

MARKET MOVEMENT

Major Indices	December 29, 2017	January 05, 2017	% Change	Change
BSE Sensex	34,056.83	34,153.85	0.28	↑
NSE Nifty	10,530.70	10,558.85	0.26	↑

INDIAN ECONOMY AT A GLANCE

POLICY WATCH

- **Zoji La tunnel to connect Leh and Srinagar gets approval**
- **Government clears contracts worth USD 372 million for Navy, Army**
- **New concession pact is approved to ease port projects**
- **Government approves USD 826 million waterway project on National Waterway-1**
- **Cabinet approves India, UK pact to improve public transport**

Zoji La tunnel to connect Leh and Srinagar gets approval

Cabinet has approved the construction, operation and maintenance of the two-lane, bi-directional **Zoji La tunnel in engineering**, procurement and construction (EPC) mode. new project will provide year-round access to the Leh region, which gets cut off due to bad weather in winter, allowing Indian security forces to check infiltration and stock up on crucial supplies and ammunition.

Government clears contracts worth USD 372 million for Navy, Army

Government has approved the procurement of **P-8I Training Solution and Low Intensity Conflict Electronic Warfare System (LICEWS)**, at a total cost of USD 372 million. P-8I Training Solution, along with 10-year comprehensive maintenance service will be brought from M/s Boeing for Rs USD 300 million. Boeing Co. will set up its third global P-8I reconnaissance plane training facility at INS Rajali, an Indian naval air base in Tamil Nadu. USD 72 million LICEWS will be procured from M/s Bharat Electronics Limited.

New concession pact is approved to ease port projects

Cabinet approved amendments to the model concession agreement (MCA) to make port projects more investor-friendly and make investment climate in the sector more attractive. Amendments in the MCA envisage constitution of a Society for Affordable Redressal of Disputes-Ports (SAROD-PORTS), similar to the provision available in the highway sector. Revised MCA also includes the provision of an exit route to developers by way of divesting their entire equity after completion of two years from the commercial operation date.

Government approves USD 826 million waterway project on National Waterway-1

Government has approved the USD 826 million Jal Vikas Marg Project (JVMP) for enhanced navigation on the Haldia-Varanasi stretch of National Waterway-1 (NW-1). project is expected to be completed by March, 2023 and will provide an alternative mode of transport that will be environment friendly and cost effective. It will boost infrastructure development like multi-modal and inter-modal terminals, Roll on - Roll off (Ro-Ro) facilities, ferry services, navigation aids.

Cabinet approves India, UK pact to improve public transport

Government has approved a Memorandum of Understanding (MoU) between India and London's transportation authority to improve overall public transport system, improve passenger services and promote the use of high capacity buses in India. This will help people from poorer strata of the society to have access to a quality public transport system.

INDUSTRY WATCH

- **Mobile user base grows to 975.4 million in November**
- **Sugar output increases 26% during October-December**
- **Core sector grows 6.8% in November**
- **USD 2.82 billion APIs imported worth in 2016-17**
- **Dairy cooperatives increase milk procurement by 20.4% in November**

Mobile user base grows to 975.4 million in November

Number of mobile subscribers has grown to 975.4 million in November 2017. Bharti Airtel added 4.34 million subscribers in November, followed by Idea Cellular with 3.19 million and Vodafone's 2.7 million.

UP (East) circle remained at the top with 84.99 million subscribers followed by Maharashtra with 81.5 million mobile subscribers.

Sugar output increases 26% during October-December

Sugar output rose by 26% to 10.32 million tonnes in the October-December period of current season compared to 8.19 million tonnes in the same period of previous year. Uttar Pradesh and Maharashtra production has increased to 3.88 million tonnes and 3.82 million tonnes respectively in October-December 2017 from 2.67 million tonnes and 2.53 million tonnes in the year-ago period.

Core sector grows 6.8% in November

Core sector grew 6.8% in November, Cement output rose 17.3% and steel production increased 16.6% in November compared to 1.3% decline and 8.4% growth, respectively in October. Refinery production rose 8.2% versus 7.5% in October. Crude oil output rose a marginal 0.2% and electricity production was up 1.9% in November.

USD 2.82 billion APIs imported worth in 2016-17

Active Pharmaceutical Ingredients (APIs) worth USD 2.82 billion is imported in 2016-17. APIs estimated to be worth USD 1.88 billion were imported from China followed by the United States at USD 126 million and Italy at USD 107 million in 2016-17. APIs worth USD 74.6 million were imported from Germany while USD 64.9 million were imported from Singapore.

Dairy cooperatives increase milk procurement by 20.4% in November

Dairy cooperatives have increased milk procurement by 20.4% in November from a year earlier. Stocks of skimmed milk powder were at 116,000 tonnes and are expected to touch 200,000 tonnes by the end of March. Domestic prices of skimmed milk powder and ghee rose by about 9% and 19%, respectively, in November.

CORPORATE HIGHLIGHTS

- **Tata Motors, Greaves in pact with foreign firms on BS-VI engines**
- **Gayatri Projects gets USD 89.6 million highway project from NHAI**
- **L&T Hydrocarbon Engineering receives USD 228 million order from ONGC**
- **Aarti Industries signs USD 1.53 billion multi-year supply deal**
- **GFG Alliance acquires Australian coal mine from Glencore**

Tata Motors, Greaves in pact with foreign firms on BS-VI engines

Tata Motors and Greaves Cotton has entered into agreements with Canada's Westport Fuel Systems to develop and supply less-polluting engines, as India's automotive industry is preparing itself to meet Bharat Stage-VI emission standards before they come into effect two years from now. With emission rules getting stricter, the three-wheeler segment was expected to face significant challenges post 2020.

Gayatri Projects gets USD 89.6 million highway project from NHAI

Gayatri Projects has received USD 89.6 million project from the National Highways Authority of India (NHAI) for upgrading Cuttack-Angul section of NH-42 in Odisha under the National Highways Development Project (NHDP) phase III.

L&T Hydrocarbon Engineering receives USD 228 million order from ONGC

L&T Hydrocarbon Engineering has received USD 228 million offshore contract from ONGC for the 'Bassein Development 3 Well Platform and Pipeline Project'. for the 'Bassein Development 3 Well Platform and Pipeline Project'. Project is scheduled to be completed by May 2019 and it covers engineering, procurement, construction, installation and commissioning for the project.

Aarti Industries signs USD 1.53 billion multi-year supply deal

Aarti Industries has signed USD 1.53 billion multi-year exclusive supply contract with a global chemical conglomerate. Contract entails supply of a high value speciality chemical intermediate over a period of 20 years. USD 35-40 million will be invested to set up a dedicated large scale manufacturing facility for the production of this speciality chemical intermediate.

GFG Alliance acquires Australian coal mine from Glencore

Glencore has agreed to sell one of two Australian coal mines it put up for sale last year to GFG Alliance for an undisclosed sum. Tahmoor produces about 2 million tonnes of coal a year, mostly high-quality coking coal used for steel making internationally and in Australia. Acquisition of the Tahmoor mine is in company's strategy to create fully-integrated, end-to-end businesses in Australia, from raw materials and energy right through to high-value finished products ready for market.