

MARKETS: Government's achievements and their impact on markets 18th May, 2016

Current government has completed two years and we are mentioning below the data about their achievements in this duration –

1. Highest ever power generation capacity addition of 29168 MW, much higher than average annual addition of 19 GW
2. Highest ever increase in transmission lines – 37821 kms
3. Power deficit reduced to 2.4%, the lowest ever, due to capacity expansion
4. Dispatch from Coal India grew 9.9% during Apr-Oct 15
5. Rs 4.63/unit, the lowest ever solar tariff
6. Government awarded roads contracts worth Rs 1.12 lakh crore
7. Road construction has accelerated to an all time high of 20km/day
8. Infra projects worth Rs 2.5 lakh crore have been awarded, 1.21 lakh crores of energy projects, 1.12 lakh crores of roads, and 0.2 lakh crore of water and social projects
9. Coal India achieved record production of 536MT last year and it allowed it to augment sales via the lucrative e-auction which boosted sales by Rs 2500 crores
10. India saved Rs 28000 crores last year due to cut in coal imports
11. All thermal power plants have enough coal stocks of 26-27 days compared to acute shortage two years ago
12. 3728 miles of roads built in 2015-16, up 36% from last year, only 892 miles were built in 2013-14
13. 10,000 km roads construction work awarded in 2015-16
14. India as per The Financial Times has emerged as the biggest grosser of FDI in 2015. "A ranking of the top destinations for greenfield investment (measured by estimated capital expenditure) in the first half of 2015 shows India at number one, having attracted roughly \$3 billion more than China and \$4 billion more than the US," the FT report said. For context, India was ranked #15 in 2013, #9 in 2014 and #1 in 2015.
15. Real estate bill passed, a great benefit for the sector in long run
16. Bankruptcy bill passed, a long time need of industry

The data shows that the government output is reasonably above average and growth oriented. It also lends credibility that plans of government can be expected to materialize. These achievements have direct impact on GDP, and in turn, a growing GDP will be reflected in the growing markets.

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