



January – February 2020

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“We are now the fifth largest economy of the world. India’s foreign direct investment got elevated to the level of US\$ 284 billion during 2014-19 from US\$ 190 billion that came in during the years 2009-14.”

*Minister of Finance and Corporate Affairs of India,
Nirmala Sitharaman*

Dear Friends,

We are happy to bring you this issue of “India Economic News” which focuses on Budget 2020 and Economic Survey 2019-2020.

Budget 2020 was announced by Minister of Finance and Corporate Affairs, Nirmala Sitharaman on 1 February 2020. The Budget focuses on three main themes: Aspirational India; Economic Development; and Ensuring the development of a caring, humane and compassionate society.

Prior to the Budget announcements, the Economic Survey 2019-2020 was released which crafts a framework of policies to foster wealth creation in India.

India Expo Beurs 2020 (a multiproduct fair) with over 50 companies from India is taking place at Rijswijk, Netherlands from 22 February to 1 March 2020. More details can be found on our Upcoming Events page. We hope you can find time and visit the event which has both B2C and B2B opportunities.

We welcome your feedback on the newsletter (on both its design and content) and welcome suggestions for new content.

Best wishes,
Mrinalini Kaur Sapra, First Secretary (E&C)
Embassy of India [trade.thehague@mea.gov.in]



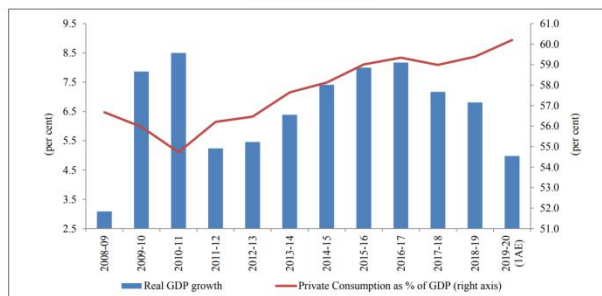
Economic Survey 2019-20

Copy of the Economic Survey can be read at the following website: <https://www.indiabudget.gov.in/economicsurvey/>

Some highlights:

- The World Economic Outlook [October 2019] has estimated India's economy to become the 5th largest in the world [using GDP at current US\$ prices]. The size of the economy is estimated at US\$ 2.9 trillion in 2019.
- 5% economic growth estimated for financial year 2019-20 ending March 31, 2020
- 6.9% average economic growth reported by India over last five financial years

Real GDP growth and Private consumption (as percentage of GDP)
Annual movement



Data Source: National Statistical Office

- 6% - 6.5% economic growth projected for financial year 2020-21 starting April 1, 2020
- Over 124,000 new firms created in 2018, an increase of about 80% from 2014
- Reforms undertaken during 2019-20 to boost investment, consumption and exports include speeding up the insolvency resolution process under the Insolvency and Bankruptcy Code, easing of credit, mainly for stressed real estate and the Non-banking financial companies (NBFC) sectors and announcing the National Infrastructure Pipeline 2019-2025.



Copy of the Budget Speech and Budget documents can be accessed at the following website:

<https://www.indiabudget.gov.in/>



Some highlights:

- Tax concession for foreign investments: To incentivise the investment by the Sovereign Wealth Fund of foreign governments in the priority sectors, 100% tax exemption to the interest, dividend and capital gains income on investment made in infrastructure and priority sectors before March 31, 2024 with a minimum lock-in period of 3 years
- Corporate Tax rate of 15% extended to new electricity generation companies;
- Indian corporate tax rates now amongst the lowest in the world.
- Simplified GST Return to be implemented from April 1, 2020
- Government to consider further opening up of FDI in aviation, media and insurance sectors in consultation with all stakeholders. 100 % FDI will be permitted for insurance intermediaries and local sourcing norms will be eased for FDI in single brand retail sector.
- Start-ups with turnover up to US\$14.08 million to enjoy 100% deduction for 3 consecutive assessment years out of 10 years; Defer tax payment on Employee Stock Option Plan by five years

Kerala to collaborate with Dutch organization on Tech

Kerala will join hands with The Netherlands Organisation for Applied Scientific Research (TNO) in the areas of innovative technologies like Internet of Things, Big data and Machine learning.

[Read More](#)

Infosys Partners with ABN AMRO

Infosys has signed a multi-year, multi-million contract with ABN AMRO Bank to accelerate its cloud and Dev Ops transformation.

[Read More](#)

100 new airports in India by 2024

The government will build 100 new airports by 2024. "It is expected that the air fleet number shall go up from the present 600 to 1,200 during this time. I propose to provide about Rs 1.70 lakh crore for transport infrastructure in 2020-21," Finance Minister Nirmala Sitharaman said during her Budget Speech.

[Read more](#)

Government to facilitate doubling of milk processing capacity from 53.5 million MT to 108 million MT by 2025

The Department of Animal Husbandry & Dairying is continuously working towards increasing milk productivity through genetic improvement and reduction of input cost. A special programme has been launched for improvement of milk quality.

[Read more](#)



Indian Economy poised to take off says Piyush Goyal, Union Minister of Commerce and Industry

Speaking at the World Economic Forum Annual Summit at Davos on 23 January, 2020 he stated that the Indian Government will hold discussions with the EU and Great Britain on free trade agreements.



[Read more](#)

India among top 10 FDI recipients, attracts US\$ 49 billion inflows in 2019: UN report

South Asia recorded a 10 per cent increase in FDI to \$60 billion and "this growth was driven by India, with a 16 per cent increase in inflows to an estimated \$49 billion. The majority went into services industries, including information technology," the UN report said.



[Read more](#)

Housing Ministry launches e-commerce platform for real estate sector

"The rising levels of transparency and professionalism in the India's real estate market has made it attractive for domestic as well as global investors. HousingForAll.Com is yet another effort in garnering support of today's smart consumer, who wish to buy in quality projects," said Rajeev Talwar, Chairman, NAREDCO.

[Read more](#)



News in Brief

- PE, VC investments in India grew 28% to US\$48 billion in 2019 (EY data) (IBEF)
[Read More](#)
- Exports from SEZs achieve US\$ 100 billion mark; Services sector shows 23.69 per cent growth in Rupee terms (IBEF)
[Read more](#)

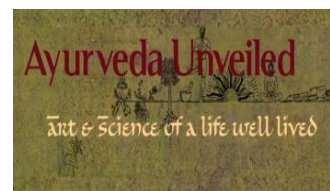


Agro-Food Event March 2020

Embassy of India will be organizing a half day Seminar in the Hague region on India-Netherlands cooperation in the areas of Agro food sector. For more information please write to markoff.thehague@mea.gov.in



Please do visit: India Expo Beurs 2020: A multi product trade fair with participation from over 50 Indian companies (through ITPO) at De Broodfabriek Volmerlaan 12, 2288 GD Rijswijk, Netherlands [Opportunities for B2B and B2C]



Documentary “Ayurveda Unveiled” will be screened on Friday, February 28, 2020, at Hotel Crowne Plaza Promenade, van Stolkweg 1, The Hague. If you would like to attend please email: markoff.thehague@mea.gov.in

Embassy Events

Celebrating India's 71st Republic Day at India House



600 people gathered at the residence of Ambassador of India in Wassenaar for the Flag unfurling ceremony and the singing of the National Anthem on 26 January 2020.

Diplomatic Reception at Grote Kerk, The Hague



President of the Senate of the Netherlands Prof. Dr. Jan Anthonie Bruijn was the Guest of Honour at a Diplomatic Reception held on January 27 2020 to mark India's 71st Republic Day. Ambassadors, senior Dutch officials/ dignitaries and prominent Indian community members also attended.

Vakantie Beurs 2020, Utrecht



Ambassador Venu Rajamony and Mayor of Utrecht Jan Van Zanen inaugurated the Incredible India stall at Vakantie Beurs 2020, a premier travel fair in the Netherlands on 15 January 2020.

Pravasi Bharati Diwas (PBD) Celebrations, The Hague



Pravasi Bharati Diwas (PBD) celebrations took place in The Hague on 19 January 2020, where over 250 people from the Indian and Surinami Hindustani Community participated.

Panel Discussion: Constitution of India and Fundamental Duties



Embassy of India & Foundation for Critical Choices for India (FCCI) organized a panel discussion on 'Constitution of India and Fundamental Duties' at the Gandhi Centre on February 18 2020.

Pravasi Bharati Diwas and Hindi Diwas Celebrations at Sint Maarten



Ambassador Venu Rajamony addressed the local Indian community in Sint Maarten on 3 January 2020. A Cultural performance by local artists also marked the occasion.

Interaction of Ambassador Venu Rajamony with local community at Curacao



Hon. Consul Manu Sawilani hosted a reception on the occasion of Pravasi Bharati Diwas and Hindi Diwas on 8 January 2020. Prime Minister of Curacao, Eugene Rhuggenaath also attended and addressed the gathering.

Pravasi Bharati Diwas and Hindi Diwas Celebrations at Aruba



Ambassador Venu Rajamony interacted with members of the Indian community during the Pravasi Bharati Diwas and Hindi Diwas celebrations on 10 January 2020 at Aruba.

In case of any trade/ commercial queries, please contact us:

**Embassy of India,
Buitenrustweg 2,
2517 KD
The Hague, Netherlands
Phone: +31.70.346.9771**

Economic and Commercial Team

Ms Mrinalini Kaur Sapra, First Secretary (E&C)

➤ trade.thehague@mea.gov.in

Mr Shiv Mohan Singh, Second Secretary (E&C)

➤ commerce.thehague@mea.gov.in

Mr Ashok C. Kaushik, Marketing office

➤ markoff.thehague@mea.gov.in

Ms Sreedevi M, Commercial Assistant

➤ commerce.thehague@mea.gov.in