

## Daily News Monitor: 19 August 2020

### **1. Embassy to merge assets with IBREL, create one of India's largest realtors**

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

In a rare merger between a publicly listed developer and a private developer, Bengaluru-based Embassy group and Indiabulls Real Estate (IBREL) on 18 August said that the assets of Embassy are being merged with IBREL to create one of the largest real estate companies in the country. Under the agreement, 44.9 per cent of the new entity will be owned by Embassy, 26.2 per cent by the existing public and institutional shareholders, 9.8 per cent by existing IBREL promoter group and 19.1 per cent by entities controlled by the Blackstone group and other Embassy institutional investors. Under the agreement, IBREL's shares are being valued at Rs 92.5 per share, a 25.7 per cent premium to Tuesday's closing price. The proposed merger will be achieved through a cashless scheme of amalgamation.

### **2. India takes on Asia's foreign exchange hubs for rupee trade with GIFT City**

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

India's only international financial hub is seeking to seize a major part of the offshore rupee trading business within two years, a target that is both ambitious as well as crucial for its plan to be an alternative global financial gateway. Prime Minister Narendra Modi wants to pitch India as a new Asian destination for global fund flows rivaling the likes of Singapore and Hong Kong. The move comes amid Beijing's muscle-flexing in Hong Kong through a new national security law that threatens to undermine the city's role as a regional financial center. "One of the key elements that work in our favor is that there is overall stability in India," Tapan Ray, managing director and group chief executive of Gujarat International Financial Tech City, wrote in an email interview. "There is predictability in policy."

### **3. Medlife, PharmEasy agree to merge; deal may be valued at over \$1 bn**

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

E-health companies Medlife and PharmEasy have agreed for a merger, according to the filings submitted by the companies to the Competition Commission of India (CCI). The proposed combination relates to the acquisition of 100 per cent equity shares of Medlife by API Holdings, the parent of PharmEasy, in return for 19.59 per cent equity share capital, according to the CCI filing. The deal values the stake of Medlife shareholders for about \$200-\$250 million, according to the sources. The aim is to create one of the largest healthcare companies and the valuation of the combined entity is expected to be over \$1 billion,

according to the sources. Co-founded by Tushar Kumar, Prashanth Singh and former Mynta-Jabong CEO Ananth Narayanan in 2014, Medlife provides services such as e-consultation, lab tests and health supplements and generics. The Bengaluru-based company has crossed Rs 100-crore in gross merchandise value (GMV) per month. It is delivering medicines to 29 states, 4,000 cities and 20,000 pin codes in India. It fulfils over 30,000 deliveries daily

#### **4. World's kitchen: India supplies more food to world amid pandemic; agri exports skyrocket**

**Source: Financial Express ([Link](#))**

As the economy comes to a standstill amid the coronavirus-led lockdown, India's agriculture sector has taken the baton of economic growth in its hands. The exports of agricultural commodities from March to June 2020 shot up by 23.24 per cent on-year to Rs 25,552.7 crores, according to the Ministry of Agriculture & Farmers Welfare. The government said that self-reliant agriculture is critical for the goal of an Atmanirbhar Bharat and for this, agricultural export is extremely important as besides earning foreign exchange for the country, the exports help farmers, producers, and exporters to take advantage of wider international market and increase their income.

#### **5. E-governance: Niti Aayog engages Oracle Cloud for data-driven transformation of aspirational districts**

**Source: Financial Express ([Link](#))**

Government policy think-tank Niti Aayog has engaged Oracle to help it modernise vital IT infrastructure underpinning the Aspirational Districts Programme. A key project of the government, its purpose is to help improve the quality of life of citizens in 112 of India's most backward districts, constituting 28% of India's population of nearly 1.4 billion. Amitabh Kant, CEO, Niti Aayog, said, "This programme is aligned with our Prime Minister's vision of a new India. It focuses on improving people's capacity to participate in India's economic development. Data-driven decisions will help identify the strengths and weaknesses of these districts and pave the way for their progress. By using a range of Oracle Cloud services, we are looking to fast-track their transformation by providing simplified data access, increased process automation and real-time data governance."

#### **6. Reliance Industries remains mutual funds' top holding**

**Source: Livemint ([Link](#))**

Reliance Industries, the first company to ever cross market cap of ₹13 lakh crore remains the second top stock held by mutual funds in July end. Mutual funds hold 5.55% of their total equity assets in Reliance Industries, shows Morningstar data. This is despite the Ambani-led

stock being the top sold stock in July. Mutual funds sold Reliance Industries shares worth ₹4,290 crore in July. HDFC Bank was the top holding of mutual funds as on July end. Mutual funds held ₹66,984 crore worth of the shares of country's largest private sector bank. Mutual funds also held Infosys (5.11% of total equity assets), ICICI Bank (4.69%), Bharti Airtel (3.43%), Housing Development Finance Corp (2.54%), Kotak Mahindra Bank (2.39%), Tata Consultancy Services (2.04%), Axis Bank (2.03%) and ITC (2.03) among their top holdings.

### **7. Singapore gives Indian lenders a \$670 mn boost**

**Source: Livemint ([Link](#))**

The Singapore government and its investment arms poured in \$670 million in ICICI Bank Ltd, HDFC Ltd, and Bandhan Bank Ltd in the first half of August, showed exchange filings made by the private sector lenders. The government of Singapore was the largest individual investor in the qualified institutional placements of ICICI Bank and mortgage financier HDFC, investing ₹1,662.7 crore and ₹1,336.9 crore, respectively. In addition, Singapore's state investment firms GIC and Temasek picked up shares worth ₹1,254.7 crore and ₹769.5 crore each in Bandhan Bank's secondary share sale, when its promoter entity sold a 20% stake to trim its shareholding to comply with the Reserve Bank of India's rules. Together, these investors bought shares worth ₹5,023.8 crore (around \$670 million) during the period.

### **8. Atmanirbhar Bharat: DHI notifies draft order on machinery items for public procurement preference**

**Source: The Hindu, Business Line ([Link](#))**

In line with the government's stated goal of boosting domestic manufacturing and promoting 'Atmanirbhar Bharat', the Department of Heavy Industries (DHI) has come up with a draft order notifying the list of items in the industrial boilers category with sufficient local capacities where domestic local producers have to must be given preference by public procurement agencies. The draft, which has been circulated by the DHI to all Ministries and Departments and NITI Aayog, is in pursuance of the Public Procurement (Preference to Make in India) (PPP-MII) Order, 2017, last amended on June 4, 2020, by the Department for Promotion of Industry and Internal Trade (DPIIT) .