

## Daily Economic News Summary: 26 May 2015

### 1. Japan ready to finance India's coal-fuelled projects

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

At a time when multilateral funders such as the World Bank have stopped supporting coal-fuelled power projects, Japanese lending institutions and banks are willing to help India's quest for providing power to people still living without electricity.

Power, coal and renewable energy minister Piyush Goyal said that he has held meetings with Japanese institutions and they are keen to finance the coal-based thermal power plants. State-owned NTPC Ltd, has received 25.8 billion yen in loans from the Japan Bank for International Cooperation (JBIC) and the Japan International Cooperation Agency (JICA).

### 2. Andhra Pradesh releases master plan for its capital Amaravathi

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

Andhra Pradesh released the master plan for Amaravathi, the proposed state capital that is being built from scratch. As per the master plan designed by the Singapore government, the capital city spans an area of 217 sq. km. between Vijayawada and Guntur towns, and leverages resources of the Krishna River that flows in the region.

Construction of a new capital was necessitated by last year's bifurcation of Andhra Pradesh to create a separate state of Telangana, which will take exclusive possession of Hyderabad in 2024. Till then, Hyderabad will serve as the joint capital of Telangana and residuary Andhra Pradesh.

The newest capital in the country incorporates the concepts of Vastu and Feng Shui, the Indian and Chinese sciences of construction, touches three national highways, and will be fed by seven growth corridors including those from Hyderabad to Machilipatnam Port and from Chennai to Visakhapatnam.

### **3. Google to invest Rs 1500 crore in new Hyderabad campus; focus on three key projects**

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

Google, owner of the world's largest search engine, is investing Rs 1,500 crore in a new campus in Hyderabad, reckoned to be its biggest outside the US. The search giant plans *to "focus on three key projects from its upcoming Hyderabad campus, including its super-fast Google Fibre broadband services, Street View and Google Education"*, Telengana's IT secretary Jayesh Ranjan told ET.

### **4. Promoters of AirAsia to pump close to Rs 100 Crore equity in few months**

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

The promoters of AirAsia India have pumped in close to Rs 100 crore equity into the company and increased its authorized share capital by more than three times in the past few months, according to official documents and two persons familiar with the matter.

Malaysian low-fare carrier AirAsia (India) owns 49% in the airline, salt-to-software conglomerate Tata Sons has 30%, while private investor Arun Bhatia owns the rest. They have invested in proportion to per-centage of shares owned, to retain holding. AirAsia started with initial capital of Rs 80 crore, according to the first proposal document filed with the Indian government.

### **5. PSA Group's Peugeot has comeback plans for Indian market**

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

Europe's second largest car maker PSA Group's Peugeot is planning an India comeback and has hired a consultancy and commissioned a study for the purpose, ET has learnt. The company expects to know the results by the end of the year, before finalizing its blueprint.

Peugeot, under Carlos Tavares, a former Renault veteran, has made a turnaround globally, giving it the confidence to eye India again, which is billed as the third largest market in the world by 2020 with 5 million annual sales. When contacted, a group spokesperson said, *"PSA has implemented a new organisation by regions. India-Pacific region shows India's importance to PSA. But at this stage, there's no decision for a rapid return to India."*

## **7. Government clears 21 FDI proposals worth Rs 281 crore**

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

The government has cleared 21 foreign direct investment (FDI) deals worth Rs 281 crore but deferred Kotak Mahindra Bank's proposal to hike foreign investment limit in the bank to 55 per cent.

FDI proposals under approval route are cleared by the Foreign Investment Promotion Board (FIPB). However, those proposals involving investment of more than Rs 3,000 crore are given final clearance by the Cabinet Committee on Economic Affairs (CCEA).

## **8. Huawei may make enterprise products at Chennai plant; aims to boost sales force for revenue push**

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

Chinese telecom gear maker Huawei Technologies plans to manufacture its enterprise products at its Chennai plant and boost its sales force as it strives to achieve a 10-fold jump in revenue in two years to March 2017 from the segment in India.

*"We expect revenues to reach \$300 million in the next two years. Once we hit the \$100-million mark, we would start manufacturing enterprise products in India itself,"* Kent Tang Kai, sales director-north region, Enterprise Business Department, Huawei, told ET.

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