



MARKET MOVEMENT

Major Indices	September 28, 2018	October 05, 2018	% Change	Change
BSE Sensex	36,227.14	34,376.99	(5.10)	
NSE Nifty	10,930.45	10,316.45	(5.61)	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- India signs USD 10 million loan with ADB to Improve Rural Connectivity
- IRDAI allows PoS to distribute all micro-insurance products
- Government approves HCL's mining expansion
- India signs civil nuclear Action Plan with Russia for second plant
- Cabinet approves USD 63.3 million package for revival of closed NEPA mill

India signs USD 10 million loan with ADB to Improve Rural Connectivity

Government has signed USD 10 million loan with Asian Development Bank (ADB) to finance the upgradation of 2,800 kilometers all-weather rural roads in the State of Madhya Pradesh under the Prime Minister's Rural Roads Program (PMGSY). Project has laid special attention on climate risks such as increased rainfall and storm to provide measures like greater elevation of road embankments and slope protection.

IRDAI allows PoS to distribute all micro-insurance products

Insurance Regulatory and Development Authority of India (Irdai) has allowed distribution of all micro-insurance products through point-of-sales (PoS), to further increase insurance penetration in the country. IRDAI has created a special category of insurance policies called micro-insurance policies (general or life insurance policy with a sum assured of USD 675 or less) to promote insurance coverage among economically vulnerable sections of society.

Government approves HCL's mining expansion

Hindustan Copper Ltd (HCL) has received government approval to increase its mine expansion plans to 20 million tonne from the earlier planned level of 12.4 million tonne at an investment of USD 742 million in the next six years. To meet the company's funding needs for these projects, Government has already given its approval to HCL for issuing some 138,782,700 fresh equity shares to the extent of 15% of paid up equity capital through the Qualified Institutional Placement (QIP) route.

India signs civil nuclear Action Plan with Russia for second plant

India has signed Action Plan with Russia for Prioritization and Implementation of Cooperation Areas. Two countries intent to develop a project of six nuclear power units of Russian design at a new site in India, further enhance cooperation in the third countries and bring in new perspective nuclear technologies together with joint construction of nuclear power plants. New Project will offer the evolutionary VVER generation “3+” technical solutions and will increase the level of Indian industry’s involvement and localization.

Cabinet approves USD 63.3 million package for revival of closed NEPA mill

Government has approved a USD 63.3 million package for Revival and Mill Development Plan (RMDP) of closed NEPA mill, a public sector newsprint company located in Nepanagar, Madhya Pradesh. The plant was closed in 1981. Package includes infusion of USD 37.4 million as equity for completion of RMDP which shall enhance production capacity to 1,00,000 MT per annum from 83,000 MT per annum, diversify output, improve quality of products and also help resume production.

INDUSTRY WATCH

- Raising funds via NCD rise to USD 3.91 billion in April-September FY'19
- Government removes import duty on 35 capital goods
- SEZ rules eased for merger of units, minimum area requirement
- E-commerce companies have to register in every state for collecting TCS
- Coal India’s supplies rises 8.1% during April-September 2018

Raising funds via NCD rise to USD 3.91 billion in April-September FY'19

Total of 10 companies together raised USD 3.91 billion through retail issuance of Non-Convertible Debentures (NCDs) in the first six months of the current financial year (2018-19). Lesser demand for Qualified Institutional Placements (QIPs), moderate secondary market and apprehension over a sustained rise in interest rates attracted companies towards the debenture. Dewan Housing raised USD 1.47 billion followed by Shriram Transport USD 492 million, Tata Capital Financial Services USD 463.5 million, Indiabulls Commercial USD 418.7 million and Muthoot Finance collected USD 405 million.

Government removes import duty on 35 capital goods

Government has fully exempted 35 machine parts used for manufacturing mobile phone components such as lithium-ion battery, speaker and receiver of mobile phones, data cables, optical fibre etc. from the basic customs duty which currently range from 7.5% to 10% to promote handset production in country. All the goods in the new list have HS Codes(codes required for imports) at eight-digit tariff level in them which will aid fast customs clearance.

SEZ rules eased for merger of units, minimum area requirement

Government has amended the rules governing Special Economic Zones (SEZ) to align them with the goods and services tax (GST). New rules permit merger of units in the same zone and removed minimum area requirement to set up biotechnology and health SEZs. SEZ units can now export prohibited goods as long as the goods used for manufacture are imported. Amendments exclude income from supplies made to area outside the zone from the Net Foreign Exchange Earnings (NFE).

E-commerce companies have to register in every state for collecting TCS

E-commerce operators will have to register themselves in every state where their suppliers are located for collection of 1% Tax Collected at Source (TCS) before making payments to their suppliers. Foreign companies can appoint an 'agent' on their behalf for securing such registration. Amount collected by the operator is to be paid to the government within 10 days after the end of the month in which the said amount was collected.

Coal India's supplies rises 8.1% during April-September 2018

Coal India production grew 10.6% during April-September and total supplies increased 8.1% against the previous corresponding period. Coal supplies to power sector rose 10% during the period. Mining PSU produced 256.47 million tonnes during the period against 231.88 million tonnes in the previous corresponding period. Total coal offtake at 290.81 million tonnes during the period compared to 269 million tonnes during the previous corresponding period.

CORPORATE HIGHLIGHTS

- **Tech Mahindra ties up with Israel's IAI to provide cybersecurity solutions**
- **HCC-HDC JV receives USD 287 million Mumbai Coastal Road Project**
- **L&T Hydrocarbon Engineering consortium receives contract from ONGC**
- **Gayatri Projects receives USD 177 million road project in Maharashtra**
- **L&T gets USD 410 million order to build Terminal-2 of Bengaluru Airport**

Tech Mahindra ties up with Israel's IAI to provide cybersecurity solutions

Tech Mahindra has tied up with Israel Aerospace Industries (IAI) to provide cybersecurity solutions to Indian as well as global companies. Pact will enable the companies to design custom-made Security Operation Centres (SOCs), Computer Emergency Response Teams (CERTs) and forensic laboratories based on automation and orchestration tools, artificial intelligence and machine learning analytics.

HCC-HDC JV receives USD 287 million Mumbai Coastal Road Project

Hindustan Construction Company Ltd (HCC), in a Joint Venture with Hyundai Development Corporation (HDC), has received USD 287 million Mumbai Coastal Road Project contract by the

Municipal Corporation of Greater Mumbai (MCGM). Scope of work includes design and construction of road, bridges, interchanges including reclamation and associated works between Baroda Palace near Haji Ali and the Worli end of Bandra Worli Sea Link.

L&T Hydrocarbon Engineering consortium receives contract from ONGC

L&T Hydrocarbon Engineering (LTHE) in consortium with Baker Hughes, a GE company and McDermott International, has received a subsea contract from ONGC for development of block DWN-98/2 in the Krishna Godavari basin. Scope of work includes fabrication engineering, procurement and coating of around 500 kms linepipes, stalk fabrication of around 300 kms linepipes and fabrication, testing a loadout of around 185 subsea structures including 6 subsea manifolds and onshore pipeline installation.

Gayatri Projects receives USD 177 million road project in Maharashtra

Gayatri Projects Ltd has received a USD 177 million project in Maharashtra to construct access controlled Nagpur-Mumbai super communication expressway (Maharashtra Samruddhi Maha Marg) in Maharashtra on Engineering, Procurement and Construction (EPC) mode from 502.698 to 532.094 kilometer in District Ahmednagar.

L&T gets USD 410 million order to build Terminal-2 of Bengaluru Airport

Larsen & Toubro (L&T) has got USD 410 million order from **Bangalore International Airport Ltd (BIAL)** to construct Terminal-2 of the Kempegowda International Airport, Bengaluru. Scope of work includes design, engineering, procurement, construction, testing and commissioning of terminal-2, including the integration of services and utilities along with the airport's systems, support facilities and buildings.