

MARKET MOVEMENT

Major Indices	June 02, 2018	June 08, 2018	% Change	Change
BSE Sensex	35,227.26	35,443.67	0.61	↑
NSE Nifty	10,696.20	10,767.65	0.66	↑

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Cabinet approves construction of a new 6 Lane bridge
- Commerce ministry approves 15 projects for export infrastructure
- DoT clears 100% FDI in Idea
- Government relaxes norms for coastal movement of farm products
- Mechanized facility to handle fertilizer cargo at Deendayal Port gets clearance

Cabinet approves construction of a new 6 Lane bridge

Cabinet has approved a project for construction of 9.9 km long new 6 - lane bridge across river Ganga on NH - 96 at Phaphamau in Allahabad with total capital cost of USD 288.5 million. Construction period for the project is three years and bridge will resolve the traffic congestion on existing old 2 - lane Phaphamau bridge on NH-96 at Allahabad.

Commerce ministry approves 15 projects for export infrastructure

16 projects are approved under Trade Infrastructure for Export Scheme (TIES) to develop infrastructure for promoting exports. Of the total scheme outlay of USD 89 million, USD 11.8 million was provided in 2017-18 and the same amount will be provided during the current fiscal. Approved projects include setting up of an integrated cargo terminal at Imphal international airport, establishment of trade promotion centre in Bhopal, solid waste management system at Noida SEZ and construction of office cum laboratory complex of export inspection agency at Vishakhapatnam.

DoT clears 100% FDI in Idea

Department of Telecommunications (DoT) has cleared 100% Foreign Direct Investment (FDI) in Idea Cellular paving the way for the merger of the carrier with Vodafone India. Approval is for

total foreign investment upto 100% in Idea Cellular Ltd which is higher from the present level of 67.5%. Combined company will have almost 42% customer market share and 37% revenue market share.

Government relaxes norms for coastal movement of farm products

Government has removed mandate of licensing permits for foreign vessels for coastal movement of agriculture, fishery and animal produce besides allowing Indian citizens to charter ships for these. It will promote processing of seafood at Indian hubs under Sagaramala initiative rather than processing of Indian seafood in Singapore before further exports to countries like Japan.

Mechanized facility to handle fertilizer cargo at Deendayal Port gets clearance

Shipping ministry has approved a project to build a fully mechanised fertilizer cargo handling facility at Deendayal port in Kandla (Gujarat). Facility will initially handle 2.6 million tonnes per year of fertilizers, increasing to 4.5 million tonnes per year. Total external cost is estimated at USD 21 million with the further investment by port of USD 50.4 million into the project. Facility is expected to be commissioned by October 2020.

INDUSTRY WATCH

- **Cargo traffic increases 1.78% in April**
- **India begins importing LNG from Russia**
- **Air passenger traffic increases 21.7% YoY in April**
- **Plastic exports rise 17.1% in FY18**
- **Cochin SEZ exports rise 705% in April 2018**

Cargo traffic increases 1.78% in April

Cargo traffic at 12 major ports has increased by 1.78% to 56.81 million tonnes (mt) in April 2018. These top ports under the Centre had handled 55.81 mt cargo in April 2017. Fertilizer traffic volumes grew 60.66% to 0.58 mt during the month as against 0.36 mt in April 2017 while thermal coal volumes rose by 24.34% to 9.69 mt.

India begins importing LNG from Russia

India has begun importing Liquefied Natural Gas (LNG) from Russia as part of its strategy to diversify its supply sources and cater to the rapidly rising local energy needs. Till two years ago, India depended solely on Qatar for long-term supplies. India is heavily investing in building LNG import

terminals and pipelines to import and supply gas across the country. 45% of the total amount of natural gas consumed is imported.

Air passenger traffic increases 21.7% YoY in April

Passenger traffic in Indian airports in April registered a growth of 21.7% over the corresponding month last year. Domestic traffic grew by 25% and international traffic by 10.2% in April, with the overall passenger movement recorded at 28.22 million. Places such as Shillong, Shimla, Bhatinda, Ludhiana, Bhuntar, Pathankot, Mysore, Salem recorded good number of passenger traffic movement in April.

Plastic exports rise 17.1% in FY18

Plastic exports grew 17.1% to USD 8.85 billion in FY18. Exports are majorly driven by higher shipment of plastic raw materials and value-added plastic products including woven sacks, plastic sheets or films or plates, optical items, laminates, packaging items, and medical disposables to the European Union, North America, Latin America and Caribbean and North-East Asia

Cochin SEZ exports rise 705% in April 2018

Merchandise exports from the Cochin special economic zone (CSEZ) increased 705% to USD 549.2 million during April 2018 from USD 68.3 million of April 2017. Total exports from all Special Economic Zones for the month grew by 5% to USD 3.04 billion as against USD 2.88 billion in April 2017. Total merchandise export from SEZs recorded USD 40.5 billion during 2017-18 as against USD 34.18 billion in the preceding year.

CORPORATE HIGHLIGHTS

- **IL&FS Transport raises USD 27.6 million from KfW IPEX-Bank**
- **ITC acquires Nimyle floor cleaner**
- **HCC receives USD 110 million contract for Bangladesh nuclear power plant**
- **First automated Vehicle Scrapping, Recycling facility starts operations**
- **Vedanta acquires Electrosteel**

IL&FS Transport raises USD 27.6 million from KfW IPEX-Bank

IL&FS Transportation Networks Ltd (ITNL) has raised USD 27.6 million in debt financing from KfW IPEX-Bank. Funds will be used for the Rapid Metro South Extension Project in Delhi that ITNL is working on. The project is an extension of the existing dual-track metro line by approximately 7

km and five stations connecting the IT industrial park in Gurgaon to Delhi's metro system and the southern part of Gurgaon.

ITC acquires Nimyle floor cleaner

ITC Ltd has acquired floor cleaning brand Nimyle from Kolkata-based Arpita Agro Products for an undisclosed amount. Nimyle is the second largest brand in the floor cleaning segment in West Bengal and Odisha while has recently entered the North and selling through e-commerce firms like Amazon and Big Basket. Small-sized deal will allow ITC the scope to build the category in East before taking it national.

HCC receives USD 110 million contract for Bangladesh nuclear power plant

Hindustan Construction Co (HCC) and Max Joint Venture (JV) has received a USD 110 million contract from Russia for a nuclear power plant in Bangladesh. Contract includes civil works of Turbine Island for Unit 1 of Rooppur Nuclear Power Plant (NPP). Rooppur NPP will be built with Russian technology and is equipped with two VVER reactors of 1,200 MW each.

First automated Vehicle Scrapping, Recycling facility starts operations

First automated and organised vehicle scrapping and recycling facility is has started operations in Greater Noida in five acre area by Mahindra & Mahindra (M&M) through a Joint Venture (JV) with MSTC Ltd. M&M and MSTC have tied up with CERO that acquires vehicles directly from owners and at auctions. Facility evaluates the vehicle and recycles steel, batteries, electronics, engine parts and other metals, etc.

Vedanta acquires Electrosteel

Vedanta Ltd has acquired 90% stake in Electrosteel Steels Ltd (ESL) through a combination of investment of equity of USD 261.4 million and inter-corporate loan of USD 526.5 million. Electrosteel acquisition will complement its existing iron ore business as the vertical integration of steel manufacturing capabilities has the potential to generate significant efficiencies.