



MARKET MOVEMENT

Major Indices	December 27, 2019	January 03, 2020	% Change	Change
BSE Sensex	41,681.54	41,464.61	(0.52)	
NSE Nifty	12,271.80	12,226.65	(0.37)	

INDIAN ECONOMY AT A GLANCE

POLICY WATCH

- Government reduces import duty on crude, refined palm oil
- RBI launches new prepaid payment instrument for small digital transactions
- Cabinet approves Promulgation of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019
- CCI approves acquisition of shares in My Home Industries by My Home Constructions
- Cabinet approves Atal Bhujal Yojana

Government reduces import duty on crude, refined palm oil

Government has reduced import duty on refined palmolein from 50% to 45%, and on Crude Palm Oil (CPO) duty reduced from 40% to 37.5% with immediate effect. Duty cut has been made under the ASEAN agreement and the India-Malaysia Comprehensive Economic Cooperation Agreement. Due to reduction in duty, tax difference between CPO and refined palmolein is reduced from 10% to 7.5%.

RBI launches new prepaid payment instrument for small digital transactions

Reserve Bank of India (RBI) has introduced a new semi-closed prepaid payment instrument (PPI) which can be used for transaction of goods and services up to a limit of USD 139.3. Loading facility of the instrument will be linked only from a bank account. Non-bank PPI issuers can access after obtaining minimum details that will include include a mobile number verified with one time pin (OTP) and a self-declaration of name and unique identity/identification number, among others of the PPI holder.

Cabinet approves Promulgation of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019

Cabinet has approved a proposal to promulgate an Ordinance and to amend the Insolvency and Bankruptcy Code, 2016. Under the Amendments, the liability of a corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved.

CCI approves acquisition of shares in My Home Industries by My Home Constructions

Competition Commission of India (CCI) has approved 50% of shareholding acquisition of shares in My Home Industries Private Limited by My Home Constructions Private Limited, Jupally Real Estate Developers Private Limited (JREDPL) and affiliates. My Home Industries is engaged in the manufacturing and supply of grey cement under the brand name “Maha Cement” in India.

Cabinet approves Atal Bhujal Yojana

Cabinet has given its approval for the implementation of the Atal Bhujal Yojana (ATAL JAL), a Central Sector Scheme with a total outlay of USD 836 million to be implemented over a period of 5 years (2020-21 to 2024-25). It focuses on improving ground water management through community participation in identified priority areas in seven States - Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.

INDUSTRY WATCH

- FDI rises 15% during April – September
- Mutual Funds adds USD 43.88 billion to asset base in 2019
- 8 Centres of Excellence for Technology Development Established by DHI
- Coal imports rise 4% to 161 mt in April-November
- PE/VC investments rise to USD 37 billion this year

FDI rises 15% during April – September

Foreign Direct Investment (FDI) has increased by 15% to USD 26 billion during April-September 2019 compared to USD 22.66 billion in the same period last year. Maximum inflows were in services (USD 4.45 billion), followed by computer software and hardware (USD 4 billion), telecommunications (USD 4.28 billion), automobile (USD 2.13 billion) and trading (USD 2.14 billion). Largest source remained Singapore with USD 8 billion, Mauritius (USD 6.36 billion), US (USD 2.15 billion), Netherlands (USD 2.32 billion), and Japan (USD 1.78 billion).

Mutual Funds adds USD 43.88 billion to asset base in 2019

Asset Under Management (AUM) of the Mutual Funds industry rose by over 13% (USD 43.88 billion) to USD 372.93 billion at the end of December 2019 as compared to USD 329 at the end of December 2018. AUM of the industry has grown from USD 114.5 billion in November 2009 to USD 376.14 billion in November 2019.

8 Centres of Excellence for Technology Development Established by DHI

Eight Centres of Excellence (CoEs) for Technology Development have been established. CoEs at IIT Madras, IISc, Bengaluru, PSG College of Technology, Coimbatore, Sitarc, Coimbatore and HEC Ranchi have already been completed. Technologies have been developed with industry partners in sectors like machine tools, textile machinery, earth moving machinery, metallurgical machinery and welding, submersible pumps.

Coal imports rise 4% to 161 mt in April-November

Coal imports registered an increase of 4.4% to 161.43 million tonnes (mt) in the April-November period of the ongoing fiscal as compared to 154.56 mt of coal in April-November 2018. India produced 730.35 mt of coal in FY'19, while the imports were 235.24 mt. Coal imports in 2017-18 were 208.2 mt and 190.95 mt in 2016-17.

PE/VC investments rise to USD 37 billion this year

Private Equity (PE) and Venture Capital (VC) investments rose to USD 37 billion supported by large investments in the infrastructure sector. There were around 74 Private Equity investments worth USD 100 million in the year 2019 accounting for 74% of the total investment value during the period. There were 40 deals which were larger than USD 200 million each, with five investments of more than USD 1 billion.

CORPORATE HIGHLIGHTS

- Adani Ports acquires 40.25% stake in Snowman Logistics
- BEML signs pact with IRCON to explore overseas market
- H G Infra gets USD 72.7 million highway project
- Kalpataru Power Transmission receives orders worth USD 136.4 million
- HAL signs MoU with Wipro 3D for metal 3D printing adoption in aerospace

Adani Ports acquires 40.25% stake in Snowman Logistics

Adani Ports and SEZ Ltd (APSEZ) has ventured into cold chain logistics business by acquiring 40.25% stake in Snowman Logistics for USD 42.35 million. Snowman Logistics is market leader in

cold chain logistics with over 30% of capacity amongst integrated organised cold chain service providers in India. Company is focusing on the increase in utilization, higher realization from product mix and operational efficiencies.

BEML signs pact with IRCON to explore overseas market

BEML Ltd has signed a Memorandum of Understanding (MoU) with IRCON International Ltd to explore opportunities in overseas market. It is focused towards promoting the supply of BEML manufactured rolling stock and construction equipment for the railway projects outside India in which civil and construction work will be carried out by IRCON and also facilitate the validation of designs and provenness for rolling stock of BEML to address export opportunities together.

H G Infra gets USD 72.7 million highway project

H G Infra Engineering Ltd has received a highway project worth USD 72.7 million for construction of proposed Rewari bypass (NH-11) as feeder route in Rewari district in Haryana on hybrid annuity mode from the National Highways Authority of India (NHAI). Total length of highway is 14.40 km and completion time is 2 years.

Kalpataru Power Transmission receives orders worth USD 136.4 million

Kalpataru Power Transmission has received orders worth approximately USD 136.4 million. Orders are received from domestic market and Middle East in Transmission and Distribution (T&D) business and engineering, procurement and construction projects for railway electrification and gauge conversion works in India.

HAL signs MoU with Wipro 3D for metal 3D printing adoption in aerospace

Hindustan Aeronautics Limited (HAL) has signed a Memorandum of Understanding (MoU) with Wipro 3D, the metal Additive Manufacturing (AM) business of Wipro Infrastructure Engineering (WIN) to design, develop, prove out, manufacture and repair of aerospace components by using metal additive technology. Initiative will focus on Maintenance, Repair and Overhaul (MRO) and production of aerospace applications by using metal additive technology.