



**MARKET MOVEMENT**

Major Indices	August 26, 2016	September 02, 2016	% Change	Change
BSE Sensex	27,782.25	28,532.11	2.69	
NSE Nifty	8,572.55	8,809.65	2.76	

**INDIAN ECONOMY AT A GLANCE****POLICY WATCH**

- **India, US sign military logistics agreement**
- **India, Myanmar sign four pacts, agree to cooperate on insurgency**
- **Odisha cabinet approves startup policy**
- **Government clears 16 highway projects for bidding**
- **Cabinet approves initiatives to revive the construction sector**

**India, US sign military logistics agreement**

**US and India have signed an agreement governing the use of each other's land, air and naval bases for repair and resupply.** This is a step toward building defence ties as the two countries seek to counter the growing maritime assertiveness of China. The agreement, concerning day-to-day military logistics will make the logistics of joint operations easier and more efficient.

**India, Myanmar sign four pacts, agree to cooperate on insurgency**

**India and Myanmar have signed two pacts to expedite the construction of the Asian Trilateral Highway which aims to connect India with South-East Asia.** They have also agreed to cooperate in efforts to fight insurgency. Two other connectivity pacts signed provide for the construction of 69 bridges, including approach roads along the Tamu-Kyigone-Kalewa section and the construction and upgradation of the Kalewa-Yagyi road section of the trilateral highway in Myanmar.

### **Odisha cabinet approves startup policy**

**Odisha cabinet has approved the Odisha startup policy to promote entrepreneurship among the youth. The policy targets setting up of at least 1000 startups within a period of next five years.** Under the policy, universities and colleges are eligible for one-time capital grant up to USD 150,000 to set up incubation facilities in their campuses to help students to learn about startups. Besides, government would provide reimbursement up to USD 1500 per year for three years to institutions, incubators and industry for providing internet, electricity and mentoring services to startups.

### **Government clears 16 highway projects for bidding**

**Government has cleared 16 highway projects worth USD 11.12 million in 11 states for bidding. These are in Uttarakhand, Maharashtra, Haryana, Gujarat, Assam, Arunachal Pradesh, Andhra Pradesh, Sikkim, West Bengal, Chhattisgarh, and Odisha.** These projects, totalling a length of 622 km, are fit for bidding now but the award of these contracts can only take place after 90% of the land acquisition process is made available.

### **Cabinet approves initiatives to revive the construction sector**

**Cabinet Committee on Economic Affairs (CCEA) has approved various measures to revive the construction sector which has been undergoing stress.** Government agencies would pay 75% of the arbitral award amount to an escrow account against margin free bank guarantee, in those cases where the award is challenged. This is a major step which will allow recovery of loans by banks and allow construction companies to speed up execution of ongoing projects.

## **INDUSTRY WATCH**

- **India ranks third in implementing robotic automation**
- **FDI inflow from UAE to India more than doubled to USD 1 billion**
- **India's GDP grows at 7.1% in Q1 FY17**
- **Healthcare startups attract 8% B2C investments**
- **PMI manufacturing at a 13-month high in August**

### **India ranks third in implementing robotic automation**

**India is ranked at third position in the world in implementing robotic automation in their core business processes.** Artificial intelligence helps enhance efficiency and accuracy of the business. At a global level, Zimbabwe tops the chart with (75%) professionals supporting automation, followed by China with a 67% of acceptance compared to 64% professionals support automation in India.

### **FDI inflow from UAE to India more than doubled to USD 1 billion**

**Foreign Direct Investment (FDI) inflows in India increased by 29% to a record USD 40 billion in 2015-16.** Mauritius is the biggest source of Foreign Direct Investment (FDI) in India. It accounted for 34% of FDI inflows in 2015-16. It was followed by Singapore in second place, which made up 20% of share in FDI inflow last year. But UAE is catching up very fast; FDI inflows from UAE witnessed highest growth in 2015-16. The FDI inflows more than doubled to USD 1 billion from last year.

### **India's GDP grows at 7.1% in Q1 FY17**

**Indian economy has grown the slowest pace at 7.1% during April-June quarter of current fiscal mainly on subdued performance of mining, construction and farm sectors.** GDP had recorded 7.5% growth in the April-June quarter of last fiscal and 7.9% in January-March quarter. Gross Value Added (GVA), which is estimated at the base price, showed a growth of 7.3% in the first quarter of 2016-17.

### **Healthcare startups attract 8% B2C investments**

**India serves as the fastest growing startup-base worldwide and 6-8% of the recent Business to Consumers (B2C) startups in India have been in the health-tech sector.** The sector has already secured ample traction from investors owing to its huge potential. The recent past increasing number of HNIs, seed funds, incubators and other private investors have extended support to start-ups. The creation of conducive ecosystem for healthcare start-ups will be a boon for the healthcare sector.

### **PMI manufacturing at a 13-month high in August**

**India's manufacturing activity expanded at a 13-month high in August, backed by a surge in new orders and output.** The Nikkei purchasing managers index for manufacturing rose to 52.6 in August from July's 51.8. This was the eighth straight month of expansion indicating positive momentum in the production sector. Manufacturing sector in particular grew by 9% in the April-July period.

## **CORPORATE HIGHLIGHTS**

- **Tata group ties up with Harvard, Yale, IIT Madras to fund research**
- **LeEco invests USD 7 million on manufacturing plant in India**
- **TomTom launches first global innovation hub in Pune**
- **Zee Entertainment sells Ten Sports to Sony Pictures for USD 388 million**
- **Mediatek invests USD 60 million in Paytm at USD 4.8 billion valuation**

### **Tata group ties up with Harvard, Yale, IIT Madras to fund research**

**Tata Sons Ltd and Tata group companies have entered into collaborations to fund research and development opportunities** in the world's leading academic institutions, including Harvard University, Yale University, the Indian Institute of Technology, Madras, and the Royal Society, UK. The financial support, exceeding USD 25 million, will be spread over time, in line with the tenure of the individual alliances with the institutions.

### **LeEco invests USD 7 million on manufacturing plant in India**

**Within eight months of its launch in India, Chinese technology company LeEco has set up manufacturing facility** at Greater Noida. Partnering with Compal Technologies, the company has set up the plant with an investment of USD 7 million dollars. The facility has a capacity to manufacture 60,000 phones and is planning to expand the assembly lines to a capacity of 200,000 phones by December.

### **TomTom launches first global innovation hub in Pune**

**Navigation and mapping products company TomTom has launched its first global innovation hub in Pune.** The 1000 sq. ft. facility will be open to all India employees to enable them to upgrade their skills, innovate and think like entrepreneurs. The company currently has 800 employees in India and plans to take this up to 1000 over the next few months.

### **Zee Entertainment sells Ten Sports to Sony Pictures for USD 388 million**

**Sony Pictures Networks India (SPN) and Zee Entertainment Enterprises (ZEE) have entered into definitive agreements** to acquire TEN Sports Network and its subsidiaries for USD 385 million. The acquisition will add five sports channels, TEN 1, TEN 1 HD, TEN 2, TEN 3, TEN Golf HD to SPN's existing portfolio of channels. The deal also include TEN Cricket and TEN Sports that operate in several countries including the Indian sub-continent, Maldives, Singapore, Hong Kong, Middle East and the Caribbean.

### **Mediatek invests USD 60 million in Paytm at USD 4.8 billion valuation**

**Taiwan-based Mediatek's has invested USD 60 million in Paytm's parent One 97 Communications, valuing the** digital payments and commerce firm at USD 4.8 billion through its investment arm Mountain Capital. The round marks almost a two-fold increase in Paytm's valuation since it last raised money from the Alibaba group in September 2015.