

## Daily Economic News Summary: 6 December 2016

### 1. Amazon rolls out Launch pad in India

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

Amazon Inc. on Monday announced the launch of its global programme for start-up products, Launch pad, in India. “Launch pad is a destination for start-ups to showcase unique products to millions of consumer’s world over,” Jason Feldman, director of global innovations, Amazon, said at an event in the capital. As part of the Launch pad programme, Amazon globally lists consumer products from start-ups to customers through its online marketplace. “These start-ups usually face a few challenges—uncertainty of demand, they have to invest a lot to start (selling), (face) difficulties in going global...” said Amazon’s India chief Amit Agarwal. “Launch pad is able to address these (challenges) and provide a red carpet programme to these start-ups to launch very fast by using our (Amazon’s) website, target marketing and global infrastructure to go global. “he added. Amazon provides the marketing, discovery and logistics support for these products, which it claims get access to a global consumer base of over 300 million. Products of 25 Indian start-ups are currently listed on Launch pad, which includes Bengaluru-based smart devices maker Wit works Consumer Technologies Pvt. Ltd and Mumbai-based my Daily (CMYK Health Products Pvt Ltd) that sells healthy food supplements and Gurgaon-based Mama Earth (Honasa Consumer Pvt. Ltd) that sells organic baby products. India is the seventh country where Launch pad has started. Other countries include the US, Germany, China, France and UK, among others. Overall, Launch pad lists products from 600 start-ups across these seven markets.

### 2. Adani Group announces Queensland Towns to service \$16.5b mine

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

Adani Group announced on Tuesday that three regional towns in Queensland, Australia, will provide vital support services and infrastructure for its \$16.5 billion Carmichael coal, rail and port project. This also marks the start of the pre-construction phase. The chairman of the Adani Group, Guatam Adani, has been meeting Australia’s prime minister to discuss the latest developments.

The company had originally planned to base all of its projects in Brisbane, however, it soon realized that a shift to the regional Queensland centers means it can harness the skills and enthusiasm of the local industries, communities and workforce. Townsville will be the regional headquarters, as well as the base for the company's Remote Operations Centre. Mackay will provide mining services and project sourcing centers. While Bowen will be the headquarters for Adani's rail and port operations. Emerald, Clermont, Moranbah, Collinsville and Charters Towers will also provide support and workers when work commences in 2017. Apart from the Carmichael mine itself and the expansion of Abbot Point Port near Bowen, a 400-kilometre rail line will be built from the mine site to the Adani-owned and operated bulk coal-loading facility at Abbott Point. Job supply in regional and provincial Queensland has been at a low, and politicians from the area are keen to let Adani start work on this project after six years of waiting. The Adani Group says it's committed to nation-building projects, and has a very balanced approach to renewable energy. It's on track to realize India's vision of becoming the largest renewable energy generator globally. Next year, the Adani Group is planning to build one of the world's most advanced solar farms in Moranbah, Queensland, and another in Whyalla in South Australia.

### **3. Veritas Finance plans to raise Rs100 crore**

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

Chennai-based Veritas Finance Pvt. Ltd, which provides financial services to micro and small enterprises, is holding discussions with existing and new investors to raise as much as Rs100 crore to fund growth plans. "We have already begun the process and we are likely to complete this by around end of this financial year or early next year to help the company maintain the growth momentum," company founder D. Arulmany said. Veritas Finance was registered as a non-banking financial company (NBFC) by the Reserve Bank of India in October last year. This financial year would be its first full year of operations. The company started with an initial capital of Rs13.60 crore and raised additional equity of Rs30 crore from Lok Capital and others, including Caspian Impact Investment Adviser, in a series A round of fund-raising this year. The loan book of the company has crossed Rs50 crore; Veritas expects to end the financial year to March 2017 with a loan book of Rs100 crore. "We plan to increase the loan book to Rs400 crore in the next year and cross Rs 1,000 crore in two years, which would mean we (need to) strengthen our capital base to support growth," Arulmany added. The company has reached a monthly loan disbursement of Rs 9 crore. Veritas Finance is seeking to expand from Tamil Nadu and Puducherry to east India as well as to two more states in the south—Karnataka and Andhra Pradesh.

#### **4. Air India Express reports Rs415 crore profit for April-September period**

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

Air India Express, the international budget airline arm of Air India Ltd, has recorded a net profit of Rs415 crore for six months ending September. Air India Express directors approved the results at a board meeting on 29 November, the Kochi-based airline said in a statement. The airline did not release corresponding figures a year ago. Air India Express clocked revenues of Rs1, 897 crore in the same period. The airline carried 1.64 million passengers and increased capacity by 21% by adding four Boeing 737-800 NG aircraft to its fleet on dry lease. These planes were used to start New Delhi-Dubai, New Delhi-Abu Dhabi, Mumbai-Dubai, Mumbai-Sharjah, Chandigarh-Sharjah, Tiruchirappalli-Sharjah and Kochi-Dammam flights. The airline will also induct two more Boeing 737-800 NG aircraft in the third quarter taking the airline's fleet size up from the current 23. "With the enhanced fleet size, the airline plans strengthening of its presence in the North Indian markets and additional flight operations from its core markets in South India," the airline said, adding its network now covers 15 Indian and 15 international cities. The airline that mostly connected South India to Middle East has been expanding its footprint across India. It has said in summer, it will launch flights to Iran from New Delhi. Most airlines have recorded profits this year on the back of fuel prices which are at a record low.

#### **5. Mahindra to purchase Netherlands' OFD holding for €5 million**

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

Mahindra & Mahindra Ltd, through its unit Mahindra Agri Solutions Ltd (MASL), has agreed to acquire a stake of up to 60% in the Netherlands-based fruit distribution company OFD Holding BV for around €5 million (approximately Rs36 crore), it said in a statement on Monday. The group has signed a definitive agreement to acquire the stake. "...We have entered into a partnership with OFD Holding BV, which takes us closer to achieving our vision of being a significant player in grapes. We have been working with farmers in India for a long time and this association will bring a lot of synergy by giving access to new markets to our farmers," MASL managing director and CEO Ashok Sharma said. Mahindra and OFD already have a supplier-customer relationship which shall be further strengthened to address market needs. The acquisition will provide access to large sourcing base to both the companies across the globe i.e.

India, South American countries and South Africa as well as a distribution base in Europe and China. The deal is expected to be completed by the end of January 20

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