

Daily Economic News Summary: 29 July 2016

1. Modi asks NITI Aayog to drive transformation

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

Create a new architecture of policy making that anticipates problems and suggests remedies, Prime Minister Narendra Modi told the NITI Aayog on Thursday. This was his second visit to the policy-making think tank he established in January 2015, after scrapping the historic Planning Commission. On Thursday, officials said Modi, who is also the chairman, gave last-minute directions to NITI Aayog Vice-Chairman Arvind Panagariya to change his presentation from a 15-year vision document to flaws in the earlier Plan process.

Then, he told the Aayog to work towards transformational and not only incremental change. He said the vision document should not only lay the road map of the next 15 years but also form the foundation of the country's development in the next century. Even as the possibility of the Goods and Services Tax Constitution amendment Bill being passed in the Rajya Sabha next week brightens, Modi called for big-bang reforms.

2. Tourism Ministry to set up investment desk to bolster Pvt investments

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

The government is looking to bolster investments in the tourism sector by setting up an investment desk at the tourism ministry. Invest India, the official investment promotion and facilitation agency of the government, will help set up the desk, Tourism Secretary Vinod Zutshi said on Thursday. Speaking at an event organised by industry body Federation of Indian Chambers of Commerce and Industry (Ficci), Zutshi said the investment desk was only one of the initiatives the ministry is looking at before the second Incredible India Investors meet in September. While the tourism sector's share in national employment stands at a significant 12.36 per cent, its contribution to gross domestic product is 6.88 per cent. However, the government is now focusing on increasing investments in the sector, in anticipation of a rise in tourist volumes, expected to follow the current overhauling of crucial tourism infrastructure, Zutshi said.

This primarily includes improvements to connectivity on land, rail to air and tourist places. The secretary said the tourism ministry is in talks with the ministry of road transport and

highways to identify key road linkages to tourist areas that need to be upgraded, apart from identifying the same vis-à-vis rail routes. Also, talks are on with the civil aviation ministry to identify 15 unused airstrips, which might help connect tourist areas difficult to access, he added. These efforts will require large-scale investments by the private sector to create facilities after tourist numbers rise, Zutshi said.

3. RBI eases norms for individual investor's access to G-Sec market

Source: **Hindu Business Line** ([Link](#))

To facilitate better access for individual retail investors to the government securities (G-Secs) market, the RBI said individuals holding demat accounts will soon be able to access secondary markets in securities via its negotiated dealing system-order matching (NDS-OM). *“It has been decided to facilitate access to NDS-OM by the retail segment comprising individual investors having demat accounts with depositories — National Securities Depository (NSDL) and/or Central Depository Services (India) (CDSL), desirous of participating in the G-Sec market, by using their demat accounts for their transactions and holdings in G-Sec. Any individual investor who maintains a demat account with either of the depositories would be eligible to avail of these services. Initially, this access would be facilitated through any of the existing NDS-OM Primary Members, who also act as Depository Participants for NSDL and/or CSDL,”* the RBI said in a notification. Even as it shared details of the scheme for accessing NDS-OM for execution of trades by demat account-holders, the RBI also said operational details of the scheme will be issued by the Clearing Corporation of India separately.

4. Adidas gets nod to run one retail, wholesale biz

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

In a clear break from past red tape, the Centre has permitted the German sports goods maker Adidas to operate fully-owned single-brand retail stores as well as cash-and-carry wholesale business under a single entity. Till now, companies with more than 51 per cent foreign direct investment (FDI) had to operate under distinctly separate entities for single-brand retail, wholesale and online operations, thereby making it a cumbersome business. Now, however, the company will have to keep accounting separate for different stream of business, according to a condition specified by Department of Industrial Policy & Promotion (DIPP).

5. Grasslin GMBH forays into Indian market with AMTL on energy efficient technologies

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

US electrical product MNC Intermatic Inc on Thursday announced its foray into India through its subsidiary Grasslin Gmbh, forming up a strategic alliance with home grown AMTL to bring its range of products and provide light and temperature control solutions. The partnership coincides with the Government's initiatives to develop 100 smart cities at an estimated \$ 1.5 billion further following a string of initiatives undertaken by the government like UDAY with a total outlay of Rs 1.4 lakh crore and AMRUT mission for economic growth and welfare. As part of the partnership, AMTL (Advanced Metering Technology Ltd) headquartered in Noida; UP will distribute Grasslin's range of electrical switch products such as time switches, light and temperature control solutions across India. The partnership creates integrated operations that are both a promotion & distribution outlet for electrical products in India, one of the fastest-growing domestic electrical switch markets which is pegged over Rs 1000 crore.

In line with the nation's need for energy conservation and energy efficiency, the market demand for time switches, light and temperature control solutions is poised to grow manifold in the next few years. This market is expected to be fuelled by several Government initiatives, including the Smart Cities mission and other programmes being actively promoted by the Ministry of Power through the Bureau of Energy Efficiency (BEE) and other entities. Both Grasslin and AMTL will work closely on various aspects pertaining to the exchange of ideas and sharing of technologies for energy-efficient electrical products across various geographies.

According to Axel Schuler - Head of Sales and Marketing, Grasslin Gmbh, "*India is an important market for us as it is witnessing high growth, given the spurt in manufacturing and industrial activities. Domestic demand for electrical products is expected to soar due to rising awareness about the supply of quality power and the increasing number of industries and manufacturing facilities in India. We are delighted to partner with AMTL for supply of our range of electrical products such as time switches, light and temperature control solutions. AMTL is undertaking commendable work in energy efficiency and we are confident about their ability to deliver in the Indian market.*"



By Harsha Hazarika