

Daily Economic News Summary: 29 September 2016

1. \$3.24-bn Rosneft deal gets the govt all-clear

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

The Union Cabinet on Wednesday gave its nod to a consortium of Indian Oil Corporation, Oil India and Bharat PetroResources for acquiring stakes in two Russian oilfields for around \$3.24 billion. The consortium will acquire 23.9 per cent stake in Vankorneft and 29.9 per cent stake in Taas-Yuryakh fields from Rosneft. Rosneft operates Vankor and Taas-Yuryakh oilfields. The acquisition of stake in Vankorneft will provide 6.56 million metric tonne of oil equivalent (MMtoe) and 29.9 per cent stake in Taas-Yuryakh will provide 0.5 MMtoe initially and 1.5 MMtoe by 2019. The purchase is in line with India's objective of adding high quality international assets to its exploration and production portfolio, thereby augmenting the country's energy security.

2. Fairfax to raise \$500 mn for India buys

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

Enthused with his investments giving good returns in India, Canada-based billionaire Prem Watsa-owned Fairfax Financial Holdings is raising \$500 million to fund its acquisitions in the country. The group has already made a string of acquisitions in India, including a majority stake in travel firm Thomas Cook India, a minority stake in financial services firm, IIFL Holdings, and stakes Bangalore International Airport and Sanmar Chemicals. According to bankers close to the development, Fairfax is in talks to pick up 10 per cent stake in Catholic Syrian Bank - a South India-based private sector bank and is in the market to raise funds for the acquisition. The bank needs Rs 500 crore of fresh capital to support its growth plan. The latest fundraising exercise will be led by Bank of Nova Scotia as the lead manager in the offshore markets.

3. Social Venture Partners to create job opportunity for 1 million Indians by 2020

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

Social Venture Partners (SVP) India has rolled out an initiative to train and skill one million Indians by 2020 so as to create a sustainable livelihood for them. This comes at a time when entry level jobs are being threatened by automation, artificial intelligence and robotics. Established in 2012 by Ravi Venkatesan, former Chairman, Microsoft India and

Chairman, Bank of Baroda, who currently chairs the SVP India Board, the organization is the India arm of SVP, a global community of more than 3,500 investors-donors across eight countries including U.S, Australia, Canada, China, India, Japan, Korea and United Kingdom.

The mission, Million Jobs Mission, launched on Wednesday, aims at creating an ecosystem to train and empower 1 million people for sustainable livelihoods in the country by 2020 by identifying and supporting 10-15 social organizations that are working to create jobs and improve incomes. SVP India has invited social organizations with plans to create 100,000 plus jobs in the next 5 years, to apply to be a part of this mission. The selected organisations will get capacity building support, mentoring from SVP and consortium Partners as well as access to funding.

4. L&T Construction wins Rs 2,046 crore worth of orders

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

The construction arm of Larsen & Toubro (L&T) has won orders worth Rs 2,046 crore across various business segments. The power transmission & distribution business has won engineering, procurement and construction orders worth Rs 826 crore. The scope of work includes construction of projects for rural electrification under the Integrated Power Development Scheme, along with extra high voltage substations and overhead transmission lines across various locations in India. The heavy civil infrastructure business has secured a prestigious order worth Rs 675 crore in the metro sector. The scope of the work primarily includes the construction of elevated viaducts and elevated stations. Further, the building & factories business has bagged a residential project worth Rs 434 crore from a renowned client. The scope of work includes engineering, procurement and construction of three towers each of G+30 floors, with two levels of common basement and other ancillary facilities. The transportation infrastructure business has secured additional orders worth Rs 111 crore in its various ongoing projects.

5. Nandan Denim to raise Rs 100 cr via convertible warrants to fund expansion

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

Ahmedabad-based Nandan Denim Limited (NDL), which is aiming to become Asia's largest denim fabric manufacturer, is planning to raise Rs 100 crore from foreign investors to finance its expansion plans. The denim player is planning to issue 5 million convertible warrants on preferential basis to foreign investors at Rs 200 each including premium of Rs 190. Considering the continuous increase in the holding of FIIs / FPIs and various advantages in attracting institutional investors, Nandan Denim has proposed to increase the aggregate limit for holding shares by the FIIs / FPIs to 49 per cent from 24 per cent. Apart from growth plans, NDL

expects to fund investment in proposed subsidiary/ies, meet long term working capital requirement and improve capital structure. Nandan Denim received shareholders approval for the same at its Annual General Meeting (AGM) held on Wednesday, September 28, 2016, the company informed in a statement.

By Nandini Malhotra