

Daily Economic News Summary: 13 December 2018

1. Govt Vs RBI: Section 7 Sword Still Hangs Over RBI

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

The fear of binding directives to the Reserve Bank of India (RBI) to follow the government's diktat on vexed issues under the powerful Section 7 of the RBI Act hasn't yet dissipated, despite the resignation of Urjit Patel and the appointment of Shaktikanta Das as the new central bank governor. The finance ministry is learnt to be in no rush yet to convey its disinclination to issue any directive under Section 7, invoking which it had sought consultations with the RBI earlier this year in an unprecedented move. This section gives the government the power to seek mandatory consultations with the central bank on any issue and, if necessary in public interest, give binding orders.

2. US Commerce Secretary To Visit India In February For Commercial Dialogue

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

US Commerce Secretary Wilbur Ross has said that he will visit India in February to attend the bilateral commercial dialogue and the Trump administration is sending a major trade mission to the country next year. Noting that India is held in great esteem in the US, Ross said the Trump administration wants to continue to build on the commercial ties that exists between the two vibrant democracies. Ross said the Commerce Department will be hosting a major trade mission to India in 2019. In May of next year, the Department's Indo-Pacific trade wings foreign admission will travel through India, he said adding that New Delhi is now the key partner in America's country's new Indo-Pacific strategy.

3. 9 States Achieve 100% Household Electrification Under Saubhagya

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

Nine States have achieved complete household electrification under the Saubhagya scheme, according to the Ministry of Power. They are Madhya Pradesh, Tripura, Bihar, Jammu and Kashmir, Uttarakhand, Mizoram, Sikkim, Telangana and West Bengal, a Power Ministry statement said. The Ministry had recently lowered the household electrification target by around 10 million homes, or about one-fourth of the earlier goal. The Power Ministry also said that 31.68

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crore LED bulbs have been distributed under the Unnat Jyoti by Affordable LED for All (UJALA) scheme resulting in estimated cost saving of ₹16,457 crore per year. The estimated energy savings stand at 41.14 billion kWh per year with the avoided peak demand of 8,237 MW and Green House Gas (GHG) emission reduction of 33.32 million tonne of CO₂ a year.

4. PPP Model For Ganga Wastewater Treatment Wins World Bank Sustainable Development Award

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

The Public-Private Partnership for the wastewater treatment plants across the Ganga Basin, which has been supported by the Hybrid Annuity Model of World Bank won the World Bank's Sustainable Development Vice President's Award in 2018. The project took off in 2015 when 2030WRG started collaborating with Ministry of Water Resources, River Development, and Ganga Rejuvenation (MOWR) to develop the PPP project and come up with wastewater solutions in the Ganges basin. Following this a demonstration project was carried out in Mathura and Vrindavan, to study the feasibility and scope of the project. The project in collaboration with the central and state government along with municipality and the stakeholder, collaborated with the local refinery to use the treated wastewater.

5. ITC Along With James Hutton Institute To Introduce New Potato Varieties In India

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

Technico Agri Sciences, a subsidiary of ITCNSE 0.71 % Limited, has entered into an agreement with Scotland-based James Hutton Institute to source 16 new varieties and 600 new clones of potato for trialing and testing in India. These varieties promise to benefit Indian farmers, the potato processing industry as well as help in the tuber exports. The agreement is initially for a period of five years and is extendable. These varieties will grow through a process of R&D and evaluation to identify varieties suitable for growing in India in different states, said a company statement. They will help address the demand of processors and exporters for new varieties and are expected to further improve yields by 15 per cent to 20 per cent and enhance farmer incomes by better realisation.

6. Farm Fresh Ideas Likely To Dominate Interim Budget

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

The upcoming interim budget the last of the current government that's set to be presented on February 1 is likely to focus heavily on rural and farm sector spending. The losses sustained by the ruling Bharatiya Janata Party (BJP) in three crucial Hindi heartland states Madhya Pradesh, Rajasthan and Chhattisgarh are expected to cast a shadow on the budget-making process, which is already underway, said people with knowledge of the matter. The government has already set in motion a plan to double farmers' incomes by 2022. There could be more on that in the budget given that the electoral setback for BJP is being largely attributed to rural distress and farmer anger.

7. Mahindra Electric Signs Pact With Smarte To Deploy 1,000 E-Three-Wheelers In Delhi-NCR

Source: Livemint ([Link](#))

Auto conglomerate Mahindra and Mahindra (M&M) Ltd's electric mobility arm, Mahindra Electric Mobility Ltd, on 12 December signed a memorandum of understanding (MoU) with Goldie Srivastava-led SmartE, one of India's largest electric vehicle fleet operators. As per the MoU, SmartE will deploy the first 1,000 Mahindra Treo and Treo Yaari electric three-wheelers in the New Delhi and NCR region by March 2019, M&M said in a statement. SmartE also plans to deploy a total of 10,000 Mahindra electric three-wheelers across India by 2020, the statement added. The two firms have come together to offer "convenient, affordable and zero-emission last-mile connectivity", in major Indian cities apart from New Delhi, the statement said.

8. Adani Becomes First Generator To Get PPA Amended For Imported Coal-Based Plants

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

Adani Power has emerged the first out of three power generators to finalise the amended power purchase agreement (PPA) for its imported coal-based 4,600 MW Adani Power Mundra Ltd (APML) in Gujarat with the state distribution company Gujarat Urja Vikas Nigam Ltd (GUVNL), three sources privy to the development told *BusinessLine*. "The contract with Gujarat is signed and will have to go through the Central Electricity Regulatory Commission (CERC) approval," one of

the persons said. He added that since AMPL also sells power to Haryana, it is waiting for the State government to go through a similar process that Gujarat government followed.

9. Indo-Japan Chamber In Kerala Moots Joint Ventures With Japanese Firms

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

Indo-Japan Chamber of Commerce Kerala (INJACK) has mooted a proposal to set up joint ventures with Japanese firms for tuna processing in the State, considering the market potential of this particular fish variety in that country. Currently, there is no export of sashmi grade chilled tuna to Japan, which is mainly depending on Sri Lanka and Maldives. Lakshadweep has good presence of yellow fin tuna used for sashmi, but there is need for technical and onboard handling of sashmi grade tuna, said Sajiv K Menon, President, INJACK. However, small but modern vessels with facility for onboard handling of tuna are required. Moreover, attempts to promote sashmi exports from India to Japan is yet to yield results.