



**MARKET MOVEMENT**

Major Indices	August 26, 2017	September 01, 2017	% Change	Change
BSE Sensex	31,596.06	31,892.23	0.94	
NSE Nifty	9,857.05	9,974.40	1.19	

**INDIAN ECONOMY AT A GLANCE****POLICY WATCH**

- Government approves pact on India-Israel bilateral technology fund
- Government approves ordinance to allow hike in GST
- Government approves e-way bill for some items of mass consumption
- NDB approves USD 1.4 billion loan for projects in India, China and Russia
- Government clears 10 FDI proposals

**Government approves pact on India-Israel bilateral technology fund**

Government has approved Memorandum of Understanding ('MoU') signed between India and Israel to set up USD 40 million fund for industrial research and technological innovation. MoU will promote bilateral Industrial R&D and Innovation cooperation in the fields of science and technology by extending support to joint projects for innovative or technology-driven new or improved products, services or processes.

**Government approves ordinance to allow hike in GST**

Government has approved an ordinance that will allow the cess levied on luxury cars, Sports Utility Vehicles (SUVs) and big cars under the Goods and Services Tax ("GST") regime to be raised to 25% from current 15%. This will eliminate an anomaly that led to prices of such vehicles dropping after the implementation of GST. Under GST, the maximum tax is 28%, taking total levies to 43% which is lower than tax of 50% in pre-GST regime.

**Government approves e-way bill for some items of mass consumption**

Government has approved the e-way bill keeping of some items of mass consumption such as vegetables, fruits, food grains, meat, bread, curd, books and jewellery out of its ambit. An e-way bill is required to transport any item worth more than worth of 50,000 within the country. It is proposed as a permit of sorts in electronic format that will have details of the goods being transported. E-way bill can be generated by registered supplier or recipient or the transporter. Generation and cancellation of e-way bill may be permitted through SMS as well.

### **NDB approves USD 1.4 billion loan for projects in India, China and Russia**

New Development Bank ('NDB') has approved USD 1.4 billion loans for four sustainable development projects in China, India and Russia. Bank will provide USD 470 million loan to Madhya Pradesh for multi-village rural drinking water supply scheme project. Other loans approved are USD 2 billion for China's Hunan green area watershed environmental development project, USD 200 for Jiangxi industrial low-carbon restructuring and green development pilot project and USD 460 million for development of infrastructure and implementation of information technology systems in Russia's judicial system.

### **Government clears 10 FDI proposals**

Government has approved 10 FDI (Foreign Direct Investment) proposals worth USD 769 million including Amazon Retail India, Blueair India, Supermarket Grocery etc. Amazon Retail plans to set up a subsidiary company with an investment of USD 538 million. Proposal of UK based firm- Supermarket Grocery for an initial investment of USD 16 million in food retail business has also got approval.

## **INDUSTRY WATCH**

- FDI policy allows 100% FVCI in start-ups
- NAARM launches Agri Udaan Initiative in Kolkata
- Canada allows import of Indian pomegranate, banana & okra
- Auto Components Sector grows fastest in six years
- Recycling industry of PET bottles grows to USD 538 million

### **FDI policy allows 100% FVCI in start-ups**

Start-ups can now raise 100% funds from a Foreign Venture Capital Investor (FVCI). Foreign investors of all countries, with the exception of Pakistan and Bangladesh, can purchase convertible notes worth USD 39,000 or more in a single tranche from startups based in India. Non-resident Indians (NRIs) can also acquire convertible notes on non-repatriation basis with government approval and will have to furnish reports as prescribed by the Reserve Bank of India (RBI)

### **NAARM launches Agri Udaan Initiative in Kolkata**

National Academy of Agricultural Research Management ('NAARM') has launched Agri Udaan, a food and agribusiness accelerator to help Agri-entrepreneurs to ideate, incubate and accelerate their startups. Its mission is to support agribusiness and technology ventures through capacity building and facilitating access to knowledge and resources, to promote and spread awareness about a-IDEA in Maharashtra. NAARM has announced road-shows in Kolkata for the startup ecosystem in Food and Agri business.

### **Canada allows import of Indian pomegranate, banana & okra**

Canada has allowed import of Indian bananas, pomegranate, custard apple and okra subject to certain conditions like the consignment should be free from soil, pests, leaves and other plant debris. Also, the origin of the material must be clearly identified on shipping documents. Market for okra has been opened on demand from the large and growing Indian diaspora in Canada.

### **Auto components sector grows fastest in six years**

Domestic auto components industry recorded fastest growth in six years by 14.3% to USD 45 billion in 2016-17, majorly driven by strong demand in aftermarket sales. Aftermarket segment rose by 25.6% to USD 8.63 billion last fiscal from USD 6.87 billion in the previous year. Exports increased by 3.1% to USD 11.25 billion in the last fiscal from USD 10.91 billion in the previous year.

### **Recycling industry of PET bottles grows to USD 538 million**

Recycling of Polyethylene Terephthalate (PET) bottles has grown to USD 538 million and nearly 70% of PET waste is reprocessed in the country. 65% of the 900 kilo tons of PET made in India annually is recycled at registered facilities, 15% in the unorganised sector and 10% is reused at homes.

## **CORPORATE HIGHLIGHTS**

- **NTPC signs USD 461.53 million term loan agreements with ICICI Bank**
- **L&T Construction gets orders worth USD 303 million**
- **Inox Wind bags 100 MW project from Adani Green Energy**
- **Government sells 7% stake in NTPC to raise USD 1400 million**
- **GFG Alliance completes acquisition of Arrium**

### **NTPC signs USD 461.53 million term loan agreements with ICICI Bank**

National Thermal Power Corporation ('NTPC') has signed a term loan agreement for USD 461.53 million with ICICI Bank for partially funding its capital expenditure. Loan has a door-to-door tenure of 15 years. NTPC has commissioned 3845 mw capacity and added 2,190 mw to its commercial capacity during 2016-17. Installed capacity of the group is 51,671 mw and has over 28,000 mw of capacity under construction.

### **L&T Construction gets orders worth USD 303 million**

L&T Construction has received orders worth USD 303 million across business segment from both domestic and international markets. Orders are received from middle east for turnkey

construction of various sub-stations and cable feeders. In domestic market, contracts included rural electrification from Jharkhand Bijli Vitran Nigam Ltd (JBVNL) under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY).

### **Inox Wind gets 100 MW project from Adani Green Energy**

**Inox Wind has received an order from Adani Green Energy to develop a 100 MW wind power project in Gujarat.** Project involves supply of 50 units of 2MW wind turbine generators of 120 meters hub height and 113 rotor diameter over the next six-nine months, Inox Wind said in an announcement to the exchanges. Inox Wind will develop and commission the project as well as provide long-term operation and maintenance services.

### **Government sells 7% stake in NTPC to raise USD 1400 million**

**Government has sold 7% stake in India's largest power producer National Thermal Power Corporation (NTPC) for USD 1400 million** through bidding process. Shares were offered at a floor price of 168 apiece. Including NTPC disinvestment, Government has raised over USD 2753 million in this fiscal against the target of USD 11.15 billion.

### **GFG Alliance completes acquisition of Arrium**

**GFG Alliance has completed the acquisition of Arrium, Australia's leading integrated mining, recycling, steel manufacturing** and steel distribution business. With this acquisition, the former Arrium mining and port operations will now be rebranded as SIMEC Mining and SIMEC Infrastructure divisions respectively while OneSteel and its operating divisions will become Liberty OneSteel. Group will be investing 1 billion USD across the Whyalla steelworks and mining businesses for modernisation and expansion.