



High Commission of India, Kingston

Economic Newsletter, January 2017

World Bank projects GDP growth at 7% in FY-2017, despite demonetization.

The World Bank has projected India's economy to grow at seven per cent in the current financial year, even after taking into account the impact of demonetization. It stated the impact of demonetization was for the short term. Though the projection was 0.6 percentage points lower than its earlier estimate of 7.6 per cent, these are only a shade below the Advance Estimates put out by the Central Statistical Office (CSO). CSO estimated the growth to be at 7.1 per cent without considering the effect of demonetization and will factor in the impact in its revised Advance Estimates to be put out by February-end. The World Bank also highlighted weak private investments for "slightly"

pulling down economic growth, besides demonetization.

Economic Survey 2016-17: Highlights

India's economic growth has been pegged at 6.5 per cent for the current fiscal; down from 7.6 per cent recorded in the last financial year, but is expected to rebound in the range of 6.75-7.5 per cent in 2017-18. The Survey's GDP growth figure for the current fiscal is lower than 7.1 per cent the Central Statistics Office had forecast earlier this month. The highlights of the Economic Survey 2016-17 tabled in Parliament are: * GDP growth for next fiscal pegged at 6.75-7.5 % * Growth this fiscal to be 6.5 %.

* Prescribes cut in individual I-T rates, real estate stamp duties

* Income Tax net could be widened gradually by encompassing all high income earners

- * Time table for cutting corporate tax should be accelerated
- * Tax administration could be improved to reduce discretion and improve accountability
- * Growth to return to normal as new currency comes in circulation
- * Demonetization to affect growth rate by 0.25-0.5 per cent, but to have long-term benefits. * GST, other structural reforms should take the trend growth rate to 8-10 per cent
- * Fiscal windfall likely from Pradhan Mantri Garib Kalyan Yojana, low oil price
- * Farm sector to grow at 4.1 per cent this fiscal, up from 1.2 per cent last year
- * Fiscal gains from GST will take time to realize
- * Demonetization may affect supplies of certain agricultural products like sugar, milk, potatoes and onions
- * Growth rate of industrial sector to moderate to 5.2 per cent this fiscal, from 7.4 per cent last fiscal
- * Efforts to collect taxes on disclosed and undisclosed wealth should not lead to tax harassment
- * Universal Basic Income Scheme is an alternative to plethora of state subsidies for poverty alleviation.

Axiom Asia to invest up to 15% of new \$1 billion fund in India

Singapore-based private equity firm Axiom Asia Private Capital plans to invest up to 15 per cent of its new \$1.03 billion fund in India, a top

executive said. The fund—Axiom Asia IV, its fourth private equity fund of funds—recently marked its final close, against a target of \$750 million. It seeks to invest in buyout, venture capital (VC), growth capital and other private equity funds. Axiom Asia has invested in India in all of its last three funds and will invest up to 15 per cent of the new fund in the country and the firm is looking for suitable investment opportunities. Founded in 2006 as an independent fund management firm, the Asia-focused fund of funds is led by Chris Loh, Alex Lee, Marc Lau and Edmond Ng. It has offices in Singapore and Hong Kong.

Centre launches app for Special Economic Zone information

The government has launched a mobile app called 'SEZ India' that provides detailed information about the country's special economic zones. Launched earlier this month under the e-Governance initiatives, "the app would help the SEZ units and developers to find information easily and track their transactions on SEZ Online System,". "Developers and units can now file all their transactions digitally". The SEZ online transaction is a dynamic submenu that tracks the Bill of Entry and Shipping Bill processing status, besides doing verification. "The app also helps the Importers/Exporters track the status of Bill of Entry/Shipping Bill integration and processing,"

India an innovation hub for Microsoft

India is a hotbed of research and development (R&D) activity for Microsoft. Other than its local data centres, cyber security and Smart City initiatives, the country is home to Microsoft Research India, (MSR India), which was established in January 2005 in Bengaluru. The other unit—Microsoft India (R&D) Pvt. Ltd set up its India operations in Hyderabad in 1998. Over the past 18+ years, it has expanded to become one of Microsoft's largest R&D centers outside its headquarters in Redmond. Emerging Markets' group that studies the role of technology in socio-economic development, is active in tackling societal problems such as healthcare, education and agriculture. Microsoft is "aiming to work on both global engineering solutions and problems related to India," says Anil Bhansali, managing director of Microsoft India (R&D) and General Manager, Cloud and Enterprise, MSIDC. For instance, when the Andhra Pradesh government wanted to examine the reason why children drop out of school, in a bid to stop the trend, it took the help of Microsoft researchers to build machine learning models based on data being collected on student enrolment to predict drop outs. This was done by applying machine learning and advanced visualization techniques that take into

account multiple data points, including a student's board exam performance, post-exam enrolments, school facilities, and teachers' abilities and skills. This solution, has been taken to 10,000 government schools across Andhra Pradesh. "The interface also allows officers to counsel student accordingly," he says. Microsoft also partnered with the LV Prasad Eye Institute (LVPEI) to create an eye-care solution that successfully predicts the outcome of eye surgeries and improves treatment. Using EyeSmart—an ophthalmic electronic medical record and hospital management system—and Microsoft Azure, LVPEI has registered over 400,000 new patients digitally. In another such instance, Microsoft partnered with the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), a United Nations agency, to analyse volumes of data on weather forecasts, local rainfall and soil conditions. The data, according to Bhansali, was analysed to develop a "Sowing Date" application that tells farmers the right sowing date to maximize their yield. Access to this platform for farmers was simplified by providing information to farmers via SMSes in Telugu.

Indian geospatial industry to be \$20 bn market by 2025

The \$4 billion Indian geospatial industry in India is expected to become a \$20 billion market by 2025, growing at a cumulative annual rate of

12 to 15 per cent. The estimated annual budget of government agencies for GIS services currently stands at \$3 billion and this was expected to further increase with the government's push for leveraging space and location technologies for development and governance. This was stated by Union Minister of Urban Development, Housing and Urban Poverty Alleviation and Information and Broadcasting M. Venkaiah Naidu while inaugurating the Geospatial World Forum. The minister also announced that the sector was likely to attract \$500 billion investment over next five years and India being the only bright spot and growing economy in the world was a favourite destination for this investment. About

3,000 delegates from global geospatial community, policy makers, academia, researchers and technology providers are attending the three-day event with the theme "Geospatial + Deep Learning: Shaping Smarter World". Naidu said the geospatial technologies were enabler platform advancement of civilization and living standards of people.

Services sector's role pivotal for India's growth: Mrs. Nirmala Sitharaman

Commerce and Industry Minister, while addressing the curtain raiser conference of the third edition of Global Exhibition on Services (GES)-2017 Mrs Nirmala Sitharaman said the services sector has become knowledge-driven with an important role to play in the country's economic growth. A strong services sector backed by a manufacturing sector targeted for higher growth through initiatives like 'Make in India', can play a pivotal role in the growth of our economy and enable it to find its rightful place amongst world economies, the Commerce Ministry said in a statement. As per provisional numbers released by the Reserve Bank of India for 2016-17, the service export figures for April to September 2016 have touched \$80 billion as against \$77 billion for the corresponding period of the previous fiscal, which is a rise of almost four per cent. In the GES-2017, there are 20 sectors that are being tapped as compared to 17 sectors in the previous years. The new areas being unveiled are retail and e-commerce, sports services and Railway services.

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