

## Daily Economic News Summary: 22 August 2016

### **1. Top bankers welcome Urjit Patel's appointment as RBI Governor**

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

A strong likelihood of continuity in policies was the biggest draw for top bankers, as they welcomed the appointment of Urjit Patel as the 24th Governor of the Reserve Bank.

“Patel has played a key role in developing the new monetary policy framework that has focused on reining in inflation and imparted stability to the currency,” country’s largest private sector lender ICICI Bank’s managing director and CEO Chanda Kochhar said. “His appointment would ensure a smooth transition and continuity in monetary policy, as India puts in place major structural reforms to transition to a higher growth path,” she added.

### **2. Union Budget may be advanced by a month to 31 January**

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

The finance ministry is considering a plan to advance the presentation of the Union budget by a month to 31 January instead of the usual practice of presenting it on the last working day of the following month. This, the government hopes, will help initiate revenue mobilization and capital expenditure measures right from the beginning of the fiscal year.

It is a proposal by the department of economic affairs which has been put before the finance minister Arun Jaitley for approval. It may also need consent of the Parliament secretariat,” a finance ministry official said, requesting anonymity. If accepted, this could mean a second major shift in the schedule of the budget by a National Democratic Alliance (NDA) government.

### **3. India is world's third biggest tech start-up hub: Study**

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

India is home to the third largest number of technology-driven start-ups in the world, with the US and the UK occupying the top two positions, according to a report. The study, done by ASSOCHAM in association with Thought Arbitrage Research Institute, also revealed that Bengaluru is host to the largest share of technology start-ups in the country, followed by Delhi NCR and Mumbai, while Hyderabad and Chennai are also quite popular among budding tech entrepreneurs.

“In the technology-driven start-ups, India has moved up to third position with the US occupying the top position with more than 47,000 and the UK with over 4,500. India’s tech start-ups numbered around 4,200 up to 2015,” the report pointed out. In terms of total number of start-ups, comprising both tech and non-tech areas, India again figured among the five largest hosts in the world, along with China (10,000 each).

#### **4. Gail India to partner US firm for new gas power generation technology**

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

State-owned Gail (India) Ltd said on Saturday it will tie up with California-based closely-held firm Bloom Energy Corp. on Monday to pursue natural gas-based fuel cell power generation, a new technology. Gail said an agreement will be signed with the company in the presence of oil minister Dharmendra Pradhan, Gail chairman and managing director B.C. Tripathi and Bloom Energy chief executive K.R. Sridhar.

“This will explore long-term natural gas market potential for power generation.” Gail said. An invitation from Bloom Energy said its fuel cell technology could help the country move away from relying on fixed power infrastructure which is prohibitively capital intensive to “capital light and soft” infrastructure. Bloom Energy claims its technology converts fuel into electricity through a clean electro-chemical process, which can use a variety of fuels, including biogas. Unlike traditional power generation, Bloom uses virtually no water and produces no unhealthy emissions, it stated.

#### **5. Reebok India wants to grow in fitness, sports**

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

Reebok India Company, part of global German sports apparels and accessories major Adidas AG, is aiming for the top slot in the niche fitness and sports category in the country. The company believes it does not have any significant competition in this space, Silvia Tallon, senior marketing director, Brand Reebok for India market, said. The company said that it has been growing at the rate of 10-20 per cent in different fitness verticals such as running and yoga. The brand has repositioned itself in the last one year and has different growth rates across fitness disciplines.

Reebok plans to be a more targeted brand concentrating on fitness categories such as Crossfit and has entered a tie up with American fighting promotion company Ultimate Fighting Championship (UFC) for mixed martial arts (MMA). Reebok recently got into the MMA scene which is globally dominated by brands such as Bad Boy, Hayabusa, Venum and Tapout.

According to Tallon, in India the global sport is at a nascent stage and would be growing as the numbers of gyms teaching MMA in India is on the rise.

