

## Daily Economic News Summary: 16 July 2015

### 1. Govt clears 10 FDI proposals worth Rs 1675 crore

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

Government has cleared 10 foreign direct investment (FDI) proposals entailing capital inflows of Rs 1,675.15 crore into the country.

*"Based on the recommendations of Foreign Investment Promotion Board (FIPB) meeting of June 15, the government has approved 10 proposals of FDI amounting to Rs 1,675.15 crore,"* a Finance Ministry statement said. The inter-governmental panel, chaired by Finance Secretary, cleared the proposal of Singapore-based Nickelodeon Asia Holdings resulting in an investment of Rs 940.50 crore.

### 2. June exports slide for 7<sup>th</sup> month, down 15.82%

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

Merchandise exports in June contracted 15.82 per cent to \$22.28 billion compared to \$26.47 billion in the same month last year. This was for the seventh straight month that shipments from India witnessed a decline mainly on account of weaker demand largely due to crisis in China and Greece.

In May, the rate of decline of exports was higher at 20.19 per cent. Total exports in the first quarter of this financial year also plummeted 16.75 per cent to \$66.69 billion compared to \$80.11 billion in the corresponding period last year, according to the trade data released by the ministry of commerce and industry. Imports in June, on the other hand, were 13.40 per cent lower reaching \$33.11 billion compared to \$38.24 billion. Cumulatively, imports saw a decline of 12.61 per cent at \$9.89 billion as against \$11.31 billion in June last year.

Interestingly, for the last couple of months, non-oil imports are also falling continuously. In May and June, non-oil imports declined 2.24 per cent and 1.85 per cent at \$24.76 billion and \$24.90 billion, respectively.

### **3. Qatar boosts SMEs business with easy funds**

Source: **Asian Age** ([Link](#))

India's small and medium scale sector have ample opportunities in Qatar where they can participate in the oil-rich Gulf nation's non-hydrocarbon diversification programme, CEO of Doha Bank R. Seetharaman has said.

*"We want Indian SMEs to come to Qatar and also facilitate their investments. A significant attraction for Indian SMEs to do business in Gulf is ease of getting funds at rates far cheaper than what it costs in India,"* he said.

He said that SMEs form the backbone of Qatar's economy and they can participate in Qatar's non-hydrocarbon diversification. Small and Medium Enterprises (SMEs) in India could take advantage of availing cheap credit from Doha Bank as 87 per cent of its lending is guaranteed by the Qatar government, Mr Seetharaman said at a recent knowledge sharing session in Kolkata on opportunities in Qatar and Gulf Cooperation Council (GCC).

### **4. Italian luxury carmaker Maserati drives into India, again**

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

Italian luxury sports carmaker Maserati today announced its re-entry into the Indian market with plans to launch models priced up to Rs 2.2 crore with three new dealerships in the country. The company also has plans to launch a sports utility vehicle globally next year, including India.

Maserati had entered the country in 2011, but later stopped selling cars in the market owing to trouble with its dealer partner. Now, it plans to open three new outlets by September-end this year. *"Our re-entry into the Indian market is a commitment to our customers as there is a definite demand for exclusive luxury products, including cars, in the market,"* the newly appointed Maserati Head of Operations for India, Bojan Jankulovski told reporters.

## **5. Adidas plans to open own stores in India after FDI nod**

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

German sports footwear and apparel maker Adidas AG is planning to open stores in India, nearly three years after the country allowed 100% foreign direct investment (FDI) in single-brand retail.

The company, which sells Adidas and Reebok shoes and apparel, on 13 July filed an application seeking approval for foreign investment up to 100% for retail trading of Adidas-branded products and its variants, according to a notification by the department of industrial policy and promotion (DIPP). It plans to open large stores in India like in other major markets. “We have submitted our application to the DIPP,” a company spokesperson said.

At present, the German firm works in India through local distributors and retailers. “The model has worked successfully for us and we will continue to partner with our franchisee network. It is also our desire and strategic intent to bring to the country world-class large retail formats that currently exist in our global set up,” said the Adidas spokesperson. India permitted 100% FDI in single-brand retail with riders in September 2012, including a mandatory 30% local sourcing requirement.

## **6. Boeing, Tatas sign pact for Aerospace, Defence Manufacturing**

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

Global aircraft maker Boeing and Tata Advanced Systems today signed a pact to collaborate in aerospace and defence manufacturing as well as to tap into integrated systems development opportunities, including unmanned aerial vehicles.

The companies, under the memorandum of understanding, intend to access markets jointly for products and platforms developed together by Boeing and TASL. The collaboration, which is in line with the government's 'Make in India' initiative, will not only work in the domestic market but will also be for international markets, sources said. The agreement was signed by Shelley Lavender, President of Boeing Military Aircraft and Sukaran Singh, managing director and chief executive officer of TASL. TASL is already on contract to manufacture aerostructures for Boeing's CH-47 Chinook and AH-6i helicopters.

*"This agreement with TASL is significant because it demonstrates Boeing's commitment to expanding its aerospace manufacturing footprint in India,"* Lavender was quoted as saying in a Boeing statement.

*"As we step into our 100th year in business, a new aerospace partnership with India is the perfect milestone to accelerate the momentum we have generated for making in India,"* said Pratyush Kumar, president for Boeing India.

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