



MARKET MOVEMENT

Major Indices	January 13, 2017	January 20, 2017	% Change	Change
BSE Sensex	27,238.06	27,034.50	(0.75)	
NSE Nifty	8,400.35	8,349.35	(0.61)	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- **Government approves listing of state-owned general insurance companies**
- **Incentive scheme to boost electronics manufacturing approved**
- **India signs financing agreement with World Bank for Nagaland Health Project**
- **Government clears package for micro and small enterprises**
- **Cabinet apprised of Indo-Japan MoU on cooperation in outer space**

Government approves listing of state-owned general insurance companies

The Cabinet Committee on Economic Affairs has approved the listing of five Government owned general insurance companies on the stock exchanges. The five Public Sector General Insurance Companies (PSGICs) are The New India Assurance Company Ltd., United India Insurance Company Ltd., Oriental Insurance Company Ltd., National Insurance Company Ltd. and General Insurance Corporation of India. The shareholding of these PSGICs will be divested from 100 per cent to 75 per cent in one or more tranches over a period of time.

Incentive scheme to boost electronics manufacturing approved

The Cabinet has approved the modified version of a key scheme that incentivizes electronics manufacturing in the country. Approvals under the policy called Modified Special Incentive Package Scheme (M-SIPS) will be accepted till December 2018 or till an incentive commitment of around USD 1475 million is reached.

India signs financing agreement with World Bank for Nagaland Health Project

The Government of India, the Government of Nagaland and the World Bank have signed a USD 48 million credit agreement for the 'Nagaland Health Project,' which aims to improve health services across the state. The objectives of the project are to improve health services and increase their

utilization by communities in targeted locations in Nagaland. The project will directly benefit about 600,000 people.

Government clears package for micro and small enterprises

The Cabinet has given ex-post facto approval to a package for supporting Micro and Small Enterprises. This proposal entails augmentation of the Corpus of Credit Guarantee Trust Fund for Micro and Small Enterprises from USD 368 million to USD 1103 million, to be fully funded by the government. It also proposes to increase coverage of the loans covered under the credit guarantee scheme from USD 0.18 million to USD 0.30 million. It will also aim to increase coverage of the credit guarantee scheme for loans being extended to micro and small enterprises by Non-Banking Financial Company's.

Cabinet apprised of Indo-Japan MoU on cooperation in outer space

The Union Cabinet has been apprised of the Memorandum of Understanding (MoU) between the Indian Space Research Organisation and the Japanese Aerospace Exploration Agency for cooperation in the field of outer space. The purpose of this MoU is to pursue future cooperative activities in exploration and use of outer space exclusively for peaceful purposes.

INDUSTRY WATCH

- **India emerges as the 10th largest business travel market**
- **New credit card users rise post demonetisation**
- **India beats US in 2016 mobile app market growth**
- **Digital health VC funding in 2016 crosses USD 5 billion**
- **FDI worth USD 1.8 billion in renewable energy received in over two years**

India emerges as the 10th largest business travel market

India has in a decade climbed the ranks from one of the world's twenty largest business travel markets to be among the top ten. India follows China, US, Germany, Japan, UK, France, South Korea, Italy and Brazil. In 2015, India saw a 15 per cent increase in business travel spending. China has a business travel market size of USD 291 billion.

New credit card users rise post demonetisation

The second largest card issuer in India, State Bank of India (SBI) card has seen a significant rise in new card issuances post demonetization. In the month of the December alone SBI added 115,000 new credit card users and its total card issuance tally has now reached 4,750,000. Since demonetisation card transactions have gone up to 85 per cent from 61 per cent.

India beats US in 2016 mobile app market growth

India's mobile app market grew sharply last year, outpacing the US, and ranked number one in terms of Google Play downloads. This status highlights the vibrancy of the country's mobile ecosystem. Indians downloaded over 6 billion apps in 2016, up from 3.5 billion in 2015. The 71 per cent growth was significantly higher than the overall 15 per cent growth in app downloads around the world.

Digital health VC funding in 2016 crosses USD 5 billion

Venture capital (VC) funding, including private equity and corporate venture capital, in the healthcare IT sector set a new record by clocking USD 5.1 billion in 622 deals in 2016. By comparison, USD 4.6 billion was raised in 2015 in 574 deals. Total corporate funding in Health IT companies - including debt and public market financing (plus IPOs) - came to USD 5.6 billion in 2016.

FDIs worth USD 1.8 billion in renewable energy received in over two years

India received USD 1.8 billion Foreign Direct Investment (FDI) in non-conventional energy sector from April 2014 to September 2016. 100 per cent FDI is allowed under automatic route for projects of renewable power generation and distribution subject to provisions of the Electricity Act, 2003. The government has revised its target of renewable energy capacity to 175 gigawatt by the end of 2022, making it the largest expansion in the world and providing plenty of opportunities for investors.

CORPORATE HIGHLIGHTS

- **ReNew Power secures USD 390 million debt funding from Asian Development Bank**
- **Warburg Pincus buys 14 per cent stake in Priya Village Roadshow for USD 121 million**
- **Practo raises USD55 million from China's Tencent, existing investors**
- **India Value Fund Advisors/True North to invest 9 per cent capital in four sectors**
- **Flipkart remains most popular e-commerce brand in India**

ReNew Power secures USD 390 million debt funding from Asian Development Bank

Clean Energy company, ReNew Power Ventures Pvt. Ltd has secured long-term USD 390 million debt funding from its existing investor Asian Development Bank (ADB). ReNew will use the proceeds from the ADB investment to develop and expand capacities of 709 megawatt across Andhra Pradesh, Gujarat, Jharkhand, Karnataka, Madhya Pradesh and Telangana.

Warburg Pincus buys 14 per cent stake in Priya Village Roadshow for USD 121 million

Private equity firm Warburg Pincus has bought a 14 per cent stake in Priya Village Roadshow (PVR) Ltd, India's largest multiplex chain, for USD 121 million through an open market transaction. Warburg Pincus bought the stake from existing investor Multiples Alternate Asset Management, which sold a 9 per cent stake, and the promoters of PVR. The sale values the company at around USD 862 million.

Practo raises USD55 million from China's Tencent, existing investors

Digital healthcare start-up Practo Technologies Pvt. Ltd has raised USD 55 million in a Series D funding led by China's Tencent Holdings Ltd. Practo was valued at USD 600-650 million, a significant increase from its last valuation of USD 500 million in August 2015, when Practo raised USD 90 million from a clutch of investors.

India Value Fund Advisors/True North to invest 9 per cent capital in four sectors

Private equity firm India Value Fund Advisors which has recently unveiled a new brand identity and renamed itself True North (Managers), will expand its investment focus to technology products and services. With a funding of around USD 700 million it raised through its latest fund V in 2015, IVFA or True North is looking to invest 80-90% of its capital in four sectors such as financial services, consumer, healthcare and technology products & services. The remaining will be open for opportunities outside of the theme.

Flipkart remains most popular e-commerce brand in India

Flipkart, India's most valuable Internet start-up, has retained the prized tag of being the country's most popular e-commerce brand for the fourth straight quarter. Flipkart (Flipkart Internet Pvt. Ltd) has maintained its lead over rivals such as Amazon India (Amazon Seller Services Pvt. Ltd) and Snapdeal (Jasper Infotech Pvt. Ltd) in the e-commerce rankings with a total score of 97 - the same score that it got during the last quarter.