



MARKET MOVEMENT

Major Indices	September 07, 2018	September 14, 2018	% Change	Change
BSE Sensex	38,389.82	38,090.64	(0.77)	
NSE Nifty	11,589.10	11,515.20	(0.63)	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Highway projects worth USD 27.8 million approved for 5 states
- Cabinet approves USD 2.08 billion new procurement policy to ensure MSP to farmers
- Government approves fiscal incentives for projects to improve oil recovery
- Government approves 100% electrification of railways by 2021-22
- Finance Ministry relaxes norms for import of exported electronic goods for repairs

Highway projects worth USD 27.8 million approved for 5 states

Highways projects worth USD 27.8 million have been approved for improving connectivity among five states- Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Diu. Nearly 33,000 kilometres of National Highways have been constructed in the last four years in the country and work is underway on another 53,000 kilometres of National Highways. Approved projects include widening and strengthening of Dantiwada Kuchawada, Chandisar Danthinda and Kodinar Velan Kotada roads.

Cabinet approves USD 2.08 billion new procurement policy to ensure MSP to farmers

Government has announced USD 2.08 billion procurement policy - 'Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA) allowing states to choose a compensation scheme and rope in private agencies for procurement to ensure remunerative prices to farmers. Under the PM-AASHA, states would be allowed to choose from three schemes- existing Price Support Scheme (PSS), newly designed Price Deficiency Payment Scheme (PDPS) and Pilot of Private Procurement Stockist Scheme (PPSS) to undertake procurement when prices of commodities fall below the MSP level.

Government approves fiscal incentives for projects to improve oil recovery

Government has approved fiscal incentives to attract investments and technology in raising oil and gas production from aging fields, which will unlock an estimated USD 693.85 billion of hydrocarbons in the next 20 years. Government will charge half of the USD 62.5 per tonne cess levied on oil produced from nominated fields of state-owned ONGC and Rajasthan block of private sector Vedanta Ltd through enhanced oil recovery (EOR) and improved oil recovery (IOR) projects.

Government approves 100% electrification of railways by 2021-22

Cabinet has approved a proposal for the complete electrification of Indian Railways in the next four years, reducing dependence on imported fossil fuel and saving revenue for the national carrier. Move will cost the government USD 1.68 billion and it will help the carrier save USD 1.87 billion per annum in fuel costs.

Finance Ministry relaxes norms for import of exported electronic goods for repairs

Government has relaxed the norms for exported electronic goods, like mobile phone, colour TV, certain medical devices, which need to be imported back for repairs within 7 years of its export. Such goods have to be exported back within one year of the import. It will cover goods like xerox machine, printers, mobile phones, colour TV, LCD/LED panels, and medical devices such as hearing aid, ECG and ultrasound machine, MRI apparatus.

INDUSTRY WATCH

- **Exports rise 19.2% in August**
- **Domestic passenger vehicles sales increase 7.67% in April-October 2017**
- **Government prohibits 328 fixed dose combinations**
- **Factory output grows at 6.6% in July**
- **25% price hike in ethanol is approved**

Exports rise 19.2% in August

Exports rose 19.2% to USD 27.84 billion in August due to healthy growth in petroleum products, engineering, pharma, and gems and jewellery shipments. Imports grew by 25.41% in August to USD 45.24 billion due to costlier crude oil shipments. Exports of petroleum products, engineering, pharma and gems and jewellery in August rose by 43.25%, 31.81%, 28.5% and 34.8% respectively. During April-August this fiscal, the exports recorded a growth of 16.13% to USD 136.09 billion, while imports during the first five months of this fiscal grew by 17.34% to USD 216.43 billion.

Domestic passenger vehicles sales increase 7.67% in April-October 2017

Sale of domestic passenger vehicles grew by 7.67% in April-October 2017 over the same period last year. Within the passenger vehicles, passenger cars, utility vehicle and vans grew by 4.72%, 16.95% and 2.86%, respectively, in April-October 2017, over the same period last year. Automobile industry production grew 8,13% to a total 17,097,096 vehicles, including passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycle in April-October 2017, against 15,811,071 in April-October 2016.

Government prohibits 328 fixed dose combinations

Health ministry prepared a list of banned combination medicines and added restrictions to the dosages or uses for six more types of such drugs as their ingredients had no therapeutic value and were risky for consumption. Ban on 328 such drugs compared with 344 earlier is effective immediately.

Manufacture, sale and distribution of six Fixed Dose Combinations (FDCs) will be subject to certain conditions based on their therapeutic justification.

Factory output grows at 6.6% in July

Industrial production grew at 6.6% in July due to strong performance by the manufacturing sector, capital goods and consumer durables. Manufacturing sector recorded a 7% growth against a contraction of 0.1% in the same month year ago, consumer durables sector recorded an impressive growth of 14.4% in July against a dip of 2.4% year ago, Capital goods production grew by 3% in July as against decline of 1.1% year ago. 22 out of 23 industry groups in the manufacturing sector showed positive growth during July 2018.

25% price hike in ethanol is approved

25% price hike in ethanol is approved by Government. Move is expected to help the sugar mills divert their production to the manufacturing of ethanol from sugar. Earlier, the government had fixed the price for ethanol produced from sugar cane juice at USD 0.66 a liter.

CORPORATE HIGHLIGHTS

- **Twitter signs 12 premium video content partnerships in India**
- **DABS ties up with Tata Power**
- **Suzlon signs JV with CLP India for two solar projects in Maharashtra**
- **NTPC board approves USD 1.35 billion investment for 1,320 MW expansion**
- **Alstom wins USD 366 million contract to supply cars for Mumbai's metro line 3**

Twitter signs 12 premium video content partnerships in India

Twitter has forged over 50 premium video content collaborations in the Asia Pacific of which 12 are with Indian partners for live streaming and video highlights programming in sports, entertainment and news. This includes Red Chillies Entertainment, Viacom18's music platform Vh1 Supersonic, Comic Con India, Network 18, news publishers such as NDTV, Filmfare and mobile app for cricket CricBuzz.

DABS ties up with Tata Power

Afghanistan government-run power distribution firm, Da Afghanistan Bresha Sherkat (DABS) has signed a Memorandum of Understanding (MoU) with Tata Power for distribution, transmission and generation of power in the Afghanistan. Only 35% of the people have access to electricity in four main cities in Afghanistan but it has potential to produce around 200 GW of power from solar energy besides another 66 GW of from wind energy.

Suzlon signs JV with CLP India for two solar projects in Maharashtra

Wind turbine maker Suzlon has announced a Joint Venture (JV) with CLP India for two solar projects with of 50 megawatt (MW) and 20 megawatt (MW) in Dhule, Maharashtra. CLP India has agreed to acquire 49% stake in Gale Solarfarms Ltd and Tornado Solarfarms Ltd, two special purpose vehicles (SPV) set-up by Suzlon.

NTPC board approves USD 1.35 billion investment for 1,320 MW expansion

NTPC's board has approved an investment of USD 1.35 billion for the 1,320 MW Stage-III expansion of its Talcher thermal power plant in Odisha. 1,320 MW expansion is a brownfield project. The plant has four units of 60 MW and two units of 110 MW. The existing capacity is operational.

Alstom wins USD 366 million contract to supply cars for Mumbai's metro line 3

French multinational Alstom has received a contract from Mumbai Metro Rail Corporation Limited (MMRCL) worth around USD 366 million to supply 248 wagons for Line 3. Contract envisages design, delivery and commissioning of 31 lightweight, fully-furnished modern passenger train sets of eight cars each. Alstom will be responsible for training of operating and maintenance staff for Mumbai Metro Line-3 system as well.