



## News in Russia

### **Russia's economy is not 'in tatters':**

As per a report published by Bloomberg, Russia's economy is not 'in tatters'. Bloomberg has clarified that such arguments ignore the fact that Russia's foreign debts are also declining along with its reserves; e.g last year, the combined foreign liabilities of the Russian government and companies dropped by \$129.4 billion, compared with a \$124.3 billion decline in foreign reserves.

### **Federal Law restricts the share of certain foreign-made medical goods:**

in state and municipal purchases but approved a list of certain foreign-made medical goods covered by restrictions in the state and municipal purchases. Proposals for the supply of foreign-made medical goods, except those from Armenia, Belarus and Kazakhstan, shall be turned down if at least two proposals are received for the supply of medical goods from Russia, Armenia, Belarus or Kazakhstan. This will help expand domestic production of medical goods.

### **Russia emerged as the largest oil exporter:**

in December 2014 with Russian oil output at 10,324 barrels per day in December 2014 compared with 30,204 barrels per day by all OPEC states. Russian oil exports fell 5.6% to 223.4 million tonnes in 2014. The share of oil in the country's total exports fell to 31.0% in 2014 from 32.9% in 2013, and the share of oil in the country's fuel and power exports fell to 44.5% from 46.7%.

## Major macroeconomic parameters

- a) Inflation in Russia exceeds 16% year on year in February 2015;
- b) As per the assessment of economists at the Gaidar Institute for Economic Research, Russian GDP will shrink by a moderate 2.7 percent this year. Sergei Tsukhlo of the Gaidar Institute estimates that the sanctions have affected only 6 percent of Russian industrial enterprises
- c) Russia's industrial output grew by 0.9% year on year, but fell by 1.8% on monthly basis in January 2015, as per the Federal State Statistics Service;
- d) As per the Central Bank, Russia's foreign exchange and gold reserves fell by 1% in the period from February 13 to 20, to U.S. \$364.6 billion;
- e) Russia's grain reserves rose 15.4% on the year to 29.2 million tonnes as of February 1, 2015;
- f) Russia's retail loans are expected to fall by 5-6% in 2015;
- g) Russia's commercial cargo traffic will decrease 2.8% to 3.58 billion tonnes, the Economic Development Ministry said in its forecast for 2015.

## News in India

**Budget 2015-16:** Finance Minister Arun Jaitley on February 28 presented a presented a growth-oriented Budget of Rs.17.78 lakh crore (nearly \$300 billion). Among the various welfare programmes, the finance minister outlined a new student loan scheme for higher education, Rs.8.5-lakh credit for farmers, significant hikes in the allocations for women safety, rural job guarantee scheme, and mid-day meal programme, a new pension fund and

several skilling schemes for the youth. Various tax proposals are aimed to giving an impetus to “Make in India” campaign, particularly aimed at the youth and manufacturing. The budget also earmarked a target of Rs.41,000 crore from divestment of stake in state-run enterprises.

**PM Modi wants foreign firms to be India's partners:** Prime Minister Narendra Modi has said that foreign firms must turn into strategic partners from being merely sellers of defence equipment as India wants their technology, skills, systems integration and manufacturing strength. "From sellers, foreign firms must turn into strategic partners and use India as part of their global supply chain," Modi said at the inaugural ceremony of the Aero India trade expo in this tech hub.

### **Online filing of Importer Exporter Code (IEC)**

Directorate General of Foreign Trade has started operationalising online filing of Importer Exporter Code (IEC) applications, online processing and issue of e-IECs in digital format.

**India is on route to becoming the world's fastest growing e-commerce market:** Investment banks believe India is on way to becoming one of the largest internet markets in the world, with implications for consumers and investors.. Internet users in India have gone up from 50 mn in 2007 to 300 million in 2014.

### **Bilateral/ Multilateral**

- India is to start negotiating a free trade agreement with the Customs Union of Russia, Belarus and Kazakhstan within the next six months. A Russian-Indian working group will consider the negotiating of a comprehensive free trade agreement between India and the Customs Union.

- On February 19, 2015, Berger Paints India Ltd. signed an MoU with the Government of Stavropol Region for setting up an industrial coating plant in Russia.

- On exports from India following developments are noteworthy:

- Egg: Supply of egg products from India to Russia started. Recently, a consignment of egg powder products was exported by SKM Egg Products Export (India) Limited.

- Bovine: Production of Russia-oriented bovine meat has started in approved Indian establishments under the supervision of FSVPS's veterinary expert. First consignment of bovine meat is expected to be exported in end-March 2015.

- Dairy: A protocol between FSVPS and EIC is under consideration of Russian side for providing market access to two Indian establishments for supply of dairy products

- Ambassador led a business delegation to Ufa, from 2-3 February, 2015. During the course of the visit, he met the Head of Bashkortostan, Mayor of Ufa and visited business

establishments and regional government Ministers. The discussions focused on bilateral cooperation as well as preparation for the BRICS Summit scheduled on 8-9 July, 2015 in Ufa.

- Deputy Chief of Mission travelled to Yaroslavl region and met the Governor, Chamber of Commerce and other regional authorities to discuss economic cooperation opportunities. Contacts with Cadillac and Ranbaxy to consider production in Yaroslavl pharmaceutical cluster (special zone), linen textile plant(Kankaria Group Kolkata) and Russian engineering and ship building prucer's interest in trade with India were mentioned.
- The Embassy of India in collaboration with the Government of Kursk region organized a presentation on February 18, 2015 at the Indian Embassy on opportunities for economic, commercial, cultural, educational and scientific cooperation between the Kursk Region and India. H E Mr Alexander Mikhailov, the Governor of Kursk Region along with a high-level delegation comprising senior officials, academicians, and members of the leading business groups from Kursk region participated in the event. Ambassador and over 35 Indian business Representatives were present at the event.

## Events in Russia

### **Visits to Federal Regions**

Ambassador of India to Russian Federation is likely to visit the following federal regions in Russia in the coming few months:

**Sverdlovsk region-** April 20-22, 2015;  
**Tomsk & Novosibirsk region-** May 18-23, 2015;

**Yakutia region-** June 8-10, 2015

As economic and commerce is a key area for our cooperation with federal states, a business delegation will be accompanying Ambassador during these visit. Besides meeting the Governor and other senior government authorities, interaction with the Chamber of Commerce and industry representatives will also be organized during such visits.

**MITT** : The 22nd Moscow International Travel and Tourism Exhibition

18 - 21 March 2015 Moscow  
Expocentre: [www.mitt.ru](http://www.mitt.ru)

**MosBuild** : Building & Interiors The 21st International building & interiors exhibition

31 March - 03 April 2015 Moscow  
Expocentre : [www.mosbuild.com](http://www.mosbuild.com)

**Holzhaus (Spring)**: The 22nd International exhibition of wooden building construction.

02 - 04 April 2015 Moscow Pavilion 75, VDNH (V.V.C) : [www.holzhaus.ru](http://www.holzhaus.ru)

**MIPS** :The 20th Moscow International Protection, Security and Fire Safety Exhibition

13 - 16 April 2015 Moscow VDNH  
(V.V.C) Pavilion № 75: [www.mips.ru](http://www.mips.ru)

innovations and advances will be held  
at Hyderabad from July 23 -26, 2015

### **Events in India**

#### **SMM India, Mumbai (02-Apr-2015 to 04-Apr-2015)**

SMM India will be held at Bombay Convention & Exhibition Centre (BCEC), Mumbai with a focus on Railway, Shipping & Aviation Products, and Spares & Equipment. SMM India is the world's leading shipbuilding trade fair, which means experience, quality, competence, networking and service.

#### **Global Exhibition on Services (GES) 23-25 April 2015, New Delhi**

The Global Exhibition on Services (GES) will be organised in New Delhi from 23-25 April, 2015 by the Ministry of Commerce and Industry, Government of India, Confederation of Indian Industry (CII) and Services Export Promotion Council (SEPC).

#### **Fastener Fair India Exhibition in Mumbai during 23 – 24 April 2015**

India Expo- Ahmedabad will be held at TBA, Ahmedabad with a focus on Educational & Professional Training Institutes. India Expo- Ahmedabad is one of the leading exhibition for education and training industry in the region and the trade meeting point for education and training professionals.

#### **INDO-GLOBAL HEALTHCARE SUMMIT & EXPO 2015 (23-26 July 2015)**

The 11th edition of INDO-GLOBAL HEALTHCARE SUMMIT & EXPO on