



MARKET MOVEMENT

Major Indices	September 02, 2016	September 09, 2016	% Change	Change
BSE Sensex	28,532.11	28,797.25	0.92	
NSE Nifty	8,809.65	8,866.70	0.64	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- **Gujarat signs MoU with aviation ministry to develop regional airports**
- **Government starts work on 99 stalled irrigation projects**
- **DST commits USD 75 million for PM's Vision on Startup India**
- **India signs open skies pact with Greece**
- **India signs agreement to expand trade with Chile**

Gujarat signs MoU with aviation ministry to develop regional airports

Government has signed a Memorandum of Understanding (MoU) with the ministry of civil aviation to develop 11 airports and airstrips to boost regional connectivity in Gujarat. The airports in Bhavnagar, Bhuj, Jamnagar, Surat, Porbandar, Mehsana, Mandvi, Amreli, Kandla, Keshod and Deesa will be developed. These fall under the “unserved-underserved category”.

Government starts work on 99 stalled irrigation projects

Centre has started work to complete 99 major and medium irrigation projects pending for years. Slated to be completed by 2019, these projects will bring 7.6 million hectares of land under irrigation in some of the most drought-prone regions of India. The total cost of the project is estimated at USD 11.75 billion, to be spent over four years.

DST commits USD 75 million for PM's Vision on Startup India

DST has committed USD 75 million to NIDHI (National Initiative for Development and Harnessing Innovations), an umbrella program is pioneered by the Department of Science & Technology (DST), Government of India, for nurturing ideas and innovations (knowledge-based

and technology-driven) into successful startups. DST aims to bring both speed and scale to transform the Startup Ecosystem in the country.

India signs open skies pact with Greece

India has signed an open skies agreement with Greece, the first after the finalisation of the civil aviation policy in June. The open skies agreement will allow airlines from India to operate unlimited number of flights to Greece while Greek carriers have been granted unlimited traffic rights to six Indian metro cities. Prior to this, India had entered into an open skies agreement with the US and Britain.

India signs agreement to expand trade with Chile

India has signed an agreement with Chile to expand the India- Chile Preferential Trade Agreement (PTA), marking a 10-fold jump in the number of products to be traded on concessional duty rates. Under the expanded PTA, Chile has offered concessions to India on 1,798 tariff lines with duty cuts that are 30-100% lower than the existing customs duty for various products. Similarly, India has offered concessions to Chile on 1,031 tariff lines with duties 10% - 100% lower than the present import duties.

INDUSTRY WATCH

- **Value of mobiles made in India increases 186%**
- **Singapore Exchange to exit BSE during IPO**
- **India tops global survey for best value flights**
- **August service activity peaks at over three year high of 54.7**
- **Car sales up 9.53%**
- **Castorseed prices up on export demand**

Value of mobiles made in India increases 186%

The overall value of handsets manufactured in India increased by 186% in FY16 to USD 8 billion. Indian Cellular Association (ICA) has projected mobile phone production to grow by 74% and reach USD 14 billion in FY17. Even in volume terms, India witnessed significant improvement. India produced 60 million mobile phones in FY 15 which grew by 83% 110 millions in FY16 which is 50% of the total 220 million mobile phones estimated to have been sold in India last fiscal.

Singapore Exchange to exit BSE during IPO

Singapore Exchange Ltd (SGX) has put up its entire 5% stake up for sale in the upcoming initial public offering (IPO) by BSE Ltd, seeking to make a complete exit from Asia's oldest stock exchange. It may earn a gain of 15.4% on the USD 28 million it invested in 2007. Around 30 million shares, almost 30% of BSE's issued capital, have been tendered by existing shareholders in the offer for sale.

India tops global survey for best value flights

India offers the least expensive domestic flights on both low-cost and legacy airlines categories. India ranked number 1, making it the best value location for international and domestic flights worldwide. The research, took account of over 1 million international and domestic journeys, found that India offered the least expensive flight prices per 100 km of travel, while the United Arab Emirates (UAE) clocked in with the most expensive tickets.

August service activity peaks at over three year high of 54.7

Nikkei India Services Business Activity Index was at its three and a half year high of 54.7 in August compared with 51.9 in July indicating a "solid rebound in the rate of expansion in Indian service sector business activity". Nikkei India Composite PMI Output Index climbed from 52.4 in July to a 42-month high of 54.6 in August, highlighting a stronger improvement in private sector economic activity.

Car sales up 9.53%

Car sales rise 9.53% to 177,829 units as against 162,360 units in August last year. Domestic passenger vehicle sales grew 16.68% to 258,722 units in August from 221,743 units in the same month last year. Motorcycle sales rose by 22.19% to 1,005,666 units as against 823,051 units a year earlier. Total two-wheeler sales in August grew 26.32% to 1,648,883 units compared to 1,305,348 units in the year-ago month.

Castorseed prices up on export demand

Castorseed prices moved up on the back of fresh demand from exporters. With this, tight supplies too supported the price to go up. About 40,000-42,000 bags arrived in Gujarat and price gained by USD 0.22 to USD 11 per 20 kg. RCX spot castor was increased by USD 0.75 to USD 53.4 per 20 kg. Castor oil moved up by USD 0.15 to ₹1510/20 kg.

CORPORATE HIGHLIGHTS

- **Indiabulls Housing raises USD 196 million through masala bonds**
- **Makkajai Edu Tech raises USD 250,000**
- **Ola, Mahindra announce strategic tie-up**
- **Wipro gets 3 year IT deal from Norway's NSB**
- **ZF Group signs up with Telangana for India Technical Centre**

Indiabulls Housing raises USD 196 million through masala bonds

Indiabulls Housing Finance has raised more than USD 196 million through masala bonds, the proceeds of which would be used partly for affordable housing, according to sources. The unrated issuance, which was subscribed over two times, saw strong interest from some 20 leading global funds, including Aberdeen, Alliance Bernstein, BFAM Partners, Blackrock, Bluebay, Jupiter and Tosca

Makkajai Edu Tech raises USD 250,000

Ed-tech start-up Makkajai Edu Tech Pvt. Ltd has raised USD 250,000 from Ananth Narayanan, chief executive of Myntra; Anand Chandrasekaran, former chief product officer of Snapdeal; Mekin Maheshwari, former chief people officer of Flipkart; Ravi Garikipati, head of engineering Flipkart; among others. The deal was conducted through deal-making platform LetsVenture. The company will utilise the funds to expand its team.

Ola, Mahindra announce strategic tie-up

Cab aggregator Ola and auto major Mahindra & Mahindra Ltd announced a strategic tie-up. The alliance will aim to increase the fleet strength of Ola by 40,000 cars over the next two years. The addition to the fleet will primarily be the Verito, earlier called Logan. Ola drivers will be eligible for Mahindra financing, where they would get up to 100% financing on new, as well as, pre-owned vehicles. The services of Mahindra's insurance arm would also be offered to drivers who, under the scheme, would pay lower premiums.

Wipro gets 3 year IT deal from Norway's NSB

Wipro has got a three-year IT contract from NSB Group, one of Norway's largest transportation groups. As part of the agreement, Wipro will implement its datacenter (BLDC) and workspace solutions and utilise its delivery framework to deliver services that will help NSB variablise their IT operations.

ZF Group signs up with Telangana for India Technical Centre

ZF Friedrichshafen AG has signed a Letter of Intent with the Telangana government to set up a new Technical Center in Hyderabad. The new Technology Center will be dedicated to electronics embedded software and mechanical engineering. The center will support ZF's global development teams while enabling the company to accelerate local product development supporting ZF automotive and non-automotive operations and customers in India.