



MARKET MOVEMENT

Major Indices	November 23, 2018	November 30, 2018	% Change	Change
BSE Sensex	34,981.02	36,194.30	3.46	
NSE Nifty	10,526.75	10,876.75	3.32	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- **India-China amends double taxation avoidance treaty**
- **Government increases FAME-I outlay to USD 128.4 million**
- **RBI eases norms for NBFCs to securities loan books**
- **India signs USD 75 million loan pact with ADB**
- **Interest subsidy for MSME sector exporters increases to 5%**

India-China amends double taxation avoidance treaty

India and China have amended the bilateral tax treaty which will help prevent tax evasion by **allowing** the exchange of information. The Protocol updates the existing provisions for exchange of information to the latest international standards and incorporates changes required to implement treaty related minimum standards under the Action reports of Base Erosion & Profit Shifting (BEPS) Project.

Government increases FAME-I outlay to USD 128.4 million

Government has increased the outlay by USD 14.3 million to USD 128.4 million for the first phase of the FAME India scheme to promote mass adoption of electric vehicles. First phase was extended four times for six months each. The latest extension is in effect till March 2019 or till a notification for the second phase.

RBI eases norms for NBFCs to securitise loan books

Reserve Bank of India (RBI) has relaxed norms for Non-Banking Financial companies (NBFCs) of over five-year maturity after holding them for six months on their books. Relaxation in Minimum Holding Period (MHP) criteria would primarily benefit housing finance companies and NBFCs offering mortgage loans where the loan tenure is typically more than five years.

India signs USD 75 million loan pact with ADB

India has signed a USD 75-million loan agreement with the Asian Development Bank (ADB) to provide round-the-clock water supply to Karnataka's four coastal towns of Kundapura, Mangalore Puttur and Udupi, and to improve sanitation infrastructure in Mangalore town. Funds will be used to

augment water treatment production capacity by 16 millions liters per day, lay 90 kilometers of new water transmission lines and feeder mains and construct 29 overhead tanks and four ground-level service reservoirs.

Interest subsidy for MSME sector exporters increases to 5%

Government has increased Interest Equalisation rate from 3% to 5% in respect of exports by the Micro, Small & Medium Enterprises (MSME) sector manufacturers under the Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit. Scheme covers mostly labour intensive and employment generating sectors like processed agriculture/food items, handicrafts, readymade garments, glass and glassware, medical and scientific instruments, and auto components/parts, among others.

INDUSTRY WATCH

- **China signs pact with India to inspect fish meal, fish oil imports**
- **Duty benefit for export of non-basmati rice gets extension**
- **India produced 8.77 mt crude steel in October**
- **Power demand aids 19% volume growth at Indian Energy Exchange**
- **Mobile users base rises at 1.19 billion in September**

China signs pact with India to inspect fish meal, fish oil imports

India and China has signed an agreement allowing Beijing to inspect imports of Indian fish meal and fish oil. Signing of Protocol formalises the consensus reached by both sides on hygiene and inspection requirements of fish meal and fish oil to be exported from India to China. China imports around USD 143.29 million fish oil, and fish meal of about USD 263.43 million.

Duty benefit for export of non-basmati rice gets extension

Government has extended duty benefits provided under Merchandise Exports from India Scheme (MEIS) to non-basmati rice exporters under a scheme to boost the shipment of the agri commodity. In 2017-18, 8.63 million tonnes of the rice was exported.

India produced 8.77 mt crude steel in October

India registered a marginal growth in its crude steel output at 8.77 million tonne (mt) during October 2018 compared to 8.73 mt crude steel during the same month a year ago. Crude steel production for the 64 countries was 156.6 mt in October 2018. Japan's output fell 4.5% to 8.56 mt in the reported month. France produced 1.3 mt crude steel in October 2018, Italy 2.3 mt and Spain produced 1.3 mt.

Power demand aids 19% volume growth at Indian Energy Exchange

Trade volumes rose 19% to 28,584 million units (MUs) at the Indian Energy Exchange (IEX) in the first six months of this financial year aided by a pan-India 6.2% increase in electricity generation during the period. Trade in Renewable Energy Certificates (RECs) increased 325% from 1,205 MUs year before to 5121 MUs.

Mobile users base rises at 1.19 billion in September

Number of telephone subscribers in India increased from 1,189.08 million at the end of August 2018 to 1,191.40 million at the end of September 2018. Broadband subscriber base increased by 3.89% to 481 million. Top five service providers constituted 97.86% market share of the total broadband subscribers at the end of September 2018.

CORPORATE HIGHLIGHTS

- **Ashok Leyland expands footprint in Bangladesh**
- **Shapoorji Pallonji receives country's first large-scale floating solar project**
- **MRPL signs first term deal with Iraq**
- **India Resurgence Fund invests USD 156 million in Archean Chemical**
- **Jubilant Life arm signs pact to acquire Inipharm Inc for around USD 28.5 million**

Ashok Leyland expands footprint in Bangladesh

Ashok Leyland has set up a new 3S facility IFAD Autos in Dhaka, Bangladesh. Sales, service and spares facility, spread across 138,000 square feet, is located at Madanpur, Narayanganj district on the Dhaka Chittagong highway. Facility would cater the entire range of Ashok Leyland vehicles with 18 fully equipped service bays.

Shapoorji Pallonji receives country's first large-scale floating solar project

First large-scale floating solar project is received by Shapoorji Pallonji of 150 MW on the Rihand Dam with 13 months timeline for the project. Rihand Dam, also known as Govind Ballabh Pant Sagar, is the country's largest reservoir by volume and largest artificial lake, located on the Rihand River with its catchment area spread over Uttar Pradesh, Madhya Pradesh and Chhattisgarh.

MRPL signs first term deal with Iraq

Mangalore Refinery and Petrochemicals Ltd has signed its first term deal with Iraq to diversify its crude imports. It will buy 1.5 million tonnes of Basra oil in 2019 from SOMO. MRPL operates a 300,000 barrel-per-day refinery in the southern state of Karnataka.

India Resurgence Fund invests USD 156 million in Archean Chemical

India Resurgence Fund (IndiaRF) has announced USD 156 million investment in debt and equity support to Archean group's marine chemicals business. Investment will be used to refinance Archean Chemical Industries' existing debt and towards capital investment to optimise output at a plant across all product lines. Fund is a Joint Venture (JV) between Piramal Enterprises and Bain Capital.

Jubilant Life arm signs pact to acquire Inipharm Inc

Jubilant Life Sciences subsidiary Drug Discovery and Development Solutions Ltd (DDDSL) Singapore has entered into an agreement to acquire 10% stake in Inipharm Inc USA for around USD 28.5 million. It has entered into a stock purchase agreement to acquire 534,194 shares of common stock of biotechnology firm Inipharm Inc USA, for a cash consideration of USD 534.20 per share.