

INDIAN FINANCIAL MARKETS BULLETIN

Monetary Policy at a Glance

Policy Rates/Ratios	As on 31 March 2021
Bank Rate	4.25%
Repo Rate	4.00%
Reverse Repo Rate	3.35%
CRR	3.5%
SLR	18%

(Source: RBI)

Indian Equity Markets

Market Indices	As on 31 March 2021
Sensex	INR 49,509.15
Nifty	INR 14,690.70

(Source: BSE, NSE)

Indian Debt Markets

Govt. Securities Market	As on 31 March 2021
91 day T-Bills	3.35%
182 day T-Bills	3.59%
364 day T-Bills	3.73%
5.09% GS 2022	4.03%
3.96% GS 2022	4.20%
5.22% GS 2025	5.49%
5.15% GS 2025	5.57%
5.77% GS 2030	6.20%
5.85% GS 2030	6.03%

(Source: RBI)

PROJECTIONS - RESERVE BANK AND PROFESSIONAL FORECASTERS

	(Per cent)	
	2020-21	2021-22
Reserve Bank's Baseline Projections		
Inflation Q4 (y-o-y)	5.0	5.1
Real GDP growth	-8.0	10.5
Median Projections of Professional Forecasters		
Inflation Q4 (y-o-y)	4.9	5.0
Real GDP growth	-7.5	11
Repo Rate	4.00	4.00
Yield on 91-days treasury bills (end-period)	3.3	3.9
Yield on 10-year central government securities (end-period)	6.2	6.5
Merchandise Exports Growth	-10.3	15.0
Merchandise Imports Growth	-19.0	24.1
Current account balance (per cent of GDP)	1.0	-0.8
Overall balance of payments (US\$ billion)	97.2	50.6

(Source: RBI)

GOVT. NOTIFIES PLI SCHEME FOR AIR CONDITIONERS, LED LIGHTS TO BOOST LOCAL MANUFACTURING

The Department for Promotion of Industry and Internal Trade (DPIIT) has notified the Production Linked Incentive (PLI) worth Rs 6,238 crore (about \$810 million) for air conditioners and LED lights, would certainly give a big boost to local manufacturing. The various PLI schemes are being seen as the mega policy plan of the government to make India a global manufacturing hub. The government has so far cleared nine PLI schemes for different sectors. Both local and foreign players have shown keen interest in the scheme. Overall, an outlay of Rs 1.97 lakh crore (about \$ 26.8 billion) has been lined up for 13 key sectors. All the schemes together are projected to boost India's output by over US\$ 500 billion in the next five years.

 For more information, please visit our website www.indembkwt.gov.in

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Indian Financial Markets Bulletin is a compilation of news items from various media sources.

The purpose is to promote in Kuwait various positive news about India that have appeared in media during the month.

335BAZAAR AND CHARGEGRID RAISE FUNDING

335bazaar, a platform that combines online and offline shopping experience, has raised its seed round of funding from US-based venture fund Village Global. Venture Global is backed by the world's top billionaires Bill Gates, Mark Zuckerberg, Jeff Bezos and Reid Hoffman, amongst others. The platform offers live deals, group shopping, and entertainment. 335bazaar converts unorganized lifestyle stores into 335bazaar experience centres.

COINSWITCH KUBER RAISES FUNDING FROM TIGER GLOBAL AT ABOUT \$500 MN VALUATION

CoinSwitch Kuber raised \$25 million (Rs 181 crore) from venture investor Tiger Global Management at a valuation of over half a billion, making it India's largest funded crypto platform. It would use the capital raised to increase hiring, boost its product and security capabilities and create awareness for digital currencies in India. India is the second biggest Bitcoin market in Asia after China, and the sixth largest globally after the US, Nigeria, China, Canada and the United Kingdom. The investment would mark the New York-based investing powerhouse Tiger Global's first investment in an Indian crypto-currency company.

SMART JOULES RAISES ABOUT \$5 MN FROM RAINTREE FAMILY OFFICE

Energy efficiency company Smart Joules raised \$4.9 million (Rs 36 crore) in a Series A funding round from Raintree Family Office and others. Smart Joules, which works on eliminating energy waste, will use the capital to strengthen its energy management team, enhance its digital technology platform and widen its presence across hospitals. The funding saw participation from Raintree Family Office, Asian Development Bank's venture arm, early-stage venture fund Sangam Ventures, and capital advisory firm cKinetics Accelerator.

WORLD BANK'S IFC TO MAKE DEBT INVESTMENT OF \$150 MN IN BAJAJ FINANCE

World Bank's International Finance Corporation (IFC) will make a debt investment of \$150 million (about Rs 1,132 crore) in non-bank lender Bajaj Finance Limited. The five-year loan is essentially to support micro, small and medium enterprise (MSME) loans. IFC is an active debt and equity finance provider in financial services and other industries in India.

FRENCH AGENCY PROPARCO MAKES A LOAN FOR INDUSIND BANK'S MICROFINANCE DIVISION

French development agency Proparco made a \$75 million (about Rs 560 crore) loan to mid-sized private-sector lender IndusInd Bank for its microfinance division. The bank will develop its microfinance project portfolio across states including Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. IndusInd Bank's microfinance division mainly works in the livestock and small trade sectors offering loans to small groups of borrowers, mostly women. It is estimated that Proparco's loan should provide some 250,000 women with access to microcredit.

TCS WINS CONTRACT FROM ERICSSON TO BUILD CLOUD-BASED R&D WORKPLACE

TCS (Tata Consultancy Services) has won a contract from Sweden's Ericsson SA to help the networking and telecommunications company build and operate its cloud-based R&D digital workplace. TCS will leverage its strong contextual knowledge of Ericsson's R&D and IT environments, coupled with expertise in automation and cloud technologies, to support globally distributed teams with on-demand, zero-touch and remote provisioning. TCS is launching a 24 x 7 Command Center at Hyderabad, India to accelerate Ericsson's R&D and product development environment

AMAZON FLOATS \$250 MN VENTURE FUND FOCUSED ON INDIA

Amazon launched its India-focused venture fund of \$250 million (Rs 1,877 crore). Amazon Smbhav Venture Fund will invest in startups focused on agriculture, healthcare and digitizing SM. In agriculture, the fund will seek to invest in startups using technology to bring the best produce to consumers, and making agri-inputs more accessible to farmers. Within this space, it will look to bet on startups that offer tailored agronomy solutions to farmers to improve productivity, distribute credit and insurance to growers and reduce food waste by building efficient farm-to-fork supply chains. In the healthcare space, the fund will focus on startups that are using technology for doctor assistance, telemedicine, e-diagnosis, and AI-powered treatment recommendations for digitizing operations of health care provider.

FACEBOOK SIGNS FIRST DEAL TO BUY RENEWABLE ENERGY IN INDIA

Facebook has signed a deal to buy renewable energy in India from a local firm's wind power project, the social media giant's first such deal in the South Asian nation. The 32 megawatt wind power project, located in southern Karnataka state, is part of a larger portfolio of wind and solar projects that Facebook and Mumbai-based CleanMax are working together on for supplying renewable power into India's electrical grid. CleanMax will own and operate the projects, while Facebook will buy the power off the grid using environmental attribute certificates, or carbon credits. Tech companies like Amazon, Alphabet Inc and Microsoft have pledged to operate carbon-free and achieve net-zero emissions, as demand for data and digital services is expected to see a sustained rise.

TAIWAN'S GOGORO TO ENTER INDIA SCOOTER MARKET WITH HERO TIE-UP

Taiwanese electric scooter maker Gogoro has partnered with India's Hero MotoCorp to offer its battery-sharing infrastructure in the world's largest motorcycle market. Gogoro, which sells motorcycles in Taiwan and known for its battery distribution network for riders, will build battery swapping platforms in India's scooter market in a joint venture with Hero, the world's largest producer of two-wheelers. The two companies will also launch Hero-branded two-wheelers powered by Gogoro's battery sharing infrastructure, which would be available in multiple cities in India.

TECH MAHINDRA BUYS CALIFORNIA-BASED DIGITALONUS FOR \$120 MN

Tech Mahindra acquired California-based DigitalOnUs in an all-cash deal for \$120 million (Rs 897 crore) as it looks to boost its hybrid-cloud offerings for enterprise customers globally. The deal will strengthen its cloud native development and scale up near shore delivery from Mexico and Canada, which could be used to execute digital transformation programmes. Tech Mahindra, which provides services in fields ranging from data analytics to cyber security to artificial intelligence, has been extensively focusing on expanding its digital platform as more companies turn to virtual in the pandemic. The deal will further enhance its hybrid-cloud digital transformation, providing end-to-end transformation, enterprise DevOps and cloud native development technologies

FOCUS STATE – MAHARASHTRA

ABOUT MAHARASHTRA

Maharashtra is the third largest state in India, occupying approximately 9.4% of the country's total geographical area. Mumbai, the state's capital is known as the financial capital of India and houses the headquarters of major corporate and financial institutions



(Source: INVESTINDIA)

INFRASTRUCTURE AT A GLANCE



RAILWAYS

- 9.3% of total railway network in the country
- 2 Major Railway zones



AIRPORTS

- 3 International, 7 Domestic, 20 Airstrips
- Mumbai airport: One of the busiest airports in India



ROADS

- 99.2% of the villages are connected
- 18 national highways: Connects the 6 neighbor states & other regions



ELECTRICITY

- Developed power supply grid; Installed capacity of 38,355.48 Mw
- Total generation; 88.14 bn Kwh; Total consumption; 100 bn kwh



INDUSTRIES

- Diverse industrial base; 9 SEZs and 136 PPP projects
- 18,500 projects worth USD 165 bn approved from 1991 – 2013



PORTS

- 2 Major ports, 53 Minor ports
- 21.76% of the total cargo transport in India (InPT & MbPT ports)

(Source: MIDCINDIA)

ADVANTAGE MAHARASHTRA

Maharashtra has ranked # 1 in Export Preparedness Index.

Maharashtra accounts for more than 20% of India's software exports.

Maharashtra is a leading producer of pulses, sugarcane, banana and cashew nut in India.

Maharashtra with a strong presence of established manufacturers and a network of established suppliers and vendors, accounts for about 35% of the country's output of automobiles by value.

Maharashtra occupies a significant share of 30.5% of the industrial output of India's Electronic System Design and Manufacturing (ESDM) Sector.

Maharashtra has one of the highest number of pharmaceutical manufacturing units in India and contributes 20% to the country's total pharmaceutical output.

Maharashtra is the 2nd most populous state and 3rd largest state by area in India



FAVOURABLE DEMOGRAPHICS

112 Million Population
Equivalent to 12th most populous country

52 Million (46%) Population < 24 years of age

22 million students
6245 Colleges and 133,406 schools



BOOMING ECONOMY

USD 384 billion
India's Largest Economy

15% of India's GDP
Country's Highest contributor

31.4 % of India's FDI
\$30 Billion Inflow in the State



SEAMLESS CONNECTIVITY

10% of India's Geographical Area- 308k sq. kms

1.3x the size of the United Kingdom with 1.7x the population

Largest Air, Rail and Road network in India



GROWING DIGITIZATION

91 million Mobile Phone users and 32 Million internet subscribers

MahaNet program to connect 28000 villages with optic fiber cables by 2019

Mumbai - India's 1st Wi-Fi enabled city
Country's largest Public Wi-Fi Service

(Source: MAITRI)

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