

Daily Economic News Summary: 19 June 2015

1. “Housing for all” scheme could help boost growth

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

The centre’s plan to provide housing for all urban poor is likely to require an investment of Rs.12-13 trillion in the next seven years, with the cost to the exchequer estimated at Rs.3 trillion. This could help accelerate economic growth, given the multiplier potential of construction.

The “Housing for all by 2022” programme, approved by the cabinet, is aimed at providing housing to 20 million people. It will help generate jobs and increase demand for raw materials used in construction, providing a major fillip to the economy, according to economists and executives in the real estate sector.

The scheme, to be rolled out in three phases, will mainly focus on rehabilitation of slum dwellers, providing affordable housing to the weaker section through credit-linked subsidy and affordable housing via a partnership model between the public and private sectors.

2. “Make In India”: Cisco to invest \$2 Billion this year

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

US technology giant Cisco on Thursday said that it is committed towards manufacturing in India and will invest \$2 billion in the country this year. The company, which pumps in \$1.7 billion every year, will invest additional \$60 million in India on training and facility expansion.

"We are investing big in India. We are committing manufacturing in India. We need to skill people here for the jobs. We plan to directly and indirectly invest up to \$20 million to train additional 1,20,000 students by 2020," Cisco Systems chairman and CEO John T Chambers said here.

3. Air India's \$9 billion insurance cover likely to draw aggressive bidding

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

Insurance companies are getting ready to bid aggressively for Air India's \$9 billion cover, coming up for renewal on 1 October. The deadline for bids is 6 July.

State-run Air India, which floated a global tender for the policy to cover its 126 aircraft, expects to buy the policy at a reasonable discount, given the rise in the number of underwriters and its safety record, said two Air India executives.

"Air India's (including its subsidiaries, affiliated companies and joint ventures) aviation insurance policies are due for renewal effective 1 October 2015 for an agreed fleet value of around \$9 billion. We invite technical bids in sealed envelopes from Indian insurance companies duly registered with IRDA (Insurance Regulatory and Development Authority of India)," Air India said in its global tender posted on its website.

4. US fashion company Coach plans India foray

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

Popular American fashion label Coach will be entering India's retail market with Gurgaon-based Genesis Luxury. The brand, known for accessories and gifts for women and men, had till now stayed away from one of the largest consumer economies, but is soon expected to open exclusive stores with the Indian partner.

The deal between the two companies has been sealed, but not been made public yet, said multiple sources familiar with the development. *"The Genesis team is currently in the process of buying inventory that would attract consumers here,"* said one of the persons in the know of things.

5. Airbus to increase India sourcing to \$2 Billion by 2020

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

Bullish on India as a market place as well as a manufacturing hub, leading aircraft maker Airbus said it has begun sourcing components for almost all its jets from the country and aims to take its cumulative sourcing from there to \$2 billion in the next five years.

Showering fulsome praise for the Modi government's Make in India campaign, Airbus said it's making a large number of products in the country, either directly or through its supply partners, where collectively more than 5,000 people are employed.

"It's a great initiative and we are already pushing for it in a big way. We have done a lot of 'Make in India' of our own and we would do much more, going forward," the European giant's managing director for India Srinivasan Dwarkanath told *PTI* in an interview in Paris at the Paris International Air Show.

6. After Foxconn, Taiwan's Quanta weighs making in India

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

Taiwan's Quanta Computer Inc, the world's top contract personal computer manufacturer that makes laptops and assembles watches for Apple Inc, on Thursday said it was considering establishing a manufacturing base in India. *"We are gathering materials for evaluation. We are looking into it,"* Quanta Vice-Chairman C C Leung told reporters after the company's annual investor conference.

Quanta's move comes after rival Hon Hai Precision Industry Co Ltd, better known as Foxconn, announced it would likely plough billions of dollars into establishing 10 to 12 facilities in India by 2020. Indian government officials have said Foxconn is in talks with main client Apple over potential investments.

By Harsha Hazarika