



MARKET MOVEMENT

Major Indices	September 29, 2017	October 06, 2017	% Change	Change
BSE Sensex	31,283.72	31,814.22	1.69	
NSE Nifty	9,788.20	9,979.70	1.95	

INDIAN ECONOMY AT A GLANCE

POLICY WATCH

- Government approves 5 FDI proposals in single brand retail sector
- Bangladesh signs USD 4.5 billion loan deal with India
- AIIB, ADB approves USD 100 million loan for power sector
- Government sets up committee for water management in north-east
- Government eases norms for airlines connecting UDAN destinations

Government approves 5 FDI proposals in single brand retail sector

Government has approved five Foreign Direct Investment (FDI) proposals for single-brand retail. Approved proposals include Louis Vuitton, Oppo Mobiles, Chumbak Design, Daniel Wellington and Actoserba Active Wholesale. Chumbak Design is expected to bring foreign inflows of USD 8.62 million and Daniel Wellington USD 10 million. Oppo mobiles got nod to undertake Single Brand Retail Trading (SBRT) of OPPO while others like Louis Vuitton received approval for addition of products and Actoserba Active Wholesale for retailing products under its brand Zivame.

Bangladesh signs USD 4.5 billion loan deal with India

Bangladesh signed USD 4.5 billion third line of credit (LoC) agreement with India for its infrastructure and social sector development. Funds will be used in 17 major projects in Bangladesh including electricity, railroads, roads, shipping and ports. Under the agreement, Bangladesh would have to purchase 65 to 75% of the services, goods or works from the Indian market.

AIIB, ADB approves USD 100 million loan for power sector

Asian Infrastructure Investment Bank (AIIB) and Asian Development Bank (ADB) has approved USD 100-million loan for India to improve power transmission network and expand the use of solar and wind energy. Loan involves co-financing of USD 50 million from each bank ADB and AIIB. India is the second largest shareholder in the AIIB.

Government sets up committee for water management in north-east

Government has set up a high-level committee to evolve a strategy for management of the region's water resources. Committee will facilitate optimising benefits of appropriate water management in the form of hydro-electric power, agriculture, bio-diversity conservation, reduced flood damage erosion, inland water transport, forestry, fishery and eco-tourism.

Government eases norms for airlines connecting UDAN destinations

Government has allowed some airlines to fly bigger aircraft for 'Ude Desh Ka Aam Nagrik (UDAN)' flights- a regional aviation scheme that encourages airlines to fly to underserved airports at low fares. Flexibility is provided in integrating these into routes and overall operations. For hilly regions, UDAN will allow helicopters and four-seater aircraft to participate as well.

INDUSTRY WATCH

- Digital transactions rise 13.5% in September
- Core sector growth rises to 4.9% in August
- Exports from SEZs rise 15.4% during April-June
- Air travel demand rises 7.6% in August
- Primary sale of fertilisers rise 5% during April-August

Digital transactions rise 13.5% in September

Digital transaction has grown to 13.5% to USD 1910 billion in September from USD 1680 billion in August. Transaction volume of Unified Payments Interface (UPI) has increased by 85% to USD 473,846 from USD 255,384 million in August. Prepaid Payment Instruments (PPIs) transactions recorded were USD 424.5 million in September against USD 417 million in August.

Core sector growth rises to 4.9% in August

Core sector output has registered a growth of 4.9% in August compared with 2.6% in July. Coal production recorded highest growth in 33 months of 15.3%. Steel production grew by 3%. Electricity output grew by 10.3%. Purchasing Managers' Index (PMI) is recorded at 51.2 in September.

Exports from SEZs rise 15.4% during April-June

Exports from Special Economic Zones (SEZs) has grown by 15.4% to USD 20.68 billion crore during April-June. Exports from SEZs and Export Oriented Units (EOUs) contributed about 33% to the country's total shipments. These zones have attracted investments worth USD 66.33 billion up to June this year. So far, government has approved as many as 424 zones, of which 222 are operational.

Air travel demand rises 7.6% in August

Air travel demand has increased 7.6% in August 2017 over August 2016. Domestic passenger traffic rises 16% and overall passenger traffic (both domestic and international) rose to 7.2% in August compared to August 2016. Capacity on international routes grew by 6.1% and the load factor edged up 0.8% points to 84.5% in August 2017.

Primary sale of fertilisers rise 5% during April-August

Primary sale of fertilisers increased by nearly 5% during April-August. Sales is majorly driven by a healthy progress of the monsoons during the early part of the kharif season and low systemic inventories at the beginning of the season. Urea sales registered growth of 2% due to implementation of neem-coating of urea, which has curbed black marketing and improved the nutrient effectiveness.

CORPORATE HIGHLIGHTS

- **MG Motor launches first manufacturing unit in India**
- **Worldline buys 100% stake in MRL Posnet for USD 104 million**
- **NBCC signs MoU with Fortum Oyj for EV charging infrastructure**
- **Infosys receives contract from KONE to set up Helsinki design centre**
- **Bombardier signs USD 1.7 billion deal with SpiceJet for 50 jets**

MG Motor launches first manufacturing unit in India

Britain-based automotive marque MG Motor has announced the inauguration of its first-ever manufacturing unit through a minimum initial investment of USD 307.7 million. Facility is spread over an area of 170 acres having production capacity of 80,000 units per annum. MG Motor India will roll-out its first product from the plant in 2019.

Worldline buys 100% stake in MRL Posnet for USD 104 million

Worldline, has acquired 100% stake in payment platform - MRL Posnet for USD 104 million. MRL Posnet has 100,000 payment terminals and processes close to USD 1.32 billion worth of transactions an annual basis. Better technological solutions will be offered to existing and new clients with the expertise of Worldline's switch capabilities and MRL's device-agnostic acquiring solution.

NBCC signs MoU with Fortum Oyj for EV charging infrastructure

NBCC has signed an Memorandum of Understanding (MoU) with Finland's Fortum Oyj for developing electric vehicle charging infrastructure in upcoming development projects in India. pact will cover all major activities in value chain from planning and designing to making investment and operating the infrastructure using cloud based system. Fortum has installed one 22 KW AC charger on pilot basis which shall be operated using Fortum's cloud-based system.

Infosys receives contract from KONE to set up Helsinki design centre

Infosys has received a contract from KONE, a leading player in the global elevator and escalator industry. It will set up its first design and innovation centre in Helsinki to consolidate its presence in the Nordic region. Facility will provide end-to-end technology, consulting, and systems integration services. Transformation and service improvement road map by Infosys will reduce systems-related disruptions to KONE's global businesses, achieve a cost reset.

Bombardier signs USD 1.7 billion deal with SpiceJet for 50 jets

Bombardier signed a pact with budget carrier SpiceJet for sale of up to 50 turboprop jets valued at USD 1.7 billion. Currently, SpiceJet has 20 Bombardier Q400 planes in a 78-seat configuration in its fleet besides 35 Boeing 737s. SpiceJet with the ability to grow profitably and leverage the robust demand forecast in the world's fastest growing regional aviation market.