

Daily Economic News Summary: 20 November 2015

1. India seeks investments from GCC countries

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

India has sought investments from the member countries of the Gulf Cooperation Council (GCC) in sectors like infrastructure during a recently concluded meeting in Saudi Arabia, CII today said. A 42-member CII delegation participated in the 4th GCC-India Industrial Forum. The forum underscored the need for building strong business partnership between the two sides and exploring investment avenues in diverse fields, it said in a statement. The six GCC countries are - Oman, the UAE, Bahrain, Kuwait, Qatar and Saudi Arabia. *"As an energy thirsty country, India looks to the oil-rich GCC states for more investments in vital areas, especially in petrochemical and pharmaceutical sectors,"* CII said. Quoting Saudi Arabia's Minister of Commerce and Industry Tawfiq Al-Rabiah, it said the Gulf and Indian investors should take advantage of the healthy business environment in both the sides.

2. Coolpad to pump \$300 mn into India plants

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

Chinese mobile handset maker, Coolpad Group Limited, is aiming at selling five million smartphones in the Indian market by the end of 2016, according to its India chief executive officer Syed Tajuddin. The Hong Kong Stock Exchange-listed company, which produces 34 million smartphones every year, currently has a partnership with Videocon to churn out half-a-million devices from the latter's facility at Aurangabad in Maharashtra. The first 'made in India' Coolpad phone will be rolled out from the plant in the first quarter of 2016. *"The company has earmarked \$300 million (around Rs 1,980 crore) for its India plans, including setting up a research and development (R&D) centre and its own assembly line in India towards the end of 2017,"* he told mediapersons. Launching the company's new smartphone, Coolpad Note 3, in Hyderabad, Tajuddin said the company had sold 100,000 units of the Amazon India-exclusive device since its launch a month ago, and was expecting to sell 500,000 units over the next four months.

3. Japanese retail investors return to India seeking emerging market yield

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

Just two years after India's policymakers stared down a major capital flight threat, the country has become a hot emerging market investment destination for one of the world's most robust sources of capital - Japanese households. Japanese retail investors chasing higher yields and resilient assets will provide Indian corporates another source of capital at a time of when capital inflows are peaking ahead of a widely-expected US interest rate rise. Fund managers say the increased interest from Japanese investors is also a vote of confidence in the fiscal and market reforms of Indian Prime Minister Narendra Modi, voted into office in May 2014

4. Soon, our products sold in India will be made in India: Yang Yuanqing, Chairman, Lenevo

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

At a time when global personal computer market is in sharp decline, Lenovo, the \$46-billion hardware major, believes India will be the growth engine for its computers. The company also sees a huge potential in smartphone business in the country, where it claims it will be the number two seller soon. Yang Yuanqing, chairman of Lenovo, says the company will increase investments in India, add more people even as it looks at more than doubling business in India from \$2.5 billion to \$6 billion in three years. In an exclusive interview with ET, Yang talks about his meeting with Prime Minister Narendra Modi, growth in India, and much more.

Edited excerpts.

Are you making fresh investments in India?

Yang Yuanqing: *Sure. I don't have exact numbers. But let me give you some data to indicate where investments will go. Three years ago, we had about \$600 million revenue from India. This year, we will close at \$2.5 billion and now we have a plan to double this. In fact, our India country head says we will have \$6 billion revenue in India in three years. So we will invest in manufacturing, R&D, market expansion. India will be 50 million personal computer market in 10 years. At present, it is 10 million PCs and 100 million smartphones. I don't think users will be satisfied with just one device. People will have at least two devices — smartphone and PC — and that will drive growth for PCs.*

5. Aviation ministry scraps second approval for import of aircraft

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

Scheduled airlines as well as non-scheduled operators in the country will no longer have to seek the civil aviation ministry's approval for importing aircraft after having secured an in-principle approval prior to entering into negotiations for purchasing the aircraft. The civil aviation ministry has done away with the need for second approval for importing aircraft for use, a move aimed at enhancing the ease of doing business in the country. *"The minister (Ashok Gajapathi Raju) is of the view that the Indian market needs more and more planes and the ministry needs to cut the red tape to make it easier for the airlines,"* said a senior civil aviation ministry official, who did not want to be identified. The official said that from now on the airlines will only need to go to the Directorate General of Civil Aviation (DGCA) for technical approvals before the import of aircraft.

By Harsha Hazarika