



MARKET MOVEMENT

Major Indices	August 09, 2019	August 16, 2019	% Change	Change
BSE Sensex	37,581.91	37,350.33	(0.62)	
NSE Nifty	11,109.65	11,047.80	(0.55)	

INDIAN ECONOMY AT A GLANCE

POLICY WATCH

- **CBDT simplifies process of angel tax assessment for startups**
- **RBI amends norms for priority sector lending**
- **ADB signs USD 23 million agreement to expand road building capacity**
- **RBI allows fintech companies, financial institutions to set up Regulatory Sandbox**
- **Government launches programme for converting used cooking oil into biodiesel**

CBDT simplifies process of angel tax assessment for startups

Central Board of Direct Taxes (CBDT) as simplified the angel-tax assessment process under which **any action would** be taken against such entities only after approval of a supervisory officer. No verification will be done by an assessing officer if a startup has been recognised by the Department for Promotion of Industry and Internal Trade (DPIIT) and the case is selected under limited scrutiny.

ADB signs USD 23 million agreement to expand road building capacity

Asian Development Bank (ADB) has signed an agreement to invest **USD 23 million in Non-Convertible Debentures** being issued by GR Infraprojects Limited (GRIL) to help the company rapidly scale up its construction of roads and highways in India through the purchase of new building equipment. Increased operational capacity will enhance GRIL's while supporting the roads sector investment plans of Government.

RBI amends norms for priority sector lending

Reserve Bank of India (RBI) has amended norms for **Non Banking Financial Companies (NBFCs)** (other than Micro Finance Institutions (MFIs)). On lending by NBFCs for 'term lending' component under agriculture will be allowed up to USD 14,042 per borrower. In housing sector, limit has been enhanced from USD 14,042 to USD 28,084 per borrower, classified as priority sector lending. Under the priority sector norms, banks are mandated to lend a particular portion of their funds to specified sectors, like agriculture, education, export, MSME and social infrastructure.

RBI allows fintech companies, financial institutions to set up Regulatory Sandbox

RBI has permitted startups, banks and financial institutions to set up Regulatory Sandbox (RS) for live testing of innovative products in areas like retail payments, digital KYC and wealth management. RS allows the regulator, innovators, financial service providers and customers to conduct field tests to collect evidence on the benefits and risks of new financial innovations, while carefully monitoring and containing their risks.

Government launches programme for converting used cooking oil into biodiesel

Government has launched a programme to procure biodiesel made from used cooking oil in 100 cities across the country. Repurpose Used Cooking Oil (RUCO) sticker and a mobile phone application for collection of Used Cooking Oil (UCO) are also launched to ensure that it does not come back to the ecosystem. Sticker would be affixed by the food joints, hotels and restaurants in their premises to show that they supply UCO for producing biodiesel to oil manufacturing companies – Indian Oil, Bharat Petroleum and Hindustan Petroleum.

INDUSTRY WATCH

- **Exports rises 2.25% in July**
- **Vegetable oils import increases by 26% in one year**
- **AePS grows to 220.18 million transactions during July this year**
- **Credit card usage grows 27%**
- **Gold imports rise 35.5% in first quarter**

Exports rises 2.25% in July

Exports grew 2.25% to USD 26.3 billion in July from USD 25.75 billion a year earlier due to higher shipments of organic goods, drugs and pharmaceuticals. Government has started working on measures to promote exports, including a new export promotion scheme. Non-petroleum and non-gems and jewellery exports in July grew 5.3% to USD 19.70 billion.

Vegetable oils import increases by 26% in one year

Import of vegetable oils during July 2019 rises by 26% to 1,412,001 tons as compared to 1,119,538 tons in July 2018. Vegetable oils imported in July 2019 comprises of 1,347,882 tons of edible oils and 64,119 tons of non-edible oils. Overall import of vegetable during November 2018 to October 2019 rose by 5% to 11,280,972 tons compared to 10,766,076 tons during the same period of last year

AePS grows to 220.18 million transactions during July this year

In July 2019, the transaction count of Aadhaar enabled Payment System (AePS) stood at 220.18 million with transaction value USD 1.36 billion, compared to transaction count of 194.33 million and a transaction value of USD 1.24 billion in the month-ago period same year. A total of 66.5 million Indian citizens availed banking services through AePS platform in July.

Credit card usage grows 27%

Credit cards in circulation grew 21% to 48.9 million in May from 38.6 million in the same period last year. Total transaction value in 2018-19 increased by 30% to USD 6000 billion from USD 64.6 billion in 2017-18. Major driver of growth has been bringing out innovative and industry-first products, co-branded partnerships, cashback programmes and technology.

Gold imports rise 35.5% in first quarter

Gold imports increased by 35.5% to USD 11.45 billion in first quarter of 2019-2020 from USD 8.45 billion in the same period of 2018-19. India is the world's largest importer of gold, with annual consumption at 800-900 tonnes. Trade deficit rises marginally to USD 45.96 billion during April-June quarter of 2019-20 compared with USD 44.94 billion a year ago.

CORPORATE HIGHLIGHTS

- **Eaton partners with KPIT for e-mobility business**
- **Jindal Saw enters strategic alliance with Hunting Energy Services**
- **Unichem Laboratories gets USFDA nod for hypertension management drug**
- **SE2 sets up technology center in Pune**
- **Sembcorp commissions 200 MW wind power project in Bhuj**

Eaton partners with KPIT for e-mobility business

Eaton has tied up with KPIT to support the development of next-generation electrified mobility technologies for its e-Mobility business unit. They will initially focus on developing and deploying technologies, software solutions and platforms for several components, including inverters, on-board chargers, DC-DC converters and power distribution modules. Strategic alliance with KPIT brings valuable capabilities and technologies to enable manufacturers to develop vehicles that are cleaner and safer and deliver value.

Jindal Saw enters strategic alliance with Hunting Energy Services

Jindal Saw has entered into a strategic alliance with global upstream equipment maker Hunting Energy Services to bring in seamless casing and tubing technology to the country that could partly help substitute imports worth USD 200 million a year. Hunting will share its patented premium connection technology with Jindal Saw, who would in turn use the technology to manufacture the seamless casing and tubing, used mainly in drilling activity in the oil and gas sector.

Unichem Laboratories gets USFDA nod for hypertension management drug

Unichem Laboratories has received approval from the US health regulator to market Chlorthalidone tablets, used to treat high blood pressure in the strengths of 25 mg and 50 mg. Approved product is a generic version of Hygroton tablets, 25 mg and 50 mg of Sanofi Aventis US, LLC. Product will be commercialised from its Ghaziabad plant.

SE2 sets up technology center in Pune

SE2 has announced its new Technology and Innovation Center in Pune, which would support the firm's US operations. The company already has a center in Gurugram where it has 550 employees. Initial investments have been around USD 3.2 million with an annual spend of over USD10 million in infrastructure, technology and facilities. They plan to scale the Pune center to 200 people by the end of 2020.

Sembcorp commissions 200 MW wind power project in Bhuj

Sembcorp Industries has commissioned 200 megawatt of wind power project at Bhuj in Gujarat. Its total generating capacity is at 450 MW now. Both wind farms commissioned at Bhuj are connected to the interstate transmission system and the power generated will be supplied to multiple states, helping them meet their renewable energy requirements.