

Corporate Snapshot: INDIA

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Vedanta wins first ever auction of an Indian gold mine



Chhattisgarh has earned the distinction of auctioning its first gold mine in India with Vedanta Private Limited quoting the highest bid of 12.55 per cent of IBM (Indian Bureau of Mining) price of Rupees 74,712/ troy ounce (1 troy ounce = 31.10 gram) to win the gold mine against three other bidders. The successful auction of the gold mine of Baghmara at Sonakhan in Balodabazaar-Bhatapara district took place on February 26 for 13 hours from 11am to 11.47 pm when the final bid was stamped upon.

It is the first gold mine auctioned in the country, for grant of composite license (prospecting license-cum-mining lease) since enforcement of a new amendment in the Mines and Minerals (Development and Regulation) Act 2015.

New accounting standards force auto companies to rework deals with vendors

The New Order

NEW ACCOUNTING standards - Ind-AS - will come into force on April 1

NEW STANDARDS COULD upset loan covenants & create tax complications

TATA MOTORS, M&M, Maruti Suzuki and local units of Hyundai Motor and Honda have already conducted an impact analysis

CURRENTLY, THE vehicle maker, or the OEM, provides equipment and raw material, often free of cost, to the parts maker

IN SOME CASES, these tools are not accounted for

BUT THE NEW accounting standards could put them on the balance sheet of the OEM

THE OEM MAY also have to record corresponding revenue against the assets

IN SOME CASES, THE OEM may have to take the liability of the vendor on its own books

THIS COULD affect the existing loan agreements with lenders

"We don't expect any impact or change with the application of Ind AS requirements now."

- A Tata Motors spokesperson

Automobile companies are rushing to renegotiate contracts with parts suppliers, because the new accounting standards will change the way assets

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online

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and liabilities are recorded under such agreements, potentially upsetting loan covenants and creating tax complications.

Tata Motors, Mahindra & Mahindra, Maruti Suzuki, and the local units of Hyundai Motor and Honda Motor are among companies that have already conducted an impact analysis of the new accounting standards - called Ind-AS - that comes into force on April 1.

Some of these companies are working on rewording the contracts with their component manufacturers to avoid any negative impact.

Honda Motorcycle & Scooter India faces production loss of 20% at Tapukara due to strike

Honda Motorcycle & Scooter India (HMSI) has faced a production loss of 20 per cent at its Tapukara plant in Rajasthan's Alwar district, where a section of workers were on strike for 10 days demanding the company to recognize their union.



According to HMSI, the plant has an optimum capacity of 3,000 units a day.

The striking workers at the facility also want some of their sacked colleagues to be reinstated. These workers launched the strike demanding reinstatement of 28 employees who were suspended on disciplinary grounds.

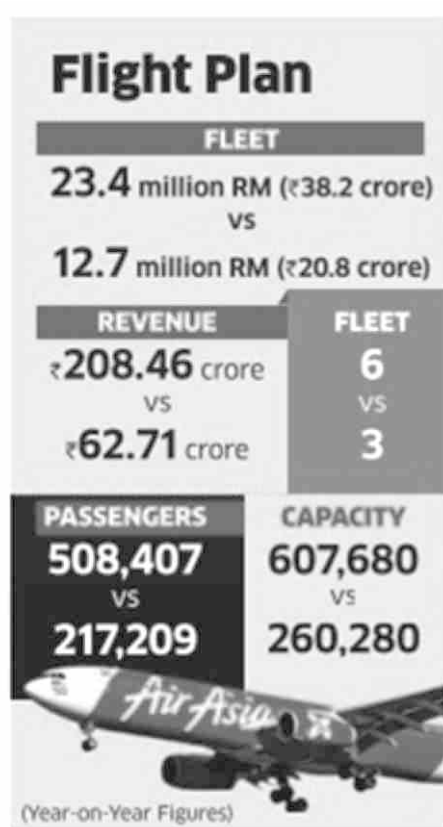
AirAsia India doubles quarterly loss to Rs 38.2 crore

AirAsia India nearly doubled its quarterly net loss in October-December 2015 impacted by higher costs, even as its main shareholder AirAsia Berhad's swung to a profit.

The carrier, its Malaysian shareholder's joint venture with Tata Sons, posted a net loss of 23.4 million Malaysian Ringgits (Rs 38.2 crore) from a net loss of 12.7 million Malaysian Ringgits (Rs 20.8 crore), according to AirAsia Berhad's filing with Bursa Malaysia, the Kuala Lumpur based stock exchange.

Revenue rose more than three times to Rs 208.46 crore.

In this period, its fleet size doubled to 6 planes and capacity as well as passengers carrier increased by more than two-fold.



Reliance Jio launch will push competition, consolidate spectrum



As Reliance Jio prepares for the launch of 4G telecom services in India, analysts feel the volumes and margins of incumbents will come under stress, even as the available spectrum will see consolidation as the company moves to a position of strength in the area.

The analysis comes at a time when Anil Ambani's Reliance Communications is moving towards gaining control over close to 20 percent of the total spectrum with private companies in India along with plans for an airwaves sharing pact with Jio in all 22 circles in the 800 MHz band.

Sebi seeks details of agreement between Vijay Mallya, United Spirits Ltd and Diageo

NOT AN EASY DEAL FOR DIAGEO

| Year | | \$ million |
|---|--|--------------|
| Diageo's cost of USL's acquisition | | |
| 2012 | Acquisition of 25% stake in USL | 880 |
| 2013 | Open market purchase of equity stake | 76 |
| 2014 | Open market purchase of equity stake | 138 |
| 2014 | Open offer for 26% stake | 1,920 |
| Cost of acquiring 54.78% equity in USL | | 3,014 |
| 2013-14 | Losses on sale of Whyte & Mackay | 719 |
| 2013-14 | Loans to UB Group written off | 163 |
| 2014-15 | Loans to UB Group written off | 159 |
| 2014-15 | Diminution in value of assets | 149 |
| 2014-15 | Payments under non-approved agreements | NA |
| Total | | 1,190 |
| Diageo's 54.8% interest | | 651 |
| 2015-16 | Payout to Mallya on resignation as chairman | 75 |
| 2015-16 | Standard Chartered loan to Watson Ltd guaranteed by Diageo, currently in default | 141 |
| Estimated cost of USL to Diageo | | 3,881 |

USD Exchange rate: ₹60.1 as on March 31, 2014; ₹62.6 as on March 31, 2015
Sources: Market, IAS estimates

India's capital market regulator Sebi has sought details about the agreement entered between Vijay Mallya, United Spirits Ltd and Diageo to look at whether it was part of the original purchase price and should have been part of the open offer price.

Diageo has agreed to pay \$75 million to Mallya in consideration for his resignation from his position as chairman and non-executive director of United Spirits and from the boards of other USL group companies, his agreement to five-year global non-compete, non-interference, non-solicitation and standstill undertakings.

In 2012, Diageo signed a deal to buy up to 53.4% of United Spirits for about \$2.1 billion. The shares were to be acquired through a combination of both preferential allotment and open offer. In its first open offer wherein it offered Rs 1440 apiece it was able to garner only 0.04% in the open offer. Later, Diageo made its second open offer for USL, wherein it offered to purchase shares at Rs 3,030 apiece.

Taj chain sells Belmond shares worth Rs 82 crore

Indian Hotels Company (IHCL), operator of the Taj chain, has further diluted its holding in British luxury hospitality group Belmond Ltd. IHCL, in a notification to the bourses, said its overseas arm, Samsara Properties, sold 12.7 lakh shares or 1.24% of Belmond Ltd (formerly

Orient Express Hotels) for nearly \$12 million (Rs 82 crore).

The move brought down its holding to 5.73% in the NYSE-listed operator of luxury hotels, tourist trains and cruises. In 2007, IHCL had an 11.5% stake in Belmond Ltd.

Axis Bank teams up with Coursera to offer world-class learning programmes to its employees

Axis Bank is taking talent management to the next level by offering its employees access to a world-class online certification programme.

Coursera will design tailor-made curriculums relevant for the Bank's employees, in sync with industry demand, covering topics like leadership, data analytics, innovative thinking, etc., chosen from among 1700 courses offered by top universities across the world.

This unique and highly scalable program will give Axis Bank employees access to industry relevant, flexible online courses and certification from top universities around the world.

India holds global meet for assisting developing nations

India organized an international dialogue in Delhi on March 10-11 to present a model of 'no strings attached' assistance to developing countries that is unlike the western model of conditional assistance followed by the Organization of Economic Cooperation and Development.

South-South Cooperation has emerged as a parallel mechanism to support global quest for improved quality of life across the world, according to a background note on the conference which was organized by the external affairs ministry in collaboration with the state-run think tank Research and Information System for Developing Countries.

The conference, which was inaugurated by oil minister Dharmendra Pradhan, has seemed to situate SSC within the context of broader global macroeconomic context.

Reliance Brands in pact to bring in Kate Spade

Mukesh Ambani-led Reliance Brands has inked a long-term licensing and distribution deal to bring New York based fashion label Kate Spade to India. Known for having a huge appeal among millennial women, especially for its handbags, Kate Spade will compete

directly with Michael Kors in India, just like it does globally.



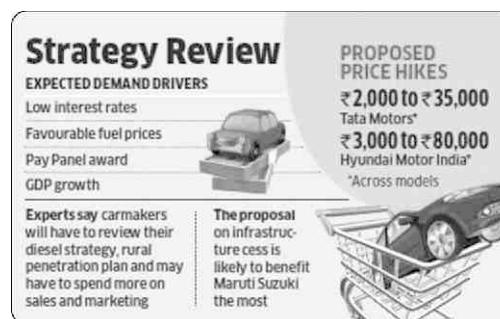
Reliance plans to open the first few stores for the brand before the end of the year. This will be the 18th international brand in the portfolio of Reliance, which also runs 142 stores of Hamleys, Diesel and Steve Madden, among others.

Kate Spade, with a market cap of \$2.5 billion on the NYSE, has been diversifying into home and apparel categories with the intention of becoming a fully fledged fashion house a' la Ralph Lauren.

In India, handbags will start at Rs 10,000 with an average price point of about Rs 25,000.

Infra cess to hit manufacturing, job creation: Maruti chief

Maruti chairman R C Bhargava has said that job creation and growth of manufacturing sector will be hit due to Budget's proposal to slap an infrastructure cess on the car industry. Bhargava, who heads the country's biggest car maker that commands a near 50% market share, said the proposal seems to be ill-timed as the car industry is trying to recover from a slowdown.



Finance minister Jaitley has mandated a 1% cess for petrol, LPG and CNG-driven cars whose length does not exceed 4 meters and engine capacity is below 1200cc, a 2.5% cess for diesel-driven vehicles of similar length but engine capacity under 1,500cc; and 4% for other higher-engine capacity SUVs and bigger sedans. The move is resulting into price hikes of Rs 3,000 on entry vehicles

such as Maruti Alto to over Rs 7,000 on Maruti Swift and up to Rs 80,000 on big SUVs like Toyota Fortuner.

Tata Comm deal to sell Neotel collapses

Tata Communications' \$500 million deal to sell Neotel, South Africa's fixed line operator, to Vodacom has collapsed due to regulatory issues.

The transaction, originally constructed in May 2014, was restructured last December after regulators raised anti-trust issues. The amended deal excluded Neotel's spectrum licenses, a lucrative factor for Vodacom to buy the asset, and only included the company's fixed-line business.

World's latest twin aisle plane A-350's maiden trip to India for Hyderabad Air Show

The world's newest wide body aircraft, Airbus A-350, made its maiden trip to India. Doha-based Qatar Airways, the launch customer of the A-350, flew in the plane to the Hyderabad Air Show and displayed it there from March 16-20.



The theme of this year's Hyderabad Air Show was "India's Civil Aviation Sector: Potential as Global Manufacturing & MRO Hub."

The show, organized by the aviation ministry, had 250 exhibitors and was inaugurated by President Pranab Mukherjee.

Taj pulls out of Jaisalmer's Gateway Hotel

Leading hospitality chain Taj will stop managing The Gateway Hotel Rawalkot in Jaisalmer from April 1. Taj didn't cite any reason for discontinuing the management contract for the 31-room property.

In the recent past, Taj has been seen opting out of management contracts with hotel developers. From May 10, Taj will no longer manage the Gateway Hotel in Jodhpur and Ahmedabad too. Heightened competition from foreign hotel operators and increased demand, among other factors has given hotel owners and

developers more choices in terms of hotel managers.

Bhel bags Rs 5,600 crore orders for plant in Tamil Nadu

State-run power equipment maker Bhel has bagged an order worth Rs 5,600 crore for a 1,600MW power plant from Tamil Nadu Generation and Distribution Corporation (TANGEDCO).

The company has bagged this major order for the coal-based power project with supercritical parameters, involving two units of India's highest rating 800 MW sets.

The project is slated to be commissioned by September, 2019 and the power generated from this 1,600 MW power project will help foster growth in Tamil Nadu and provide easy access to electricity to the people of the state.

The key equipment for the contract will be manufactured at Bhel's Trichy, Haridwar, Bhopal, Ranipet, Hyderabad, Jhansi, Thirumayam and Bangalore plants while the company's Power Sector - Southern Region shall be responsible for civil works and erection/ commissioning of the equipment.

Drone no more a duty-free item from April 1

Drones, which are being considered a major security risk as they could be used by terror groups for mounting assaults, have been included in the prohibited list and flyers entering India will have to declare them from April.



The government has decided to revise 'Indian Customs Declaration Form' to include drones in the list of prohibited and dutiable goods and made it mandatory for the passengers to declare.

Drones are generally imported by government agencies for use by the security personnel in maintaining law and order as well as ensuring vigil along the international borders and line of control with Pakistan, Bangladesh and China. They have also been used for surveillance in Naxal-hit areas.

Tata Steel gets green nod for Rs 1,877 crore expansion project

Tata Steel Ltd has received final environment clearance

for its Rs 1,877 crore expansion project to be carried out at Jamshedpur Steel Works in Jharkhand. The Environment Ministry considered the application based on the recommendations of the Expert Appraisal Committee (Industry-I) and decided to grant environment clearance (EC) to the proposal for expansion of crude steel production at Tata Steel Works.



Among conditions specified, the officials have said that the company has been asked to take prior permission from the State Forest Department on likely impact of the expansion of the proposed steel plant on the reserve forests.

As per the proposal, Tata Steel will expand crude steel production from 9.7 million tonnes per annum (MTPA) to 11 MTPA at Jamshedpur Steel Works.

Property consultancy JLL launches platform to sell homes online



Property consultancy JLL India is launching an e-commerce platform to market residential real estate in the country. JLL will have a dedicated team of on ground expert consultants to close transactions on leads generated online to benefit developers, end users and investors.

Ashwinder Raj Singh, CEO - residential services at JLL India, said that with this initiative, JLL will offer buyers credible projects at the right price, with the best deal in the market.

Aditya Birla Nuvo forms a joint venture for setting up Payments Bank with - Idea Cellular

Aditya Birla Nuvo Ltd has announced formation of a joint venture with group firm Idea Cellular to set up a payments bank.

Last year in August, RBI had given in-principle approval to the company to set up a Payments Bank under the guidelines for licensing of Payments Banks.

The company jointly with Idea Cellular Ltd has incorporated a new subsidiary for the aforesaid purpose in the name and style of Aditya Birla Idea Payments Bank Ltd.

ABNL will hold 51 per cent shares and the rest 49 per cent will be with Idea Cellular.

Viacom18 extends Rishtey brand with new Hindi movie channel



Viacom18, the 50:50 joint venture between US-based Viacom and Mukesh Ambani's Network18, have announced the launch of a new, exclusive Hindi movie channel "Rishtey CINEPLEX". The new movies destination "Rishtey CINEPLEX" will be positioned as a powerful mass entertainment offering under the Rishtey brand name.

The channel will be headed by Raj Nayak, CEO, Colors and Rishtey and is expected to launch in the next quarter.

Ratan Tata inaugurates first hospital launched by Niira Radia

Making a comeback, PR veteran and former corporate lobbyist Niira Radia has ventured into healthcare business through a new entity Nayati Healthcare, whose first hospital was inaugurated by Ratan Tata.



Tata Group Chairman Emeritus stated that the hospital is poised to serve not only the population of Western Uttar

Pradesh but will be the centre of excellence for the whole of North India.

Nayati Healthcare & Research Pvt Ltd, a multi super specialty healthcare chain, has decided to start operations in Tier II and Tier III cities.

AirAsia to provide daily flight to Kuala Lumpur from Visakhapatnam

After Malindo Airlines withdrew its services to Kuala Lumpur from the city, AirAsia is now planning to convert its services from Vizag to Kuala Lumpur into a daily service from April this year. At present it provides a weekly flight to Kuala Lumpur.

The daily direct non-stop service will provide access to Australia, China, Singapore, Japan, Thailand, Indonesia, Philippines and Korea. Presently, Air India has a daily flight to Dubai and Silk Air provides a thrice-a-week service to Singapore.

Brigade to set up real estate startup incubation centre

Property developer Brigade Group is working on an incubation centre for startups in the real estate space. The programme is expected to be operational by the middle of this year. The company will mentor about 10-12 start ups in the first phase and fund them with investments of Rs 2-3 crore each.

The company aims to fund ventures at an angel stage and ideally exit at Series A round. It will, however, have the option to invest further or buy the firm.

The programme duration will not be more than 18 months. The incubation centre would be set up at the Sheraton Grand hotel, which is part of the Brigade Gateway project in Rajaji Nagar.

India extends biggest-ever credit line worth \$2 billion to Bangladesh



India has signed a landmark agreement with Bangladesh extending \$2 billion to the country in its biggest ever overseas credit line, five years after it inked a credit agreement worth \$1 billion with its neighbour.

The \$2 billion LOC (line of credit) is the biggest credit line India has so far extended to any country. The agreement was inked in line with Prime Minister Narendra Modi's announcement during his visit here in June, 2015.

Facebook userbase crosses 142 million in India

Networking giant Facebook has said that it has over 142 million users in India, of which about 133 million access the social media platform through their mobile phones.

Also, about 69 million people in India use Facebook daily, of which 64 million accesses the platform through their mobile devices.

India is the largest market for Facebook outside of the US. At the end of December 2015, the US-based firm had 1.59 billion monthly active users.

IMF assistance centre to be set up in India

The Cabinet has given approval to signing of a MoU with International Monetary Fund (IMF) for setting up of South Asia Regional Training and Technical Assistance Center (SARTTAC) in the country by the global body. The SARTTAC will be a collaborative venture among IMF, the member countries, which include Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka, and development partners.

It is noted that MoU will help in capacity building of government officials, including state level in macro, fiscal, monetary policies by the IMF and greater coordination between the six member countries of South Asia.

The Cabinet also gave its approval for providing a special swap of USD 700 million to Sri Lanka for a period of 3 months or till the time Sri Lanka avails the IMF facility whichever is earlier. Approval of this proposal shall help Sri Lanka in strengthening its economic stability and official reserves which have witnessed downward trend in 2015 owing to the adverse impact of the expected interest rate hikes in the United States.

Hero MotoCorp to enter Nigeria this month, Mexico on radar

India's largest two-wheeler maker Hero MotoCorp plans

to enter new markets globally, including Mexico and Nigeria, as it eyes 1 crore unit sales by 2017-18.

Hero MotoCorp separated from Honda Motor Co Ltd in 2011 and since then has augmented its global presence.

Hero MotoCorp is present in a number of countries in Latin America, South East Asia and Africa. The company is already there in around 26-28 countries and this month, they plan to enter the biggest market in Africa, Nigeria.

SBI among 4 new foreign banks allowed operations in Myanmar

The State Bank of India is among the four new foreign banks given preliminary approval to open 100 per cent-owned branches in Myanmar, the latest move by the Southeast Asian nation to woo investment to the country long ruled by the military and hit by Western sanctions.



The four new banks that have been given initial approval by the Central Bank of Myanmar are Vietnam's Bank for Investment and Development, Taiwan's E.SUN Commercial Bank, South Korea's Shinhan Bank and the State Bank of India.

Essar loses Ratna fields to original owner ONGC

State-run ONGC is getting its 'ratna' (jewel) back after nearly two decades. The government has cancelled the letter of award issued in 1996 to a consortium of the Ruias-promoted Essar Oil and Premier Oil of UK for Ratna and R-Series oil and gas fields.

Under the then auction policy for discovered fields, ONGC as the original licensee was to retain 30% ownership. But the field has been languishing after dispute over terms of the contract cropped up.

Last year, the federal auditor has said that the country had lost production worth Rs 26,000 crore from the fields and

infrastructure worth over Rs 1,085 crore was damaged.

Govt moves to unlock \$36 billion worth oil, gas pie

The government has announced big-bang policy measures to help explorers unlock hydrocarbons treasure worth \$36.6 billion (Rs 2.33 lakh crore) -- or more than 50% of the crude import bill estimated for 2015-16, retain and expand jobs amid low oil gas prices as well as make it easier for them to do business.

The decisions by the Cabinet's panel on economic affairs are expected to kick-start investment in the country's E&P (exploration and production) sector by cutting red tape and removing government discretion to create a fair marketplace with a transparent policy regime.

The biggest boost to the industry would come from the marketing and pricing freedom for gas from deepwater, ultra-deepwater and high pressure, high temperature blocks. The pricing formula for these fields is attractive even with a cap linked to alternate fuels - fuel oil, naphtha, imported coal and liquid gas.

Airbus sees demand for 1,600 planes in India



Indian carriers will require 1,610 aircraft over the next twenty years, European plane maker Airbus has announced in its India market forecast. This will include 1,230 single-aisle narrow body aircraft and more than 380 wide-body passenger and freight aircraft which continue to see significant demand.

In its 2014 market forecast, Airbus had estimated India would require nearly 1,300 planes.

Currently, Airbus has 210 aircrafts in India and an order backlog of more than 520 Airbus A320neo, giving it a market share of more than 70 per cent in service. On an average Airbus will deliver one aircraft each week over the next ten years.

Air traffic in India is being driven by a strong seven per cent plus GDP growth and a rising middle class.

Boeing sees robust growth in India

Predicting a robust growth for the Indian civil aviation sector, aerospace major Boeing has predicted that India will require 1740 aircraft by 2034 entailing a cumulative investment of \$ 240 billion.

Dinesh A Keskar, Senior Vice President, Sales, Asia Pacific and India, has stated that the Indian domestic passenger has crossed the 80 million mark last year up from 66.4 million (2014), registering a growth of over 20 per cent. All indicators point towards India becoming one of the biggest aviation markets in the world over the next two decades.

He has further added that the cost of fuel, which accounts for about 49 per cent cost in January 2013 has come down to 23 per cent in February 2016. This has played a major role airlines performing better leading to a profitable growth. But the only worry is the potential of rupee depreciating against the dollar as domestic airlines in India earn in rupees, but they have to meet their purchase obligations in dollar terms.

Amar Abrol to be new CEO of AirAsia India

Amar Abrol will be the CEO of AirAsia India (AAIPL) as incumbent Mittu Chandilya has chosen not to renew his three-year contract. Chandilya, along with AAIPL's 10% stakeholder Arun Bhatia of Telestra Tradeplace, have complained that the Tata-AirAsia JV airline is totally dominated by the Malaysian partner.



AAIPL is completely run by parent AirAsia, which takes decision on vital issues like network planning and revenue management.

The new team faces challenges as AAIPL has so far not grown as fast as it was envisaged at the time of launch. Its fleet induction has been much slower than initially projected.

India, Russia sign oil deals worth \$4billion deals

Leading state-run oil companies have signed a clutch of deals potentially worth over \$4 billion once all of them are completed for acquiring a stake in Russian major Rosneft's most promising oilfields in Siberia, adding commercial depth to the Soviet-era strategic ties between

India and Russia.

For Rosneft, Russia's biggest producer and the world's largest publicly-traded oil company, the deals bring funds for developing new fields and paying off part of massive debt raised to fund acquisition of TNK-BP, a vertically integrated oil company, in 2013.

In the first deal, Indian Oil, Oil India and a unit of BPCL agreed to take 29.9% in Tas-Yuryakh oilfield in east Siberia for \$1.3 billion. The consortium also signed heads of agreement for taking a 24% stake in Vankor field, also in east Siberia, for over \$2 billion and pay another \$180 million as its share of future capex. ONGC Videsh, the overseas arm of ONGC, signed a MoU to raise its total stake in Vankor to 26% for by acquiring additional equity at a cost of \$925 million. ONGC Videsh had in September last year bought 15% in the field for \$1.3 billion.

The two sides also agreed to examine prospects of joint trading and possibility and long-term crude supply contracts. The IOC-led consortium signed another MoU for exploration, taking a stake in developing the Vankor cluster fields of Suzunskoye, Tagulskoye and Lodochnoye.

Govt opens up coal sector beyond Coal India monopoly

The Ministry of Coal earmarked 16 coal mines to be allocated to states for sale to MSMEs. This is also the first step towards government's effort to open up the coal sector beyond monopoly of state owned Coal India Limited.

The government has released a list of 16 mines which will be allocated to states through transparent auction process. The list is divided into 2 parts -- host state and non-host states.

The earlier coal blocks allotted to the states during this year under the new auction mechanism had stipulated end-use and no sale of coal were allowed. Commercial mining will have strict guidelines. The states would be allowed to engage MDOs through a transparent process but only as a contractor. The centre would make sure that no joint ventures with MDO or change of ownership happens.

The states in fray are the six mineral rich ones - Jharkhand, Chhattisgarh, Odisha, Madhya Pradesh, Goa, and West Bengal among others.

Corporate Snapshot: GLOBAL

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- ♦ *Germany takes on Facebook in competition probe*
- ♦ *Greece to review Eldorado's permits by end of March*
- ♦ *Exxon Mobil eyes acquisitions, forecasts lower spending*
- ♦ *China to lay off 1.8 million workers in coal, steel sectors*
- ♦ *Starbucks to open first outlet in South Africa*
- ♦ *Uber racked up big international losses during 2014 expansion*
- ♦ *AMC Entertainment to buy Carmike in a deal valued at \$1.1billion*
- ♦ *Amazon picks Indian City of Hyderabad to set up Largest Delivery Center outside US*
- ♦ *Facebook to pay more tax in UK*
- ♦ *U.S. Supreme Court rejects Apple e-books conspiracy appeal*
- ♦ *Yahoo exploring sale of up to \$3-billion in 'non-core assets': CFO*
- ♦ *Microsoft Opens its Corporate Data Software to Linux*
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Toyota shakes up corporate structure



Toyota Motor Corp has announced an overhaul of its corporate structure in order to streamline decision-making and improve the way it manages its production as output has hit record highs.

Effective April, the number of business divisions will be increased to nine from the present four. Three new divisions will separately focus on compact, mid-size and commercial vehicles, alongside divisions dedicated to connected cars and to research and engineering.

Managing officer Shinya Kotera will become senior managing officer and will lead the company's division which oversees China, Asia, and other regions. The remaining divisions will be led by existing senior managing officers.

Germany takes on Facebook in competition probe

Germany's cartel office has been investigating Facebook for suspected abuse of market power over breaches of data protection laws in the first formal probe of the social network for violating competition rules.

The watchdog has stated that it suspected Facebook's terms of service regarding how the company makes use of users' data may abuse its possibly dominant position in the social networking market. It has planned to examine whether users were properly informed about how their personal data would be obtained by the company.

The company has faced criticism from politicians and regulators in Germany, where data protection is strictly regulated, over its privacy practices and its slow response to anti-immigrant postings by neo-Nazi sympathizers.

Greece to review Eldorado's permits by end of March

Greece will evaluate Canadian Company Eldorado Gold's permits by the end of March.

The Vancouver-based miner has been developing a mine in northern Greece, seen as the biggest foreign investment in the over indebted country.

Eldorado has invested about \$700 million to develop the Skouries and Olympias mines since 2012 and plans to invest another \$1 billion in the projects.

In Brief :

- ♦ *Google experimenting with a new design for search results to promote small businesses*
- ♦ *Ajanta Pharma gets USFDA nod for migraine drug*
- ♦ *World Bank cuts 2016 oil price estimate by \$14 to \$37 a barrel*
- ♦ *BMW reports record \$6.6 bn profit for 2015*
- ♦ *London Stock Exchange and Deutsche Borse Agree on Merger*
- ♦ *Bacardi files complaint over Cuba's registration of Havana Club rum trademark*
- ♦ *Toshiba agrees to sell white goods operations to China's Midea Group*
- ♦ *Rio Tinto CEO Sam Walsh to retire, copper and coal chief to lead company*
- ♦ *European car sales shift up a gear*
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Exxon Mobil eyes acquisitions, forecasts lower spending

Exxon Mobil Corp has said that it would continue to cut spending as long as crude prices remain low, but the world's largest publicly traded oil company has added that it may look at potential acquisitions in a bid to offset a dip in production.

Exxon, which has a triple-A credit rating, has tapped the debt market with a \$12-billion deal that has led analysts to speculate the oil major may be gearing up for an acquisition spree.

Exxon's oil and gas production rose 3.2 per cent in 2015, as the company's downstream refining unit provided some insulation against the impact of falling oil prices on its upstream exploration and production unit.

China to lay off 1.8 million workers in coal, steel sectors



China has said that it expects to lay off 1.8 million workers in the coal and steel industries, or about 15 per cent of the work force, as part of its efforts to reduce industrial overcapacity, but no time frame was given.

Yin Weimin, the Minister for Human Resources and Social Security, has confirmed that 1.3 million workers in the coal sector could lose jobs, plus 500,000 from the steel sector.

According to data published by the National Bureau of Statistics, China's coal and steel sectors employ about 12 million workers.

Starbucks to open first outlet in South Africa

Starbucks will open its first store in South Africa in the upmarket Johannesburg

suburb of Rosebank, the coffee giant's local licensee Taste Holdings said.

Starbucks had announced in July last year it would enter African markets for the first time in 2016. Its second store is due to be opened late-April in the Mall of Africa, around 25 km north of downtown Johannesburg. Taste, which is also the master franchisee of Dominos Pizza in South Africa, holds the local licence for Starbucks and has the right of first refusal in several other African markets.

Uber racked up big international losses during 2014 expansion

The International Business of Uber, the U.S.-based ride-hailing service, lost \$237 million in 2014, a big increase on a deficit of \$31.9 million the previous year, as the company expanded around the globe.

Although the filing excludes the company's U.S. operations, it offers a rare snapshot of Uber's overseas performance as it rolled out its service to big cities around the world often meeting resistance from established taxi services.

Uber's service was available in fewer than 100 cities at the start of 2014, compared with more than 400 now.

The documents showed the company had 355 international employees in 2014, around 40 of them in the Netherlands.

San Francisco, California-based Uber Technologies, Inc. is frequently said to be worth \$40 billion, based on the pricing of the sale of some of its shares to private investors in 2014.

AMC Entertainment to buy Carmike in a deal valued at \$1.1billion



AMC Entertainment Holdings will acquire Carmike Cinemas Inc in a deal valued at about \$1.1-billion,

including debt, making the combined company the largest U.S. theatre chain.

AMC will pay \$30 per share in cash to buy all of Carmike's outstanding shares, which represents a premium of about 19.5 per cent to Carmike.

Chinese property and investment firm Dalian Wanda Group had acquired AMC Entertainment for \$2.6-billion in 2012.

The transaction will be funded through a combination of existing liquidity, including cash on hand, and incremental debt. The debt financing commitment is being provided by Citigroup Global Markets Inc.

Amazon picks Indian City of Hyderabad to set up Largest Delivery Center outside US

Global e-commerce giant Amazon has announced that it would build its second-largest global delivery center and the largest outside the U.S. in Hyderabad

Fulfillment centers, often located near airports are used to collect, sort and dispatch customer orders from Amazon as well as third-party vendors, who avail Amazon's vast warehousing system for a fee.

Amazon currently operates 21 such warehouses over 10 states in India. In 2014, the company had announced \$2 billion investment to boost its India operations.

Facebook to pay more tax in UK

Facebook will change the way it will pay tax in the U.K., resulting in millions more being paid by the social network after it was heavily criticized for funneling profits through Ireland where the corporation tax is much lower.

Facebook has now confirmed that profits from the majority of Facebook's advertising revenue initiated in Britain will now be taxed in the UK. The U.K. is one of Facebook's biggest markets but the social network came in for huge criticism when it was revealed that the company paid just 4,327 pounds (\$6,115) in taxes in 2014 in the U.K.

The changes will take effect from April (the beginning of the tax year in the U.K.) and Facebook's first higher tax bill will be paid in 2017.

U.S. Supreme Court rejects Apple e-books conspiracy appeal

The U.S. Supreme Court has refused to review an appeals

court's judgment that Apple Inc. had conspired with book publishers to raise the prices of digital books.

Last year, a divided three-judge panel of the United States Court of Appeals for the Second Circuit, in New York, said the terms Apple had offered to five big publishers allowed them to engage in a price-fixing conspiracy.

The case began in 2012, when the Justice Department accused Apple and five publishers of conspiring to raise e-book prices above Amazon's standard of \$9.99 for new titles by introducing an agency model of pricing. The five publishers settled, but Apple went to trial.

Yahoo exploring sale of up to \$3-billion in 'non-core assets': CFO

Yahoo Inc has been exploring the sale of \$1-billion to \$3-billion (U.S.) in patents, property and other "non-core assets".

The company said that patents, land, property and "non-core units or businesses" are all on the table for potential sale, and the company has sold or licensed more than \$600 million in patents over the last three years.

Microsoft Opens its Corporate Data Software to Linux

Microsoft, the world's biggest software company, is known for creating business software that runs only on the Windows operating system. That has made it hard or impossible to buy something like a database from Microsoft without first buying Windows to run on a server.

Microsoft has always sold PC software for other companies' operating systems, like that used by Apple's Macintosh computers. But since becoming chief executive of Microsoft two years ago, Satya Nadella has gone further by creating software to run on other mobile operating systems like Apple iOS, and decoupling Microsoft's Azure cloud computing system from Windows.

Egypt providing Indian firms duty-free access to overseas markets: Report

Egypt is providing Indian companies "duty-free access" to the markets in the European Union, North American and other African and Arab markets. Around 52 Indian companies are working in Egypt with an investment to the tune of \$3 billion (about Rs 20,400 crore).

Last month, Egyptian ambassador to India Hatem

Tageldin had addressed a business meet in Kolkata; he noted that the bilateral trade between the two countries stood at approximately \$5 billion (about Rs 34,000 crore) every year.

Google experimenting with a new design for search results to promote small businesses

Google Search is one of the most widely used search engines today, and is known to experiment with its search results. The search engine giant is experimenting with a new kind of design/format for its search results that helps promote small businesses and could eventually be expanded to celebrities and bigger organizations.

Ajanta Pharma gets USFDA nod for migraine drug

Ajanta Pharma announced that it has received the final approval for its generic version of acute migraine pain relief drug Almotriptan Malate tablets.

The approval to Ajanta Pharma USA Inc, the wholly-owned subsidiary of Ajanta Pharma Ltd., is for multiple strengths of 6.25mg and 12.5mg of the generic version of Axert tablets by Janssen Pharmaceuticals.

World Bank cuts 2016 oil price estimate by \$14 to \$37 a barrel

The World Bank has cut its forecast for crude oil prices to \$37 a barrel for 2016, from an earlier estimate of \$51 a barrel made in October last year, citing growing supply glut and poor prospects of a rise in oil demand from emerging markets.

The bank expects the global oil demand to remain weak even as Iranian oil exports return, US production continues and Northern Hemisphere witnesses a mild winter.

Oil prices may fall by another 27% this year after slumping by 47% in 2015, the World Bank said in its annual Commodity Markets Outlook.

BMW reports record \$6.6 bn profit for 2015

German luxury carmaker BMW AG has reported a record profit of 6.0 billion euros (\$6.6 billion) for last year, a 10% increase, as sales grew in all major regions.

The Munich-based company has said that profits were boosted by stronger sales of its X5 and X6 sport-utility vehicles. It has also widened its appeal by introducing the 2-Series Gran Tourer, a family-style van.

The company has said that it has increased sales in all of

its key regions. Sales in Europe rose 9.4% in Europe and 2.2% in the United States. The company saw a slowdown in China, which it terms a “normalization” of the market after years of rapid growth. Sales there rose 1.6 percent.

London Stock Exchange and Deutsche Borse Agree on Merger

The London Stock Exchange Group and the Deutsche Borse had agreed to merge in an all-stock deal that they hoped would create a European champion in a rapidly consolidating industry.

The combination enables Europe to maintain and enhance its capital markets infrastructure long term, invest in state-of-the-art infrastructure and build global connectivity.

Under the terms of the deal with Deutsche Borse, shareholders in the London Stock Exchange would receive 0.4421 of a new share in the combined company for every share of the London Stock Exchange. Their counterparts at Deutsche Borse would receive one share of the new company for each of their shares, giving them a 54.4 percent stake in the united company.

The transaction is expected to close by the end of this year or during the first quarter of 2017.

Bacardi files complaint over Cuba's registration of Havana Club rum trademark

Bacardi is back in court in its two-decades-long quest for the right to use the iconic Havana Club rum trademark in the United States.

In January, the U.S. Patent and Trademark Office renewed the U.S. registration of the Havana Club mark for Cuba export, the Cuban partner of French spirits maker Pernod Ricard in the worldwide distribution of Havana Club.

Bacardi also has filed a Freedom of Information Act request asking for all documents and communications from the patent office, the Office of Foreign Assets Control, the State Department, the White House, the National Security Council, Treasury and/or any third partners relevant to the decision to renew the Havana Club registration.

Toshiba agrees to sell white goods operations to China's Midea Group

Toshiba Corp has agreed to sell the majority of its white goods business to China's Midea Group Co Ltd.

The laptops-to-nuclear conglomerate is aiming to finalize the deal with the two companies negotiating details.

Toshiba has been trying to overhaul its operations following last year's revelations of overstated profits going back to around 2009.

Toshiba's white goods business posted sales of 225 billion yen.

Rio Tinto CEO Sam Walsh to retire, copper and coal chief to lead company

Rio Tinto's chief executive Sam Walsh, who led the firm through a painful commodity price plunge, is to retire and be replaced by Frenchman Jean-Sebastien Jacques in July.

Walsh, who has helmed the Anglo-Australian firm for just over three years and overseen a cost-cutting drive as the mining sector battles through tough times, will also depart Rio's board at the same time.

London-based Jacques, who is currently global head of the firm's copper and coal division, will become deputy chief executive in the interim and joins the board "with immediate effect".

European car sales shift up a gear

European cars sales raced ahead in February, increasing by 14.3 per cent from the same month last year, with sales in Italy jumping by over a quarter.

Only Greece and the Netherlands saw sales fall, while all other EU states saw double digit sales gains in February on an annual comparison except Austria, Britain and Slovenia.

Volkswagen, which boasts the largest market share by far in Europe but is mired in a massive pollution cheating scandal, saw only a 4.5 per cent sales gain in January and February.

France's Peugeot and Renault also underperformed, with sales gains of 8.5 percent and 5.4 per cent respectively, as did German luxury carmaker BMW with an 8.7 per cent gain.

FCA Group, the parent company of Fiat, saw its sales climb 18.7 per cent as sales in Italy jumped and Mercedes-maker Daimler posted a 14.6 per cent increase.




Forbes list of World Billionaires 2016 released





Forbes list of World Billionaires 2016 was released on 1

March 2016. In its 30th annual guide to the world's richest, Forbes found 1810 billionaires in 2016 compared to 1826 in 2015.

Bill Gates remained the richest person in the world with a net worth of 75 billion US dollars. He has been No. 1 for 3 years in a row and has topped the list 17 out of 22 years. Facebook CEO, Mark Zuckerberg and Head of Amazon, Jeff Bezos made their first appearance in the top ten of Forbes' annual ranking of the world's wealthiest.

Forbes list of top 10 World Billionaires 2016

| Image | Rank | Name | Net Worth in Billion Dollars | Source | Country of Citizenship |
|---|------|------------------|------------------------------|--------------------|------------------------|
|  | 1 | Bill Gates | 75 | Microsoft | United States |
|  | 2 | Amancio Ortega | 67 | Zara | Spain |
|  | 3 | Warren Buffett | 60.8 | Berkshire Hathaway | United States |
|  | 4 | Carlos Slim Helu | 50 | telecom | Mexico |
|  | 5 | Jeff Bezos | 45.2 | Amazon.com | United States |
|  | 6 | Mark Zuckerberg | 44.6 | Facebook | United States |
|  | 7 | Larry Ellison | 43.6 | Oracle | United States |

| | | | | | |
|---|---|-------------------|------|--------------|---------------|
|  | 7 | Larry Ellison | 43.6 | Oracle | United States |
|  | 8 | Michael Bloomberg | 40 | Bloomberg LP | United States |
|  | 9 | Charles Koch | 39.6 | diversified | United States |
|  | 9 | David Koch | 39.6 | diversified | United States |

Saudi Arabia is reportedly looking to borrow \$10bn in its first international loans in a decade

Saudi Arabia is reportedly looking for loans worth \$10 billion from international lenders in its most significant foreign borrowing in a decade.

The Saudi Arabian government is said to have sent an invitation to banks to discuss a US dollar loan.

Saudi Arabia has already raised domestic petrol prices by up to 40 per cent and set about dismantling generous subsidies for water, electricity and petrol. The kingdom has traditionally kept prices low for residents as a social welfare measure.

Saudi Arabia's £100 billion budget deficit is still one of the lowest in the world, which could make lending to the kingdom an attractive prospect for investors. The pricing of the loan is expected to be measured against the earlier loans to Qatar and Oman, which took a long time to arrange because of concerns about the Gulf region's ability to cope with the era of cheap oil.