



MARKET MOVEMENT

Major Indices	May 18, 2018	June 02, 2018	% Change	Change
BSE Sensex	34,924.87	35,227.26	0.86	
NSE Nifty	10,605.15	10,696.20	0.85	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- India signs USD 500 million loan pact with World Bank for rural roads
- India and Singapore upgrades Comprehensive Economic Cooperation Agreement
- DoT amends licence rule to allow higher spectrum holding
- Government signs MoU to fast-track work on Jewar international airport
- Government relaxes transshipment permit norms for Indian entities

India signs USD 500 million loan pact with World Bank for rural roads

India has signed a USD 500 million loan pact with World Bank to provide additional financing for PMGSY rural road projects. Loan has a 3-year grace period, and a maturity of 10 years. It will provide additional financing for the Pradhan Mantri Gram Sadak Yojana (PMGSY) Rural Roads Project which will build 7,000 km of climate resilient roads, out of which 3,500 km will be constructed using green technologies.

India and Singapore upgrades Comprehensive Economic Cooperation Agreement

India and Singapore have upgraded Comprehensive Economic Cooperation Agreement (CECA) to boost bilateral trade as eight agreements are signed in the fields of the training of public service officials, cyber security, narcotics control and defence cooperation. Implementation agreement signed between the Indian Navy and Republic of Singapore Navy concerning mutual coordination, logistics and services support for naval ships, submarines and naval aircraft (including Ship borne Aviation Assets) visits. Extension of the Memorandum of Understanding signed between the Indian Computer Emergency Response Team (CERT-IN) and the Singapore Computer Emergency Response Team (SINGCERT) in the area of cyber security.

DoT amends licence rule to allow higher spectrum holding

Department of Telecom (DoT) has amended telecom licence norms to allow higher spectrum holding by individual mobile operators and facilitate ongoing consolidation in the sector. Amendment removes limitation on telecom operator of holding more than 50% in a spectrum band above 1,000 megahertz frequency range that are used for transmitting mobile signals. New licence norms allows telecom operator to hold up to 35% of total spectrum allocated in a service which was earlier limited to up to 25%.

Government signs MoU to fast-track work on Jewar international airport

Government has signed a pact with Yamuna Expressway Industrial Development Authority (YEIDA), Noida and Greater Noida Industrial Development Authorities to monitor and fast-track the work on the much awaited greenfield Jewar International Airport. The terms of reference for environmental clearance has been given by the environment ministry. Bidding process for selecting of the concessioner is likely to commence by July end this year.

Government relaxes transshipment permit norms for Indian entities

Government has removed licensing requirement for ships chartered by Indian citizens or companies for transshipment of containers to boost coastal trade and promoting entrepreneurship. At present transshipment hubs at Singapore, Malaysia, Colombo and Jabelali near Indian coastline gets about 33% of the Indian container cargo which is aggregated there before shipped to final destinations. Ports like Vishakhapatnam, Kandla, Cochin, Tuticorin, Ennore and Chennai are likely to benefit most initially.

INDUSTRY WATCH

- **Cement output grows 6.3% to 298 mt in FY18**
- **Exports from SEZs rise 5% to USD 3.06 billion in April**
- **Microfinance institutions' equity investments rise 40%**
- **Grid connected clean energy capacity increases to 70 GW in April**
- **Core Sector grows 4.7% in April**

Cement output grows 6.3% to 298 mt in FY18

Cement output grew 6.3% to 298 million tonne (mt) in 2017-18 due to better demand in the key markets driven by a pick-up in the affordable and rural housing segments and infrastructure primarily road and irrigation projects. cement production increased by 10.6% and 18.2% respectively in the third and fourth quarter of 2017-18.

Exports from SEZs rise 5% to USD 3.06 billion in April

Exports from Special Economic Zones (SEZs) grew 5.44% in April to USD 3.06 billion as against USD 2.91 billion in the same month a year ago. EOUs & SEZs (EPCES), highest growth in outward shipments was recorded from the Cochin SEZ with 704% growth from USD 70 million in April last year to USD 554 million this year. Major sectors recording growth include biotech, chemicals, pharmaceuticals, computer, electronics, non-conventional energy, plastic, rubber, trading and services.

Microfinance institutions' equity investments rise 40%

Equity funding for Microfinance institutions (MFIs) grew 39.88% to USD 1.44 billion in 2017-18 against USD 1.03 billion in 2016-17. Nearly 45% equity funding in MFIs were contributed by foreign investors. East and north-east accounted for 44% of the total NBFC-MFI portfolio, south 20%, north 14% and west 11%. central India contributed 11%.

Grid connected clean energy capacity increases to 70 GW in April

269.64 MW of renewable energy capacity is added last month taking the total grid connected clean energy capacity to 70,053.81 MW as on April 3. India added 34,165 MW of wind energy, 21,885.1 MW solar energy including rooftop solar, 4,489.80 MW small hydro (of up to 25 MW) and 8,700.80 MW Biomass (Bagasse) Cogeneration as on April 30. 674.81 MW of Biomass (non-bagasse) Cogeneration)/Captive Power and 138.30 Waste is also added to Power.

Core Sector grows 4.7% in April

India's infrastructure industries grew 4.7% in April led by increased output of coal, natural gas and cement. Core sector had grown 4.4% in March and 2.6% in April last year. coal output rose 16%, cement production was up 16.6%, production of natural gas and fertiliser increased 7.4% and 4.6%, respectively.

CORPORATE HIGHLIGHTS

- **M&M signs two MoUs with Maharashtra government for 1000 EVs**
- **Essar Power signs strategic partnership pact with Russia's Inter RAO**
- **L&T Construction receives orders worth USD 852.2 million**
- **Zydus Cadila gets USFDA nod for skin ointment, stomach ailment drug**
- **Mfine raises USD 4.2 million from Prime Venture Partners**

M&M signs two MoUs with Maharashtra government for 1000 EVs

Mahindra & Mahindra (M&M) has signed two different Memorandum of Understanding (MoU) with the Government of Maharashtra (GoM), to further commit additional investment USD 74.7 million

in the manufacturing of electric vehicle components at its Chakan Plant and deploy 1000 electric vehicles in the state in the next one year. This will facilitate Government's pursuit for rapid adoption of EVs for private use as well as public (shared mobility)

Essar Power signs strategic partnership pact with Russia's Inter RAO

Inter RAO Export has signed a Memorandum of Understanding (MoU) with Indian power company Essar Power to jointly develop power projects. Objective of the document is to integrate the capacities of both companies for operations in the power market of India. Two companies will explore jointly running the existing power plant and mines and also look at new projects.

L&T Construction receives orders worth USD 852.2 million

Larsen & Toubro's construction arm has got orders worth USD 852.2 million in domestic market. Two major orders are received from the Narmada Valley Development Authority (NVDA), government of Madhya Pradesh, for execution of Indira Sagar Project- Parwati phases I and II and Kalisindh phase I Micro Lift Irrigation Schemes. Also, it got EPC order from the Madhya Pradesh Jal Nigam Maryadit for execution of Buxwaha Multi Village Rural Water Supply Scheme.

Zydus Cadila gets USFDA nod for skin ointment, stomach ailment drug

Zydus Cadila has received the final approval from the United States Food and Drug Administration (USFDA) to market Nystatin Ointment USP, 100,000 units per gram. Nystatin ointment is used to treat fungal skin infections. Drug will be produced at the group's Topical manufacturing facility at Moraiya, Ahmedabad. It has also received final approval to market Omeprazole and Sodium Bicarbonate Capsules, 20 mg/1100 mg and 40 mg/1100 mg, used to treat certain stomach and esophagus problems.

Wadhwa Group raises USD 97 million for maiden affordable housing project

Wadhwa Group has raised USD 97 million from PNB Housing Finance as construction finance for the first phase of its maiden affordable housing project spread over 138 acre in Panvel near Mumbai. This is the first integrated project to be developed under the Navi Mumbai Airport Influence Notified Area (NAINA) and at least 15% of the project will be used for commercial development and social infrastructure. Wadhwa Group owns 450 acres land in around the project's location. Of this, the company has received approval for development on 138 acres from the authorities.