

15 March 2014

BILATERAL

Visit by CAPEXIL led Business Delegation to Singapore



CAPEXIL is India's premier international trade facilitation & Export Promotion Council under the aegis of Ministry of Commerce. It led a business delegation of Indian companies related to the rubber industry and its manufactured products to Singapore from 8 – 11 March, 2014. The delegation of 13 Indian companies was led by Mr. MF Vohra, Chairman of CAPEXIL and Mr. VR Chitalia, Director of CAPEXIL. The other Indian companies who were a part of the CAPEXIL delegation were: -

- National Exports Corporation
- Auto Steel & Rubber Industries
- Industrial Rubber Moulders
- TJP Rubber Industries
- Vajra Rubber Products
- Maruti Auto Spares Parts
- ASP Sealing Products
- Motiba Silicone

Cont on P.6



Dr C Rangarajan, Chairman, PMEAC

TOP NEWS » ECONOMY

Economy will grow at 5.5% in Q4: Rangarajan

PTI

Country's economy is likely to grow at 5.5 per cent in the fourth quarter of the current fiscal on higher agriculture output and pick up in the manufacturing activities, Prime Minister's Economic Advisory Council (PMEAC) chairman C Rangarajan said on Friday.

"I see some green shoots in Indian economy...In order to achieve growth rate of 4.9 per cent for year as a whole, the fourth quarter growth rate will have to be at 5.5 per cent. Weight of fourth quarter is greater than other quarters so it's not 5.7 per cent but actually it is 5.5 per cent," Dr. Rangarajan said at an event organised by the CII.

"I think it is achievable because there will be substantial improvement of growth rate in agriculture in the fourth quarter. As far as manufacturing is concerned, perhaps there will be pick-up in manufacturing activities in February and March," he added.

The Indian economy grew 4.7 per cent in the third quarter of this financial year on improved performance in the agriculture and services sectors.

Given the performance in the first nine months and GDP growth of 4.9 per cent projected by the Central Statistics Office (CSO) in its advance estimates for this financial year, the economy must expand 5.5 per cent in the fourth quarter ending March 2014.

"As we go ahead, I expect growth rate to pick up further to 5.5-6 per cent in the next fiscal year," Dr. Rangarajan said.

On possibility of RBI cutting interest rate in the next policy review which is scheduled for April 1, 2014, Dr. Rangarajan said, "I think retail inflation at 8 per cent is still high rate. But I believe that if inflation moves down further it will give greater room to the monetary authority to cut interest rates."

Retail inflation in February has come down to a 25-month low of 8.1 per cent.

Wholesale inflation fell to nine-month low of 4.68 per cent in February due to easing prices of kitchen staples like onion and potato.

The decline in inflation is much on the expected lines of the Reserve Bank, which had hiked key interest rates by 0.25 per cent in its last monetary policy review.

The Reserve Bank factors in both retail and wholesale price based inflation data in its monetary policy.

this issue

DMIC corridor launched in Maharashtra P.2

Baggage rules tightened to check gold import P.4

Airbus sets up Indian subsidiary P.5

Notifications P.7

Forthcoming Events, Tender Notices P.8

Events P.9

Current account deficit narrows sharply to \$4.2 bn in Q3 on decline in trade deficit

PTI, Mumbai, March 6, 2014

Rising exports and moderation in gold imports have pulled down India's current account deficit (CAD) sharply to \$4.2 billion, or 0.9 per cent of GDP, in December quarter of 2013-14.

"The lower CAD was primarily on account of a decline in the trade deficit as merchandise exports picked up and imports moderated, particularly gold imports," the Reserve Bank said while releasing the external sector data.

The CAD, which reflects difference between inflow and outflow of foreign currency, stood at \$31.9 billion, or 6.5 per cent of GDP, in October-December quarter of 2012-13.

It narrowed to \$31.1 billion (2.3 per cent of GDP) in April-December 2013 from \$69.8 billion (5.2 per cent of GDP) in April-December of 2012. The reduction, RBI said, was due to contraction in the trade deficit, coupled with a rise in net invisible receipts.

In his interim budget speech, Finance Minister P Chidambaram had said the year-end CAD will be contained at \$45 billion, well below the record high level of \$88 billion in 2012-13.

Manufacturing rises to a year high

The Hindu Business Line: March 04, 2014

Manufacturing activity continued to remain buoyant in February on a jump in domestic and export orders.

The HSBC Purchasing Managers' Index (PMI) for the manufacturing sector moved up to a one-year high of 52.5 in February, bringing some good news. The index, which is based on monthly data compiled from replies to questionnaires to purchasing executives in around 500 manufacturing companies, clocked 52 in March 2013. In January 2014, the PMI was 51.4. A number under 50 suggests contraction.

Consumer goods segment was again the best performing sub-sector of the manufacturing economy, leading the rise in both output and new orders. Operating conditions also improved for intermediate goods producers, but remained unchanged in the capital goods category. New export business rose at a quicker clip, the survey said.

Delhi-Mumbai Industrial Corridor launched in Maharashtra

The Indian Express | Mumbai | Mar 03 2014



The Maharashtra government formally signed shareholder and state support agreements for the ambitious Delhi-Mumbai Industrial Corridor (DMIC) project, in Mumbai, on Monday. The project aims at generating industrial output of Rs 20 lakh crore by 2042.

DMIC is slated to be developed in two phases, with the project cost for the first phase being Rs 17,319 crore. Maharashtra Industrial Development Corporation (MIDC) and DMIC Trust has formed a joint venture to execute the project, in which MIDC will hold 51% stake, while the remaining 49% will be held by DMIC.

Phase one will include development of 84 square kilometre of Shendre-Bidkin industrial city, an engineering cluster, food park, textile and printing and construction cluster. It will also have a multi-modal logistic hub spread across 100 hectares of land in Karmad and an exhibition-cum-convention centre spread over 20 hectares in Aurangabad, alongwith water supply scheme for Shendre.

The second phase of the project will cover Dighi port industrial area, Dhule mega industrial park, Nashik-Sinnar-Igatpuri investment region, multi-modal logistic park, Nashik-Sinnar-Igatpuri investment region, multimodal logistic park and greenfield mega city in Ahmednagar.

"Our contribution will be in the form of providing land, while the Centre's contribution would be to the tune of Rs 3,000 crore for each township project. For the rest, we have tied-up with the Japan International Cooperation Agency (JICA)," Maharashtra chief minister, Prithviraj Chavan said. The Shendre-Bidkin project is expected to generate 5 lakh jobs.

The DMIC projects in Maharashtra would cover nearly 29% of land area and 18% project

influence area. Around 26% of the state's population would come under the corridor that covers eight districts - Thane, Raigad, Pune, Dhule, Nandurbar, Nashik, Ahmednagar and Aurangabad.

Empowered Institution (EI) Approves PPP Projects Worth Rs. 1369.51 Crores

Press Information Bureau: March 05, 2014

The Empowered Institution (EI) in its Fifty-third (53rd) meeting granted approval to five (5) projects worth Rs. 1369.51 crore. Two (2) Projects granted in-principle approval were from Government of Madhya Pradesh for setting-up of 50,000 MT Modern Food Silos at Indore and Bhopal each. The EI also granted final approval to three projects approving a total Viability Gap Funding (VGF) of Rs. 260.92 crore. These comprised two road sector projects and one in the power transmission sector as follows, 'Two laning of Guna - Ashok Nagar - Ishagarh (SH 20) road' in the State of Madhya Pradesh and 'Four laning of Mohania - Ara Section of NH 30 in the state of Bihar and 'Development of 400 KV DCDS Sarni (Satpura) - Ashta transmission line project for evacuation of power from 2X250 MW extension units at Satpura Thermal Power Station' in the state of Madhya Pradesh. The aforesaid Fifty-third (53rd) meeting of the Empowered Institution's (EI) was held here yesterday under the Chairmanship of Dr Arvind Mayaram, Secretary, Department of Economic Affairs, Ministry of Finance.

Airport sector to attract USD 12.1 bn during 12th plan: Ajit Singh

PTI | Hyderabad | Updated: Mar 12 2014



The Indian airport sector is expected to attract investments of USD 12.1 billion during the 12th plan period, including USD 9.3 billion from the

private sector, Union Civil Aviation Minister Ajit Singh said today.

Singh inaugurated the fourth edition of India Aviation show here, which witnessed one of the biggest aircraft deals being signed between budget carrier SpiceJet and Boeing.

"The government has envisaged an investment of USD 12.1 billion in the airport sector during the 12th plan period (2012-17), of which USD 9.3 billion is expected to come from the private sector for construction of new airports, expansion and modernisation of existing airports and development of low cost airports," Singh said.

Stating that the rapidly expanding air transport network and opening of the airport infrastructure to private sector participation has fuelled the growth of air traffic in India, Singh said, "However, Indian air traffic density is low as compared to other countries."

India is currently the 9th largest aviation market, handling 121 million domestic and 41 million international passengers with more than 85 international airlines operating to India and 5 domestic carriers connecting over 40 countries.

"The domestic civil aviation industry has systematically evolved over the last 100 years of its existence. The sector is poised to handle 336 million domestic and 85 million international passengers by 2020, which will make the country the third largest aviation market. The commercial fleet size is expected to grow from 400 today to 1,000 by then," he said.

He further said that opening up of the sector to foreign carriers by allowing up to 49 per cent foreign direct investment was the biggest game-changer, resulting in two new scheduled airlines, Air Asia and Tata Asia, coming up.

A number of global players have entered Indian aerospace manufacturing, ground handling, training and capacity building, cargo and MRO industry, he added.

"Civil aviation Industry in India is experiencing a new era of expansion driven by factors such as Low Cost Carriers (LCC), modern airports, FDI in domestic airlines, cutting edge information technology interventions, growing emphasis on regional connectivity, increasing involvement of private participation under PPP and the policy of developing greenfield airports..."civil aviation secretary Ashok Lavasa said during the event.

Lavasa also suggested that the states need to look at the tax structure of jet fuel.

State Governor E S Lakshmi Narasimhan,

who was the chief guest, said the civil aviation policy of the Andhra Pradesh Government focuses on the development of non-hub airports across the state by cashing in on the huge infrastructure and communication base built over the years, to make them new magnets of investment for development and to give a fillip to tourism.

The Governor invited the aviation companies to be a part of this development initiative focusing on greenfield airports in tier-II cities.

Advocating 'Essential Air Services Fund' as a support mechanism for the sector, Federation of Indian Chambers of Commerce (FICCI) president Siddhartha Birla said there is a need to rationalise the tax structure to boost the sector.

During the show, SpiceJet signed a memorandum of understanding with the US aircraft maker Boeing for purchase of forty-two 737 MAX jets worth a total of Rs 26,000 crore.

The five-day expo is expected to be attended by more than 250 exhibitors, including Airbus, Boeing, Bombardier, Dassault and Rolls Royce. The French ambassador Francois Richier, US trade and development agency director Leocadia Zak and central and state government officials are also expected.

Baggage rules tightened to check gold import

PTI



Seeking to check gold smuggling, the government, on Thursday, tightened baggage rules, requiring inbound Indian passengers to provide details such as source of funds for importing the metal as well as their air tickets.

According to a Revenue Department circular, the baggage receipt issued by the Customs will now include the engraved serial number on gold bars and the item-wise list of ornaments.

"Wherever possible, the field officer, may ascertain the antecedents of such passengers, source for funding for gold as well as duty being paid in the foreign currency, person responsible for booking of tickets, and the like," it said, adding that the decision is aimed at preventing misuse of the gold import facility.

The Customs apprehend that some unscrupulous elements were smuggling gold by hiring eligible passengers to import gold on their behalf.

The norms have been tightened following 'a spurt in import' of gold by eligible passengers through various airports in the recent past across the country.

Eligible passengers are allowed to import gold up to 1 kg by paying 10 per cent customs duty in foreign currency. Eligible passenger means Persons of Indian Origin or an Indian returning to India after a period of six months of stay abroad.

The government and the Reserve Bank of India had been expressing concern over spurt in gold import following the curbs, which were imposed to reduce the widening current account deficit (CAD). The curbs included higher import duty (10 per cent) and linking the imports to exports under the 20:80 scheme of the RBI.

BANKING/FINANCE

RBI allows direct e-transfer of inward foreign remittances

The Hindu BusinessLine: March 05, 2014

To facilitate receipt of foreign inward remittances directly into the bank accounts of beneficiaries, the RBI on Tuesday said it will allow such remittances to be transferred to the Know-Your-Customer compliant beneficiary bank accounts through electronic mode, such as National Electronic Funds Transfer and Immediate Payments Service.

"Foreign inward remittances received by the bank acting as Indian agent under the money transfer service scheme, may be electronically credited to the account of the beneficiary, held with a bank other than the Indian agent bank (termed as 'recipient bank')," the RBI said.

India's e-commerce to zoom to \$76 bn by 2020

The Hindu BusinessLine: March 05, 2014

India's e-commerce is expected to go up from the current \$1 billion to \$76 billion in the next six years, by 2020.

Only in 2013, online shopping has increased by 88 per cent, according to Saran Chatterjee, Vice-President, Product Management, Flipkart India Pvt Ltd.

This phenomenal increase in e-tailing will be due to deeper penetration of Internet-based smartphones that would make online shopping easier, he said.

While Internet has now reached almost 11 per cent population of India, smartphone business is witnessing a 150 per cent year-on-year growth.

Airbus sets up India subsidiary

The Hindu BusinessLine: March 12, 2014

Hyderabad: Global aviation major Airbus has restructured its India operations to consolidate strengths and tap the growing market.

It has created a fully owned subsidiary called Airbus India by grouping its activities in the country. Srinivasan Dwarakanath is the new Chief Executive Officer and Charles Champion, member of the Airbus Executive Committee, is the Chairman.

Airbus India will manage the company's Indian footprint spread across several sites. It will have customer centres in Delhi and Mumbai.

Fifth country subsidiary

Airbus India is the fifth country subsidiary outside Europe for the aviation giant. The changes are directed towards building on the success of the Airbus Engineering Centre India (AECI) in Bangalore and a clear recognition of the country as a strategic hub, said Dwarakanath.

The new entity will also include strategy, customer services and procurement teams under one organisation. A Maintenance Repair and Overhaul (MRO) capability will be established, at a later date, he told Business Line in a telephonic interview.

MRO facility

Asked about the MRO facility, which has been delayed, the India Chief said: "We are talking to several partners. It is in our interest to set it up. I

hope this year we will make progress," he added. The pilot and maintenance training facilities in Bangalore and Greater Noida have also expanded their activity, training around 1,200 personnel so far from both the Far East and West Asian nations, along with India. Nearly 5,000 people are involved across the supply chain of Airbus's activities. On the engineering design and manufacture front, Airbus has dedicated centres with Cades and Quest Technologies.

"We will add at least a 100 each in these two centres in the near future. They do critical component and structure design manufacture for us," Dwarakanath said.

Indian partners

TCS, Tech Mahindra, Wipro, Tatas, Geometric are among the growing number of Indian companies Airbus is partnering with, in the engineering and IT space.

Moves are afoot to expand tie-ups and work with Indian institutes and universities in emerging technologies.

At present, there are around 30 Indian suppliers working on Airbus programmes and manufacturing parts for every aircraft model. Indian carriers operate a fleet of over 170 Airbus aircraft. Airbus' current market share of sales in India represents over 60 per cent of the country's total aircraft backlog, he said.

The cumulative turnover of Airbus-generated work in India has grown from \$20-25 million in 2005-06 to \$250 million at the end of 2013.

Airbus is participating in the five-day India Aviation 2014 exhibition beginning here tomorrow.

Foreign varsities multiply in NCR with Indian partners

TNN | Mar 8, 2014, 04.27AM IST

GURGAON: The National Capital Region is emerging as the hub of foreign learning in the country, thanks to a slew of collaborations between Indian universities based primarily in Gurgaon and Noida and front line institutions in America, Britain and Singapore.

The trend mirrors the economic boom in both NCR cities and an exponential rise in the number of youths seeking quality higher education as a result of increased migration into the region and a huge population growth.

Among foreign institutions now accessible from NCR are the universities of Virginia Tech, Carnegie Mellon, Raffles, Indiana, Warwick and Lancaster, which offer courses that range from

engineering and technological streams to design. A recent study conducted by Gurgaon-based consulting firm Technopak on higher education trends in India shows the emergence of global knowledge economies has a direct effect on the education scenario here. "With 200,000 students emigrating annually from India for higher education and more than 700 international collaborations of Indian institutes, students and parents are increasingly seeking ways to garner the benefits of global interconnectedness," says Aurobindo Saxena, associate director of Technopak. "It's only wise that international tie-ups are encouraged to help develop curriculum, provide affiliation to a reputed brand, assist in transfer of knowledge, placements and student-faculty exchange," he adds.

The tie-ups are in the form of student-faculty exchange, twinning programmes, research collaboration and curriculum development. "In the last few years, we have witnessed a growing trend of such tie-ups. The demand for such courses is on the rise because of the emergence of new job opportunities in the areas of analytics, artificial intelligence, sustainability, climate change, fraud examiners and more," Saxena explains.

India presently has 170 private universities of which 54 have come up only in 2012-13. Among the private universities in NCR which are offering foreign degrees are Amity University-Amity Business School with 80 tie-ups followed by OP Jindal Global University (65 tie-ups), Galgotia University (12 tie-ups), Ansal University (10 tie-ups), Chandigarh Group of Colleges (5 tie-ups), Ashoka University (4 tie-ups) and GD Goenka World Institute (1 tie-up).

BILATERAL

Visit by CAPEXIL led Business Delegation to Singapore..Cont from P.1

- KRM Tyres
- Filatex VCT
- Janatha Rubber Industries
- Mysore Polymers & Rubber Products
- Zenith Rubber Industries

The delegation visited Singapore with view to conducting a B2B Meet to expand and deepen the

market outreach for the product. The High Commission of India with the assistance of Singapore Indian Chambers of Commerce (SICCI), Singapore Manufacturer's Federation (SMF), and the Singapore Business Federation (SBF), organized the interaction for the visiting delegation with the local Singapore companies associated with rubber and its manufactured products on 10th March, 2014 at Hotel Ritz Carlton. The organization of the event was also assisted by International Enterprise (IE) Singapore. The High Commissioner, H.E. Ms. Vijay Thakur Singh speaking on the occasion emphasized that such initiatives as the one shown by CAPEXIL to hold the B2B meet do certainly help in the outreach activity. The High Commissioner also related the strong bilateral trade ties between India and Singapore and how much more could be done to make the existing ties stronger and deeper. Mr. Vohra and Mr. Chitala also spoke on the occasion to present a sector snapshot and relate the work done by CAPEXIL. Chairman of the SICCI, Mr. Narayanamohan spoke on the different efforts made by Singapore which makes it so attractive to companies from all over. The interaction saw a good turnout of about 50 delegates from the Singapore companies connected with Rubber and related industry

Singapore group enters women's healthcare in pact with Indorama Corpn

The Hindu BusinessLine: March 11, 2014

Kochi: The Singapore-based Kinder Medical Group has entered into a joint venture with Indorama Corporation to mark its entry into Kerala's women's healthcare sector. Kinder group has established a women's hospital in Chertala in Alappuzha district.

The Indonesia-based Indorama Corporation are global manufacturers of diversified industrial products such as polyester, PET resins, polyethylene, polypropylene, spun yarn and fabric.

S. Prakash Lohia, Chairman, Indorama, said the company plans to set up a college of international standards for nursing education.

The first phase of the Women's Welfare Project — ArogyaVanitha — was inaugurated by Shruti Hora, Director, Indorama at Kinder Hospital.

The scheme provides medical treatment to needy women with an estimated expenditure of ₹1 crore. It would cover treatment for gynaecological disorders, surgery, and cancer in women.

Notifications

Securities and Exchange Board of India

SEBI (Foreign Portfolio Investors) Regulations, 2014

http://www.sebi.gov.in/cms/sebi_data/attachdocs/1389083605384.pdf

Ministry of Corporate Affairs

Notification relating to effective date of provisions of Section 135 and Schedule VII of Companies Act, 2013

http://www.mca.gov.in/Ministry/pdf/CompaniesActNotification1_2014.pdf

Companies (Corporate Social Responsibility Policies) Rules, 2014

http://www.mca.gov.in/Ministry/pdf/CompaniesActNotification2_2014.pdf

Reserve Bank of India

Participation of NBFCs in Insurance sector

<http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8596&Mode=0>

Foreign investment in India - participation by SEBI registered FIIs, QFIs and SEBI registered long term investors in credit enhanced bonds

<http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8563&Mode=0>

Notification governing money changing activities – Location of Forex Counters in International Airports in India

<http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8417&Mode=0>

Central Board of Excise and Customs

Notification seeking to levy definitive anti-dumping duty on imports of 'Vitamin A Palmitate', originating in, or exported from, Switzerland and People's Republic of China for a further period of five years

<http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-add2013/csadd-30-2013.htm>

Notification seeking to levy definitive antidumping duty on resin or other organic substances bonded fibre boards etc

<http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-add2013/csadd-18-2013.htm>

Circular regarding import of pets as baggage

<http://www.cbec.gov.in/customs/cs-circulars/cs-circ13/circ15-2013-cs.htm>

FORTHCOMING EVENTS >>>> INDIA

Technotex 2014

Date: 20-22 March, 2014

Venue: Bombay Exhibition Centre, Mumbai

Organizer: Ministry of Textiles, Government of India & FICCI

Contact: www.technotexindia.in

Details: Technotex is India's premier annual show on technical textiles. This international exhibition cum conference provides stakeholders from across the value chain an ideal platform to interact and forge alliances. Technotex 2014 is expected to attract participation from stakeholders in the global technical textile sector and major institutional buyers from army, navy, paramilitary forces, railways, hospitals etc.

India Market Days 2014

Date: 24-25 April, 2014

Venue: Apparel House, Gurgaon, India

Organizer: Apparel Export Promotion Council (APEC)

Contact: Shri Vijay Mathur, Secretary General (Addl) - AEPC ;Tel: +91-124-2708034, Fax: +91-124-2708004-5 Email: dsg@aepcindia.com

Details: the Council proposes to invite at least 1 garment/accessories buyer from Singapore to attend this event. The Ministry of Commerce, Government of India, has approved this project under MAI assistance scheme and thereby the Council is willing to reimburse the cost of the economy class air ticket and two night's hotel stay for the selected buyers subject to ceiling prescribed by Ministry of Commerce.

TENDER NOTICES >>>> INDIA

Tender invitation for Supply of :

1. Imported CHN Ultimate/Elemental Analyser designed for determination of Carbon, Nitrogen & Hydrogen content in coal/lignite samples with Balance, Computer, Monitor & Laser Colour Printer- 1 Unit
2. Imported Infrared Sulphur Analyser designed for determination of total sulphur content in coal/lignite samples with Electronic balance, Computer, Monitor & Laser Colour Printer- 1 Unit .

Mineral Exploration Corporation Limited , URL : www.mecl.gov.in

Closing Date : 20th March, 2014

Singapore university confers honorary degree on Ratan Tata

PTI, 17th March, 2014



Minister for Education Mr Heng Swee Keat confers the degree on behalf of SMU on Mr Ratan Tata

India's leading industrialist Ratan Tata was today conferred with a honorary degree of Doctor of Business by a Singaporean university for his achievements as a visionary entrepreneur and a societal leader.

The honorary degree was presented to Tata, Chairman Emeritus of the Tata Group, by Singapore's Minister for Education Heng Sweet Keat and Singapore Management University President Arnoud De Meyer at a ceremony here.

The ceremony, which was followed by a dialogue with Tata, was attended by about 100 guests, including SMU Senior Fellow and former Singapore President S R Nathan and India's High Commissioner to Singapore Ms Vijay Thakur Singh.

The honorary degree acknowledges the 76-year-old's achievements as a visionary entrepreneur, a societal leader and an astute businessman.

I. Indian Woman's Association Award Function—High Commissioner attended the Sony IWA Woman of the Year 2014 award held on 7th Mar.'14 and presented the award to Ms Bhavani Prakash



II. Visit by CAPEXIL led Business Delegation to Singapore from 8-11 Mar.'14.



For Feedback & Comments, please contact:

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High Commission of India

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