

MARKET MOVEMENT

Major Indices	July 20, 2018	July 27, 2018	% Change	Change
BSE Sensex	36,496.37	37,336.85	2.30	↑
NSE Nifty	11,010.20	11,278.35	2.43	↑

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Government removes restrictions on urea import
- CBDT expands scope of tax audit process
- SEBI nods Bharti Infratel-Indus Tower merger
- Carriage and Wagon Works signs pact to recycle incinerable scrap
- Government approves Solar Farm Program

Government removes restrictions on urea import

Government has removed restrictions for imports of urea for industrial, non-agriculture and technical grade. Earlier, these imports were allowed through State Trading Corporation. Presently, the country produces about 22-23 million tonnes of urea and imports about 8 million tonnes to meet the domestic requirement. Imports are undertaken through three canalising agencies-MMTC, STC and Indian Potash Ltd.

CBDT expands scope of tax audit process

Central Board Direct Taxes (CBDT) has revised the mandatory tax audit report, also known as Form 3CD, which is to be filed by certain taxpayers, to expand the scope of the exercise. Auditor will now have to furnish details related to GST sales, information on transactions covered by transfer pricing provisions, cash transactions and transaction involving tax deducted at source (TDS).

SEBI nods Bharti Infratel-Indus Tower merger

Bharti Airtel, Infratel has received clearance from Stock Exchange Board of India (SEBI) for its merger with Indus Towers. In April this year, Bharti Airtel, Idea Cellular and Vodafone Group had announced an agreement for the merger of Indus Towers and Bharti Infratel to create the largest mobile

tower operator in the world outside China. It will have over 163,000 towers across 22 telecom service areas in India.

Carriage and Wagon Works signs pact to recycle incinerable scrap

Indian Railway's Carriage and Wagon Works has signed a pact for 10 years to recycle around 3,000 tonnes of non-hazardous "incinerable" scrap generated every year from its workshop. Carriage and Wagon Works is located at Perambur and undertakes periodic overhauling of coaches and wagons and generates waste such as resin, cushion, coir and thermocol. Disposal management will provide safety against fire threat, pollution and unnecessary space occupation.

Government approves Solar Farm Program

Delhi government has approved Mukhyamantri Agriculture-cum Solar Farm Program to increase farmer's income and achieve the state's solar target as per the Delhi Solar Policy 2016. It will provide an additional earning to farmers with annual increment of 6% per annum to reach USD 5900 per year from USD 1500 per year in 25-year period. Farmers will also get 1,000 units of free power per acre from the solar project every year.

INDUSTRY WATCH

- **Milk production rises 6.6% to 176.35 million tonne in 2017-18**
- **Mutual funds add 3.3 million folios in Q1**
- **China clears 14 Indian rice companies for export**
- **Gold imports rise 22% to USD 33.65 billion in 2017-18**
- **Exports from India to BRICS grow 7.5% in Q1 2018**

Milk production rises 6.6% to 176.35 million tonne in 2017-18

Milk production has increased by 6.6% to 176.35 million tonnes in 2017-18 compared to 165.4 million tonnes during 2016-17. To ensure supply of good quality and nutritious milk to consumers, Food Safety and Standards Authority of India (FSSAI) has distributed electronic milk adulteration testing machines to states and Indian Railways for detection of fat, SNF, protein, lactose, density and added water as well as adulterants like urea, detergent, ammonium sulphate, caustic soda, hydrogen peroxide, soda and salt in the raw milk.

Mutual funds add 3.3 million folios in Q1

Mutual funds added 3.3 million folios in Q1 of current fiscal due to growing investor interest in mutual funds. There is addition of 16 million investor accounts in entire 2017-18, over 6.7 million folios in 2016-17 and 5.9 million in 2015-16. Folios in equity, equity-linked saving schemes (ELSS) grew

by 2.64 million to 56.2 million. Besides, folios in balanced category grew by 150,000 to over 6 million during the period under review.

China clears 14 Indian rice companies for export

China has agreed to import rice 14 registered rice exporters from India as it is looking for newer markets to support its inventories. China allows import of only basmati rice from India, but with this clearance, even non-basmati rice can be exported. India has to ensure that processing and storage houses of the rice to be exported to China is free from pests — *Trogoderma granarium* and *Prostephanus truncatus* and live insects.

Gold imports rise 22% to USD 33.65 billion in 2017-18

Gold imports increased by 22.31% to USD 33.65 billion in 2017-18 compared to USD 27.51 billion in 2016-17 and USD 31.7 billion in 2015-16. In volume terms, the country imports 700-800 tonnes of gold annually. Increase in imports mainly caters to the demand of the jewellery industry.

Exports from India to BRICS grow 7.5% in Q1 2018

Overall exports from India to BRICS grew 7.5% in the first quarter of 2018 over the corresponding period of last year in terms of total volumes while the country's imports from BRICS nations is reduced by 3.5%. China leads the ex-im trade among the BRICS nations with approximately 9-10 million FFE (Forty-Foot Equivalent Unit) followed by India between 1.5 million and 2 million FFE.

CORPORATE HIGHLIGHTS

- **Mahindra forays into ICV segment with Furio**
- **Wipro ties up with US-based Alight Solutions**
- **UPL acquires US firm Arysta for USD 4.2 billion**
- **Thyssenkrupp receives USD 115 million contract for power projects**
- **Gayatri Projects Ltd. gets USD 402 million worth road projects**

Mahindra forays into ICV segment with Furio

Mahindra's Truck and Bus Division (MTBD), the commercial vehicle arm of Mahindra Group, launched its new range of intermediate commercial vehicles (ICVs) called Furio, to increase its market presence in the commercial vehicles (CVs) segment. Under the range, MTBD will be launching 21 products ranging from 6.5T to 16T, seven of which will be launched with BS-IV engine and the rest complying with BSVI norms.

Wipro ties up with US-based Alight Solutions

Wipro has tied up with Alight Solutions, a US-based technology-enabled health, wealth, HR and finance solutions provider, to reshape the HR services industry. Wipro will also acquire and take responsibility for the services delivered from Alight's India locations. Alight has developed a rich set of technology and delivery capabilities across its India centres located at Gurgaon, Noida, Mumbai and Chennai.

UPL acquires US firm Arysta for USD 4.2 billion

UPL (earlier known as United Phosphates) has announced the acquisition of Arysta Life Science Inc for USD 4.2 billion, which will enhance its position as a global leader in agriculture solutions market and will make it a USD 5 billion entity in combined sales. Arysta Life Science is a global provider of innovative crop protection solutions, including bio solutions and seed treatment.

Thyssenkrupp receives USD 115 million contract for power projects

Thyssenkrupp has received a contract worth around USD 115 million from Doosan Power Systems India (DPSI) to supply material handling plants for two thermal power projects in Uttar Pradesh. Project includes engineering, delivery and installation of two complete coal handling systems, including associated structural and electrical works. Plants will be part of the Obra C and Jawaharpur coal-fired power stations in the north.

Gayatri Projects Ltd. gets USD 402 million worth road projects

Gayatri Projects has received two orders worth USD 402 million for development of Purvanchal Expressway project from Uttar Pradesh Expressways Industrial Development Authority. First order worth USD 216 million is for development of Purvanchal Expressway project (Package-I) from Chand Sarai (Dist. Lucknow) to Sansara (District Barabanki) in Uttar Pradesh. Second order worth USD 186 million is for development of Purvanchal Expressway project (Package-II) from Sansara to Jaraikala (District Amethi) in Uttar Pradesh.