

News 1 - BSE gets RBI approval for online bidding platform for Sovereign Gold Bond



The Bombay Stock Exchange has got the Reserve Bank of India's nod to start an online bidding platform for Sovereign Gold Bond scheme. SGBs offer an alternative to holding gold in physical form. The bond is issued by RBI on behalf of government and investors can apply for the bonds at the price as decided by the Central Bank.

BSE plans to offer an online bidding platform which is a part of the iBBS (Internet-based Book Building System), for collecting bids for the SGB issue.

News 2 - HDFC Ergo acquired L&T Insurance for Rs 551 crores



HDFC Ergo General Insurance has acquired 100% stake of L&T General Insurance for an aggregate all cash consideration of Rs 551 crores. It is the first instance of consolidation in the domestic general insurance space. Currently there are 29 general insurance companies in India.

L&T General Insurance wrote gross premium of Rs. 483 crores for the financial year ending 31 March 2016. It reported Rs 102 crore loss for 2015-16. HDFC Ergo is a 51:49 joint venture between HDFC and Germany-based Ergo Insurance Group and made a profit after tax of Rs 151 crores during the financial year that ended March 2016.

News 3 - Cairn Energy's Rs. 29,000 crore Arbitration gets underway



British explorer Cairn Energy's arbitration against Rs. 29,047 crores retrospective tax demand has begun with the adjudicating panel fixing timelines so as to complete the arbitration in less than 12 months. The threemember arbitration panel headed by Geneva based arbitrator Laurent Levy held its first procedural hearing in Paris. The Indian government

will fix its 'statement of defence' by the fourth quarter of the 2016 calendar year and evidential hearing is expected to commence in early 2017.

It has been declared by the company that the company will claim full compensation for the \$1 billion value lost following the tax notice and freezing of its 9.8% shares in Cairn India.

News 4 - Ashok Ganapathy to take charge as the Director of Airtel Business



Ashok Ganapathy has been appointed as the Director of Bharti Airtel Ltd. with effect from 1 July 2016 replacing Manish Prakash. Ganapathy joined Airtel in 2013 and has experience of 26 years across FMCG, retail, entertainment and telecom sectors.

He will be responsible for driving the growth of Airtel's Business-to-Business portfolio that serves top corporations, government entities and other corporates with end-to-end solutions.

News 5 - World Bank Slashes Global Growth Forecast to 2.4%



The World Bank has slashed its 2016 global growth forecast to 2.4% from the 2.9% pace projected in January. The move is due to sluggish growth in advanced economies, stubbornly low commodity prices, weak global trade, and diminishing capital flows.

The World Bank Group President Jim Yong Kim said it is critically important for governments to pursue policies that boost economic growth and improve the livelihood of those living in extreme poverty.

News 6 - Forex reserves at all-time high of \$363.46 Billion



The Country's foreign exchange reserves have increased by 3.27 Billion US Dollars to hit an all-time high of 363.46 Billion US Dollars in the week to June 3. According to an RBI release, the reserves had earlier touched a record high of 363.12 Billion US dollars in the week to April 29.

This surge in the reserves during the week under review was on account of a healthy rise in foreign currency assets (FCAs). The FCA has increased by 2.99 Billion Dollars to 339.22 Billion Dollars in the reporting week, Central Bank data showed.

News 7 - Tata Power Acquires Welspun's renewable energy assets



Tata Power has acquired the renewable energy (RE) subsidiary of Delhi based Welspun Energy. Tata Power Renewable Energy Ltd (TPREL), a subsidiary of Tata Power, signed a share purchase agreement with Welspun Energy to acquire Welspun Renewables Energy Pvt Ltd (WREPL) in a Rs 9,249-crore deal. This represents the largest transaction in the renewables space in India till now.

TPREL had acquired 1,140 MW of solar and wind power assets of Welspun Energy Private Ltd. The deal is expected to close in September.

News 8 - Inflation climbs to 5.76% in May on costly food items



Retail inflation climbed to 5.76% in May due to an increase in food prices, a rise for the second month in a row. Retail inflation measured by the Consumer Price Index has been revised upwards to 5.47% for April this year. Retail inflation had stood at 5.01% in May 2015.

According to official data, the overall food inflation moved up to 7.55% in May, from 6.32% in April. Inflation in the vegetable basket more than doubled, to 10.77% in May.

News 9 - SEBI issues stricter KYC, disclosure norms for P-Notes



Markets regulator SEBI has put in place stricter KYC norms and disclosure regime for Participatory Notes with an aim to ensure this route is not used for money laundering.

Under the new norms, all the users of P-Notes would have to follow THE Indian KYC and Anti Money Laundering

Regulations, irrespective of their jurisdictions. The P-Note issuers will be required to file suspicious transaction reports with the Indian Financial Intelligence Unit.

News 10 - Microsoft to Acquire LinkedIn for \$26.2 billion



Microsoft will acquire LinkedIn in an all-cash transaction valued at \$26.2 billion. LinkedIn will retain its distinct brand, culture and independence. Jeff Weiner will remain CEO of LinkedIn, reporting to Satya Nadella, CEO of Microsoft. The transaction is expected to close in this calendar year. The transaction has been unanimously approved by the Boards of Directors of both LinkedIn and Microsoft.

LinkedIn is the world's largest and most valuable professional network.

News 11 - Tech Mahindra acquires leading UK-Based Digital Change Agents: The BIO Agency



Tech Mahindra Limited announced the acquisition of The BIO Agency (BIO), headquartered in the UK for 40 million pounds in an all-cash deal to expand its digital portfolio. The deal also includes a surplus cash component not exceeding 5 Million Pounds as at the completion date.

The BIO Agency specializes in digital transformation and innovation, helping organizations change the way they engage with their customers. BIO is expected to help Tech Mahindra compete with larger global rivals, Accenture and Cognizant.

News 12 - WPI inflation at 0.79% in May, vegetable prices soar



The wholesale price-based inflation rate rose to 0.79% in May 2016, due to a double-digit increase in vegetable prices. WPI inflation had stood at 0.34% in April 2016, and at -2.2% in May 2015. Government data showed that wholesale food inflation rose to 7.88% in May, from 4.23% in April.

The wholesale inflation in vegetables surged to 12.94% in May 2016, from 2.21% in April 2016. Wholesale inflation in pulses stood at 35.56%. Manufactured products inflation rose up to 0.91% in May 2016, from 0.71% in April this year. Fuel and power inflation was 6.14% in May 2016.

News 13 - BHEL Commissions a 195 MW unit at their Muzaffarpur plant





Bharat Heavy Electricals Limited (BHEL) has commissioned a 195 MW unit at their Muzaffarpur Thermal Power Station in Bihar. This is the second 195 MW unit to be commissioned by BHEL at the 2x195 MW Muzaffarpur Thermal Power Station Stage II of Kanti Bijlee Utpadan Nigam Limited (KBUNL). KBUNL is a joint venture (JV) of NTPC (National Thermal Power Corporation) and BSPGCL (Bihar State Power Holding Company Limited).

The first 195 MW unit was commissioned in March, 2015.

News 14 - Cabinet approves Disinvestment of 10% paid up equity of Housing and Urban Development Corporation Ltd. (HUDCO)



The Cabinet Committee on Economic Affairs has given its approval for disinvestment of 10% paid up equity of Housing and Urban Development Corporation Ltd. (HUDCO) out of Government of India's shareholding of 100% through Initial Public Offering (IPO) in the domestic market as per the Securities and Exchange Board of India (SEBI) Rules and Regulation.

The paid up equity capital of HUDCO is Rs. 2001.90 crores and Government of India owns 100% of the equity at present. The net worth of the Company is approximately Rs. 7,800 Crores.

News 15 - Union Government radically liberalized the FDI regime; Grants 100% FDI in Defence Sector



The Union Government has radically liberalized the FDI regime today, with the objective of providing major impetus to employment and job creation in India.

Permit 100% FDI under government approval route for trading, including through e-commerce, in respect of food products manufactured or produced in India.

Following are the grants given in various sectors:

- Foreign Investment in Defence Sector up to 100%; Foreign investment beyond 49% has now been permitted through government approval route.
- Pharmaceutical: permit up to 74% FDI under automatic route in brownfield pharmaceuticals and government approval route beyond 74% will continue.

- The government has permitted 100 per cent FDI in India-based airlines. However, a foreign carrier can only own up to 49 per cent stake in the venture, and the rest can come from private investors including those based overseas. 100 per cent FDI in existing airport projects has been allowed.
- Private Security Agencies: FDI up to 49% is now permitted under automatic route in this sector and FDI beyond 49% and up to 74% would be permitted with government approval route.
- Animal Husbandry: FDI in Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture and Apiculture is allowed 100% under Automatic Route
- Single Brand Retail Trading: relax local sourcing norms up to three years and a relaxed sourcing regime for another five years for entities undertaking Single Brand Retail Trading of products having 'state-of-art' and 'cutting edge' technology.

News 16 - India's holding of US Securities jumps to new high of over \$121 Billion in April



The latest data from the US Treasury Department shows that India's holding of American government securities has reached 121.6 billion US Dollars in April amid uncertain global economic cues. This also marks a steep rise from the level seen in April 2015 when the country held American Government securities to the tune of 110.3 billion dollars.

China owned the US Government securities worth 1.24 trillion dollars in April, while that of Japan touched USD 1,142.8 billion dollars. During the same period, Brazil's exposure went up to 249.1 billion dollars whereas Russia trimmed its holding to 82.5 billion dollars.

News 17 - Govt reduces prices of 42 drugs by up to 15%



The Government has capped the prices of 42 essential medicines used in treatment of various ailments including tuberculosis, cancer and cardiac diseases thereby reducing their cost by up to 15%. The Drug Price Regulator, National Pharmaceutical Pricing Authority, has fixed or revised ceiling prices of 45 scheduled formulations of Schedule-I under Drugs (Price Control) Amendment Order, 2016.

Out of the 45 drugs, the prices of 42 medicines have been reduced by up to 15% and manufacturers not complying with the ceiling price would be liable to deposit the overcharged amount along with interest.

News 18 - Cabinet considers Model Shops and Establishments (Regulation of Employment and Conditions of Service) Bill, 2016





The Union Cabinet has considered the Model Shops and Establishment (Regulation of Employment and Conditions of Service) Bill, 2016. The Bill will now be sent to the States/UTs to enable them to modify their individual Acts. The Model Bill would bring about uniformity in the legislative provisions, making it easier for all the States to adopt it and thereby ensuring uniform working conditions across the country.

The main features of the draft model Bill are as follows:

- It will cover only establishments employing ten or more workers except manufacturing units.
- The Bill provides for freedom to operate 365 days in a year and opening/closing time of establishment.
- Women to be permitted during night shift, if the provision of shelter, rest room ladies toilet, adequate protection of their dignity and transportation etc. exists.
- Five paid festival holidays in addition to national holidays etc.

News 19 - The Union Cabinet approves recommendations of the 7th Pay Commission



The Union cabinet approved a big jump in salaries of central government staff and similar raises in pensions. The new salaries and pensions will be effective from January 1, 2016. The minimum pay has been increased from existing Rs. 7,000 to Rs. 18,000 per month. A fitment factor of 2.57 would apply for pay revision of all employees. And the rate of annual increment has been retained at 3%.

Gratuity has been increased from Rs. 10 lakhs to Rs. 25 lakhs and the House Building Advance was raised from Rs. 7.5 lakhs to Rs. 25 lakhs.