

Daily Economic News Summary: 23 July 2015

1. VIVO to pump Rs 125 crore in “Make in India” initiative

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

Chinese handset major Vivo plans to participate in 'make in India' with an investment of Rs125 crore for its first phase of production in India. Eying upper middle class consumers, the company unveiled its new smartphone - X5Pro on Wednesday.

The company is working on setting up its first manufacturing unit in Noida, Uttar Pradesh (UP). The company will invest around Rs125 crore in its first phase of production in the country.

Speaking at the launch, Vivo India's CEO, Alex Feng said, *"It's an exciting time for Vivo as we continue to grow and embrace the Indian market. We are as motivated and responsive as our first day in India and we promise to continue to be so."*

2. Govt will invite pvt players to plan, build ITO infrastructure

Source: **Times of India** ([Link](#))

A shortage of funds with the government for infrastructure development may usher in the private sector in works like maintenance of roads, and construction of flyovers and foot overbridges. The ITO decongestion plan is set to become the first project in which the government will outsource planning and construction. The trend may pick up pace if this project is perceived as successful.

The work at ITO involves construction of a foot overbridge and a skywalk. *"ITO is a prominent location and we also wanted to involve the public in the work of constructing the FOB and skywalk. For that, we have started a competition for innovation designs that are not only aesthetic but also fit in with the surroundings. It is open to everyone. Five designs will be shortlisted for which winners will be paid Rs 50,000 each. Thereafter, each will have to make a detailed presentation. The winner will be awarded Rs 2.5 lakh after which the design copyright will be transferred to PWD. This is the same amount that is paid to a consultant,"* said a senior PWD official.

3. In a first, Hyderabad airport completes e-boarding project

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

The Rajiv Gandhi International Airport (RGIA) here has successfully implemented an e-boarding pilot project that started in April. With this, the GMR Group-run airport has become the first one in the country to have such a facility, said the company.

E-boarding allows a flyer to check in electronically without traditional paper boarding passes. SGK Kishore, chief executive of GMR Hyderabad International Airport which runs RGIA, said: *"E-boarding reduces human interface and takes a big leap towards automation, easing the movement of passengers through the airport and reducing the waiting time at various check points within the airport."*

4. Govt extends capital subsidy to electronic products to boost Make in India, Digital India

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

To boost its Make In India and Digital India programmes, the government on Tuesday extended capital subsidy to 15 new electronic products including consumer electronics items and Internet of Things (IoT) products.

The cabinet, which met on Tuesday, extended the benefits under the modified special incentive package scheme (MSIPS) to boost electronics manufacturing in the country. The scheme, which was expiring on 26 July, has now been extended for another five years. MSIPS, which was first approved in July 2012, provides capital subsidy to units engaged in electronics manufacturing of 20% within special economic zones (SEZs) and 25% outside SEZs.

However, the initial response to the scheme was lukewarm and only 10 units were approved under the scheme by May 2014 involving investments of Rs.1,369 crore. Under the Digital India and Make In India programmes of the National Democratic Alliance government, the scheme has received renewed emphasis. Officials familiar with the matter claimed that in last 14 months, 32 proposals involving investments of nearly Rs.9,000 crore with employment potential of 12,000 have been approved.

5. India is beginning to look like a jewel in the crown: ANZ's Michael Smith

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

Michael Smith, the chief executive officer (CEO) of Australia and New Zealand Banking Group Ltd, is in India for the launch of the bank's second branch. In an interview, Smith spoke about the investment climate in India, the bank's future plans for its Indian business, and how it plans to tackle the demanding regulatory environment in the country.

Michael Smith said, *"We continue to expand. I have been coming to India for more than three decades now, and I have never seen the business sentiment so positive. I find that very encouraging. The timing of the opening of the branch could not have been better. I think that there had been an era where very little progress had been made in terms of the reform agenda. Business had been difficult. Some of the restrictions and prohibitions had affected the growth of the economy. I think businesses are now seeing that a number of things are actually moving. I think there is a degree of frustration that things could be moving faster."*

6. Samsung looks to India R&D team in bid to stay ahead of competition

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

Dipesh Shah, research and development (R&D) head at Samsung Electronics Co. Ltd, made several trips over two years to the small city of Kolar in Karnataka to figure out a mobile phone that would appeal to first-time users in India. Kolar was one of the cities chosen for consumer research.

Insights gleaned from the research went into the low-end smartphone Samsung Z1 the company launched in January for the Indian market that runs on its operating system Tizen. Now it's using that operating system globally for devices based on the Internet of Things (IoT, or devices connected to the Internet) including smartwatches and smart TVs.

That's not all. The South Korean electronics maker is increasingly looking to its team of R&D engineers in India to develop future technologies to stay ahead of the competition and cement its position as the world's No. 1 smartphone maker.

By Harsha Hazarika