

## Daily Economic News Summary: 16 September 2015

### 1. Goodbye passport issues, long queues as India proposes visa free travel in 15 nations

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

India aims to propose a system that will allow visa-free, short business trips to 15 other countries under the Regional Comprehensive Economic Partnership (RCEP) free-trade agreement as part of efforts to boost regional commercial ties. The Department of Commerce plans to pitch the idea to RCEP members and has sought home ministry approval for the plan. The business travel card is modeled on that of the Asia Pacific Economic Cooperation (Apec), said a commerce department official. *"We have discussed this idea with the ministry of home affairs and they don't seem to have much of a problem with it."*

RCEP is a 16-country grouping that includes the 10 Association of Southeast Asian Nation Asean members and their trading partners— India, South Korea, Japan, China, Australia and New Zealand. The card will help bonafide business travellers avoid visa documentation and long queues at passport control. *"The card will be valid for a short period of time,"* said the official cited above. *"We plan to get business travelers vetted by established trade organisations like the Federation of Indian Exports Organizations and industry chambers like Ficci (Federation of Indian Chambers of Commerce and Industry) and CII (Confederation of Indian Industry)."*

### 2. The Govt cuts import tariff on gold, silver

Source: **The Hindu** ([Link](#))

The government on Tuesday slashed the import tariff value on gold and silver to USD 359 per 10 grams and USD 470 per kg respectively, following weak global cues. In the first fortnight of this month, the tariff value on imported gold was USD 369 per 10 grams and on silver it was USD 471 per kg. The import tariff value is the base price at which the customs duty is determined to prevent under-invoicing. The tariff value is revised on a fortnightly basis. The change in tariff value of these precious metals have been notified by the Central Board of Excise and Customs, said an official statement issued by the Finance Ministry.

### **3. Exports contract for ninth month in a row**

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

India's merchandise exports contracted for the ninth month in a row in August, and at the steepest rate in the past five months, as shipment of petroleum products continued to sink on lower crude oil prices and external demand remained weak amid tepid global economic recovery. Data released by the commerce ministry showed exports contracted 20.7% to \$21.2 billion and imports shrank 9.95% to \$33.7 billion during the month, leaving a trade deficit of \$12.5 billion.

In July, exports had contracted at the slowest pace in seven months, at 10.3%, which was viewed positively by analysts.

### **4. Personal computer market shrinks in Q2: Gartner Inc**

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

The personal computer (PC) market in India continued to shrink in the second quarter of 2015-16 due to subdued demand from enterprises, said research firm Gartner Inc. Personal computing devices which includes desktops, laptops and tablets totaled nearly 2.2 million units in the second quarter, saw a 13% drop from the corresponding period last year.

*“Consumers accounted for 48% of total PC sales in the second quarter of 2015,” said Vishal Tripathi, research director at Gartner. “In the absence of any substantial demand from enterprises this quarter, the Indian PC market performed dismally, re-emphasizing the fact that sentiments were not very positive in the second quarter of 2015. The enterprise segment might witness some growth going forward due to government and education projects, however there might not be a significant bounce back.”*

## 5. Govt tells airlines to cut fares

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

The Indian government told the country's airlines to find ways to reduce "excessive" fares on some routes and said it is open to introducing price caps if their responses are inadequate.

Carriers will need to present plans to curb fares within a week, junior aviation minister Mahesh Sharma said in New Delhi on Tuesday after a meeting with airline executives. The government will consider regulating maximum ticket prices if it fails to reach a consensus with carriers, he said.

## 6. PM's US visit: Apple's Tim Cook joins star-studded list of CEOs set to meet Narendra Modi

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

Tim Cook will join a star-studded list of Silicon Valley grandees who will meet Narendra Modi on his trip to the US later this month, the first time in three decades that an Indian PM is visiting the West Coast. An Apple spokesperson confirmed that a meeting between its CEO Cook and PM Modi will take place. The Apple spokesperson, however, declined to comment on the topic of discussion between Cook and Modi. The Prime Minister's Office is in discussions with Apple Inc in this regard, said three people aware of the development.

The prime minister will be keen to showcase initiatives such as 'Make in India' and 'Digital India' and persuade the Cupertino-based maker of iPhones and iPads to invest in manufacturing and research & development (R&D) in India. For its part, Apple has become increasingly conscious of India's importance as a market, after having initially ignored it. Among the items on Cook's wish list could be approval for the company's own stores and dilution of mandatory local sourcing norms.

*"Apple...has also shown interest in the proposed meeting as it wants to explore R&D activities in India to begin with and also understand foreign direct investment regulations in retail so that it can explore future possibilities to set up its flagship company-owned stores,"* said one of the people cited above.

## 7. Cellphone makers to set up manufacturing hub in Andhra

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

Three domestic mobile device makers—Micromax Informatics Ltd, Karbonn Mobile India Pvt. Ltd and Celkon Impex Pvt. Ltd—are coming together to set up the country's first mobile phone manufacturing hub at Tirupati in southern Andhra Pradesh, giving a fillip to the Union government's Make in India initiative.

The coming together of the three handset makers at a single place is expected to trigger the creation of a mobile device ecosystem as component manufacturers set up shop in the country. Most phone makers now assemble phones using components imported from China and Southeast Asian countries. Prime Minister Narendra Modi's government is encouraging electronic hardware companies to manufacture locally in an attempt to reduce the country's electronics import bill.

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