

MARKET MOVEMENT

Major Indices	March 22, 2019	March 29, 2019	% Change	Change
BSE Sensex	38,386.75	38,672.91	0.74	↑
NSE Nifty	11,456.90	11,623.90	1.45	↑

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- **Government notifies new rules for drugs and clinical trials**
- **Cabinet approves five year's extension of Biomedical Research Career Programme**
- **Government extends IGST, compensation cess exemption**
- **RBI eases office opening process for foreign entities**
- **India signs MoU with African Union for cooperation in healthcare sector**

Government notifies new rules for drugs and clinical trials

Health Ministry has notified **New Drugs and Clinical Trials Rules, 2019** to promote clinical research by **reducing the time** for approving applications to 30 days for drugs manufactured in India and 90 days for those developed outside the country. New rules will ensure patient safety, as they would be enlisted for trials with informed consent. The ethics committee will monitor the trials and decide on the amount of compensation in cases of adverse events.

Cabinet approves five year's extension of Biomedical Research Career Programme

Cabinet has approved the continuation of the **Biomedical Research Career Programme (BRCP)**, and **Wellcome Trust (WT)** / DBT India Alliance beyond its initial 10-year term (2008-09 to 2018-29) to a new five year phase (2019-20 to 2023-24) with Department of Biotechnology (DBT). Total financial implication will be USD 157.6 million with DBT and WT contributing USD 105 million and USD 52.5 million respectively.

Government extends IGST, compensation cess exemption

Government has extended **IGST (Integrated Goods and Service Tax)** and **compensation cess exemptions for goods** procurement under certain export promotion schemes till March 2020. These

exemptions have been extended for exporters buying inputs domestically or importing for export purposes under Export oriented Unit (EOU) scheme, Export Promotion Capital Goods (EPCG) scheme and advance authorisation.

RBI eases office opening process for foreign entities

Foreign entities doing business in defence or telecom sector in India will henceforth not need to seek separate approval from Reserve Bank of India for opening branch or liaison offices, provided they have clearance from the concerned ministry. This will make office opening process simple under FEMA Act.

India signs MoU with African Union for cooperation in healthcare sector

An agreement has been signed between India and the African Union to initiate and strengthen the cooperation in health sector in a structured and organised manner by establishing an India-Africa health sciences collaborative platform. MoU will pave the way for the cooperation in the areas of research and development, capacity building, health services, pharmaceutical trade and manufacturing capabilities for drugs and diagnostics.

INDUSTRY WATCH

- **India approves new coal projects**
- **753,000 smart speakers shipped in India in 2018**
- **Coffee Board activates Blockchain based marketplace in India**
- **PE, VC investment in India grows to USD 20.5 billion in 2018**
- **India produces 8.74 mt crude steel in February**

India approves new coal projects

China and India have accounted for 85% of new coal power capacity since 2005, the number of permits for new coal plants dropped to record lows, but new plants are still in the pipeline as Government continues to invest in new plants. Despite unfavourable market conditions of coal power like low plant load factors which are largely due to over capacity and competition from cheaper renewables have made it harder for coal plants to recover their investments.

753,000 smart speakers shipped in India in 2018

About 753,000 units of smart speakers were shipped in India in 2018. Smart speakers were first introduced to the Indian market in the fourth quarter of 2017 when Amazon launched its Echo range of

devices in the country. Major market share is held by Amazon with 59% followed by Google with 39%. Main driver of the early adoption so far is the novelty factor around this technology.

Coffee Board activates Blockchain based marketplace in India

Coffee board has launched blockchain based coffee e-marketplace that will help in integrating the farmers with markets in a transparent manner and lead to realisation of fair price for the coffee producer. It will reduce the number of layers between coffee growers and buyers and help farmers double their income. Stakeholders like coffee farmers, traders, coffee curers, exporters, rosters, importers and retailers have to register on the platform to make trade transactions.

PE, VC investment in India grows to USD 20.5 billion in 2018

Private equity (PE) and venture capital (VC) investments in the country stood at USD 20.5 billion across 786 transactions in 2018 on account of tech-enabled start-ups, e-commerce and information technology-enabled services. Start-ups accounted for 59% of the total PE investments recorded in 2018 by values and 26% by volume. Big-ticket investments were driven by complex deal structures, PE-backed merger and acquisition, later-stage funding and the inflated start-up valuations.

India produces 8.74 mt crude steel in February

Crude steel output in February grew 2.3% to 8.74 million tonne (mt) from 8.54 mt in the year-ago month. Production for the 64 countries grew 4.1% to 137.27 mt in February compared to 131.92 mt in February 2018. China produced 9.2% more crude steel to 70.98 mt as against 65.02 mt in same month last year. US produced 4.6% higher steel to 6.9 mt in February.

CORPORATE HIGHLIGHTS

- **Healofy secures USD 8 million funding from China's Babytree, others**
- **Tata group enters airports business**
- **Kalpataru Power buys 85% stake in Swedish firm Linjemontage**
- **Netmeds acquires health tech startup KiViHealth**
- **Under Armour opens first store in India**

Healofy secures USD 8 million funding from China's Babytree, others

Healofy has raised USD 8 million in fresh funding from China's parenting social network BabyTree Group, BAce Capital. It deals in pregnancy and parenting platform for Indian moms and plans to use the funding to further strengthen product, engineering and data science teams, and to scale its machine learning engine. It will focus on user-generated content to connect like-minded women with each other.

Tata group enters airports business

Tata group has invested 20% stake which is around USD 1.15 billion in the GMR group's airports vertical. Investment brings multiple strategic benefits such a significant deleveraging at the parent company and will pave the way for restructuring of the business by way of demerger. GIL will retain management control over the airports business with the investors having customary rights and board representation at GAL and its key subsidiaries.

Kalpataru Power buys 85% stake in Swedish firm Linjemontage

Kalpataru Power Transmission Ltd (KPTL) has signed a definitive agreement to acquire a 85% equity stake in Linjemontage i Grastorp AB (LMG) for an enterprise value of USD 24 million. LMG specializes in power supply solutions and services for electricity networks within the voltage range of 0.4-400 kv. Acquisition of LMG will help KPTL in having greater geographical presence in stable and growing marketst.

Netmeds acquires health tech startup KiViHealth

Netmeds.com has acquired health tech start-up KiViHealth in a cash and stock deal of around USD 10 million. KiViHealth is a clinic management platform providing cloud-based, AI-powered tools for effective doctor-patient interaction. With this acquisition, Netmeds adds to the portfolio of technology driven solutions as it transforms the brand into a complete healthcare product and service company.

Under Armour opens first store in India

US-based sportswear brand Under Armour has opened its first store in Delhi and plans to open 10 stores in the country in the next 12 months. It specialises in performance athletic apparel, footwear and accessories and are worn by some of the world's best athletes. Company already has a presence in the Indian market through the online sales channels.