

Daily Economic News Summary: 15 December 2015

1. Japan's \$12 billion "Make in India" fund to push investments

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

Japan on Saturday committed itself to billions of dollars of investments in India, including a \$12-billion loan at negligible interest for the much touted "Bullet Train" and another \$12 billion for "Make in India" initiative. "Today, we have scaled new summits in our shared journey," a visibly pleased Modi told the media after his delegation-level talks with the visiting side, led by Japanese PM Shinzo Abe. The Indian side was particularly elated with the package for the high-speed train between Mumbai and Ahmedabad, as it comes with an interest of a mere 0.1 %, a duration of as many as 50 years and a moratorium on repayments up to 15 years. ET had first reported that two sides will sign an agreement on high-speed train between Mumbai and Ahmedabad, as it comes with an interest of a mere 0.1 %, a duration of as many as 50 years and a moratorium on repayments up to 15 years. ET had first reported that two sides will sign an agreement on high-speed railway during Abe's trip.

2. Japan will import Maruti Suzuki cars from India: Narendra Modi

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

In a first, Japan will import cars from India that will be manufactured by the Japanese-controlled Maruti Suzuki, said Prime Minister Narendra Modi. *"For the first time Japan will import cars from India and Maruti will manufacture it"*, he said while addressing the India-Japan Business Leaders Forum. *"Maruti (Suzuki) will manufacture here... The Japanese company will manufacture here and export it to Japan"*, he said, adding that both India and Japan should move ahead together, not just in the sphere of high-speed trains, but also for "high-speed growth".

3. ISRO's Polar Satellite Launch Vehicle to launch 6 Singapore satellites tomorrow

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

Indian Space Research Organisation's Polar Satellite Launch Vehicle will launch six Singapore satellites from Sriharikota tomorrow. The six satellites riding piggyback on PSLV-C29, to be launched from the first launch pad, from Satish Dhawan Space Centre in the spaceport of Sriharikota is scheduled for lift off at 6.00 pm tomorrow. The 59-hour-countdown for the of

PSLV-C29/TeLEOS-1 Mission began at 7.00 am yesterday and was progressing normally, ISRO said. *"Yes countdown is progressing normally,"* an official told PTI.

The Mission Readiness Review committee and Launch Authorisation Board have cleared the countdown. ISRO said the filling of propellant in PS4 stage (fourth stage) was completed yesterday. ISRO would launch the six satellites into a 550 km circular orbit inclined at 15 degrees to the equator. It is using its trusted workhorse PSLV which is on its 32nd flight in 'core-alone' configuration without the use of solid strap-on motors.

4. Reserve Bank of India, Bank Heads discuss cleansing of lender books

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

After setting a target to cleanse bank balance sheets by March 2017, Reserve Bank of India Governor Raghuram Rajan met chief executives of select lenders, private and government-owned, on Monday in this regard. Union Bank of India Chairman and Managing Director Arun Tiwari told reporters after the meeting that beside the stressed assets situation, economic conditions in general were discussed with the RBI brass. No specific stressed account came up in the interaction, he said, not elaborating on the steps the bankers discussed with RBI on tackling non-performing loans.

RBI said various issues came up, including the asset quality of banks and the way forward on improving the quality of balance sheets. The discussions will continue, it added. Rajan had, in a post monetary policy media interaction on December 1, said stressed assets (non-performing assets plus restructured assets) were an important part of a bank's balance sheet. Banks would, he said, be able to rectify that not only by making provisions in the accounts but also by putting some of these assets back on track.

Rating agency ICRA had in its review of the September quarter results of banks said the pace of stressed asset formation moderated from around 5.6 per cent in FY15 to 3.3 per cent in the first half of this financial year. As a result of this moderation in the pace, the consistent increase in the stock of stressed advances over recent years had been arrested in April-September. The level of stressed advances remained largely unchanged at 10.7 per cent of the total as of end-September versus 10.6 per cent as of end-March, it said.

5. Delhi is Asia's numero uno city for shopping

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

New Delhi has topped the list of Asia's top cities for shopping, offering a treasure trove of goods through its blend of charming traditional markets and glitzy shopping malls, according to a survey. New Delhi has topped the list for the best shopping city in Asia, followed by Bangkok and Singapore, according to a survey by TripAdvisor. *"Shopping in Asian cities can be a rich and colourful experience if you know exactly which spots to go to and how to maximise your dollar,"* TripAdvisor's Communications Director for Asia Pacific Janice Lee Fang said. Most cities feature top quality malls, where one can find their favourite designer shops, but there are also the night markets or street shops that sell beautiful handicraft and other local gems unique to the culture, she added.

This ranking is based on the popularity of shopping activities in Asian cities and also includes highly-rated hotel recommendations, which are bookable on TripAdvisor, offering shoppers great value for their stay so they can save as much of their holiday budget. The rank of the best cities for shopping is based on the total of commercial activities for shopping, the number of commercial activities for shopping with a good score, the frequency of mention for the word shopping in the reviews relative to the destination and the average score of reviews that talk about shopping in all the languages applicable on TripAdvisor.Com. Bangkok (Thailand) is second with its huge variety of shopping options for every lifestyle and budget, from the very high-end to street shopping, wholesale and weekend markets.

6. Defence items can be "big items" of exports: Manohar Parrikar

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

Defence items can be "big item of exports" if we put quick clearance procedures in place and develop products required by many across the globe who cannot afford the top most available equipment, Defence Minister Manohar Parrikar said today. "...possibly in the earlier years the space occupied by the aeronautical requirement of the country was very small. Light Combat Aircraft (LCA) was being developed for 32 years. Trainer aircraft was being developed for so many years, and I'm pleased to see the progress on the first stage trainer where I congratulate HAL that they are almost maintaining the schedules of commitment made to me.

Stating that overall exports of the country this year has grown about six times, he noted, "Defence equipment can be a big item of export if we take proper care and if we clear the procedures very fast and develop products which are required by many across the globe who cannot afford the top most equipment available." Parrikar, who also launched the design and development project of Hindustan Turbo Shaft Engine (HTSE-1200), that can be used for

helicopters of 3.5 tonne class in single engine configuration, said, *"Under Defence Trade and Technology Initiative (DTTI) programme, we have already discussed and are coming to the final stage of finalizing a jet engine development of a higher class."*

By Harsha Hazarika