

## Daily Economic News Summary: 27 October 2015

### 1. Invest in Africa for resources and growth: Sushma Swaraj to Indian companies

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

Indian companies must invest in African countries as they offer resources and growth opportunities that can be a win-win situation for both sides, External Affairs Minister Sushma Swaraj said today. Sharing her experience after meeting visiting foreign ministers of African nations, Swaraj said countries in that continent offer immense business and investment opportunities for India. "Nowhere is the impact of economic growth and development as visible as in Africa... The day you combine your strength with their needs, that would be a win-win situation for both ...their needs would be fulfilled and you would make money," she said while addressing the India-Africa Business Forum here.

The Minister said that while trade between India and Africa has increased 10-fold in a decade to USD 72 billion in 2014-15, *"its still way below its potential considering the size of India and Africa"*. Swaraj stressed that the 2.3 billion combined population of India and Africa offer a huge market for all sorts of goods and services. Today India is fastest growing major economy in the world, and Africa, a fastest growing Continent. Our respective economic growths provide unparalleled economic opportunities for our businesses and investors," she said, adding that as India's economy has grown and matured, considerable amount of capital generated in India seeks new destination outside the country, including in Africa. Indian companies have invested about USD 32.35 billion in Africa.

### 2. Oracle fully supports “Digital India” initiative: Thomas Kurian

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

Giving a fillip to Oracle CEO Mark Hurd's commitment to expand its base amid a positive mood in India, top Oracle executive Thomas Kurian announced that the leading cloud services provider fully supports the latest digital initiatives launched by the Indian government. Oracle is committed towards Prime Minister Narendra Modi's ambitious 'Digital India' initiative. In the days to come, the world will see Oracle investing in more Indian cities to open new product development centres," Thomas Kurian, Oracle's president of product development, told IANS.

The announcement came at a time when Oracle's closest rivals Microsoft and Amazon have firmed up their plans to set up data centres in India. Kurian, who grew up in Bengaluru and

has been with the company since 1996 in various product development positions, said that India is one place that has every product line from Oracle -- be it dataware, middleware, analytics or business suites.

### **3. Tesla plans battery plant in India: Elon Musk**

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

While Tesla is looking at the possibility of building a car factory in China, the California-based electric car maker might consider a car battery factory in India, Elon Musk, founder and CEO of Tesla, said in a tweet. PM Narendra Modi had visited the Tesla factory while on his Silicon Valley visit last month.

*"Given high local demand, a Gigafactory in India would probably make sense in the long term,"* Musk said in response to a specific question about whether he would consider a factory in India too. Electric cars use lithium ion batteries and a manufacturing facility for such batteries is called Gigafactory. Incidentally, Modi's Tesla sortie in September was primarily focused on the company's Powerwall battery packs, with an eye towards procuring off-grid electric power technology for India. The fundamentals arise from Tesla's work on its highly-rated electric cars.

### **4. India moves up in World Bank's Ease of Doing Business List**

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

India now ranks 130 out of 189 countries in the ease of doing business, moving up 12 places from last year, according to a World Bank report. *"A forward movement of 12 spots in the ease of doing business by an economy of the size of India is a 'remarkable achievement,"* World Bank's Chief Economist and Senior Vice President Kaushik Basu said. *"For any big economy, a rank improvement of 12 is a remarkable achievement. Going from 142 in the world to 130, as India has done, is very good sign. It gives a good signal about the way things are moving in India,"* Mr Basu told PTI in an interview as World Bank released its annual report 'Doing Business 2016' which is topped by Singapore, followed by New Zealand, Denmark, South Korea, Hong Kong, Britain and the US.

The World Bank said India, which has a global ranking of 130, implemented two reforms during the past year. For example, in starting a business, India eliminated the requirements for a paid-in minimum capital and a certificate to commence business operations, significantly streamlining the process for starting a business. *"What is significant about India is that they are in the middle of what appears to be a very, very ambitious process of reforms affecting a broad*

*range of areas captured by the Doing Business indicators,"* Lopez Claros, Director of the Global Indicators Group World Bank, said during a conference call.

## **5. Bharti Airtel sells 700 towers in Burkina Faso to Eaton Towers**

Source: **Economic Times** (Link)

Sunil Mittal-promoted Bharti Airtel has sold its 700 towers in Burkina Faso to Eaton Towers, making it the most recent deal the Indian telecom major has concluded in its move to sell its towers in Africa and use the proceeds to pare debt. While the two did not disclose financial details, a person familiar with the matter put it at about \$150 million (Rs 990 crore). With this, Bharti Airtel has sold over 9,000 telecom towers across eight countries in Africa. Of these, 2,500 towers in four countries have been sold to Eaton, the two companies said in a joint statement on Tuesday. So far, Airtel has raised about \$1.85 billion from tower sales in the continent.

Under the agreement, Airtel has committed to a 10-year tenancy contract with Eaton Towers in all the four countries—Ghana, Uganda, Kenya and Burkina Faso. *"We continue to explore other opportunities to work together (with Eaton),"* Christian De Faria, CEO - Africa, Bharti Airtel, said. Separately, the two companies said they are negotiating for similar tower deals in other countries in Africa. The person cited earlier said tower deals in the other countries could increase the total proceeds for Airtel to about \$2 billion.

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