

Daily Economic News Summary: 12 July 2016

1. India, Russia aim to strengthen trade ties

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

Commerce and Industry minister Nirmala Sitharaman held talks with her Russian counterpart Denis Manturov on measures to boost bilateral trade and investment ties including in sectors such as high-end engineering. An official statement on Monday quoted Sitharaman — who is leading a business delegation to Russia — as saying, “*There is a strong potential for growth in India-Russia bilateral trade. Be it high-end engineering, or manufacturing, India is moving towards being synonymous to quality, reliability and durability.*” Indian firms including Bharat Forge, Sun Group, NTPC and NHPC are participants at INNOPROM 2016, the largest annual international industrial trade fair of Russia. EEPIC India chairman T.S. Bhasin said manufacturers would exploit all possibilities to showcase Indian engineering.

2. Google to train 2mn developers in Android

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

Google launched a program on Monday to train two million developers in India on Android, its mobile operating system, in the next three-year period. This is aimed at enabling them to make innovative mobile applications on the platform. India is expected to have the largest developer population of 4 million by 2018, overtaking the U.S., but only a quarter are building for the mobile, said Caesar Sengupta, Vice President (Product Management) at Google. “*The aim is to help make India the global leader in mobile app development*” he added. India has about 1 million developers building applications for the Android platform. Google’s Play Store has over a million applications, and less than four per cent of the top 1000 applications come from India. “India is expected to have the largest developer population globally, overtaking the US, by 2018, with four million developers. But today only 25 per cent of developers are building for mobile,” Google vice president of product management Caesar Sengupta told reporters here.

We are launching a specially-designed instructor-led training programme on Android Fundamentals. This will be made available across public and private universities and training institutes of the National Skill Development Corporation of India (NSDC),” he said. The in-person training module integrated into the course curriculum will be introduced within this calendar year by these partners. Google head of developer training Peter Lubbers said the

company aims to train about 2 million people in the next three years. The training is available for both students as well as mid-career developers, he added.

3. Investing in India's infrastructure in an opportunity for US investors: Nitin Gadkari

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

Making a strong pitch to American firms to invest in India's road infrastructure, Union Road Transport and Highways Minister Nitin Gadkari on Monday said that the Centre's resolve to double the existing national highways network presents an opportunity for the former from the point of view of economic viability and return on investment. Gadkari, who arrived on Sunday on a week-long official visit aimed at attracting Foreign Direct Investment in the infrastructure sector, said studies all over the world have recognized the surge in infrastructure development in India since the National Democratic Alliance (NDA) took over the government. *"This is an ideal opportunity for the investor, because the studies done all over the world on infrastructure development in India are appreciating our government and our department. This is golden time for investors,"* the minister told ANI in Washington D.C. *"We have lots of projects. I am going to present it to the investors. Economic viability is good, traffic density is good, and now, we are going to raise the total span of national highway from 96,000 km to 2,00,000km,"* he added.

Gadkari further came out with startling figures that out of the total 52 lakh km of roads in India, a mere 96, 000 km were national highways, on which 40% of the traffic plies. *"We have 52 lakh km of road length, out of which just 96,000 km is national highway and 40% of the traffic is on these roads. So we have taken a decision to double it. Traffic density is good, projects are economically viable and rate of return is good,"* he said. Reports state that the minister would be looking to deepen the scope of Indo-US cooperation in innovative technologies, including improvement of highway development, road engineering, road safety and development of green fuels in the automobile sector and electric vehicles.

4. India's first smart grid to come up in Gurgaon

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

The Union government has set in motion the process of rewarding performing states under Uday, the flagship programme in power sector. It would extend support to the country's first smart grid project to be set up at Gurgaon in Haryana, which has been a performing state under the debt restructuring programme for state-owned power distribution companies. Besides, the NDA government also expects interest rates to come down in near future which will help the states in further saving loan costs, Union power minister Piyush Goyal said here today. Goyal

also said the Maharashtra government would modify its earlier Cabinet decision of joining Uday for only performance parameters. *“The state was earlier joining for only operational improvement. But now it will join for financial turnaround as well, which would lead to benefit of Rs 1,500 crore,”* said Goyal.

For the first phase of smart grid project, the Union government would extend a grant of Rs 273 crore to the state. The assistance to Haryana would be given from the Power System Development Fund (PSDF) for Rs 7,000-crore project, the first phase of which would cost Rs 1,382 crore. The project would be spearheaded by Power Grid Corporation along with the state government, industry and real estate developers. Haryana chief minister Manohar Lal had a meeting with Goyal earlier in the day for a review of power sector in the state. The smart grid project would ensure 24X7 quality power supply to the city which depends on diesel gensets due to irregular power cuts. While the state government would match the Centre’s grant for the project, 60% cost would be met through loans. Goyal said Haryana was among the better performing states under UDAY and they would be provided special incentives as central funding for various projects.

5. NDA’s Rs 658 crore booster to put Delhi in fast lane

Source: **Pioneer** ([Link](#))

Putting Delhi’s decongestion plan on the fast track, the Centre on Monday sanctioned Rs658 crore for five projects, including a skywalk and Foot Over-Bridge (FOB) near ITO for the safety of pedestrians going to offices located in and around one of the busiest centres in the Capital; a flyover and an underpass connecting Mahipalpur, Aerocity, Airport and NH-8; and a flyover-cum-road over-bridge near Narela for providing direct access from NH-1 to Bawana Industrial Complex. Widening of the road near Kashmiri Gate and Nigam Bodh Ghat and construction of a 1.6-km-long Grade separator at Rani Jhansi Road are also among the projects that have got the fund.

Union Urban Development Minister M Venkaiah Naidu announced that Rs658 crore has been sanctioned from the Urban Development Fund for these five projects which will ease mobility in Delhi. “The source of the Urban Development Fund is one-time charges for conversion from leasehold to freehold in properties leased by DDA,” Naidu told reporters here. A high-powered committee on ‘Decongestion of Traffic in Delhi’ set up by Naidu had come out with a 126-page report whose findings were released last month. The panel outlined a Rs 20,000-crore plan stressing on improving public transport - particularly buses - to wean people away from owning cars.

Headed by Urban Development Secretary Rajiv Gauba, the committee noted that 21 per cent of the city’s space is already under roads with limited scope for road network expansion.

About 60 per cent of passenger trips are below four kilometre distances and 80 per cent below six kilometre lengths, which are ideal for non-motorised transport. It recommended development of necessary infrastructure for promoting walking and cycling in the National Capital. It opined that automobile-centric planning with focus on road widening, construction of more and more flyovers, foot-over-bridges and under passes have only promoted increased use of private vehicles, which are meeting only less than 20 per cent of transport needs and should not be encouraged unless warranted by natural barriers like rivers.



By Harsha Hazarika