

## Daily Economic News Summary: 21 October 2016

### 1. HCL to acquire Butler America Aerospace for \$85mn

Source: **Business Standard** ([Link](#))

IT services major HCL Technologies said on Friday it will acquire Butler America Aerospace for \$85 million in cash, a move aimed at strengthening its position in the aerospace and defence engineering services space. Butler Aerospace provides engineering, design services and aftermarket engineering services to US aerospace and defence customers, providing them services in areas of mechanical and structural design, electrical design, tool design and aftermarket engineering services. "The consideration for the proposed transaction is \$85 million to be paid in cash. The proposed acquisition will exclude the staffing business of Butler America Inc," the country's fourth largest IT company said in a statement. Butler America Aerospace had revenues of \$85.4 million for the year ended December 31, 2015. The transaction, when consummated, is likely to be EPS accretive, it added.

### 2. Reliance Jio says adding 0.6-1.1 million customers every day

Source: **Business Standard** ([Link](#))

Despite the rampant call drops issue it is facing since launch, Reliance Jio today said it is adding anywhere between 0.6 million and 1.1 million customers a day and maintained it will be investing Rs 1 lakh crore more in operations by 2020. The telecom arm of RIL commercially launched mobile services on September 12, and within a month, it had claimed to have created history by adding 16 million customers. The Mukesh Ambani-led firm, which invested Rs 1.45 trillion in setting up the business, is targeting 100 million customers within a year of commercial launch. "We are adding a low of 0.6 million and a high of 1.1 million customers a day," Reliance Jio business head Anshuman Thakur told reporters here while announcing the second quarter earnings of the parent Reliance Industries here this evening.

### 3. Wipro gets to cloud with \$500-million US firm acquisition

**Source: Business Standard ([Link](#))**

Wipro has acquired Appirio, a US-based company that helps companies implement cloud applications like Salesforce and Workday, for \$500 million (Rs 3,325 crore). Appirio, which has large offshore presence, is Wipro's second purchase after Abidali Neemuchwala took over as chief executive of India's third largest software exporter. The deal will help Wipro gain expertise in implementing applications on the cloud and for newer clients like Facebook, eBay and Home Depot. Wipro also gets access through Topcoder, Appirio's crowdsourcing marketplace, to over 1 million designers, developers and data scientists around the world. "Wipro's acquisition of Appirio will create one of the world's largest cloud transformation practices, a game changer in today's as-a-service and digital economy," Wipro said in a statement.

#### **4. Ashok Leyland bags Rs 1,140-cr worth order from Tanzania**

**Source: Business Standard ([Link](#))**

Ashok Leyland Ltd has bagged order worth \$170 million (around Rs 1,140 crore) from the United Republic of Tanzania. The order includes supplying of vehicles, gensets, spares and equipment for development of workshops, training modules and allied equipments to be fitted on ambulances. Vinod K Dasari, managing director, Ashok Leyland commented that exports is an import part of Ashok Leyland's strategic intent to globalise its product portfolio and derisk itself from supplying only into India. Recently the company has bagged order worth \$200 million from the Côte d'Ivoire in the African region and another order to supply 773 vehicles to Tanzania under Line of Credit from the Government of India. Further the company is currently executing another order to supply of 777 vehicles to the Minister of Home Affairs in Tanzania. This latest order is being financed fully by EXIM Bank of India under National Export Insurance Account (NEIA) Scheme.

#### **5. L&T Tech bags multi million dollar contract from large semi-conductor company**

**Source: Business Standard ([Link](#))**

L&T Technology Services, a provider of digital engineering solutions, today announced that it has secured a new multi-year, multi-million dollar contract with a large global semi-conductor company to provide verification support on their expansive portfolio of offerings and products. This strategic tie-up between the two [companies](#) will enable the customer to strengthen its product offerings and capitalise on market opportunities with superior quality products, the company said. "L&T Technology Services' focused effort on key customers is paying dividends.

We have been awarded a multi-year partnership with one of the world's most respected technology companies. We will continue to provide cutting edge services and solutions to global customers," said Keshab Panda, CEO & Managing Director, L&T Technology Services.

**By Nandini Malhotra**

