

Daily Economic News Summary: 6 November 2015

1. Prime Minister Narendra Modi launches three gold related schemes

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

Prime Minister Narendra Modi on Thursday unveiled three schemes that seek to dampen physical demand for gold and tap into an estimated 20,000 tonnes of the precious metal lying idle with Indian households and institutions. The Gold Monetisation Scheme (GMS), 2015 will offer an option to resident Indians to deposit their precious metal and earn an interest of up to 2.5%, while under the Sovereign Gold Bond scheme, investors will be able to earn 2.75% interest per annum by buying paper gold.

The Prime Minister also unveiled the first gold coin minted in India, bearing national emblem Ashok Chakra on one side and Mahatma Gandhi's image engraved on the other side. Initially the coins will be available in denominations of 5 grams and 10 gm. A 20 gm gold bar will also be available through 125 MMTC outlets across the country. Speaking on the occasion, Modi said India has surpassed China as the world's largest gold consumer, buying 562 tonnes of yellow metal so far this year, compared to China's 548 tonnes.

2. Microsoft to support Indian start-ups to drive growth

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

Information and technology giant Microsoft today announced partnerships with major Indian startups such as Paytm, Justdial and Snapdeal to offer its services through their platforms. The company also said that it would provide financial assistance of Rs 80 lakh to startups who create smart solutions on its Azure cloud platform. Paytm will integrate with Microsoft's personal assistant software Cortana to make users pay utility bills conveniently and will facilitate Microsoft device sales via its platform. In exchange Paytm will use Office 365 for merchants' inventory and account. Snapdeal and Justdial will use Microsoft's search engine Bing to enhance customer experience and in return would use cloud services of the technology major.

As the company sees bright future in cloud and mobility, it is interested to create more newage software and hardware solutions. *"Today we all use computer as desktop or laptop, tomorrow you will have a computer on your wrist. So we want to create new type of computing and new type of computers,"* said Satya Nadella, Microsoft chief executive officer at an event here to highlight products and offerings from the Washington-based firm. The company is already offering a host of software applications suited for mobile phones and is gearing up to

create software platform to build solutions for internet of things (IoT) and other connected services. For hardware, it has already launched its own branded laptop called Surface.

3. Georgia witnesses 81% growth in Indian tourists during first nine months of 2015

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

Georgia has witnessed 81% growth in Indian tourists visiting the country during the first nine months of 2015 (January-September) as compared to the same period last year, said a top official of the Georgian National Tourism Administration. A country in the Caucasus region of Eurasia, Georgia is home to Caucasus Mountain villages and Black Sea beaches. "Georgia is still lesser known in the Indian market and we are creating awareness about the destination and its offerings through roadshows and by meeting travel trade in the country," said George Chogovadze, head of Georgian National Tourism Administration (GNTA).

GNTA is now focusing on its offerings such as ski resorts, wine events and wellness and spa resorts to attract Indian travellers, especially the Meetings Incentives Conference & Exhibitions (MICE) business. *"India is a very big market and its outbound travel is also growing at a fast pace which makes it important for us,"* said Chogovadze adding that India is one of the top three growth markets for Georgia (in terms of percentage). Georgia is targeting 6.5 million international tourist arrivals in 2016, up from the 6 million expected in 2015. Turkey, Armenia and Azerbaijan are the top three countries in terms of tourist arrivals to Georgia.

4. Coca-Cola's expected CEO James Quincey to visit India next week

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

James Quincey, the man expected to be the next CEO at Coca-Cola, will fly down to India next week in one of his first international market visits after being named the beverage giant's president and chief operating officer in August. A Coca-Cola India spokesperson confirmed Quincey's visit. *"The chief operating officer of The Coca-Cola Company is on a short visit to India next week. India is one of the first few strategic growth markets that is on his itinerary."* Quincey, 50, is the top contender to succeed Muhtar Kent who has been Coca-Cola's chief executive and chairman since 2008.

Though India reported low single digit volumes and even fall in sales over the past two quarters in line with the overall consumer goods trend of slowing sales, it remains the sixth largest market for the beverage firm and a key growth bastion. Besides the firm's India team, Quincey, who will be in the country for a day, is expected to engage with bottlers and possibly visit markets, an industry official told ET.

5. ABB's India biz to get a global play

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

Zurich-based Asea Brown Boveri (ABB) is set to convert its India business into a strong platform for its global technology and product operations. The recent appointment of Bazmi Husain, managing director, ABB India, as the global technology head is one such move. It also sees a third of its India product volume feeding the export market in a few years. *"India has delivered growth in all parts of businesses here. We have created a strong platform. On the technology side, we will be using India even more. Locating our chief technology officer (CTO) here sends a very strong signal both for ABB's growth and outside,"* said Ulrich Spiesshofer, chief executive officer, ABB Group, told Business Standard in an interview.

Spiesshofer said the company had frontloaded investment in India, so additional capacity was available. "We will use it for South Asian countries. Besides, there are favourable trade arrangements in terms of free trade agreements, so India is ideally positioned as an export hub for South East Asia. We will also use the Indian capacity and quality output to tap opportunities in Africa where there are vast markets." He along with the top management of ABB, including Claudio Facchin, president (power systems), was in New Delhi to attend a town hall meeting.

By Harsha Hazarika