

Finance Minister Arun Jaitley presented the Union Budget 2018-19

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India Economic News

Department of Space receives USD 1.7 bn for R&D

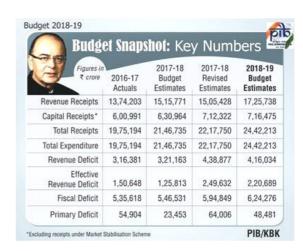
The Government has allocated USD 1.7 billion for the Department of Space for the financial year 2018-19, against USD 1.4 billion in the Revised Estimates for 2017-18.



The allocation includes about USD 1.38 billion for various space-related projects of the department, and also the targets to be achieved in the next fiscal year. Isro is looking to form partnerships with private companies and the growing revenue of Antrix, the commercial arm of the government space agency.

To get accurate information on optimum management of natural resources, natural disasters, agricultural planning, infrastructure planning and provide basic services in rural areas, the Government wants ISRO to send nine Earth Observation (EO)/ communications payloads. Funds have also been set aside for space science missions and interplanetary expeditions as launching of communications satellites. This will support existing services to telecommunications, television broadcasting, disaster communications, tele-education and tele-health services.

Union Budget 2018-19



Finance Minister Arun Jaitley presented the Union Budget 2018 on February 01, 2018. The budget contained a number of significant announcements.

- ◆ The Budget is guided by mission to strengthen agriculture, rural development, health, education, employment, MSME and infrastructure sectors
- ◆ Government says, a series of structural reforms will propel India among the fastest growing economies of the world. Country firmly on course to achieve over 8 % growth as manufacturing, services and exports back on good growth path.
- ♦ MSP for all unannounced kharif crops will be one and half times of their production cost like majority of rabi crops.
- ◆ 22,000 rural haats to be developed and upgraded into Gramin Agricultural Markets to protect the interests of 86% small and marginal farmers.
- ◆ "Operation Greens" launched to address price fluctuations in potato, tomato and onion for benefit of farmers and consumers.
- ◆ Two New Funds of Rs10,000 crore announced for Fisheries and Animal

Husbandary sectors; Re-structured National Bamboo Mission gets Rs.1290 crore.

- ♦ Higher targets for Ujjwala, Saubhagya and Swachh Mission to cater to lower and middle class in providing free LPG connections, electricity and toilets.
- ♦ World's largest government funded health care programme titled National Health Protection Scheme to cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization.
- ◆ Rs 1200 crore for the National Health Policy, 2017, which with 1.5 lakh Health and Wellness Centres will bring health care system closer to the homes of people.
- ◆ Fiscal Deficit pegged at 3.5 %, projected at 3.3 % for 2018-19.
- ◆ Rs. 5.97 lakh crore allocation for infrastructure
- ◆ Ten prominent sites to be developed as Iconic tourist destinations
- ◆ Centres of excellence to be set up on robotics, AI, Internet of things etc
- ◆ Disinvestment crossed target of Rs 72,500 crore to reach Rs 1,00,000 crore
- ♦ More concessions for International Financial Services Centre (IFSC), to promote trade in stock exchanges located in IFSC.
- ◆ To control cash economy, payments exceeding Rs. 10,000 in cash made by trusts and institutions to be disallowed and would be subject to tax.
- ◆ Proposal to increase cess on personal income tax and corporation tax to 4% from present 3%.
- ◆ Proposal to roll out E-assessment across the country to almost eliminate person to person contact leading to greater efficiency and transparency in direct tax collection.
- ◆ Proposed changes in customs duty to promote creation of more jobs in the country and also to incentivise domestic value addition and Make in India in sectors such as food processing, electronics, auto components, footwear and furniture.
- ◆ Disinvestment crossed target of Rs 72,500 crore to reach Rs 1,00,000 crore. Disinvestment target for 2018-19 has been set at Rs.80,000 crore.

- ◆ Three Public Sector Insurance companies- National Insurance Co. Ltd., United India Assurance Co. Ltd., and Oriental India insurance Co. Ltd., will be merged into a single insurance entity.
- ◆ Comprehensive Gold Policy on the anvil to develop yellow metal as an asset class

NCAER pegs India's 2018-19 economic growth at 7.5%

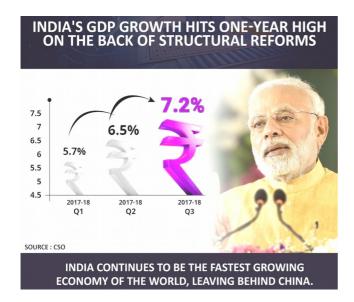
The Indian economy is projected to grow at 7.5% in 2018-19, stated economic think-tank NCAER.



In a statement, the National Council of Applied Economic Research (NCAER) also said that in 2017-18, the real agriculture Gross Value Added (GVA) is envisaged to grow at 1.0%, real industry GVA at 5.2% and real services GVA at 8.0%. It further said the wholesale price index (WPI) inflation is projected at 6.4% for 2017-18. The growth rates in exports and imports, in Dollar terms, are estimated at 12.8% and 24.8%. The statement said current account balance and central fiscal deficit, as percentages of GDP, are projected at 2.0% and 3.5% for 2017-18.

India regains status of fastestgrowing economy, GDP grows 7.2% in Oct-Dec 2017

Economic growth recovered to a fivequarter high of 7.2% during October-December, backed by strong manufacturing and investment activity as the disruption caused by the goods and services tax (GST) bottomed out. The robust third-quarter performance led to a marginal upward revision in the second advance estimate for 2017-18 to 6.6% from 6.5% in the first estimate.



India overtook China's 6.8% growth in October-December after a three-quarter gap, regaining its status as the world's fastest-growing major economy.

Govt working on raising share of exports in GDP to 20%

The government will come out with a strategy document on increasing the share of exports to 20% of the GDP, stated Commerce Minister Suresh Prabhu. According to Federation of Indian Export Organisation (FIEO), the current share of exports in GDP is 18 to 19 %. Indian economy is now USD 2.5 trillion - seventh largest in the world. India is expected to become the fifth largest economy very soon. Cumulatively, exports during the April-December period of 2017-18 grew by 12.05 % to USD 223.512 billion.



Total exports value was recorded at USD 274.64 billion in 2016-17, up from USD 262.29 billion in the preceding year.

Five Nordic countries pitch for FTA with India

The five Nordic countries of Denmark, Norway, Finland, Iceland and Sweden pitched for a Free Trade Agreement (FTA) with India to increase business among themselves.



Ambassadors of the Nordic countries based in New Delhi were in the city to deliberate on issues relating to trade and cultural ties with India. Bilateral trade volume between India and the five Nordic countries was USD 4.3 billion, of which USD 2.2 billion was exports to India and the rest imports, according to latest data.

India's defence budget breaks into world's top 5

India's defence budget broke into the world's top five, beating the UK for the first time, according to a new report by a London-based global think-tank.

	I HE M	IGHT IEST	MILITARIES
	Rank	Country	Defence budget (\$)
	1	USA	602.8 billion
1	2	China	150.5 billion
		Saudi Arabia	76.7 billion
	4	Russia	61.2 billion
TI.		India	52.5 billion

India overtook the UK as the fifth-largest defence spender in the world in 2017 at USD 52.5 billion, up from USD 51.1 billion in 2016,

according to the 'Military Balance 2018' report by the International Institute for Strategic Studies (IISS). In contrast, the UK's defence budget fell from USD 52.5 billion in 2016 to USD 50.7 billion last year.

The report notes that while India continues to modernize its military capabilities, China with the world's second- largest defence budget after the US remains far ahead with three times India's defence budget at USD 150.5 billion. Saudi Arabia, with a defence spending of USD 76.7 billion, came in third to complete the world's top five the US, China, Saudi Arabia, Russia and India.

The report takes note of the Indian government's 'Make in India' policy, which aims to strengthen the defence-industrial base through measures such as "reforming the cap on foreign direct investment" (FDI) and that the country is one of the top troop contributors to UN peacekeeping operations.

India's edible oil market crossed Rs 1.3 trillion (USD 20 billion) mark in 2017

Health-conscious Indians are driving the sale of branded edible oil. According to data from market research firm Euromonitor International, the edible oil category, which had overtaken dairy to become the largest packaged food segment a few years ago, grew 25.6 % to cross the Rs 1.3 trillion mark in 2017. This is the first time any packaged food category has crossed the Rs 1.3 trillion mark. Dairy was the second largest with Rs 1.2 trillion (USD 18.5 billion) 16.5% higher than 2016.



The packaged food market, including rice, pasta and noodles, stood at around USD 5.8 billion last year, growing 23.6% year on year. In fact, edible oil formed over 30% of the Rs 4.34 trillion (USD 67.8 billion) packaged foods market in India, compared to the 8.8% share held by rice, pasta and noodles.

Increasing awareness for safe products, the food law administration restricting loose product sale and the crackdown by the government on unfair trade practices aided this growth. The rice, pasta and noodles category will grow faster than others till 2022 with a 12% cumulative average growth rate, followed by breakfast cereals (10.6 %). Edible oil, though, is expected to maintain a healthy rate of 9 %.

India's IT exports could grow 7- 9% in 2018-19



The National Association of Software and Services (NASSCOM), the industry body of the Indian IT and business process management (BPM) sector, stated that the country's IT exports could grow between 7 and 9% in 2018-19.

NASSCOM was able to identify some encouraging trends such as acceleration in revenues from digitisation, which is growing at the rate of 30%. Domestic revenues are growing in double digits and this expected to continue in the next financial year, according to the industry body. Engineering, R&D, and the BPM business are growing at 13 % and 8 %.

Number of people getting connected internet in India to double

The number of people getting connected to internet in India through smartphones is all set to double to 600-650 million by 2020, making it a challenge of opportunities to come up with technological solutions to meet the scenario, stated a top Google India official.



More than 300 million of people connect to the internet through their smart phones and it will become 600-650 million by the year 2020, and thus half of India will be connected.

India's renewable energy projects at all-time high



Renewable energy projects of close to 6,650 megawatt will be tendered in February, taking the total for 2017-18 past 10,000 mw—a record in a financial year. Of these, wind power projects account for 2,500 mw and solar power 4,150 mw. These include state-level projects in Uttar Pradesh (1,000 mw), Karnataka (200 mw), Maharashtra (1,500 mw), and Andhra Pradesh (750 mw).

Wind power projects totalling a generation capacity of 2,000 mw will be farmed out by Solar Energy Corporation of India (SECI), a state-run company under the aegis of the Union Ministry of New and Renewable Energy (MNRE).

Maharashtra accounts for the remaining 500 MW.

Under the Paris Climate Change accord, India has committed itself to building renewable energy projects with a combined capacity of 175 gigawatt (GW) by 2022. Of the 175 GW, 60 GW is solar and 40 GW wind.

India's forest and tree cover rises 1% since 2015



India's forest and tree cover has increased by 8,021 sq. km, up 1% since 2015, to 802,088 sq. km, which is about 24.39% of the total geographical area (GA) of the country, revealed the Union environment ministry.

Of the total increase of 8,021 sq. km in forest and tree cover, forest cover grew by 6,778 sq. km and tree cover by 1,243 sq. km. As per the India State of Forest Report (ISFR) 2017, India's total forest cover is 708,273 sq. km (about 21.54% of India's total GA) and tree cover is 93,815 sq. km (about 2.85% of the total GA).

The increase is good news for India which has a target of having 33% of its GA under forest cover. The report said that 15 states and Union territories have more than 33% of their GA under forest cover.

The top five states where maximum forest cover increased are Andhra Pradesh (2,141 sq. km), Karnataka (1,101 sq. km), Kerala (1,043 sq. km), Odisha (885 sq. km) and Telangana (565 sq. km). As per the latest FAO report, India is 8th in the list of top 10 nations reporting the greatest annual net gain in forest area.

Mumbai 12th richest city globally; total wealth at USD 950 billion



India's financial capital Mumbai, with a total wealth of USD 950 billion, has been named among the top 15 wealthiest cities globally, while New York topped the list, says a report.

According to a report by New World Wealth, the economic hub of India is the 12th wealthiest city, followed by Toronto with a total wealth of USD 944 billion, Frankfurt (14th, USD 912 billion) and Paris (15th, USD 860 billion).

Total wealth, refers to the private wealth held by all the individuals living in each city. It includes all their assets (property, cash, equities, business interests) less any liabilities. Government funds are excluded from the figures.

Mumbai is the economic hub of India. It is also home to the Bombay Stock Exchange (BSE), the 12th largest stock exchange in the world. Major industries in the city include financial services, real estate and media".

The list of 15 wealthiest cities was topped by New York with a total wealth of USD 3 trillion. London ranked second in the list with USD 2.7 trillion, followed by Tokyo (USD 2.5 trillion), and San Francisco Bay area (USD 2.3 trillion). Others in the list include Beijing (USD 2.2 trillion), Shanghai (USD 2 trillion), Los Angeles (USD 1.4 trillion), Hong Kong (USD 1.3 trillion), Sydney (USD 1 trillion), Singapore (USD 1 trillion) and Chicago (USD 988 billion).

Government of India Tenders:

The Government of India Tender Information System http://tenders.gov.in/

Central Public Procurement Portal https://eprocure.gov.in/eprocure/app

More details on Tenders in India are available at the following Embassy link: www.eoibelgrade.gov.in/pages.php?id=59

Bilateral Events:

Ambassador meets representatives of the Ministry of Agriculture. On 21 February Mr Igor Grabez, Advisor to the Minister of Agricyulture and Mr. Marko Majstorovic Advisor in the Serbian Ministry of Agriculture called on H.E. Indian Ambassador Mrs Narinder Chauhan to discuss possibilities of bilateral cooperation in the field of agriculture and foodprocessing industries. Mr Grabez also discussed the plans of the Serbian Agriculture Ministry to visit the 4th India-Europe 29 Business Forum held in March 2018 in New Delhi.



Visit to the BioSence Institute in Novi

Sad. On 11th February, H.E. Mrs Narinder Chauhan, Ambassador visited the the Research and Development Institute for Information Technologies in Biosystems, also known as the BioSense Institute Novi Sad with the aim to discuss possible coperation in the field of multidisciplinary research, and nanoelectronics. communications, signal processing, remote sensing, big data, robotics and biosystems, with a common goal to support the development of sustainable agriculture. Ambassador was presented with the large number of international research projectsthe BioSense Institute participates in and presented opportunities for cooperation with similar R&D institution in India.



Great potential for cooperation in IT and gaming industries. H.E. Mrs Narinder Chauhan, Ambassador met Mr Nikola Cavic Head of Business Development and Partnerships at Serbian Nordeus mobile gaming comany on 1 February 2018 with the aim of exploring the scope for cooperation in the field of IT software design and mobile gaming applications.



<u>Trade & commercial visits to India:</u>

Mr. Nenad Petronijevic, Manager, Agrogas doo visited India to discuss and improve business cooperation with Shilpi International, New Delhi. Shilpi International specializes in the export of tractor spare parts which including Engine parts, Transmission, Steering, Hydraulics, Brakes, Clutch, Linkage, Electrical parts etc.

Mr. Mladen Tosic of UTI doo visited Panacea Biotech for business discussions.

Mr. Stevan Vulicevic and Milovan Vulicevic from the Serbian company Sumadija Granit visited India to discuss cooperation in the field of natural stones with Chennai based Dakshin Exports.

Representatives of Jugoimport SDPR visited India to discuss the ongoing cooperation in the field of defense with Bharat Forge Limited, Pune and Paramahansa Technologies Limited, New Delhi.

Ms. Mirjana Panin, Director of SPM, Marketing & Communications, Opportunity Bank visited India to attend a Conference "Customer Centricity: Enabling Financial Choices and Positive Outcomes for Low income Customers" organized on Feb 19-22 2018 in Mahabalipuram.

Mr. Luka Erceg, Manager of Belgrade based TP Accesorries visited India in February 2018 to discuss cooperation with TAFE India.

Major Aleksandar Stevanovic, Ministry of Defence of Serbia visited India to participate in UNMCOC-17 (United Nations Military Contingent Offices Course) in the Centre for UN Peace Keeping Operations New Delhi from 12 February to 02 March, 2018.

Mr. Goran Markovic and Mr. Luka Pavlovic are participating in ITF F1, F2, F3 and F4 Tournaments in Bhubaneswar, Kolkata, Chandigarh and Trivandrum from 26 February to 24 March 2018.

Other business entities that visited India in December include NPT Art Com, Teja doo, ZP Consulting, TR Urbaqn Wear, Drum Risk Limited, Danieli, World Class Tennis Ltd, etc.

Serbia abolishes visas for Indian nationals holding ordinary passport:

The Government of the Republic of Serbia abolished visas for Indian nationals vide official notification No. 3059 published in the Official Gazette of the Republic of Serbia on 25th August 2017.



As per the Gazette Notification, from 02 September 2017, Indian nationals holding ordinary passport are allowed to enter, transit and stay in the territory of the Republic of Serbia for a duration up to thirty (30) days from the date of entry within a period of one year.

e-Visa to Serbian nationals: The online e-Visa is an electronic authorization that allows citizens of Serbia to travel to and

within India. Electronic Visa was extended to Serbia in February 2016 for tourism purpose. However, w.e.f. 01 April 2017 the scope has been expanded and now e-Visa allows its holder to visit India for tourism, business and medical purposes. Applicants may apply online minimum 4 days in advance of the date of arrival with a window of 120 days. The validity of e-Visa will be 60 days from the date of arrival in India. e-Visa is non-extendable with double entry on e-Tourist Visa and e-Business Visa. Triple entry will be permitted on e-Medical Visa which can be extended up to 6 months by the Foreigners Regional Registration Officer (FRRO)/Foreigners Registration Officer (FRO) concerned on the merits of each case.

Use of e-Visa facility by Serbian nationals is on the rise and nearly 1200 Serbian nationals utilized the facility during the period January to December 2017.

e-Visa is valid for entry through 24 designated Airports (i.e. Ahmedabad, Amritsar, Bagdogra, Bengaluru, Calicut, Chennai, Chandigarh,Cochin, Coimbatore, Delhi, Gaya, Goa, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Mangalore, Mumbai, Nagpur, Pune, Tiruchirapalli, Trivandrum & Varanasi) and 3 designated seaports (i.e. Cochin, Goa, Mangalore). However, the foreigner can take exit from any of the authorized Immigration Check Posts (ICPs) in India.

The facility of e-Visa is valid only for a maximum of two visits in a calendar year and is in addition to the existing Visa services provided by the Indian Embassy.

Eligibility criteria:

- Passport should be valid for at least six months from the date of arrival in India.
 The passport should have at least two blank pages for stamping by the Immigration Officer.
- Applicant should have return ticket or onward journey ticket, with sufficient money to spend during his/her stay in India.
- Not available to individuals endorsed on Parent's/Spouse's Passport i.e. each

individual should have a separate passport.

Serbian nationals who hold Diplomatic/Official passports will continue to enjoy visa free entry into India. Not available to International Travel Document Holders.

Applicants may visit the official e-Visa website

https://indianvisaonline.gov.in/evisa/tvoa.ht ml or call Indian Embassy, Belgrade at telephone number 00381-11-2667990 or email: infobg@eunet.rs for further guidance.

Forthcoming Events

Defexpo. Ministry of Defence, Government of India is hosting the 10th International Land, Naval, Internal Homeland Security and Defence System Exposition "DEFEXPO INDIA 2018" at Chennai, India from 11-14 April 2018. DefExpo India has become one of the largest events of its kind in the world for the last 10 years. The 9th edition of Defexpo India, held in March 2016, recorded an unprecedented growth in foreign as well as domestic companies participation over its previous editions. An impressive 232 foreign companies from 32 countries participated in the show along with 15 country pavilions. The main theme of this DefExpo 2018 is to showcase India as a major hub of defence production in the world. DefExpo 2018 is the biggest ever opportunity to show capabilities and integrate with the global supply chain of defence manufacturing. More details may be accessed at https://defexpoindia.in.

iPHEX 2018. The Pharmaceutical Export Promotion Council of India (PHARMEXCIL), set up by the Indian Ministry of Commerce & Industry, is organizing the International Exhibition for Pharma and Healthcare - iPHEX 2018 from 8-10 May 2018 in New Delhi. iPHEX 2018 is a leading pharma sector exhibition which brings together global drugs, pharmaceutical and healthcare industry representatives – all

under one roof with the aim of showcasing Indian pharmaceutical products technologies. IPHEX 2018 will include API's and Intermediates, formulations, custom manufacturing, Bio-similars, Ayush, nutraceuticals, surgical & diagnostics, healthcare services, medical tourism and more. PHARMEXCIL is providing select delegates with to and fro economy class airfare and hospitality. accommodation Prospective business

Delegates are requested to apply by registering online http://iphex-india.com (Overseas Delegates). For further information interested parties may also contact PHARMEXCIL at tel:+91 11 45062550 or email iphex2018@iphex-india.com.

4th Indian Global Exhibition on Services

(GES). The Department of Commerce, Government of India in association with Services Export Promotion Council (SEPC) Confederation of Indian Industries (CII) is organizing the 4th edition of Global Exhibition on Services (GES) from 15-18 May 2018 in Mumbai, India. GES-2018 would showcase over 20 service sectors and shall have participation from about 100 countries and will host 30 knowledge sessions and B2B & B2G meetings. It will feature like Energy Services, Information Technology & Telecom, Tourism & Hospitality, Media and Entertainment, Healthcare & Wellness, Transport & Logistics, Environmental Services, Facility Management, Exhibition & Event Services, Professional Services, Retail & E-Commerce, Education, Banking & Financial Services, IPR Services, Railways Services, next Gen Cities, Sports, Start Ups/SMEs, Printing & Publishing, etc.

For further information, interested entities may contact Ms Mamta Sharma, Confederation of Indian Industry (CII) at mamta.sharma@cii.in or visit the website http://www.gesindia.in.

India Chem 2018: The Department of Chemicals and Petrochemicals, Government of India in association with Federation of Indian Chambers of Commerce and Industry (FICCI) is organizing the 10th edition of India Chem from 4-6 October 2018 in Mumbai. IndiaChem is one of the

largest composite events of Chemicals and Petrochemicals industry of the Asia-Pacific region. The event comprises of an international exhibition and a conference of representatives of participating global giants from various associated fields. India Chem 2018 will provide a platform for investors and other stakeholders to interact and forge alliance. It will enable manufacturers to show-case their products and technologies and contract business.

For further information interested companies may contact Mr Manoj Mehta, Joint Director, FICCI at tel+91-9891098772, email manoj.mehta@ficci.com or visit website http://www.indiachem.in.

Trade Fairs in India

Chemicals & Plastic Expo (CAP INDIA) 22-24 March 2018, Mumbai http://www.capindiaexpo.in/

Defexpo India

11-14 April, Chennai http://defexpoindia.in

Home Expo India

16-18 April 2018, Greater Noida http://www.epch.in/homeexpo/

The Great Indian Travel Bazaar'18

22-24 April 2018, Jaipur http://www.ficci-gitb.com/

India Telecom 2018

27-28 April, New Delhi http://indiatelecom.org/

Asia Rubber Expo (ARE)

4-6 May 2018, New Delhi http://asiarubberexpo.com/

iPHEX 2018.

08-10 May 2018, New Delhi http://iphex-india.com

4th Global Exhibition on Services (GES) 15-18 May 2018, Mumbai www.gesdelhi.in 45th India International Knit Fair

16-18 May 2018, Tripur http://indiaknitfair.com

Annapoorna World of Food

27-29 September 2018, Mumbai www.worldoffoodindia.com

India Mobile Congress

25-27 October 2018, New Delhi http://indiamobilecongress.com

India International Trade Fair 2018

14-27 November 2018, New Delhi http://www.indiatradefair.com/

AAHAR - International Food & Hospitality Fair

March 2019, New Delhi indiatradefair.com/aahardelhi/

Federation of Indian Chambers of Commerce & Industry www.ficci.com

Associated Chambers of Commerce & Industry of India www.assocham.org

The Federation of Indian Export Organizations www.fieo.org

The Indian Chamber of Commerce www.indianchamber.org

PHD Chambers of Commerce & Industry www.phdcci.in

National Institution for Transforming India (Niti Ayog) http://niti.gov.in/

Useful Links

The National Portal of India http://india.gov.in

Ministry of External Affairs http://mea.gov.in/

Invest India www.investindia.gov.in

India In Business http://indiainbusiness.nic.in Incredible India www.incredibleindia.org

India Brand Equity Foundation www.ibef.org

ITPO www.indiatradefair.com

EXIM Bank http://eximbankindia.com

The Confederation of Indian Industry www.cii.in