



MARKET MOVEMENT

Major Indices	August 12, 2017	August 18, 2017	% Change	Change
BSE Sensex	31,213.59	31,524.68	0.99	
NSE Nifty	9,710.80	9,837.40	1.30	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- MoU between India and Sweden on IPRs gets approval
- Government approves CGST refund scheme
- Government bans export of Gold items above 22 carat purity
- Government exempt 153 items from e-way bill provision under GST
- Anti-dumping duty on chemical import from China is extended

MoU between India and Sweden on IPRs gets approval

Government has approved signing of Memorandum of Understanding ('MoU') between India and Sweden on Intellectual Property Rights ('IPRs'). It establishes a wide-ranging and flexible mechanism through which both countries can exchange best practices and work together on training programmes and technical exchanges to raise awareness on IPRs and better protect intellectual property rights. The cooperation will be benefiting to entrepreneurs, investors and businesses.

Government approves CGST refund scheme

Government has approved a new metro rail policy, a scheme to refund Central Goods and Services Tax ('CGST') to industrial units in Himachal Pradesh, Uttarakhand, and Jammu & Kashmir. Refund scheme has approved with a budgetary allocation of USD 4.22 billion which will support 4,284 eligible industrial units from sectors like pharma, automobiles and Fast Moving Consumer Goods ('FMCGs').

Government bans export of Gold items above 22 carat purity

Government has banned exports of gold jewellery, medallions and other articles above 22-carat purity. Export of gold jewellery and articles containing gold of 8 carats and above up to a maximum limit of 22 carats is allowed only from domestic tariff area and Export-oriented Units (EoUs), electronics hardware technology parks, software technology parks and bio technology parks.

Government exempt 153 items from e-way bill provision under GST

Government has exempted 153 items from the requirement of obtaining electronic permits for transportation under the GST regime. Under GST, a registered person requires an e-way bill to move goods of more than USD 770 in value. Now, E-way bill will not be required if goods are transported by non-motorised conveyances. Goods transported from international ports to hinterland ports for clearance by customs have also been exempted.

Anti-dumping duty on chemical import from China is extended

Government has extended the anti-dumping duty by five years which is imposed on import of chemical compound Poly Tetra Fluoro Ethylene (‘PTFE’), used as a non-stick coating for pans and other cookware, to safeguard the domestic industry. USD 2,637 per tonne anti-dumping duty is imposed on imports of PTFE from China. Duty was first imposed for five years in August 2011 and extended by one year last August.

INDUSTRY WATCH

- **Fuel demand grows 1% in July**
- **Vegetable oil import increases 34% in July**
- **Gold imports increases to USD 13.35 billion in April- July**
- **7.4% growth in Foreign Tourist Arrivals in July 2017**
- **Market share of Chinese smartphones rises during April- June 2017**

Fuel demand grows 1% in July

Fuel demand has grown by 1 % in July due to increase in consumption of diesel and petrol. Consumption of fuel in July is 15.8 million tonnes as compared to 15.63 million tonnes in the July 2016. Diesel sales increased by 8.5% to 6.3 million tonnes and petrol consumption raised by 11.6 % at 2.14 million tonnes. LPG sales grew by 12.5% to 1.92 million tonnes.

Vegetable oil import increases 34% in July

Vegetable oil import has increased 34% to 1.5 million tons during July 2017 compared to 1.1 million tons in July 2016. Imports consisted 1,489,137 tons of edible oils and 35,587 tons of non-edible oils. Rise in imports are majorly contributed by strengthening of rupee value in the last six months. Share of palm oil products has increased to 61% from 57% due to larger import of RBD (Refined, bleached and deodorized) palmolein during the period.

Gold imports increases to USD 13.35 billion in April- July

Gold Import has increased more than double to USD 13.35 billion during the April-July period of the current fiscal. Imports of precious metal have increased to USD 2.10 billion from USD 1.07 billion in the same month of the previous year. Surge in gold imports in July has

contributed to the widening of trade deficit to USD 11.44 billion as against USD 7.76 billion in July 2016.

7.4% growth in Foreign Tourist Arrivals in July 2017

Foreign Tourist Arrivals ('FTAs') have increased by 7.4% to 788,000 in July as compared to 734,000 tourist arrival in July 2016. Tourist arrival on e-visa has grown by 73.3% to 119,000 during July 2017 as compared to 68,000 in July 2016. Highest number of tourists have arrived from Bangladesh (20.12%), followed by the US (16.26%), the UK (10.88%) and France (3.01%).

Market share of Chinese smartphones rises during April- June 2017

Chinese smartphone brands expanded their share of the Indian smartphone market during April to June 2017. Market share of brands including Xiaomi and Vivo has increased to 54% in April-June from 51% in January-March 2017. Quarter on Quarter ('Q-o-Q') growth registered by Vivo is 26% followed by Xiaomi at 25%.

CORPORATE HIGHLIGHTS

- **IOC buys first shale oil from US**
- **NCLT approves merger scheme of Reliance communication and Aircel**
- **Natco gets USFDA approval to market renal disease drug**
- **Logos group ties- up with Assetz property group**
- **Raymond buys Joint Venture partner's stake in JK Ansell**

IOC buys first shale oil from US

Indian Oil Corporation ('IOC') has bought 1.9 million barrel of US cured oil in its 2nd import tender. This is the first buying tender of shale oil from the US and is looking to enhance imports from America as part of its crude diversification strategy in India. India is the world's third-largest oil importer, joins Asian countries like South Korea, Japan and China to buy US crude.

NCLT approves merger scheme of Reliance communication and Aircel

National Company Law Tribunal ('NCLT') has admitted the proposals for the merger between Aircel and Reliance Communications wireless business, as well as the latter's sale of its tower business to Canada's Brookfield. The merger and sale of tower would help to reduce Reliance Communication debt of nearly USD 6.9 billion by as much as 60%.

Natco gets USFDA approval to market renal disease drug

Natco Pharma has received final approval from US Food and Drug Administration ('USFDA') to market Lanthanum Carbonate chewable tablets in various strengths used in treatment of patients with end stage renal disease. Natco's Lanthanum Carbonate strengths are generic equivalent of Shire Development LLC's Fosrenol chewable tablets and are indicated to reduce serum phosphate in patients with End Stage Renal Disease ('ESRD').

Logos group ties- up with Assetz property group

Logos Group has entered into a partnership with Assetz Property Group to expand its operations in India and raise a new fund. Both partners have setup a standalone platform, called as Logos India which is working on its first Indian logistics venture with an expected USD 400 million of equity commitments to potentially develop assets worth USD 1 billion. Partnership will combine the institutional management & development expertise of Logos with the local development expertise of Assetz to create a leading developer and manager of logistics warehouses and light industrial real estate in India.

Raymond buys Joint Venture partner's stake in JK Ansell

Raymond has acquired remaining 50% stake in Joint Venture ('JV') JK Ansell to scale up its consumer products business and take its key brand KamaSutra globally. Raymond through JK Investo Trade has buy out the sexual wellness business for about USD 2.9 million and sell the business to its partner, Pacific Dunlop Holdings, an Ansell Group company for USD 1.73 million.