



MARKET MOVEMENT

Major Indices	January 06, 2017	January 13, 2017	% Change	Change
BSE Sensex	26,759.23	27,238.06	1.80	
NSE Nifty	8,243.80	8,400.35	1.89	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Gujarat government signs MoUs in IT and Bio-Technology sectors
- Japan to assist in making Chennai, Ahmedabad and Varanasi Smart Cities
- Government hikes minimum pension for central government employees to USD 135
- Government approves 26% strategic sale in BEML
- Government to fund up to 60% of R&D costs for e-vehicles

Gujarat government signs MoUs in IT and Bio-Technology sectors

Government of Gujarat has announced various policies such as health, agriculture industry and startup etc. Out of them, biotechnology policy will include new dimension in the development of the state. MoUs worth USD 750 million by 37 companies in Biotechnology sector and 89 MoUs worth USD 2.38 billion in IT sector have been signed with the state government. . 15 companies have signed MoUs worth USD 40 million for the development of their running industries in biotechnology sector.

Japan to assist in making Chennai, Ahmedabad and Varanasi Smart Cities

Japan is interested in urban development initiatives of the Government of India and decided to be a partner in these initiatives. Japan has decided to develop Chennai, Ahmedabad and Varanasi as smart cities. So far, leading countries have come forward to be associated with development of 15 smart cities. These include: United States Trade Development Agency (USTDA) – for Visakhapatnam, Ajmer and Allahabad; UK- for Pune, Amaravati (Andhra Pradesh) and Indore; France – for Chandigarh, Puducherry and Nagpur and Germany– for Bhubaneswar, Coimbatore and Kochi.

Government hikes minimum pension for central government employees to USD 135

The minimum pension has been increased to USD 135 per person and ex-gratia amount has been increased from USD 14000-21000 to USD 35000- 49000 for central government employees. There are about 5-5.5 million pensioners in the country. Almost 88% of pension accounts have been seeded to Aadhaar.

Government approves 26% strategic sale in BEML

Government has approved 26% strategic sale in state run BEML Ltd. The company in a notification to the stock exchanges informed that the ministry of defence has approved of the strategic sale plan. The stake sale may take place early next fiscal. Government currently holds 54.03% stake in the firm. The said shareholding would be sold to the strategic buyer/s to be identified by the government of India by following due procedure.

Government to fund up to 60% of R&D costs for e-vehicles

Government would fund up to 60% of the research and development (R&D) cost for developing indigenous low-cost electric technology. The aim is to reduce pollution and introduce electric mobility as an alternative instead of existing petrol and diesel based two, three-wheelers and commercial vehicles operating in public spaces. The project will be undertaken under the Technology Platform for Electric Mobility (TPEM), a joint initiative of the Department of Heavy Industry (DHI) and Department of Science and Technology (DST).

INDUSTRY WATCH

- Soybean meal exports increase by 735.6%
- India's domestic passenger traffic up 22.3% in Nov
- India's factory output grows 5.7% in November
- India, China top automatable job potential
- Foreign tourist arrivals on E-visas up 57% in December

Soybean meal exports increase by 735.6%

The export of Soybean meal and its other value added products during December 2016 is 241,256 tons compared to 28,870 tons in December 2015 showing an increase of 735.6% over the same period of last year. On a financial year basis, the export during April'2016 to December'2016 has increased 47.58% from 302,304 tons to 446,130 tons in the same period of previous year.

India's domestic passenger traffic up 22.3% in Nov

India's domestic passenger traffic grew by 22.3% in November. Domestic travel demand increased 7.1% in November 2016 compared to the same month in 2015, but results continued to vary widely, with China, India and Russia showing double-digit growth while demand declined in Brazil and Japan. India's domestic Revenue Passenger Kilometres (RPK) and Available Seat Kilometres (ASK) were the highest amongst the major aviation markets such as Australia, Brazil, China, Japan, the Russian Federation and the US.

India's factory output grows 5.7% in November

Industrial growth has grown more than expected by 5.7% in November 2016 despite concerns over demonetisation. The Index of Industrial Production (IIP) had contracted by 1.9% in October. The surge was mainly driven up by a surge in capital goods production.

India, China top automatable job potential

India and China together account for the largest technically automatable employment potential, more than 700 million full-time equivalents between them because of the sheer size of their labour forces. The automation potential is concentrated in China, India, Japan, the US and the largest European Union nations. More than half the wages and almost two-thirds of the total number of workers associated with technically automatable activities are in just four countries—China, India, Japan, and the US.

Foreign tourist arrivals on E-visas up 57% in December

The inflow of foreign tourists arriving into the country through e-visas in December registered a significant 56.6% growth year on year. 162,250 foreign tourists visited India on e-tourist visas last month, up from 103,617 in December 2015. In 2016, foreign tourist arrivals on e-visas are more than doubled to 1079,696 from 445,300 in 2015, partly because the e-visa facility was extended to 161 countries from 113 previously.

CORPORATE HIGHLIGHTS

- **WNS Global Services acquires US-based BPO for USD 40 million**
- **OmniActive Health buys 85% stake in fragrance firm Indfrag for USD 80 million**
- **Aurobindo Pharma buys Generis in a bid to boost margins in Europe**
- **Suzlon gets 105 MW order from Axis Energy Group in Andhra Pradesh**
- **Insecticides India ties up with Japan's Nihon Nohyaku**

WNS Global Services acquires US-based BPO for USD 40 million

WNS Global Services has announced the acquisition of US-based Business Process Outsourcing (BPO) Company Denali Sourcing Services for USD 40 million, which is expected to improve its capabilities in the sourcing and procurement capabilities. The acquisition of Denali Sourcing Services will likely add a strategic procurement capability to WNS's existing finance and accounting solutions. WNS has been working with Denali for the last two and a half years for rendering various services to the clients.

OmniActive Health buys 85% stake in fragrance firm Indfrag for USD 80 million

OmniActive Health Technologies, a supplier of ingredients to the healthcare and food industries, has acquired a controlling stake in fragrance and specialty chemicals maker Indfrag Ltd for about USD 80 million. OmniActive will use the capital it raised from Everstone Capital to fund the acquisition.

Aurobindo Pharma buys Generis in a bid to boost margins in Europe

Aurobindo is paying USD 145 million, to acquire Generis, a generic drug company, valuing it at 2 times revenue and 10.6 times Ebitda. Aurobindo's debt is likely to increase because of this acquisition. The real benefit of this acquisition can be attained if Aurobindo can drive up its scale of operations and use synergies to lower costs.

Suzlon gets 105 MW order from Axis Energy Group in Andhra Pradesh

Suzlon Group has got a 105 mega watt (MW) order from Axis Energy Group in Andhra Pradesh. The project consists of 50 units of S111 90 metre tubular tower, each with a capacity of 2.1 MW. Located in Andhra Pradesh, the project is scheduled for completion in two phases. The first phase will be completed in March 2017 and the second phase will be completed in June 2017.

Insecticides India ties up with Japan's Nihon Nohyaku

Insecticides India Ltd (IIL) has tied up with Japan's Nihon Nohyaku Co Ltd to launch a new generation insecticides used in different crops under the brand name SUZUKA. IIL plans to introduce one more brand HAKKO, an insecticide for BPH in paddy crop. Under this tie up, IIL would market SUZUKA, the new generation insecticide flubendiamide of Nihon Nohyaku, Japan, which is an effective solution for control of lepidopteran pests in different crops like pulses, vegetables and paddy.