

**MARKET MOVEMENT**

Major Indices	July 26, 2019	August 02, 2019	% Change	Change
BSE Sensex	37,882.79	37,118.22	(2.01)	↓
NSE Nifty	11,284.30	10,997.35	(2.54)	↓

**INDIAN ECONOMY AT A GLANCE****POLICY WATCH**

- Cabinet approves bill to regulate chit funds industry
- DoT issues 5G trials norms
- Cabinet approves ISRO Technical Liaison Unit at Moscow
- NCLT approves NHPC's USD 130 million bid
- Green nod to Tata Chem's USD 150 million soda ash expansion project

**Cabinet approves bill to regulate chit funds industry**

Cabinet has approved a bill Chit Funds (Amendment) Bill, 2019. Bill will reduce the compliance burden of the registered chit funds industry and protect the interest of subscribers. Mobilising short-term funds to meet various personal needs has been a chronic problem faced by the general public in developing countries like India.

**DoT issues 5G trials norms**

India has issued guidelines for 5G trials across all available spectrum bands, without restricting any company from applying for a licence to participate provided it is registered in the country. Indian entities involved in research and development, manufacturing, telecom operators and academia for the purpose of R&D and experimentation can get a licence for “up to two years, renewable on case to case basis by WPC (Wireless Planning and Coordination), subject to truncation to prevent interference to licensed operations.

**Cabinet approves ISRO Technical Liaison Unit at Moscow**

Cabinet has approved the setting up of ISRO Technical Liaison Unit (ITLU) at Moscow, Russia. An average annual expenditure of about USD 0.22 million per annum is anticipated to be incurred at ITLU. ISRO will be able to collaborate with Space agencies/industries in Russia and neighbouring countries for mutually synergetic outcomes.

### **NCLT approves NHPC's USD 130 million bid**

National Company Law Tribunal (NCLT) has approved NHPC's USD 130 million bid for the debt-ridden Lanco Teesta Hydro Power Ltd. As per the resolution plan, NHPC would pay USD 126 million to the financial creditors and USD 1.6 million would go to the operational creditors of Lanco Teesta Hydro Power. Teesta Stage-VI is a Run of River (RoR) scheme in Sirwani village of Sikkim to utilise the power potential of Teesta river basin in cascade manner.

### **Green nod to Tata Chem's USD 150 million soda ash expansion project**

Tata Chemicals has received green nod with Environment clearance (EC) certificate for expansion of its soda ash plant in Gujarat at an estimated cost of USD 150 million. Proposal is for expansion of its soda ash plant located in Devbhumi Dwarka district from 1.09 million tonne per annum to 11.31 million tonne per annum and enhance captive power plant capacity from 84 mega watt (mw) to 125 mw.

## **INDUSTRY WATCH**

- **Indian IT companies contributed USD 57.2 billion to US GDP in 2017**
- **GST on EVs reduced to 5%**
- **Prohibition on mining of atomic minerals by private entities**
- **Subsidy for sulphur fertiliser is raised for FY20**
- **Dairy sector grows by 6.4% annually during the last 4 years**

### **Indian IT companies contributed USD 57.2 billion to US GDP in 2017**

Indian IT companies contributed USD 57.2 billion to the GDP of the US in 2017. TCS education initiative- My Future in School, Infosys tied with Trinity College on applied learning initiative, WIPRO's distribution of over 200,000 books, Mindtree's USD 2 million award to Stanford University in July 2018 are some of the initiatives of Indian IT companies contribution beyond their business operation. Two-way investment among India and the US came to about USD 60 billion.

### **GST on EVs reduced to 5%**

GST Council has decreased the GST rate on Electric Vehicles (EVs) to 5% from 12%. GST on EV Chargers is reduced from 18% to 5%. GST Council has also approved exemption from GST on hiring of Electric Buses by local authorities. New rates are effective from 1st August 2019.

### **Prohibition on mining of atomic minerals by private entities**

Government has prohibited mining of atomic minerals by private entities and will grant operating rights to only state-run companies to "safeguard" strategic interest of the country. Atomic minerals zirconium, monazite and thorium are found in abundance along several beaches of the country. Zirconium have potential applications in the strategic, defence and hi-tech sectors as it contains an important strategic element, called hafnium, which is used in the field of atomic energy.

### **Subsidy for sulphur fertiliser is raised for FY20**

Subsidy on sulphur fertiliser is raised from USD 0.03/kg to USD 0.05 per kg and keep the support unchanged for other non-urea nutrients for promoting balanced use of farm supplements. Total subsidy outgo for non-urea fertilisers would be USD 3.28 billion for 2019-20 fiscal. This will ensure availability of non-urea nutrients at affordable prices to farmers and promoting balanced use of fertilisers.

### **Dairy sector grows by 6.4% annually during the last 4 years**

Dairy sector has recorded a growth of 6.4% annually in the last four years against the global growth rate of 1.7%. Around 80 million rural Indian households are involved in milk production with very high percentage being landless, small and marginal farmers. Technologies implemented under Rashtriya Gokul Mission which include embryo transfer technology, creation of facility for sex sorted semen production and genomics selection, would support to expand the productivity.

## **CORPORATE HIGHLIGHTS**

- **Strides forms JV with China's Sihuan Pharma**
- **Nalco HCL and MECL forms Joint Venture**
- **Flex opens 4th manufacturing facility in India**
- **EY acquires C Centric**
- **Cisco partners with Google to roll out high-speed public WiFi**

### **Strides forms JV with China's Sihuan Pharma**

Strides Pharma Science has entered into a Joint Venture (JV) with China's Sihuan Pharmaceutical Holdings Group. As part of the agreement, Strides will immediately license four high potential products to the JV which will add significant value to Sihuan's existing portfolio. New JV company - Sihuan Strides HK Ltd will be based in Hong Kong. Strides will own a 49% stake in this company.

### **Nalco HCL and MECL forms Joint Venture**

**National Aluminium Company (Nalco), Hindustan Copper Ltd (HCL) and Mineral Exploration Corporation Ltd (MECL)** have formally signed the Joint Venture (JV) agreement to form Khanij Bidesh India Ltd (KABIL) to scout for strategic mineral assets like, lithium and cobalt, abroad. JV company will be involved in acquisition, exploration & processing of strategic minerals abroad for commercial use and for supply to meet domestic requirement.

### **Flex opens 4th manufacturing facility in India**

**Flex has opened a new manufacturing facility, the Flex Chennai Industrial Park 3, in Walajabad in Kanchipuram district near Chennai.** Spanning 159,000 sq. ft, the facility will further expand Flex's manufacturing operations in India. It is the fourth manufacturing unit of Flex in India besides plants in Sriperumbudur and Poonamallee near Chennai and one in Sri City, Andhra Pradesh.

### **EY acquires C Centric**

**EY has acquired C Centric, a provider of customer relationship management (CRM) solutions and services to help** businesses rethink, redesign and deliver better end-to-end digital experience to customers. Acquisition will enable the integration of core CRM technology and capabilities in the delivery of full-circle transformation services.

### **Cisco partners with Google to roll out high-speed public WiFi**

**Cisco plans to roll out free high-speed public Wi-Fi zones across India with Google's gStation service. Project has** already begun its first phase of implementation. By September 2019, 200 locations in Bengaluru will be Wi-Fi enabled, followed by another 300 by in the second phase. The locations include public spaces like bus stops, hospitals, government offices, etc.