

Daily Economic News Summary: 17 May 2016

1. World Bank approves \$625 million aid for India's solar programme

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

The World Bank's Board has approved \$625 million loan to support India's grid connected rooftop solar programme to generate clean energy. The Board also approved a co-financing loan of \$120 million on concessional terms and a \$5 million grant from Climate Investment Fund's (CIF) Clean Technology Fund. *"The project will finance the installation of at least 400 MW of grid connected rooftop solar photovoltaic (GRPV) across India,"* the World Bank said in a statement. These solar PV installations, it said, will provide clean, renewable energy, and reduce GHG emissions by displacing thermal generation. The project will also strengthen the capacity of key institutions, and support the development of the overall solar PV market.

2. Google wants large Indian firms to use its app for real work

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

India is one of the fastest growing markets for Google's enterprise business and the company is working on getting large companies, who typically use competitor products, to switch. Google-Apps-For-Work, as its enterprise products are called, are already being used by companies such as Hero Motors, Welspun and JSW Steel. "India is our fastest growing large market. We are seeing our strongest demand here. There has been an acceleration in the large 18 months, especially as large enterprises want to be more collaborative and innovative," Sebastien Marotte , Vice President Google Apps for Work at Google, told ET.

Though he declined to give India-specific numbers, he said that 2 million businesses worldwide were using Google's enterprise products and about 4,500 companies were signing up every day. He added that about 1,000 companies, with over 10,000 employees, were using the software suite. As it moves to get large clients, Google is increasingly taking on rivals such Microsoft's Office 365 and IBM's Lotus Notes. It even offers its products free to enterprises that are locked into another service provider's contract. *"Sometimes companies are locked into enterprise agreements. So we offer it to them free for the remainder of their contract, so they don't have to pay twice. We have about 2,00,000 companies evaluating Apps-for-Work while tied to another contract,"* Marotte said.

3. Panasonic plans refrigerator plant in India

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

Japanese electronics giant Panasonic plans to make refrigerators in India to tap into the huge market in the country where it is currently a marginal player. The company's India unit plans to invest Rs 250 crore towards setting up a manufacturing plant for refrigerators and is also drawing up plans for a unit to make mobile phones. Panasonic India and South Asia president Manish Sharma said the move is triggered by the huge market for refrigerators in India where the company has failed to make much headway in the last five years. *"We are currently importing refrigerators from Thailand, which is not working for us. Once we have the factory, we will build more sales volume in that category. Even today, the refrigerator market is the biggest in consumer durables, which is a big potential,"* said Sharma. The company is evaluating Jhajjar in Haryana and several locations in Maharashtra for the refrigerator plant, which will be functional in two years. It is also investing Rs 20 crore on an assembly unit for lithium ion batteries in the next 8-10 months at its existing facility in Jhajjar.

4. Apple CEO Tim Cook on first official visit to India this week

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

Apple's chief executive officer Tim Cook is coming to India this week, his first visit to the country as the CEO of the Cupertino-headquartered company. Cook will meet Prime Minister Narendra Modi over the weekend and is likely to announce the company's plans to manufacture iPhones locally. The company's largest global manufacturing partner, Foxconn, has already signed a joint venture with the Adani Group to manufacture Apple products in the country. While a spokesperson of Apple in India declined to share the details about Cook's visit to India, a government official privy to this information confirmed that a meeting between Cook and Modi has been fixed for this Saturday.

During his stay in the country, Cook is expected to visit Bengaluru and Hyderabad. Apple has already announced it would set up a development centre in Hyderabad, to start with around 150 people, who would support on the development of maps. In New Delhi, apart from the meeting with the Prime Minister, Cook also has some private dinner engagements, according to sources in the know. Cook's visit to India comes days after the government rejected Apple's proposal to import and sell refurbished iPhones in the country. The company is also close to getting the go-ahead to open its own branded stores in India, after the government agreed to waive off the 30 per cent local sourcing condition.

5. KPMG to advise Modi govt on first oil block auction

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

Global accounting and consultancy firm KPMG has been chosen by the Modi government to advise on its first ever auction of oil and gas blocks set to kickstart next week. KPMG has been chosen from a group of consultancy firms based on an expression of interest floated by the upstream regulator Directorate General of Hydrocarbon (DGH) for selection of a knowledge partner for the first round of discovered fields bidding to be launched by oil minister Dharmendra Pradhan on 25 May. *"KPMG has been selected by the government to manage the marginal fields bidding round. The scope of the work includes taking the blocks to the market and suggesting ways to attract investor interest during the international roadshows that will begin soon,"* said an executive close to the development. He added the entire process will be run over the next three months. The government will auction 67 discovered fields that were earlier relinquished by state-run Oil and Natural Gas Corp (ONGC) and Oil India (OIL) amid a historic downturn in global crude oil prices. The marginal fields house more than 89 million tonne of reserves worth over Rs 77,000 crore, according to the oil ministry. The blocks have been classified into 46 cluster areas and will be bid out based on the recently announced revenue sharing model as against the earlier controversial cost recovery regime.

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By Harsha Hazarika