

Daily Economic News Summary: 9 December 2015

1. India sees “firming growth”: OECD

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

India is witnessing “firming growth” even as most developed and developing economies are seeing mixed trends, according to Paris-based think tank OECD. The Organisation for Economic Cooperation and Development (OECD) said the US economy is showing a loss of growth momentum from relatively high levels. The conclusions are based on Composite Leading Indicators (CLIs) that are designed to anticipate turning points in economic activity relative to trend.

In October, India’s CLI inched up to 100.3 from 100.1 in September. *“Amongst the major emerging economies, tentative signs of stabilization are emerging in China as well as in Brazil, while firming growth is anticipated in India. In Russia the outlook continues to be for weak growth momentum,”* OECD said in a statement today. India grew 7.4% in the July-September quarter, surpassing China to become the fastest growing major economy. The country’s GDP rose 7.4%, mainly on the back of pick up in manufacturing activities. During the 2014-15 period, the economy expanded 7.3%.

2. Amaravati to cost over Rs 27,000 crore

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

It was informed in the Lok Sabha today that an expert committee appointed for the new capital of Andhra Pradesh has suggested an estimated Rs.27,097 crore as the cost for building ‘Amaravati’. Minister of state for home Haribhai Parathibhai Chaudhary said that in the supportive document submitted along with the report, the expert committee appointed for the purpose of new capital of Andhra Pradesh had indicated Rs.10,519 crore for capital zone buildings, Rs.1,536 crore for capital zone infrastructure, Rs.5,861 crore for city infrastructure and Rs.9,181 crore for city infrastructure growth extension. *“Total amount indicated to this regard is Rs.27,097 crore. A fund of Rs.1,850 crore has been provided to the successor state of Andhra Pradesh for state capital and infrastructure facility during 2014-15 and 2015-16,”* he said in reply to a written question.

3. Government to reach out to NRIs for raising fund for flagship schemes

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

Non-resident Indians, especially those living in the UK and Qatar, will be reached out to by a government-supported trust to raise funds for the ‘Swachh Bharat’ and ‘Clean Ganga’ projects. India Development Foundation of Overseas Indians (IDF-OI), the not-for-profit trust, will also create a focus group for facilitating contributions by NRIs in the forthcoming *pravasi bhartiya divas* conference, 2016.

This was discussed during the fifth meeting of the board of trustees of the IDF-OI, chaired by minister for overseas Indian affairs Sushma Swaraj, here on Saturday. The board reviewed the progress made by IDF-OI on the revised mandate of promoting the Indian government’s flagship programs given in its last meeting on 23 May, 2015. Such projects include—the Swachh Bharat Mission and the National Mission for Clean Ganga; projects identified by the state governments and donor advised projects. *“The board directed that IDF-OI may enhance its outreach among overseas Indians, through visits to the UK and Qatar... In the forthcoming Pravasi Bhartiya Divas conference 2016, there will be a focus group on facilitating contributions by overseas Indians through IDF-OI,”* a press release issued on Sunday by the government said.

Sushma Swaraj is the chairperson of IDF-OI, set-up by the ministry of overseas Indian affairs to facilitate philanthropic contributions by overseas Indians to social and development projects in India. During the meeting, IDF-OI informed the board that under the Swachh Bharat Mission, overseas Indians were invited to fund construction of household, community and public toilets in both urban and rural areas. *“IDF has also invited contributions for the National Mission for Clean Ganga. In response to IDF-OI’s request, several state governments have identified social and development projects in their respective states in areas such as sanitation, education, drinking water, women’s empowerment etc which are available for funding through IDF-OI,”* the statement said. IDF-OI also conducted an outreach in UAE in October 2015, as a result of which, many overseas Indians made commitments to funding projects, especially those under the Swachh Bharat Mission.

4. India to organize conference on Indian firms’ role in Kuwait’s developmental process

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

India will tomorrow organize a conference in Kuwait to discuss the role of Indian Engineering Procurement and Construction companies in the Arab country's developmental process, strengthening bilateral trade. The aim of the conference is to bring together various stakeholders in the industry under one umbrella, Indian Embassy in Kuwait said in a

statement. *"India has consistently been among Kuwait's top ten trading partners with bilateral trade of over USD 14.58 billion during the Financial Year 2014-15. The Government of Kuwait has embarked on its Five-Year Development Plan (2015-2020) covering diverse sectors,"* said the statement.

5. Rostec targets India, China demand to expand assets in Russia

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

The investment arm of Rostec Corp., the conglomerate headed by the President Vladimir Putin's long-term ally Sergey Chemezov, is rethinking its business strategy after US and European sanctions put a halt to its ambitions of global expansion. With stakes in producers of goods from smartphones to gas turbines to titanium, Rostec is focusing on its Russian businesses that may find demand in markets such as India, China and Japan, according to the chief of the investment division.

To boost the value of some of Rostec's hundreds of businesses and improve management, the holding company established RT-Business Development, led by former Swiss hedge fund manager Andrey Korobov. He's aiming for a 50% jump in the value of the assets to over \$1.5 billion next year, Korobov said in an interview in Moscow. *"Sanctions limit our access to funding for our projects,"* Korobov said. The measures are confining Rostec's main projects to Russia: Korobov visited 40 African countries looking for investment ideas but ended his search after the US and Europe imposed penalties on the company as the Ukraine conflict flared up last year.

Rostec is seeking to move beyond reliance on Russia's mineral wealth. Still, it plans to levy resources to bring in foreign partners and export to meet demand in Asian markets. RT-Development is planning an ammonia and urea plant in Yakutia with India's Global Steel Holding Ltd. and is working with China Shenhua Energy Co. to build a thermal coal mine in the Amur region. The urea plant will have capacity to produce more than 1 million tonne per year, which will be shipped to India. Rostec will help secure tax benefits and agreements on gas and transportation fees as the holder of just more than 25% in the project, according to Korobov. It isn't putting up any cash to help cover the almost \$1.6 billion project costs, which a group of Indian banks will help finance, he said.

By Harsha Hazarika