranked 8th in World's Best Small Universities ranking

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

The Indian Institute of Science, Bangalore (IISc) is the eighth best small university in the world, UK's Times Higher Education (THE) said. IISc is also the first and only institute from India to make it to the top 10 in these rankings. The World's Best Small Universities 2017 ranks universities with less than 5,000 students and teach and research across more than four disciplines. Only universities that find a place in Times Higher Education's World University Rankings (WUR) 2016-17 were eligible to be considered. According to the ranking, IISc Bangalore has 3,398 students. It featured in 201-250 range in the WUR 2016-17 rankings. In 2016, two Indian institutes – Indian Institute of Technology, Guwahati, and Savitribai Phule Pune University—were ranked 14th and 18th respectively in the list.