



MARKET MOVEMENT

Major Indices	September 16, 2016	September 23, 2016	% Change	Change
BSE Sensex	28,599.03	28,668.22	0.24	
NSE Nifty	8,779.85	8,831.55	0.58	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Cabinet clears USD 190 million subsidy for BSNL for rural phones
- ADB approves USD 631 million loan for Vizag-Chennai industrial corridor
- New Import policy for marble and travertine Blocks
- Cabinet nod for submarine optical fibre link for Andaman Islands
- Government approves USD 394 million highway projects across five states

Cabinet clears USD 190 million subsidy for BSNL for rural phones

The Cabinet has cleared the long-pending compensation of USD 190 million for public sector telecom company BSNL to support rural landline connections installed before April 1, 2002. The subsidy will be given to the state-run firm after an amendment in the Indian Telegraph Rules (ITRs), 1951.

ADB approves USD 631 million loan for Vizag-Chennai industrial corridor

Asian Development Bank (ADB) has approved a USD 631 million loan to develop the proposed Vishakhapatnam- Chennai industrial corridor. Part of the larger East Coast Economic Corridor (ECEC) that will extend 2,500 km from Kolkata in West Bengal and Tuticorin in Tamil Nadu, the government expects the project to bring manufacturing and export industries to India's east coast. The ADB loan includes USD 500 million for financing infrastructure like roads, power generation and drinking water, among others, and a USD 125 million component to help policy interventions by the government.

New Import policy for marble and travertine blocks

Ministry of Commerce and Industry has notified the new import policy for marble & travertine blocks, and marble and granite slabs, to come into effect from 1st October 2016. The Minimum Import Price (MIP) on the import of marble slabs is being reduced to USD 40 per sq. metre to address the distortion associated with an MIP. In order to address the interest of domestic producers the basic customs duty on import of marble slabs is being doubled from 10% to 20% w.e.f. 1st October 2016.

Cabinet nod for submarine optical fibre link for Andaman Islands

Union Cabinet has approved a USD 167 million project for a direct communication link through a dedicated submarine Optical Fibre Cable (OFC) between the mainland in Chennai and Andaman and Nicobar Islands. The project to be completed by December 2018, will link Chennai with Port Blair and five other islands of Little Andaman, Car Nicobar, Havelock, Kamorta and Great Nicobar.

Government approves USD 394 million highway projects across five states

Government approved nine highway projects in five states to be executed at a cost of USD 394 million for 414 km. All the projects approved will be constructed in the engineering, procurement and construction (EPC) mode. These projects would come up in Telangana, Andhra Pradesh, Karnataka, Nagaland and Uttar Pradesh.

INDUSTRY WATCH

- **Sports sponsorship grows 12.5% to USD 786 million in 2015**
- **USD 18.6 billion FDI in electronic manufacturing**
- **IPO fundraising hits six-year high**
- **China sets up council to promote investments with India**
- **Retail records highest PE investments in H1 2016 since 2008**

Sports sponsorship grows 12.5% to USD 786 million in 2015

Indian sports sector has increased in viewership, sponsorship and participation in sports other than cricket. In 2015, the sports sponsorship market grew approximately 12% from a year ago to reach USD 786 million. The sports sponsorship market includes team sponsorship, ground sponsorship, franchise fee, endorsements and on-air sponsorship.

USD 18.6 billion FDI in electronic manufacturing

Foreign direct investment (FDI) in electronic manufacturing has touched an all-time high of USD 18.6 billion in 2016 on the back of enabling policies of the government and the Make in India initiative. The FDI stood at USD 1.7 billion in 2014. Apart from electronic manufacturing clusters, the government is offering better tax regime and incentives of MSIPS for electronic manufacturing.

IPO fundraising hits six-year high

Initial Public Offering (IPO) fundraising through initial share sales in 2016 has crossed the USD 3.03 billion mark, the highest since 2010. So far this year, 20 companies have tapped primary markets to raise USD 3.06 billion. This is the third time after 2007 and 2010 that IPO fundraising has crossed the USD 3.03 billion mark.

China sets up council to promote investments with India

China has permitted setting up of a new trade body to promote and coordinate Chinese investments and businesses with India. The Council will be based in the office of the China Council for the Promotion of International Trade (CCPIT) in Changsha, provincial capital of the Hunan province. The Council also plans to open offices in New Delhi and Hyderabad to promote and coordinate Chinese investments in India which are on the rise in recent years. The bilateral trade between India and China stood at USD 7,071 billion in 2015-16.

Retail records highest PE investments in H1 2016 since 2008

The first half of 2016 has witnessed the highest annual private equity (PE) investments in the retail sector with over USD 507 million being invested, compared to only USD 37 million invested in H1 2015. This is the highest annual PE investments made since 2008.

CORPORATE HIGHLIGHTS

- **Carpediem Capital invests USD 6 million in Gadgetwood**
- **Pepperfry raises USD 32 million in Series E funding**
- **Swiggy raises USD 15 million in Series D round led by Bessemer**
- **Wipro Consumer arm to buy China FMCG firm**
- **Adani Ports inks pact to acquire Australia's APB**

Carpediem Capital invests USD 6 million in Gadgetwood

On-demand repair services & refurbishment company, Gadgetwood has raised USD 6 million from Carpediem Capital, an India focused private equity fund, and its investors. Gadgetwood offers

repair and support services for mobiles and tablets across all brands. The company also operates in the refurbished device sales markets. The company repairs in excess of 10,000 devices every month and is an authorized service provider for a leading mobile manufacturer.

Pepperfry raises USD 32 million in Series E funding

Online furniture marketplace Pepperfry (Trendsutra Platform Services Pvt. Ltd) has raised USD 32 million in a Series E funding round from existing investors Goldman Sachs, Bertelsmann India Investments, Norwest Venture Partners and Zodius Technology Fund. The company had raised USD 100 million from these investors in June last year.

Swiggy raises USD 15 million in Series D round led by Bessemer

Online food delivery start-up Swiggy, owned by Bundl Technologies Pvt. Ltd, has raised USD 15 million in a Series D round of funding from Bessemer Venture Partners and existing investors Accel Partners, SAIF Partners, Norwest Venture Partners and Apoletto Asia. The fresh infusion of funds is likely to help Swiggy to better compete with the likes of Zomato Media Pvt. Ltd, Foodpanda India and Runnr (Carthero Technologies Pvt. Ltd)

Wipro Consumer arm to buy China FMCG firm

Wipro Consumer Care and Lighting's Singapore arm has agreed to buy Zhongshan Ma Er Daily Products Ltd, a Chinese fast-moving consumer goods company, for an undisclosed amount in an all-cash transaction. This would be its second biggest acquisition since it bought Unza Holdings Ltd, a Singapore consumer goods firm, for USD 246 million in 2007.

Adani Ports signs pact to acquire Australia's APB

Adani Ports and Special Economic Zone (APSEZ) has inked a pact to acquire Australian firm APB for an estimated USD 14.7 million through its arm Abbot Point Operations Pty Ltd (APO) which operates and maintains Abbot Point Coal Terminal in Queensland. The acquisition of APB gives APSEZ an access to operate 50 MTPA capacity in a developed economy on a cost plus basis with no capital investment.