



MARKET MOVEMENT

Major Indices	February 09, 2018	February 16, 2018	% Change	Change
BSE Sensex	34,005.76	34,010.76	0.01	
NSE Nifty	10,454.95	10,452.30	(0.02)	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- **India signs loan agreement for Rajasthan water sector restructuring project**
- **DAC clears proposal worth USD 2.47 billion**
- **Maharashtra eases norms for setting up Integrated Industrial Areas**
- **Government releases USD 1.55 billion to states for Smart Cities Mission**
- **CCI approves sale of Reliance Infra's Mumbai Power business to Adani**

India signs loan agreement for Rajasthan water sector restructuring project

Loan Agreement for financing 'Rajasthan Water Sector Restructuring Project' for Desert areas is signed between Government and New Development Bank (NDB). Objective of this Project is to rehabilitate the 678 km long Indira Gandhi Canal system built during 1958-63 to prevent seepage, conserve water, and enhance water use efficiency as mandated by both national and state level policies on water use.

DAC clears proposal worth USD 2.47 billion

Defence Acquisition Council (DAC) has approved capital acquisition proposals of the services valued at approximately USD 2.47 billion. These included procurement of essential quantity of light machine guns for the three Services through the fast track procedure at an estimated cost of over USD 282.7 million. Procurement of 740,000 assault rifles and 5,719 sniper rifles is also approved.

Maharashtra eases norms for setting up Integrated Industrial Areas

Maharashtra government has relaxed its norms for Integrated Industrial Areas (IIAs). **Mandatory condition of having** 40 hectares of land for setting up an IIA has been relaxed to 20 hectares. Land utilisation ratio of industry to residential area has been revised from 60:40 to 80:20, which means more land would be available for industry. Integrated mega project to promote ayurveda industry, tourism and education with an investment over USD 155.4 million is also approved.

Government releases USD 1.55 billion to states for Smart Cities Mission

Government has released nearly USD 1.55 billion to the states so far for the **Smart Cities Mission, with Maharashtra** accounting for the highest amount of USD 214 million, followed by Madhya Pradesh getting USD 153 million. USD 77.7 million to each city is provided under the mission, with USD 31 million funding in the first year of its selection, followed by about USD 15.5 million over the next three years.

CCI approves sale of Reliance Infra's Mumbai Power business to Adani

Competition Commission of India has given approval for the proposed **100% sale of Reliance Infrastructure's integrated** Mumbai power business to Adani Transmission. Adani Transmission has signed a definitive agreement to acquire Anil Ambani-led Reliance Infrastructure's power generation and distribution business in Mumbai in a deal valued at USD 2.05 billion.

INDUSTRY WATCH

- **Passenger vehicle sales grow 7.5% to 285,477 units**
- **Private equity sector records USD 3.5 billion inflow**
- **Exports rises 9%**
- **Vegetable oil imports grows 25%**
- **APE of private players grows 15%**

Passenger vehicle sales grow 7.5% to 285,477 units

Passenger vehicle industry grew by 7.5% to 285,477 units in January due to improving macroeconomic indicators, low base effect and shift in customer demand towards utility vehicles like Vitara Brezza, Nexon and Creta. Utility vehicle sales during the month increased by 37.8% to 85,850 units.

Private equity sector records USD 3.5 billion inflow

Investments worth USD 3.5 billion are announced in Private equity/Venture capital in January 2018 compared to USD 1.2 billion in January 2017. USD 1.7 billion investment into HDFC Ltd by GIC, KKR and others is the largest one.

Exports rises 9%

Exports grew by 9% to USD 24.38 billion in January due to growth in shipments of chemicals, engineering goods and petroleum products. Cumulative value of exports for April-January 2017-18 grew by 11.75% to USD 247.89 billion against USD 221.82 billion in the year-ago period. Exports of chemicals, engineering goods as well as petroleum products grew by 33%, 15.77% and 39.5% in January.

Vegetable oil imports grows 25%

Import of vegetable oil during January 2018 has grown by 25% to 1.29 million tonnes (mt) compared to 1 mt in January 2017. Overall import of vegetable oil during November 2017 to January 2018 has grown by 6% to 3.62 mt compared to 3.41 mt during the same period a year ago.

APE of private players grows 15%

Annual Premium Equivalent (APE) of private players grows 15% y-o-y in January 2018. Players like Bajaj Allianz, Kotak Life Insurance, Max Life, IndiaFirst Life Insurance and HDFC Life Insurance have registered positive APE growth. Life Insurance Corporation of India (LIC) recorded APE growth of 7% y-o-y to USD 433 million in January

CORPORATE HIGHLIGHTS

- **Ikea opens distribution centre in Pune**
- **OVL, partners acquires 10% stake in Abu Dhabi oilfield**
- **Godrej Appliances receives order worth USD 32.2 million from EESL**
- **GotMatter Pvt Ltd acquires Ridaex Tech**
- **L&T's construction arm receives orders worth USD 246.3 million**

Ikea opens distribution centre in Pune

Ikea has opened a 230,000 sq ft distribution centre in Pune with an investment of USD 15.5 million. It will be expanded to 370,000 sq ft by next year. Ikea has also purchased land in Bengaluru

and Gurgaon to open more outlets. Ikea India plans to set up 25 stores by 2025, investing USD 1.63 billion.

OVL, partners acquires 10% stake in Abu Dhabi oilfield

ONGC Videsh Ltd and its partners have acquired 10% in a large offshore oilfield in Abu Dhabi for USD 600 million. Current production of this field is about 400,000 barrels of oil per day (20 million tonnes per annum) and Indian consortium's annual share shall be about 2 million tonnes.

Godrej Appliances receives order worth USD 32.2 million from EESL

Godrej Appliances has received a contract worth USD 32.2 million from the Energy Efficiency Services (EESL) to supply, install and commission 52,000 green inverter air-conditioners (ACs) for government and railway establishments. contract is for designing, manufacturing, supplying, installing and servicing 52,000 units of Godrej NXW Green Inverter ACs having 5-star energy rating with Indian Seasonal Energy Efficiency Ratio (ISEER) of 5.25.

GotMatter Pvt Ltd acquires Ridaex Tech

GotMatter Pvt Ltd an IT & E-Commerce company has acquired Ridaex Technologies which is manufacturing LED Smart TVs and will take complete control over the manufacturing, marketing & sales of the same. Acquisition will strengthen the company's position as an agile and innovative company. It will also enable the company to elevate sales and increase expertise in customer service and enhance its business intelligence.

L&T's construction arm receives orders worth USD 246.3 million

Larsen & Toubro has received orders worth USD 246.3 million across various business segments. Also, it has received orders in power transmission and distribution business worth USD 77.7 million, USD 57.7 million work order in water and effluent treatment business. Transportation and infrastructure business has received an order worth USD 79.7 million from National Highways Authority of India (NHAI).