

Daily Economic News Summary: 25 June 2015

1. India's oil import bill to fall 21.7% to 88 Billion in FY16

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

India's crude oil import bill is likely to fall by 21.7 per cent this fiscal to USD 88 billion on falling international oil prices, according to latest Petroleum Ministry estimates. India, which is 80 per cent import dependent to meet its oil needs, spent USD 112.748 billion in 2014-15 on import of 189.43 million tonnes of crude oil. In rupee terms, it came to Rs 687,369 crore.

For the current fiscal, the ministry's Petroleum Planning and Analysis Cell (PPAC) has estimated USD 88.203 billion spending on import of 188.23 million tonnes of crude oil. In rupee terms, it comes to Rs 548,655 crore.

2. Govt approves proposal to make Solar Energy Corporation a commercial company

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

The government today approved a proposal to allow Solar Energy Corporation of India (SECI) to register itself as a Section-3 company to do commercial activities and rename it as Renewable Energy Corporation of India (RECI).

SECI is a Section-8 company under the Companies Act, which provides for formation of companies with charitable, objects. Under this provision, the commercial aspect of a business entity and its growth is completely prohibited. The decision will enable SECI to own solar power plants for generating and selling electricity and take up other commercial activities like manufacturing of solar products and materials.

3. Tech Mahindra to set up healthcare unit with \$94 million outsourcing deal

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

IT firm Tech Mahindra Ltd is setting up a new unit to sharpen its focus on winning contracts in the healthcare industry, one of the fast-growing segments for the outsourcing services providers, said a senior executive. The unit, to be called nth dimension, has won an IT services project worth about £60 million (\$94.48 million) from Britain-based healthcare company CircleHealth, Tech Mahindra's Rajib Bhattacharya, who will lead the new subsidiary,

said. *“I think with this, in a few years’ time we will be able to leverage opportunities globally,”* he said.

Rivals such as Cognizant Technology Solutions Corp and Infosys Ltd have also sharpened focus on the healthcare sector on hopes the implementation of the US Affordable Care Act would boost outsourcing opportunities. Cognizant bought healthcare IT services provider TriZetto for \$2.7 billion in September. *“Yes, we are actively seeking deals in the US as well,”* Bhattacharya said.

4. India among top 10 countries to attract highest FDI in 2014: UNCTAD

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

India regained its position in the list of top 10 destinations for foreign direct investments (FDI) in 2014, after failing to make it to the list a year ago, according to the World Investment Report 2015 released by the United Nations Conference on Trade and Development (Unctad).

India is ranked ninth in the latest report; it was 15th last year. During 2014, FDI inflows into India jumped 22% to \$34 billion at a time when global FDI fell by 16% to \$1.23 trillion. Unctad projected global FDI flows to rise 11% to \$1.4 trillion in 2015. India’s rank as a top prospective host country for FDI also rose to third place from fourth place in an Unctad survey for the period 2015-17.

However, India fell to the seventh rank from sixth last year in the survey as a source country for FDI for 2014-2016 period. FDI inflows to India are likely to maintain an upward trend in 2015 as economic recovery gains ground, the report said. *“In terms of the sectoral composition of FDI inflows, manufacturing is likely to gain strength, as policy efforts to revitalize the industrial sector are sustained including, for example, the Make In India initiative launched in mid-2014,”* it added.

5. Black Berry taps India based start ups to reinvent itself

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

Two years ago, when BlackBerry Ltd, came out with its personal assistant app Viki, much like Apple’s Siri and Google Now, it created a flutter in the industry. The app, exclusive to the BlackBerry 10 operating system, used artificial intelligence and natural language processing to learn about a user’s individual preferences and personalize search results over a period of time.

BlackBerry plans to leverage this network as part of its global strategy to move on from a closed platform that only provided services for BlackBerry devices to a software and services provider for devices across platforms, including Google's Android and Apple's iOS.

In this process, India has emerged as a sort of research base for the company. In September, BlackBerry acquired UK-based start-up Movirtu, which came out with a SIM virtualization technology which allows multiple phone numbers to be active on a single SIM. Today, the research and development team of this technology is based in its Noida facility and the company plans to leverage this technology to make it easier for enterprises to manage devices in BYOD (bring-your-own-device) and COPE (corporate-owned, personally-enabled) environments.

By Harsha Hazarika