

Daily Economic News Summary: 11 April 2016

1. India weighs investing up to \$20 Billion in Iran energy industry

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

India may invest as much as \$20 billion in Iran's energy industry and ports and boost imports of crude from the Persian Gulf nation if it gets favourable terms, India's oil minister Dharmendra Pradhan said in an interview. Indian companies are evaluating opportunities to explore for oil and natural gas, build petrochemical plants and gas-processing facilities and expand ports including the new industrial hub of Chabahar, Pradhan said during a visit to Tehran. The two countries agreed to plan for development of Iran's Farzad-B gas field, with the aim of deciding whether to award a contract to an Indian group by October, according to a copy of the memorandum signed by the ministers and posted on Pradhan's Twitter account. *"We were importing a good amount of oil from Iran in the challenging days, so we will continue to import that amount,"* Pradhan said Saturday. *"That's a business level discussion regarding my companies—if they will be getting good terms they may increase their import."* India is buying about 350,000 barrels of Iranian crude a day, Iran's oil minister, Bijan Namdar Zanganeh, said after meeting Pradhan, according to the ministry's news service Shana.

2. NITI Aayog sets timeline for social sector programmes

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

The NITI Aayog will draw up schedules for key social sector programmes to counter the criticism that implementation has been slow even two years after the Narendra Modi government took over. The Aayog's Chief Executive Officer Amitabh Kant made several outcome-based presentations to the Prime Minister last month on sectors such as education, health, rural development and infrastructure. Timelines have been established to achieve progress in areas that are lagging behind. *"The theme of these presentations is to drive implementation on the ground because unless things change on the ground there will be no visible impact,"* a senior Aayog official told ET. Progress will be monitored on a monthly basis against strict deadlines, the official said.

3. Indian electronics hardware sector to be \$112-\$139 BN by 2018

Source: **India Today** ([Link](#))

Indian electronics and hardware industry is expected to grow at a compounded rate of 13-16 per cent to reach USD 112-130 billion by 2018 but imports will continue to dominate the market, says a study. *"The Indian electronics and hardware industry is expected to grow at a CAGR of 13 per cent- 16 per cent during 2013-18 to reach USD 112-130 billion by 2018. However, given the local manufacturing state, the dependence on imports is likely to remain similar,"* the study by Assocham and consultancy firm EY released today said.

"The Indian electronics and hardware market is currently being driven by mobile phones and consumer electronics, which together contributed nearly 45 per cent of the overall electronics products revenues in 2015," it said.

Around 50-60 per cent of the demand for electronic products and the demand for nearly 70-80 per cent of the electronic components market is fulfilled through imports. *"Growing reliance on imports for electronic components and rapidly increasing demand for electronic products is making it indispensable to grow and strengthen India's electronics manufacturing capabilities,"* the study said. It acknowledged government effort to boost local manufacturing of electronic hardware due to which multiple foreign manufacturers are setting shops in the country. As per the study, the electronics exports are also expected to grow with global companies looking to invest in India for manufacturing set-ups.

4. India's rank unchanged at 19th among top 30 exporters

Source: **Indian Express** ([Link](#))

India's rank remained unchanged at 19th in 2015 in the list of top 30 merchandise exporters of the world, according to a WTO report. China continues to hold the top position in the list. Further, India's rank remained unchanged at 8th last year among the top 30 leading exporters of commercial services respectively. This list was topped by the US in both exports and imports. In imports, India positioned 10th. In 2015, India's commercial services exports aggregated at USD 158 billion while imports were USD 126 billion. Indian government has announced a host of incentives with an aim to nearly double goods and services exports to USD 900 billion by 2019-2020.

5. India car sales grow fastest since 2010-11

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

Sales of passenger cars in India grew at the fastest pace in five years in the 12 months to 31 March, but the automobile industry lobby group on Friday slashed its forecast for the current fiscal year, saying measures to fight vehicular pollution would hurt demand. Car sales rose 7.87% from the previous year to 2.025 million units in the year ended 31 March, the Society of Indian Automobile Manufacturers (SIAM) said. That's the fastest pace of growth since 2010-11, at the height of an economic boom, when sales had expanded 29% year-on-year. Yet, SIAM cut its forecast for car sales growth in 2016-17 to 6-8% from an earlier 11%, citing higher taxes and a ban on the sale of large diesel cars in the National Capital Region (NCR) centred around New Delhi, which the World Health Organization in 2014 rated as the world's most polluted city.

6. Xiaomi sells over 100,000 smartphones accessories in one day

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

Xiaomi Technology India Pvt. Ltd, the local unit of China's biggest mobile phone maker, said on Thursday that the company sold over 100,000 units of smartphones and accessories in a single day on its platform, the highest since its launch in July. Close to one-third of the units sold on Wednesday were smartphones, according to Manu Jain, head of the Indian unit. The company, which globally did sales of \$289 million during the seven-day Mi festival that ended on Wednesday, attracted 46.83 million unique visitors to its mobile applications and website. In India, Mi.com saw close to 1.2 million visitors on its platform in a day. The company, which does not disclose India-specific revenue, said the sales were the highest it had recorded on a single day since the launch of its portal in the country. In the quarter ended December, Xiaomi reported sales of about 1.5 million devices.

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