

Daily Economic News Summary: 29 August 2016

1. AirAsia India set to get fresh funds for expansion drive

Source: **The Mint** ([Link](#))

Promoters of AirAsia India Pvt.Ltd have agreed to invest fresh funds in the low-fare airline as it aims to expand fleet and fly abroad, the company's chief executive said. "It's the start of our next chapter in India. We have been very categorical in stating that we get new aircraft as soon as possible," chief executive Amar Abrol said in an interview. Abrol declined to reveal the quantum of investment, but said it can run into "multiples of million dollars". Tata Sons holds 51% in AirAsia India while Malaysia's Air Asia Bhd holds the rest. Abrol took charge of the India operations in April after Mittu Chandilya quit the company.

2. Doha Bank, Centrum in tie-up to scale up ops in India, Gulf

Source: **Live Mint** ([Link](#))

Doha Bank, one of the largest commercial banks in Qatar, and Mumbai-based Centrum Group have signed a strategic tie-up to leverage each other's network and scale up their respective operations in India and GCC countries in the areas of banking, wealth management and foreign exchange. GCC refers to the Gulf Cooperation Council, a political and economic alliance of six West Asian countries—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman. The memorandum of understanding, or MoU, will enable a mutually beneficial collaboration wherein Doha Bank will use Centrum's expertise to expand its footprint in India and Centrum will leverage the Qatar partner's existing network and strengths to scale up its presence in the GCC countries, a Centrum statement said.

3. Mahindra launches DiGiSense platform to access vital vehicle info

Source: **Live Mint** ([Link](#))

Utility vehicle maker Mahindra & Mahindra on Friday launched DiGiSense, a technology solution aimed at empowering owners, fleet operators, drivers, dealers and service teams to access information about their vehicles on a real-time basis. The technology will provide data like locating the vehicles real-time, history of the vehicle travel, reduce idling time in traffic zones with better route plan and save fuel cost and improve productivity. It can also diagnose potential

engine problems remotely, and reduce turnaround time during breakdowns. It comes with an emergency alert button that guides the owner to the nearest service centre. The alert notification includes over speeding and excessive idling by drivers.

“We have launched DiGiSense technology, which will empower customers to digitally build knowledge 24X7 about the performance and location of their mobility products and tractors. “This new technology will be available in select variants of M&M commercial and passenger vehicles to tractors and construction equipment and will cost between Rs5,000 to Rs10,000 per vehicle,” M&M executive director Pawan Goenka told reporters in Mumbai. The launch makes the company the first among Indian OEMs to have created an ecosystem of technology partners like cloud service provider, map provider, telecom network provider, hardware manufacturer and other third parties.

4. Global funds queue up for Everstone Group’s \$2 billion Reit

Source: **Live Mint** ([Link](#))

Singapore’s Temasek Holdings Pte and GIC Pte, the Canada Pension Plan Investment Board and the Abu Dhabi Investment Authority are in advanced talks to invest in Everstone Group’s \$2 billion real estate investment trust (Reit) offer, three people aware of the development said. The offering by Everstone Group’s industrial and logistics real estate development platform, IndoSpace, is set to become one of the biggest fund-raising through a private Reit in India. These offerings are sold to a handful of big investors.

The Indian industrial and logistics warehousing industry is in its infancy and is growing rapidly, making it very attractive for investors, experts said. The fragmented nature of the industry, a shortage of warehousing facilities and growing demand from manufacturers and retailers add to the attraction. “There is a lot of demand from e-commerce and retail companies. Additionally, as manufacturing growth picks up, demand for warehousing assets will grow further,” said Vishwas Udgirkar, senior director at Deloitte Touche Tohmatsu India Pvt. Ltd.

5. Aurobindo, Intas seek to boost Europe business with Teva bid

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

Indian drug makers Aurobindo Pharmaceuticals and [Intas](#) are in the race to acquire Teva’s generic [drugs](#) in Britain as a part of their plans to expand their European businesses. Israel-based Teva, the largest generic drugmaker in the world, has put its products in Britain and Ireland on the block as a part of anti-trust requirement following acquisition of drug maker

Allergan last year. A report in The Economic Times said Aurobindo and Intas had submitted binding offers for Allergan's products which are valued over a \$ 1 billion.

Intas, which markets its drugs in six European countries, also launched a [biosimilar](#) in Europe. Meanwhile Aurobindo is expanding its European business. Two years ago it acquired Actavis Pharma's operations in [Europe](#) for about Rs 250 crore giving it a strong foothold in the continent. Analysts believe that if Aurobindo wins the bid for Teva's assets it will help it to consolidate its European operations which now account for around 28 per cent of its global revenue. The company could use its manufacturing plants in India to supply products to Europe and boost margins.



By Nandini Malhotra