

### MARKET MOVEMENT

Major Indices	February 07, 2020	February 14, 2020	% Change	Change
BSE Sensex	41,141.85	41,257.74	0.28	↑
NSE Nifty	12,098.35	12,113.45	0.12	↑

### INDIAN ECONOMY AT A GLANCE

#### POLICY WATCH

- **DRDO Signs Technology Development Contract**
- **Cabinet approves changes in 'Vivad se Vishwas' Bill**
- **CCI approves formation of JV between M&M and Ford Motor**
- **Haryana Government approves incentives worth USD 174.5 million**
- **Cabinet approves protocol amending the Agreement between India and Sri Lanka**

#### **DRDO Signs Technology Development Contract**

High Energy Materials Research Laboratory (HEMRL), a DRDO (Defence Research Development Organisation) laboratory in Pune has signed technology development contract with Rosoboronexport, Russia for development of Advanced Pyrotechnic Ignition Systems. Technology development will facilitate design and development of state of art solid rocket motors for upcoming products. These products will be based on compact and energy efficient propulsion systems.

#### **Cabinet approves changes in 'Vivad se Vishwas' Bill**

Cabinet has approved changes in the 'Direct Tax Vivad se Vishwas Bill, 2020' to increase its scope to cover litigation pending in various Debt Recovery Tribunals (DRTs). People will take advantage of the scheme to settle the tax disputes before March 31, 2020 as 10% more will be charged for settlement of disputes after the end of the current financial year.

#### **CCI approves formation of JV between M&M and Ford Motor**

Competition Commission of India (CCI) has approved formation of a Joint Venture (JV) between Mahindra & Mahindra (M&M) and Ford Motor Company (FMC) and the transfer of the automotive business (except powertrain business at Sanand) of Ford India Private Limited (FIPL) to the JV. FIPL is indirectly wholly owned subsidiary of FMC.

### **Haryana Government approves incentives worth USD 174.5 million**

Haryana Enterprise Promotion Board (HEPB) has approved incentives of USD 174.5 million to four Mega Projects. USD 4.3 million incentive is approved for Aarti Green Tech Limited to set up steel scrap processing unit in IMT Rohtak, USD 9.2 million for Adani Wilmar Limited for setting up Gohana-Mundalana food processing unit, USD 41.7 million for cement grinding unit in Jhanswa by Wonder Cement Limited and USD 119.3 million for rechargeable Lithium-ion cells and batteries facility at IMT Sohna by Amperex Technology Limited.

### **Cabinet approves protocol amending the Agreement between India and Sri Lanka**

Cabinet has approved the signing and ratification of the Protocol amending the Agreement between India and Sri Lanka for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. It will result in curbing of tax planning strategies which exploit gaps and mismatches in tax rules. Existing Double Taxation Avoidance Agreement (DTAA) was signed in 2013.

## **INDUSTRY WATCH**

- **Organic Food Segment grows at a CAGR of 10% during 2016-20**
- **India Inc's foreign investment rises 40%**
- **India gets USD 463.44 million FDI in food processing in April -September FY20**
- **Power demand rises 3.7% in January**
- **Computer shipments rises in 2019**

### **Organic Food Segment grows at a CAGR of 10% during 2016-20**

Organic food segment has grown at a CAGR of 10% during the period 2016-21. Organic food products are increasing constantly worldwide with India exporting organic products worth USD 515 million in 2017-18 with organic products being exported to USA, European Union, Canada, Switzerland, Australia, Israel, South Korea, Vietnam, New Zealand and Japan etc. Major demand under the category are for oil seeds, cereals & millets, sugar, fruit juice concentrates, tea, spices, pulses, dry fruits, medicinal plant products etc.

### **India Inc's foreign investment rises 40%**

Investments made by Indian firms in foreign countries in January 2020 increased by nearly 40% to USD 2.10 billion against USD 1.47 billion in the same period last year. Out of the total capital, USD 793.82 million invested in the form of equity capital, USD 368.55 million as debt capital, the rest USD 890.75 million through the issuance of guarantee. Major investors were Bharti Airtel Ltd with an investment of USD 247.5 million in its Wholly Owned Subsidiary (WoS) in Mauritius, Serum Institute of

India with USD 226.07 million in a WoS in the Netherlands and Allcargo Logistics USD 88.08 million in a wholly owned unit in Belgium.

### **India gets USD 463.44 million FDI in food processing in April -September FY20**

India has received foreign direct investment (FDI) of USD 463.44 million in the food processing sector in the first half of the current fiscal. Maximum FDI of USD 244.95 million was made in Tamil Nadu and Puducherry, followed by USD 25.08 million in Maharashtra, Dadra and Nagar Haveli and Daman and Diu, while USD 22.99 million in Delhi and part of Uttar Pradesh and Haryana. USD 628.24 million FDI are received in the sector during the full fiscal year 2018-19 and USD 904.90 million during 2017-18.

### **Power demand rises 3.7% in January**

Electricity demand grew 3.7% to 105,289-mw in January 2020 against 101,570-mw in December 2019. Demand was 3.5% higher than 101,713 MW registered in January 2018. Power demand for cumulative period of April-January of current financial year rose 10.7% against same period last fiscal.

### **Computer shipments rises in 2019**

Number of traditional computer shipments increased by more than 18% year-on-year (Y-o-Y) growth to 11 million units during 2019. Last quarter of the year (Q4) registered 16.5% YoY growth with 2.3 million shipments, primarily contributed by the strong growth in the commercial segment. Desktop category recorded 5.7% YoY growth largely driven by the refresh buying from banking and financial institutions.

## **CORPORATE HIGHLIGHTS**

- Adani Transmission sells 25.1% to QIA
- Titan buys HUG Innovations
- Isuzu Motors starts Phase-II operations at Sri City facility
- Zydus Cadila gets USFDA nod to market Mesalamine suppositories
- Cipla acquires 4 nutrition brands from Wanbury

### **Adani Transmission sells 25.1% to QIA**

Qatar Investment Authority (QIA) has completed acquisition of 25.10% stake in Adani Transmission's arm Adani Electricity Mumbai (AEML) with total investment of around USD 450.9 million, including equity consideration of USD 169.5 million and a shareholder subordinated debt of USD 282 million. Adani Electricity Mumbai supplies electricity to the Mumbai license area, after it acquired the business from Reliance Infrastructure.

### **Titan buys HUG Innovations**

**Titan Company Ltd has announced the acquisition of HUG Innovations. Innovation team will help Titan in forming** the Hyderabad Development Centre and support with its expertise in hardware, firmware, software and cloud technology. Titan also gets access to HUG Innovations' consumer platform and Intellectual Property.

### **Isuzu Motors starts Phase-II operations at Sri City facility**

**Isuzu Motors India, Japanese utility vehicle manufacturer, commenced its Phase-II operations of its manufacturing** facility located in Sri City in Andhra Pradesh. Press shop facility and engine assembly plant have been installed at an investment of USD 57.23 million.

### **Zydus Cadila gets USFDA nod to market Mesalamine suppositories**

**Zydus Cadila got the final approval from the US health regulator to market Mesalamine suppositories** of 1000 mg strength. Mesalamine Suppositories is an aminosalicylate anti-inflammatory drug which works by blocking the production of certain natural chemicals that may cause pain and swelling and is used in treatment of ulcerative proctitis, which is a type of bowel disease.

### **Cipla acquires 4 nutrition brands from Wanbury**

**Cipla has acquired a nutrition products portfolio from Wanbury Ltd to strengthen its women's health segment namely CPink, CDense, Productiv and Folinine.** This portfolio consist of supplements such as multivitamins, multimineral and antioxidants for adolescent girls, pregnant and lactating women, women going through menopause and for male and female reproductive health.