

## Daily Economic News Summary: 28 May 2015

### 1. From Rolls Royces to movies-private hospitals in India go luxe for growth

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

Cinemas, Rolls-Royces and rooms so plush they could belong in a five-star hotel: private hospital operators in India are all but rolling out a red carpet to lure affluent locals and tourists to seek medical treatment at their luxe facilities.

Local hospital firms including Fortis Healthcare Ltd, Apollo Hospitals Enterprise Ltd and privately owned Medanta have built or upgraded facilities to tap the top-end of a private healthcare sector, which industry body Assocham estimates would grow 20% a year from 2013 to become a \$125 billion market in two years time.

Overseas rivals including Dubai-based Aster DM Healthcare and ABV Group are also investing in luxury healthcare in India, attracted by strong demand for quality medical care which, due to lower costs and a weaker rupee, they can offer to patients at below-international prices.

### 2. Indo-Dutch project plans to tap cell-phone data to decongest roads

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

When the Delhi-Gurgaon Expressway shut some of its lanes on a scorching summer day last week without warning, thousands of cars, sports utility vehicles and buses clogged a 15-km stretch in a traffic jam that took almost eight hours to clear. For commuters, who crawled along the expressway at 1 km/h under a blazing sun that day, and many million more across Indian cities where traffic snarls have become a daily routine, an Indo-Dutch project to decongest roads by tapping drivers' cellphone data could turn out to be a boon.

The project will begin in June and aims to develop algorithms that will be able to predict vehicular movement, said Ashish Verma, an assistant professor of transportation engineering at Indian Institute of Science (IISc) in Bengaluru.

If successful, the project will be able to harness data from mobile phones to reduce congestion on roads, particularly during peak traffic in the morning and evening. Traffic jams leave commuters frustrated and have resulted in increasing incidence of road rage.

### **3. Corporate Affairs Ministry asks companies operating like NBFCs to comply with RBI norms**

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

The corporate affairs ministry has launched a crackdown on fraudulent investment schemes. It has directed all non-banking financial institutions and financial companies registered under the Companies Act to comply with the guidelines of the Reserve Bank of India.

Besides, it has shared with the banking regulator a list of 34,754 companies which have clauses in their memorandum of association for undertaking business of a non banking financial institution or NBFC.

### **4. Government revives Bill to make sector regulators accountable to Parliament**

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

The Centre has revived the Regulatory Reforms Bill mooted by the previous UPA government that aims to make regulators accountable to Parliament. A team of officials at NITI Aayog is finalizing the first draft of the bill, following up on Finance Minister Arun Jaitley's announcement in the budget that the government intends to bring about a cogency of approach across various sectors of infrastructure.

The first draft will be ready by the end of next month, the official said. The key provisions of the bill pursued by the previous government included an institutional framework for regulatory commissions, their role and functions, accountability to the legislature and interface with the markets and the people.

### **5. Educate in India: Narendra Modi government to tout India as Asia's education hub**

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

The Narendra Modi government has dusted off its predecessor UPA's plan to allow foreign universities to set up campuses in India, seemingly reversing the ruling BJP's earlier stance on the Foreign Educational Institutions Bill. The government is keen to revive this bill, which allows foreign universities to set up campuses in India.

In a strategy paper shared with the ministries of external affairs and human resource development, and NITI Aayog last month, the commerce ministry argued in favour of "*internationalization*" of Indian education to earn more foreign exchange and create an 'Educated in India' brand.

## **6. India can be key base for exports to Africa: Honda India's Katsushi Inoue**

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

Katsushi Inoue, Honda Cars India Ltd's new boss, who took charge in April this year, is confident that his company will drive into profit zone with the help of new launches and better capacity utilization. Inoue said Honda had posted profits last year after a gap of several years.

In one of the very first interviews to the media after taking charge, Inoue said his primary objective is to sell three lakh units, and set up a new factory in Gujarat which will shape Honda's 'future' in India. The new chief also stressed that he would try to optimize the 3-lakh unit plant capacity in Greater Noida and Rajasthan in the next two to three years.

## **7. One lakh Chinese sellers from AliExpress to join Paytm network from August**

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

Paytm is set to allow 1,00,000 sellers from Chinese e-tailer Alibaba's online shopping portal AliExpress to start retailing on its platform in India from August, a senior executive at the mobile commerce company said. The Delhi-based company, which crossed \$1.5 billion (about Rs 9,600 crore) in gross merchandise value (GMV) during the year till April end, expects an additional \$1.5 billion from AliExpress business alone in the next six months.

## **8. OPPO to set up handset assembly unit in India**

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

Chinese phone vendor OPPO on Wednesday said its plans to set up its own-brand handsets assembly unit in India by August this year to tap the burgeoning demand for smartphones in the country. "India is a top priority market for us. We are in the process of exploring the options available and will soon close in on the possibilities to initiate the unit at the earliest," OPPO Mobiles India CEO Tom Lu said. It will focus on setting up a state-of-the-art facility to make smartphones for the Indian audience as well as key markets overseas.

**9. Consolidation only way to make general aviation economically viable**

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

With the business jet and general aviation industry clocking a two per cent negative growth last fiscal, consolidation seems to be the only way out to make the business economically viable, said the new head of an operators' body.

Business Aircraft Operator Association's newly-appointed president Jayant Nadkarni told PTI that the process has already begun, though at a smaller scale, as people have realised that flying an aircraft and setting up a company with a non-scheduled operator permit (NSOP) are not conducive.

\*\*\*\*\*

By Harsha Hazarika