



सत्यमेव जयते

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Newsletter

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News from Russia

- **President Vladimir Putin declared “Russia has escaped a deep economic crisis”:** Speaking at St. Petersburg International Economic Forum President Vladimir Putin declared “Russia has escaped a deep economic crisis”. The key factor which protected the country from falling into a full-fledged crisis was trade surplus, he opined. The government will not raise the tax burden in order to create predictable conditions for investors. It will also consider proposals of businessmen on incentives for new investments. President expressed his views on a gamut of economic issues:

ECONOMIC GROWTH:

“The first thing is that we want is to ensure growth of our economy in the nearest future, in the coming years at an average world level of about 3.5%. Second, we must absolutely achieve the labor productivity increase of 5% in annual terms. And the third – a very important factor – we must decrease inflation to 4%.” And Russia’s economy showed its adaptive capability, and the banking sector, all the regulators, and the system in general have adapted.”

SANCTIONS

The world must get rid of illegal sanctions in order to ensure economic growth. “If we want to ensure a definite growth of the world economy both in Europe and Russia and in general – we absolutely must get rid of all sanction cases, including the illegal ones, out of the framework of the U.N., but through joint work,” he said, adding that Russia would not like to retaliate to the destructive steps the West is hurting itself with.

FAR EAST PRIORITY

President Putin invited investors to the country’s Far East, saying that facilities and assets there can be a starting ground for investments in the expanding Asia-Pacific market. Development of the Far East is one of the biggest government priorities, he said. Russia will actively cooperate with BRICS countries and Latin America but it will not affect cooperation with Western states, he added.

E.U. sanctions create favorable conditions for the Russian agricultural sector:

As per Russian Agriculture Minister: “The E.U. decision to prolong sanctions for half a year creates hothouse conditions for the development of Russian agriculture. With the help of an unprecedented state support the sanctions will be in favor of Russia,” the minister said. The industry has adjusted to the sanctions and agricultural output within import substitution is likely to reach its maximum by 2020.

Russia has prolonged counter-sanctions for a year:

Russian Government has decided to prolong the counter-sanctions against the EU and the West by an year to cater for the country’s interests and situation in its economy. The move came amidst EU’s decision to prolong sanctions against Russia by 6 months.

Russia’s State Duma, the parliament’s lower house:

Russia’s State Duma has approved a bill that regulates operations of rating agencies in the country and introduces a concept of a central-bank-approved agency. The central bank will allow agencies to work in the country and will also compile a register of agencies. The agency should be independent and transparent and be free from any political or economic influence, it should prevent conflicts of interest, manage and disclose them and comply with Russia’s regulations.

- **President Vladimir Putin underlines importance of predictable economic conditions at an Investor's meet:** "Conducting weighed, responsible financial and monetary policies, in general, ensuring predictable macroeconomic conditions for successful business operations, for growth of capital investments in the Russian economy, are among our undisputable priorities," he added

News from India

"DIGITAL INDIA": Government of India has launched a new programme 'Digital India' which aims to 'transform India into a digitally empowered society and knowledge economy'. The vision of Digital India is centered on three key areas; Digital Infrastructure as a utility to every citizen; Governance & Services on demand and Digital Empowerment of citizens. The Digital India Programme will run on 9 pillars viz. Broadband Highways, Universal Access to Phones, Public Internet Access Programme, E-Governance – reforming government through technology, eKranti – Electronic delivery of services, Information for all, Electronics Manufacturing – target NET ZERO imports, IT for jobs and Early Harvest Programmes. Prime Minister also unveiled various government schemes under the Digital India Programme like Digital Locker, e-education and e-health during the event. Several events will be held across 36 states and union territories

FIPB's approval will not be required sectors with FDI under automatic route:

As per GoI decision no approval will be required for merger and acquisitions in sectors where FDI is allowed under automatic route, a move aimed at further improving the ease of doing business in the country.

Boost to agriculture & infrastructure: 8 important decisions taken: From steps to check the rising price of pulses to ensuring smooth supply of urea in southern states, the government approved a slew of measures to boost agriculture, international highways and a beleaguered sugar industry. Read more at:

http://economictimes.indiatimes.com/articleshow/47613139.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

FDI Inflows Soar 112% in April To \$3.6 Billion: Foreign direct investment inflows into India surged 112% in April to \$3.6 billion from \$1.7 billion in the year-ago period. The increase was 71% over the inflows in the previous month. The Department of Industrial Policy and Promotion (DIPP) Secretary Amitabh Kant said that he is confident that the country will receive record capital flows in the current fiscal owing to the slew of measures being undertaken by the government to make India an easier place to do business.

India Remains Investors' Top Choice Among Emerging Markets:

BoFA According to global financial major Bank of America Merrill Lynch, India topped the global emerging market investors' country preference chart followed by China and Poland in the second and third place, respectively.

Indians (NRIs) allowed to invest in chit funds:

The Reserve Bank on June 11, 2015 allowed non-resident Indians (NRIs) to invest in chit funds on non-repatriation basis without any ceiling, a move that will encourage flow of capital into the country. However, the subscription to the chit funds should be brought in through normal banking channel, including through an account maintained with a bank in India. Earlier in May 2000, non-residents were

barred from investing in a company or firms engaged in the business of chit fund.

Bilateral/ Multilateral

India to be Partner Country in the major Industrial Fair “INNOPROM 2016”: India accepted the invitation extended by the Russian Government to participate as the Partner Country in the major Industrial Fair “INNOPROM 2016” to be held at Yekaterinburg, Russia in July 2016. This was conveyed by Mrs. Nirmala Sitharaman, Minister of State (Independent Charge), Commerce & Industry, Government of India to her counter-part Mr. Denis Manturov, Minister of Industry and Trade of Russian Federation at a bilateral meeting held at St. Petersburg on July 19, 2015.

PhosAgro may supply up to 2.7 million tonnes of fertilizers to India by 2018: CEO Andrei Guryev of Russian fertilizer maker PhosAgro said that PhosAgro may supply up to 2.7 million tonnes of fertilizers to India by 2018, thus exceeding the amount of 1.35 million tonnes stipulated in a memorandum of intent signed with Indian state corporation Indian Potash LTD in May.2014. The company already delivered about 600,000 tonnes of fertilizers to India and it may raise its supplies to about 1 million tonnes this year, he said.

SSTL’ merger with Reliance Communications: Russian multi-industry holding Sistema has initiated negotiations on a merger of its Indian telecom unit, Sistema Shyam TeleServices (SSTL), with local Reliance Communications (RCOM) via a share swap, Sistema said in a statement. Sistema owns 56.68% in SSTL, while Russia’s Federal State Property Management Agency holds 17.14%. The remaining shares are split between Indian minority shareholders

India- Russia cooperation in LNG has a great potential; as a consumer of both natural and liquefied natural gas (LNG), Russian Energy Minister Alexander Novak

told Russia Today television channel in an interview. Earlier, the Minister said that Russia and India are discussing construction of a gas pipeline to India.

Visits

Ms. Nirmala Sitharaman, Minister of State(IC) for Commerce and Industry visited St. Petersburg: The Minister led a high level official cum business delegation to the annual St. Petersburg International and Economic Forum (SPIEF) held on July 18-20, 2015 at St Petersburg, Russia, which included a 30-member business delegation from CII. She held bilateral discussions with Mr. Viktor Khristenko, Chairman of the Eurasian Economic Union, Mr. Denis Manturov, Minister of Industry and Trade of RF and Mr. Andrey Slepnev, Member (Trade), Eurasian Economic Union. She signed a Joint Statement for establishment of a Joint Study Group between India and the Eurasian Economic Union. The Study Group is expected to submit its report within a year regarding the feasibility of an FTA between India and the Eurasian Economic Union. India is already negotiating the International North-South Transport Corridor Project (INSTC) with Russia to promote bilateral trade. During her bilateral discussions she emphasized the need for multinational access of Eurasian countries to this proposed route. The Minister participated in the panel discussion on “The Eurasian Economic Union: A new Compass in Global Economic Relations” during SPIEF.

Events in India

India International Leather Fair' 2015:

August 07-09,2015, 1000 hrs to 1800 hrs at
Hall Nos. 18, Pragati Maidan, New Delhi

Product Coverage : Shoe components-
uppers, soles, heels, counters, lasts;
finished leather, Chemicals; Shoe
components, finished leather, Synthetic
Leatherite, Chemicals, Adhesives, Process
technology, Machinery & Equipment,
Testing, Software, Material Manufacturing,
www.iilfleatherfair.com

**IIfJAS India International Fashion
Jewellery & Accessories Show Mumbai :**
will be held at Bombay Convention &
Exhibition Centre BCEC from Friday, 21.
August to Monday, 24. August 2015

www.iifjs.com

Pharmabiotica : Conference and Exhibition
of the pharmaceutical industry will be held
at Hitex Exhibition Center Hyderabad on
26th August, 2015

www.pharmabiotika.com

Events in Russia

World Food Moscow: 14 - 17 September
2015, Moscow, Expocentre -[www.world-
food.ru](http://www.world-food.ru) : The exhibition embraces the entire
food market and has 11 sectorised areas:
meat and poultry, fish and seafood, frozen
products and semi-processed foods, fruits
and vegetables, confections and baked
goods, groceries and snacks, preservation,
fat-and-oil products, dairy products, tea and
coffee, and drinks.

MIMS Automechanika Moscow : The 19th
International exhibition of automotive parts,
components, car maintenance equipment
and products: 24 - 27 August 2015,
Moscow, Expocentre www.mims.ru : The
19th International trade exhibition of
automotive parts and car maintenance
equipment

Design & Décor, St. Petersburg:

09 - 11 September 2015, St. Petersburg,
Expoforum CEC- [designdecor-expo.ru/en-
GB](http://designdecor-expo.ru/en-GB) :The international interiors exhibition
Design & Décor St Petersburg is an
effective business platform for the
promotion of products and services on the
interiors market of the North-West of Russia
and for the search for new clients among
trading companies, interiors salons, design
studios, architectural bureaus.