

## Daily Economic News Summary: 29 May 2015

### 1. Asian Development Bank to give \$300 million loan to improve urban healthcare service

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

The Asian Development Bank (ADB) today said it will lend USD 300 million to support India's National Urban Health Mission (NUHM). The government launched NUHM in May 2013 to strengthen health service delivery in urban areas.

*"India has made good progress toward improving health services in rural areas, but over 77 million urban poor and vulnerable still have limited access to basic health services such as child immunisation. The NUHM is meant to change that,"* ADB Director (South Asia Human and Social Development Division) Sungsup Ra said.

### 2. Brand awareness much higher in India than in China: Stefan Laban, Gap Executive

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

Top US apparel brand Gap is all set to open its first store in India in New Delhi's Select Citywalk mall on Saturday, May 30. Its Indian franchisee partner Arvind Lifestyle plans to open 10 Gap stores by next year in Delhi, Mumbai and Bengaluru with an investment of around Rs 100 crore, and increase the store count to 40 in five years.

*"Gap is not a niche opportunity for us but a large opportunity,"* says J Suresh, managing director of Arvind Lifestyle Brands. He feels Gap can be Rs 1,000-crore brand in the next 5-6 years. Stefan Laban, senior vice-president at Gap Specialty International, feels that it's just about the right time for the brand to entering the Indian market.

### 3. Increased transparency will encourage global players to do business in India: GE South Asia Head

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

Foreign companies are enthused by the increased transparency and openness in the system, making them more optimistic about doing business in India, the South Asia head of GE said. GE itself is upbeat about the pace of work in the railways, oil, gas and renewable energy sectors, where it sees heightened activity led by state enterprises and progress in government

orders for equipment, but it expects more progress in the power sector, Banmali Agrawala, president and CEO for GE South Asia, told ET in an interview.

*"I feel better ... with transparency and openness in the system. You at least are sure you will not be shortchanged. This should provide encouragement for global players. The mindshare within GE, in terms of what is happening in India, is more upbeat now,"* he said.

#### **4. Fullerton seeks license to start housing finance business in India**

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

Fullerton, the nonbanking finance company backed by Singapore-based Temasek Holdings, plans to enter the affordable housing market in India and has applied for a license from the National Housing Board. "We will start the housing finance business with an initial capital of Rs100 crore," said Shantanu Mitra, MD and CEO at Fullerton India. *"We will be focusing on affordable housing and MSME."*

Non-banking finance companies (NBFCs) in the housing finance business face competition from banks, which are able to lend at lower rates. Mitra said the company does not plan to apply for a banking license as the rules are domestic. *"The rules on foreign shareholding are not appropriate for us to apply for a banking license,"* he said.

#### **5. India-Australia FTA to discuss wine and dairy sectors**

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

A free trade pact between India and Australia could be initiated by the year end with the mineral-rich island nation showing willingness to take into consideration New Delhi's sensitivities in sectors like dairy and wine.

The two sides are keen to build on the political will that emerged after a positive engagement between the leaders of the two nations and Prime Minister Narendra Modi's Australia tour in November last year. The eight rounds of talks are expected to begin in New Delhi in the first week of July, after Australian trade minister Andrew Robb's India visit for the India-Australia CEO forum next month.

## **6. Exxon to set up \$500 m centre in Bengaluru**

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

Exxon Mobil, one of the world's biggest companies, is making a massive \$400-500 million (Rs 2,500 crore - Rs 3,150 crore) investment in Bengaluru to establish a technical and business support services centre, multiple sources told TOI. The move comes at a time when international oil prices have plunged, putting enormous pressure on oil majors to cut costs.

The sources told TOI that an additional investment of several hundred million dollars is being considered to establish a technology and R&D centre in India. The oil & gas major, with a turnover of \$412 billion last year, is the second biggest US company by revenue, after Wal-Mart. It's variously estimated to be the fifth or sixth biggest company in the world.

## **7. Airlines asked to reserve two window seats for disabled**

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

The civil aviation ministry has ordered airlines to reserve two window seats for disabled persons, but not the ones next to the emergency exits, in a move that will make air travel for such people easier and hassle free.

*"The airlines have been asked to block two window seats till 24 hours of the flight for disabled people, provided these seats are not next to the door of the emergency exit,"* said a civil aviation ministry note. It adds that the airlines have been asked to deliver check-in baggage to disabled passengers either at a ladder point or exit end of the escalator belt.

Airlines have also been asked to train ground handling staff to deal with disabled passengers and compensate passengers if any of their assistive equipment is damaged during flight.

## **8. Make in India: Intel partners Microsoft, WPG to make NuPC personal computer**

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

US Technology Company Intel Corp. joined hands with Taiwan-based semiconductor and electronics distributor WPG Holdings and Microsoft to make a new portable personal computing device NuPC in India.

The partnership takes a cue from the government's two major initiatives: Make in India that aims to make the country a global manufacturing hub and Digital India that aims to improve Internet penetration in the country.

Under the pact, WPG will make and assemble NuPC, a 4X4-inch rectangular computing device powered by Intel. It will work like personal computer when plugged to monitor, projector, kiosks or any other digital display and will provide customised offerings such as wirelss charging for mobile, near-field communication and wifi hotspot among others. The device will run Microsoft's Windows 8.1 operating system.

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By Harsha Hazarika