

## Corporate Snapshot-GLOBAL

### Airbus to build 900 satellites



Europe's Airbus Group would build around 900 satellites for the satellite constellation-known as OneWeb Ltd. These satellites will offer high-speed, space-based Internet access to billions of people worldwide.

Around 700 of the satellites would weigh less than 330 pounds (150 kg) and that would be launched into orbit around Earth beginning in 2018. The rest will remain on the ground for replacements. Airbus Group will build the first 10 spacecraft at its Toulouse, France facility and later on it will shift the production to an undisclosed site in the United States.

Wyler, the co-founder of OneWeb, has also ventured into satellites like O3b Networks, and has also briefly worked at Google Inc in order to beam Internet access from space.

### Microsoft, Sony exhibit stunning games at E3 trade fair in Los Angeles



Microsoft & Sony showed dizzying action games and also spotlighted exclusive content at the E3 trade fair in Los Angeles.

Microsoft stated that the old video games would be installed on the new-

generation Xbox One consoles so that people would again be able to play their old video games. Microsoft studio has also announced a partnership with the famed Japanese Game Designer, Keiji Inafune, Mark Pacini and also has teams at Comcept and Armature Studio to debut an all-new Xbox One exclusive titled "ReCore."

Sony's developers also showed- off crafting games at the fair that would give game players 360-degree perspectives in the world using Morpheus virtual reality head gear.

Sony also presented its "Rigs" arena battle game that visitors got a chance to play at E3 play station booth.

### Coty buys 3 businesses from P&G for \$12 billion



Coty Inc., the beauty products and fragrance manufacturer, has purchased three related businesses from Procter & Gamble the Max Factor, Cover Girl and Wella brands.

Coty had won the auction and it is expected that the value of the three deals could reach \$12 billion. Coty has purchased P&G's divisions through Reverse Morris Trust. This purchase has put Coty into a much better position in the cosmetics market.

Coty, Inc. is a global beauty products manufacturer founded in Paris, France by Francois Coty in 1904. Its main products are fragrances, color cosmetics and skin & body care products. It is known for its cooperation with designers and celebrities for the creation of fragrances.

Its biggest brands are: Calvin Klein, Chloe etc.

### News Corp increases stake in PropTiger



News Corp

News Corporation, the American multinational mass media company, has increased its stake by 5% in the Singapore-based Elara Technologies, which is the parent company of online real estate services portal PropTiger.com. The terms of the transaction, which has increased News Corp's stake in Elara to about 30 per cent from 25 per cent are not yet disclosed by the company.

PropTiger.com is an independent online real estate advisor, headquartered in Delhi. The company focuses on property advisory and loan advisory. News Corp had first acquired a 25% stake in Elara in November 2014 for about \$30 million.

### Uber to invest \$1 billion in China



Taxi hailing app Uber has planned to invest seven billion Yuan (\$1.1 billion) in China this year. Uber had launched operations in China in the month of February last year. The demand for private-car booking enterprises such as Uber has been increasing in China, where

traditional taxis are criticized for poor service with rude drivers who do not provide better facilities to the customers.

Uber has planned to boost its China presence more than 5-fold by next year, with plans to launch its services in 50 new local cities over the period. It currently operates in 11 cities in China. Beijing has shown an unusual tolerance for these newer and often better-run private companies despite pressure from the Domestic Chinese taxi firms.

### **U.S. becomes the world's biggest oil producer this year**

The International Energy Agency and the Bank of America have stated that the U.S. has become the world's biggest oil producer this year after overtaking Saudi Arabia and Russia. According to BP Plc's Statistical Review of World Energy, the US has produced oil at 11.6 million barrels per day as compared to Saudi Arabia's 11.5 million bpd production. Russia was placed third with 10.8 million bpd oil production.

According to the Energy Information Administration (EIA), a Paris-based adviser to 29 nations, shale formations in Texas and North Dakota using hydraulic fracturing and directional drilling technology has produced almost 50 percent of the nation's oil in April 2014.

As per the opinion of the IEA, U.S. oil output would rise to 13.1 million barrels a day in 2019 and the production growth of oil outside the U.S. would be lower, keeping global oil prices high.

### **Small businesses in the US hire 2.7 workers per firm**

Small businesses in the United States have been trying to fill open positions in their firms. Fourteen percent of small firms have added an average of 2.7 workers per firm while twelve percent of the small firms have

planned to add jobs.

NFIB's chief economist William Dunkelberg has said that it is a strong indication that the unemployment rate would decline even more in the United States. The NFIB survey has collected responses from 616 small businesses.

### **Lupin, Cipla to bid for UCB's \$ 1 billion US generic unit**



Lupin Ltd. and Cipla Ltd. are amongst the companies that have been bidding for the top Belgian drug maker UCB SA's U.S. generic- drug business. The business is expected to be valued at about \$ 1 billion and the Indian Drug makers have been considering acquisitions to compete with the market leader Sun Pharmaceutical Industries Ltd.

Both the companies have submitted their first round offers in late April for UCB's Kremers Urban Pharmaceuticals Inc unit.

In the month of November last year, UCB had agreed to sell the U.S. generics business to private equity groups Advent International and Avista Capital Partners for about \$ 1.53 billion.

### **Rafale jet sale to India within 2-3 months**



The Defence Minister of France, Jean-Yves Le Drian, said in a statement that 36 French Rafale military fighter jets sale to India would be complete within 2-3 months. The deal was initiated in India in the month of April this year under which French manufacturer Dassault Aviation would sell 35 of its jets to India in a deal

estimated at over USD 5.5 billion.

To meet the critical requirements of the Indian Air Force, India and France have also decided to set-up teams to work out the details of the acquisition of 36 Rafale fighter jets.

### **Carlyle Group to invest \$500 m in Magna Energy**

U.S. based non-public equity firm, Thomas Carlyle Group, has plans to invest \$500 million in Magna Energy Ltd. Magna is an India-focused oil firm founded by Mike Watts. It could fund Magna to become a full-cycle oil utility through acquisitions and by securing local licenses in India.

Watts has supported Magna along with his former CFO-turned-Managing Director Jann Brown to speculate in oil and gas fields in South Asia. Funding for the Magna investment can give greater return for Thomas Carlyle International Energy Partners, a fund that focuses on oil and gas investments in Europe, Africa and Asia.

Washington-based Thomas Carlyle Group has over \$193 billion of assets under management.

### **B20 prepares recommendations for G20 summit in Nov**

The Group called B20, a business leaders group of the G20 countries, met in Turkey and prepared recommendations which might be finalized for the G20 leaders meeting in Nov. The B20 had six task forces on infrastructure and investment, trade, funding and growth, anti-corruption, employment and little and medium enterprises and entrepreneurship. Every task force has created specific recommendations to boost business prospects at the G20 meet, which might facilitate increase in gross domestic product growth.

It also suggested eliminating information flow restrictions and softening rules on information privacy to decrease the cost of doing business. It also aforementioned customs regimes that should be harmonized to confirm that bottlenecks

to e-commerce are decreased and transactions become predictable.

According to estimates, the digital economy is predicted to contribute around \$4.2 trillion of gross domestic product for the G20 countries in 2016 and is growing at 100 percent annually. Cross border e-commerce accounts for 10-15% of total e-commerce volumes, betting on the region. Mckinsey International Institute and BCG analysis has reported that by 2025, annual international cross-border e-commerce revenues might swell to between \$250 billion and \$350 billion-up from \$80 billion at present

**CVC and Temasek to acquire controlling stake in Alvogen**

European personal equity fund, CVC and Singaporean sovereign wealth fund, Temasek have been working for a dominant stake within the pharmaceutical firm, Alvogen. The size of the stake wasn't disclosed; however, the deal values the purchase at around \$2 billion.

The Alvogen Company presently has 350 generic merchandise in the market and has been pushing into the Asia-Pacific region with many acquisitions, together with that of South Korea's Dream pharmaceutical company last year. Alvogen's current revenue this year stands at \$750 million, with core earnings (EBITDA) of \$220 million.

**China hosts signing ceremony of the AIIB**

China hosted the signing ceremony of the Asian Infrastructure Investment Bank (AIIB), a new international financial organization which is all set to rival the World Bank and the Asian Development Bank.

Australia was the primary country to sign the Articles of Association making the AIIB's legal framework, followed by forty nine different

members.

Most Asian countries and countries from the center East have joined, with the launch of the Beijing-led bank being hailed as a diplomatic and strategic success for China. The UK, Germany, Australia and South Korea are amongst the initiation members for AIIB. Japan and the United States, are among those countries that have opposed the AIIB.

AIIB is one of the many establishments that China has created to push its own economic agenda, mostly driven by frustration over its lack of influence within the huge world money establishments like the World Bank. The AIIB begins with authorized capital of \$50bn (£31.8bn), eventually to be raised to \$100bn. China holds a 34% stake creating it the most important investor of the bank.

**Germany's oldest nuclear reactor shuts down**

Germany's oldest remaining nuclear reactor has been shut down, as part of a move which was initiated four years ago to shut off all its nuclear plants by 2022. The Grafenrheinfeld reactor in Bavaria which was taken into service in 1981, is the first to shut since Federal Republic of Germany shifted the oldest eight of its seventeen nuclear reactors in 2011. The next to close will be one of the two reactors at the Gundremmingen plant in Bavaria in the year 2017.

**Amazon.com launches its bank loan programme in 6 countries**

Amazon.com Inc plans to provide short term capital loans in alternative countries wherever it operates as a third-party and a seller-run marketplace business.

The six countries which will be provided loan- assistance are Canada, China, France, Germany, India, Italy, Espana and also the UK.

Amazon offers three to six-month loans of \$1,000 to \$600,000 to assist merchants get inventory.

Twitter's top executive Rishi Garg

resigns

Rishi Garg, the Vice President for Corporate Development and Strategy at Twitter, has resigned. Twitter has failed to announce a replacement for Garg, whose departure came two weeks after CEO Costolo had proclaimed that he was stepping down.

Other high-level departures over the last 18 months include product chief Daniel Graf, COO Ali Rowghani, and CFO Mike Gupta.

Before joining Twitter, Garg was the M&A chief for Jack Dorsey Company Square. Garg is a BA in Economics and MS in Industrial Engineering from Stanford University, and an MBA from the Harvard Business School.

**UK private-sector growth falls to six-month low this year**

The Confederation of British Industry has stated that its report based on separate surveys of makers, retailers and services shows the Growth in Britain's Private Sector has eased to its lowest level +14 in June which is lowest since December.

Britain's economy has expanded by 0.4 percent from April through June. Most of the economists and also the Bank of European countries expected that the pace of growth will quicken within the first half of 2015. The CBI has identified the Greek crisis the most immediate cause to Britain's economic outlook, as the direct exposure to the debt-stricken country is small.

**Bharti purchases stake in satellite company OneWeb**

Bharti Enterprises acquired a strategic minority stake in OneWeb, that is supported by a world association of Qualcomm, Virgin Group, Airbus, Coca-Cola, Intelsat and Grupo Salinas and which has the intention to produce cheap net access for all.

OneWeb satellites would offer high-speed internet to a small user terminal that transmits broadband access through

Wi-Fi, LTE, 3G and 2G to the encompassing space.

This access can care for mobile operators' request platform. The terminals may be optionally solar-powered and used as community access points in faculties, health centres or alternative locations. As one of the introducing members of OneWeb, Bharti will have representation on the board of the company. The firm has received funding of \$500 million from its investors. It aims to create a communications network with an initial constellation of 648 low earth orbit satellites that may offer internet round the world.

#### **Hyundai Motors to launch SUVs in China**

The Korean car manufacturer, Hyundai Motors, has invested \$1 billion with its Chinese partner, BAIC (Beijing Hyundai Motor Co. Ltd) to create its fifth plant, which can have annual capability of 300,000 units.

It will conjointly expand its dealer

network by 300 dealerships to 2,000 to strengthen customer service. Hyundai has 2 plants under construction in China. It is expected to start production in 2016 and 2017. It would facilitate Hyundai Motors associated with BAIC to reach an annual combined capability target of 2.7 million vehicles by 2018.

#### **Xiaomi sells 34.7 million smartphones till June 2015**

Xiaomi has sold 34.7 million smartphones in the first half of 2015. This goes right in line with Xiaomi's anticipated smartphone sales growth for 2015, a number that beats last year's numbers by 33%. They appear to be on the right track to achieve (and most likely surpass) their goal as they continue beating everyone's expectations.

They have recently overwhelmed a Guinness record, partnered with Microsoft and opened a Xiaomi on-line store for western markets.

#### **Airtel sells towers in five African countries for \$1.3 bn**

Airtel has sold the towers it owned in five African countries. The total proceeds

from the transactions would be used for reducing debt. With operations across 17 African countries, Airtel is in the process of divesting 15,000 towers to different companies in 13 countries in Africa. Last month, Bharti Airtel terminated its agreement with Helios Towers Africa (HTA) for the sale of tower assets in Tanzania and Chad that they had signed last year.

The divestment would expand HTA's coverage in Africa to 7,800 owned towers. Both are set to terminate the deal in African country Chad that had around 800 towers whereas the deal for Democratic Republic of Congo has remained.

Bharti Airtel's Africa business is running into losses since the company entered in the continent in 2010. For the quarter terminated March, its revenue from Africa declined thirteen per cent on year-on-year basis whereas the internet loss has widened to \$183 million. Net debt at the top of monetary year 2014-15 has stood at over \$10.67 billion.

## Corporate Snapshot-INDIA

### Reliance Brands ties with Japanese Muji's Stores



Mukesh Ambani's Reliance Brands has joint ventured with Japan's Ryohin Keikaku Co Ltd which is a leading retailer of self- brand goods under the MUJI brand. The stores will sell a range of products starting from clothing for men and women to kitchen tools and furniture. They will also offer a complete range of global brands.

Japan's Ryohin Keikaku Co Ltd. is mainly engaged in the retail of self-branded goods, with a market capitalization in excess of USD 4.8 billion (as of June 15, 2015). The joint venture in India will offer the complete lifestyle range from MUJI through large format standalone stores with store sizes ranging from 6,000-10,000 sq ft.

MUJI has a strong global presence of 700+ stores across Japan, Asia, Europe, the USA and Australia. Outside of Japan, China is the largest international market for MUJI.

### FSSAI restrains Yippee from writing 'No added MSG'



ITC has been asked by the Food Safety and Standards Authority of India (FSSAI) to refrain from using the phrase 'No added MSG' on the product packs if the product does not contain monosodium glutamate

The FSSAI has further stated that such statement of having no MSG was "inappropriate" and if a product contains the quantum of MSG so added then it needs to be declared. As per the FSSAI order, the companies whose products have been listed for testing are Nestle India, ITC, Indo Nissin Food Ltd, GSK Consumer Healthcare, CG Foods India, Ruchi International and AA Nutrition Ltd.

### Tata Group to increase share in AirAsia India



Tata Group, through its holding company Tata Sons, has been planning for a possible buyout of 21% stake in AirAsia India. It already holds 30% stake in AirAsia India. The remainder is with personal capitalist Arun Bhatia through his investment company; Telestra Tradeplace which holds a 49% stake in AirAsia India Pvt. Ltd. With the additional purchase of shares Tata will be holding 51% shares in the company. The Tatas can possibly get Arun Bhatia's shares and it means that Tata's confidence in the country's aviation business that continues to be riddled with losses and saddled with debt is growing

### U.S. FDA tests Maggi samples

The U.S. Food and Drug Administration (FDA) took samples of Maggi noodles manufactured in India from third-party importers' containers for testing. Nestle

had to pull off Maggi noodles from stores in India after it was banned following reports by the Food Safety and Standards Authority of India (FSSAI) that some packets contain excess lead. Maggi noodle products in U.S. stores are sourced from India by retailers or imported through the third parties.

Nestle India, however, has lodged a judicial review with the Bombay High Court over the FSSAI order and also sought clarification on the state's method of testing the noodles.

### SunEdison acquires Continuum Wind Energy in India



SunEdison, a global renewable energy company headquartered in the U.S., has signed a definitive agreement and has acquired Continuum Wind Energy Limited-a Singapore- based Company with assets in India. The definitive agreement was signed on June 12, 2015 subject to regulatory approvals, third-party consents and customary closing conditions. The operation and maintenance of the wind power plants would be performed by SunEdison Services. SunEdison's strong global financial capabilities and talented local team in India would allow Continuum to capture the huge business opportunity in this dynamic market.

Continuum owns and operates 242 megawatts (MW) AC of wind power plants in Maharashtra and Gujarat states, as well as 170 MW of wind power under construction in Madhya Pradesh state, and has more than 1,000 MW of wind power plants in development across six states in India.

## Hero MotoCorp launches new Passion professional



World's largest two-wheeler manufacturer Hero MotoCorp has launched a brand new model of its 100cc bike Passion professional, priced at Rs 47,850 (ex-showroom Delhi). The new Passion professional is a lot trendy and powerful, and has options like flush sort fuel tank cap, 240 millimetre front disc brakes, power begin, front facet cowl, new tail light-weight and digital-analogue dance orchestra meter.

The bike is available in eight completely different colors. Sales at Hero MotoCorp have declined by 5.64% in the past two months but the new model, reinvented with more powerful engine, enhanced fuel efficiency and greater style quotient, to go with the legendary Hero reliability is expected to stem the slide.

## Sales of Khadi products increases by over 60 percent



Prime Minister Narendra Modi's appeal to people to wear khadi garments in his 'Mann Ki Baat' programme aired regularly on radio has played a key role in boosting the

sale of Khadi products.

According to the Ministry of Small and Medium Enterprises, the wholesale of khadi fabric by Gramodhyog Bhawan from April thirteen to twenty-eight witnessed a rise of over sixty per cent compared with the corresponding period last year.

Keeping the overwhelming response of shoppers in mind and considering the quantum jump in sales, the Gramodhyog Bhawan organized an exhibition throughout this summer commencing from its premier outlet in New Delhi during which exclusive variety of Khadi summer collection were displayed and provided to the prestigious customers.

## Coal India to supply coal to MSME sector

In order to offer coal to the Medium and Small Scale Enterprises (MSME) sector, Coal India Ltd. (CIL) has had talks with the State Governments regarding supply of eight million tonnes of coal annually, sold at notified costs, to the MSME sector that constitutes brick kilns, food processing industry, lime factories, smokeless fuel plants, coke, kitchen appliances units and different small industries that use coal.

In line with the New Coal Distribution Policy, customers in small and medium sectors having annual demand of 4,200 tonnes of coal could sign a FSA (fuel offer agreement) and can get coal through State-nominated agencies. CIL's subsidiaries firms have also entered into bi-lateral FSAs with State Government-appointed agencies.

Hero group announces formation of Hero Electronix

The Hero group has announced the formation of a new company, Hero Electronix. The company has lined up investments of Rs. 500 crore in next few years. It will provide a huge impetus to the 'Make in India' initiative by helping reduce the imports of electronics into the country.

As its first strategic initiative, Hero

Electronix has acquired a majority stake in set-top box maker company, Mybox Technologies Pvt. Ltd., the number one multi-operator manufacturer of set-top boxes within the country. Mybox is a venture recognized by the Government of India and approved by DSIR (Department of Scientific and Industrial Research). It is also one of the very few companies engaged in end-to-end design of indigenous set top boxes. However, it didn't disclose the money details of the deal.

## Jaitley discusses Bilateral Investment with US officials

In a series of conferences with US Treasury Secretary Jack Lew, Commerce Secretary Penny Pritzker and US Trade Representative, Microphone Froman; Arun Jaitley, the Finance Minister raised India's considerations over key bilateral problems, as well as totalization agreement and therefore the projected Bilateral Investment accord.

Jaitley was on a nine-day US tour. The totalization agreement aims to guard interests of professionals of Indian-origin who contribute more than \$ 1 billion each year to the US social security.

India has signed BIPAs (Bilateral Investment Promotion and Protection Agreement) with over eighty countries. However, currently there is a freeze on these agreements following a spate of suits from telecom companies. But Jaitley has assured United States of America investors that the government would resolve the issue very soon.

## Softbank, Bharti, Foxconn proclaim a JV

Japanese telecommunication firm Softbank Corporation in conjunction with Sunil Mittal's Bharti Enterprises and Taiwan-based Foxconn Technology has announced a joint venture, SBG Cleantech, to market adoption of unpolluted and safe energy in India.

It would finance \$20 billion to come up with twenty GW (gigawatt) of solar

energy, billed as one of the biggest foreign direct investment (FDI) projects in the sector. The JV will be led by SoftBank, whereas the remaining two are minority partners.

Under the National Solar Mission (NSM), Indian government has been targeting solar energy generation capability of a 100 GW by 2022. SBG Cleantech intends to participate within the 2015-16 spherical of solar energy plant tenders under the NSM and state-specific solar programmes.

### Facebook gains attention on YouTube



Facebook has been gaining attention on Google's YouTube as associate outlet for large corporations to plug their product via on-line videos, the quickest growing class of web ads.

Ampere Analysis has stated that Facebook pre-roll advertisements messages are literally viewed by the public. Currently, YouTube remains a versatile selling platform, providing advertisers a variety of video ads that run before, throughout or when a video programme is shown.

Most content suppliers currently use Facebook for disapproval and awareness functions. The Internet can overtake TV advertising in twelve key markets, representing 28 percent of worldwide ad disbursement by 2017, separate analysis by media-buying firm ZenithOptimedia. Ad disbursement is projected to achieve \$531 billion this year.

### L & T wins orders worth Rs 2,035 crore



Engineering and construction major Larsen & Toubro (L&T) has received orders worth Rs. 2,035 across various business verticals for the construction of office spaces.

Besides, L & T has also secured a major EPC (engineering, acquisition and construction) order for construction of 109.54 km of a multilane twin carriage portion of the Sholapur-Maharashtra-Bijapur-Karnataka road.

Under the project, construction of 46.23Km service road, six flyovers, two railway over bridges, three major bridges, 49 minor bridges and 27 underpasses will be done.

L&T is an Indian multinational engaged in technology, engineering, construction, manufacturing and financial services with over \$15 billion revenue.

### GFH signs agreement with Adani for economic development zone

Bahrain-based GFH Financial Group has signed an agreement with Indian conglomerate, Adani Group, for developing an economic development zone in Mumbai.

Under the agreement, the Energy City Navi Mumbai along with the Adani Group have made plans for Phases II and III of the project, which will supply world category business infrastructure for native and international services, IT and energy firms.

The group's two units ECNM and metropolis IT and Telecom City (MITTC) are two core components of

the metropolis Economic Development Zone (MEDZ).

### Thomas Cook gets 22% increase in monsoon tourism



Thomas Cook India Ltd saw a 22% increase in monsoon tourism. The Company has launched a special monsoon package, Drizzlers 2015, giving travelers the chance to travel on up to 25-30% lower costs internationally. As a part of Drizzlers 2015, Thomas Cook has over one hundred new destinations for tourists. Domestic tourists can also tour the country at 15% lower costs.

### Airbus ties up with Mahindra Defence to Manufacture Helicopters domestically

Europe's Airbus and the Mahindra Group have entered into a deal to jointly manufacture military helicopters in India.

The partnership comes within the wake of growing needs of Indian military.

A venture therefore has been shaped by the two teams because it is the first personal manufacturer of helicopters within the country. However, the businesses have declined to disclose what proportion they would invest within the joint entity.

Analysts have estimated that the government could invest \$250 billion in upgrading country's military forces over the next ten years. The venture is going to be dedicated to the Made-in-India initiative.

## Cognizant to Face Losses due to Centene's Acquisition of Health Web



# Cognizant

Cognizant Technology Solutions, that carries out a part of its world

operations from India, has said that it could witness some losses due to the acquisition of Health Web by US healthcare major Centene in a stock deal priced at \$6.3 billion. The acquisition is predicted to be completed by early 2016.

There is uncertainty over continuation of a \$520 million contract with US-based aid services firm Health web. The planned implementation of a seven-year master services agreement for end-to-end body services between Cognizant and Health web, which was going to start in mid-2015, is being postponed whereas Health Web and Centene have completed the merger.

Cognizant still remains positive regarding achieving its revenue steering

of \$12.24 billion in 2015, despite seeing losses from Centene's acquisition of Health web.

The company employs a major population consisting of 211,700 employees in India.

Domestic industrial vehicle sales show signs of recovery

Domestic industrial vehicle sales have shown signs of recovery, after a fall during past 2 years.

The recovery in the commercial vehicle industry is being led by a rise in demand for replacement, excise duty cut and discounts offered by original equipment manufacturers (OEMs).