



MARKET MOVEMENT

Major Indices	July 22, 2017	July 28, 2017	% Change	Change
BSE Sensex	32,028.89	32,309.88	0.87	
NSE Nifty	9,915.25	10,014.50	1.00	

INDIAN ECONOMY AT A GLANCE

POLICY WATCH

- Government raises gold bond investment limit
- Government approves plan to build 34 mega multi-model logistics parks
- Government launches first R&D facility for high-end fuels, gas
- Government raises USD 82.3 million from National Fertilizers Ltd
- Lok Sabha passes bill to amend Companies Act

Government raises gold bond investment limit

Government has raised the annual investment limit in Sovereign Gold Bonds ('SGBs') to 4 kg per individual from 500 gm for Hindu Undivided Family ('HUF') and 20 kg for trusts and similar entities. This ceiling will be counted on financial year basis and will include SGBs purchased during trading in the secondary market and ceiling on investment will not include the holding kept as collateral by banks and financial institutions. SGBs will be available 'on tap' based on the consultation with NSE, BSE, banks and department of Post.

Government approves plan to build 34 mega multi-model logistics parks

Government has approved a plan to build 34 mega multi-modal logistics parks at an investment of USD 30.76 million. A Special Purpose Vehicle (SPV) would be formed with state governments, central government and private players to execute the projects. Parks would lease space to private companies to run their operations centrally and save on warehouse cost. It will act as a freight aggregation and distribution hubs and will enable long haul freight movement between hubs on larger sized trucks, rail and waterways.

Government launches first R&D facility for high-end fuels, gas

Government has launched its first petroleum Research & Development (R&D) facility for testing high-end BS-VI quality fuel emissions. Facility is designed to test all types of fuel including petrol, diesel, ethanol-blended petrol, bio-diesel, CNG, LNG, hydrogen-CNG and 2G-ethanol blends

to ensure they meet the superior BS-VI norms that are to be implemented across the country by April 2020.

Government raises USD 82.3 million from National Fertilizers Ltd

Government has raised around USD 82.3 million through disinvestment of its 15% stake in National Fertilizers Ltd (NFL) through an offer of sale. Government now holds 74.71% stake in the firm. In the current fiscal, government has raised about USD 1.07 billion through share sale in four companies.

Lok Sabha passes bill to amend Companies Act

Lok Sabha has passed a bill to amend Companies Act to strengthen corporate governance standards, initiate strict action against defaulting companies and help improve the ease of doing business in the country. Bill proposes stringent punishment for defaulting companies and makes compliance easier. It facilitates greater flexibility in incorporation of companies and allows independent directors to have pecuniary interest up to 10% in companies.

INDUSTRY WATCH

- **FDI rises 23% at USD 10 billion during April-May**
- **India registered 11.3% growth in Passenger Vehicles**
- **FPIs invests USD 2.4 billion in July**
- **Mutual Fund Folios rise to 58.2 million**
- **USD 2.92 billion invested on National Highways in the North-East**

FDI rises 23% at USD 10 billion during April-May

Cumulative Foreign Direct Investment (FDI) during April-May 2017 grew 23% to USD 10.02 billion compared to USD 8.12 billion during April-May 2016. Food processing sector attracted FDI of USD 182 million during April-May 2017. In 2016-17, the foreign fund inflows were USD 60.08 billion.

India registered 11.3% growth in Passenger Vehicles

Passenger Vehicles sales have increased by 11.3% on Y-o-Y (year on year) basis during January- May 2017. Growth in segment was majorly driven by the companies like Maruti Suzuki, Hyundai, Honda, Mahindra & Mahindra and Tata Motors. Passenger Vehicles market of China and US have declined by 2.6% and 9.8% respectively whereas Germany recorded less than 5% growth during the same period.

FPIs invests USD 2.4 billion in July

Foreign portfolio investors ('FPIs') have invested about USD 2.4 billion in capital market in July. Total investment in the capital markets (equity and debt) has reached USD 25 billion this year.

USD 16.9 billion is invested in the debt segment, while USD 8.5 billion has been invested in the equities segment. The investment pertains to all the activities undertaken by FPIs/FIIs in Indian securities market, including trades done in secondary market, primary market and activities involved in right/bonus issues, private placement, Merger & Acquisition (M&A).

Mutual Fund Folios rise to 58.2 million

Mutual Fund folios have increased by 19% to 58.2 million at end last month from 48.9 million in end of June 2016. Inflows in mutual funds stood at USD 14.3 billion. Retail investor accounts, Equity-Linked Saving Schemes (ELSS) and balanced categories have grown by over 7.7 million to more than 47 million during the period. Number of investor accounts were 55.4 million at the end of Quarter 1, 2017.

USD 2.92 billion invested on National Highways in the North-East

Investment of USD 2.29 billion under the Special Accelerated Road Development Programme for North East (‘SARDP-NE’) and USD 0.63 billion under National Highway (Original) were made during the last two years for strengthening the road infrastructure in the north eastern region. The roads under SARDP-NE were approved by the Cabinet Committee on Economic Affairs (CECA) while the development of highways under NH(O) are taken up on the basis of inter-se priority, traffic volume and availability of funds.

CORPORATE HIGHLIGHTS

- **Yatra online acquires ATB to expand business**
- **Zydus Cadila gets USFDA approval for use of ulcerative colitis drug**
- **ZEEL completes acquisition of IWPL**
- **Microsoft launches 'Made for India' Kaizala app**
- **Google trained 0.5 million people to digitally empower SMBs**

Yatra online acquires ATB to expand business

Yatra Online Inc, has acquired corporate travel services provider Air Travel Bureau (‘ATB’) in an estimated cash-and debt deal of USD 22.5-27.5 million. Acquisition will allow delivering best-in-class experiences to an even wider set of travellers through web and mobile platforms and enhancing its reach to cross-sell our product suite, including hotels, to this new customer base.

Zydus Cadila gets USFDA approval for use of ulcerative colitis drug

Zydus cadila has received final approval from the United States Food and Drug Administration (‘USFDA’) for Mesalamine delayed-release tablets in the strength of 800 mg and use for treatment of ulcerative colitis. Drug will be manufactured at the group's formulation manufacturing facility at Moraiya. Group has also received 27 final Abbreviated New Drug Application (‘ANDA’) approvals from the USFDA and 2 tentative ANDA approvals since January 2017.

ZEEL completes acquisition of IWPL

Zee Entertainment Enterprises Limited ('ZEEL') has completed acquisition of balance 49 % equity stake in its subsidiary **India Webportal Private Limited ('IWPL')** for USD 30.7 million to consolidate its digital business. IWPL has become a wholly-owned subsidiary of the company post acquisition. IWPL distributes media content on digital platforms through various websites including India.com, Bollywoodlife.com and Cricketcountry.com.

Microsoft launches 'Made for India' Kaizala app

Microsoft has launched 'Kaizala', a productivity app that has been designed to enhance the collaboration and communication experience for Indian enterprises. The app is designed for large group communications and work management, and works even on 2G networks and brings the two disparate worlds of mobile-only messaging apps and a digitally integrated modern workplace on same platform.

Google trained 0.5 million people to digitally empower SMBs

Google India has trained over 0.5 million individuals under its 'Digital Unlocked' programme. This was launched to digitally empower Small and Medium Businesses ('SMBs') in the country. SMBs cite a lack of understanding of the benefits of digital technologies and technical skills as the essential reasons for being offline.