

## **Monthly Newsletter**

### **1. TRADE**

#### **A) INDIA STILL LARGEST ARMS IMPORTER**

India continued to be the largest weapons importer in the world over the last five years and arms exports from the United States to the country jumped 557%. India's overall imports climbed 24% in the five-year period, accounting for nearly 12% of all global imports. India spent more than \$100 billion on buying new weapons and systems during 2008-17, with imports accounting for around 60-65% of the country's military requirements. India has inked a raft of contracts during the last decade for fighter jets, special operations aircraft, submarine hunter planes, lightweight howitzers, artillery guns and other weapons and systems. Russia, the country's top arms supplier, accounted for 62% India's arms imports in 2013-17, followed by the US (15%) and Israel (11%). Pakistan's imports from the US dropped by 76% between 2013-17 and 2008-12, but it was the main recipient of Chinese weapons between 2013-17. India allocated Rs 2.95 lakh crore for military spending during 2018-19, a modest hike of 7.8% over last year's budget of Rs 2.74 lakh crore. The budget includes a capital outlay of Rs 99,563 crore for buying new weapons and systems, up from Rs 86,488 crore.

#### **B) VENEZUELA WANTS TO DITCH US DOLLAR AND USE INDIAN RUPEE FOR TRADE**

During a recent visit to India, Venezuelan Foreign Minister, Mr Jorge Arreaza, said that Venezuela was interested in conducting transactions with the Indian government and business sector using India's national currency, the Indian Rupee (INR), instead of U.S. Dollar.

#### **C) INDIA'S OIL IMPORTS FROM VENEZUELA HIT LOWEST IN OVER 5 YEARS**

Indian imports of oil from Venezuela have fallen to their lowest levels in over half a decade. India's oil imports from Venezuela averaged around 300,000 barrels per day (bpd) between November 2017 and February 2018, a drop of about 20% from the same period a year earlier and the lowest such level since 2012. Venezuela's oil production plunged to the lowest in decades last year, with the country racked by quadruple-digit inflation, a lack of hard currency and a crippling recession. The report mentions that the five-year average of Venezuelan crude oil to India is around 440,000 bpd.

#### **D) NEW INDIA-BANGLADESH TRAIN SERVICE TO LOWER SHIPPING COSTS**

Shippers are applauding the trial run of the India-to-Bangladesh freight train service — with regular service set to begin within two months — that will provide shippers with a cheaper,

quicker, non-truck transport option. Moreover, the train has the potential to substantially reduce transport costs from about \$800 by truck to about \$730 by train per TEU; transport time will also take days instead of about two weeks or longer. The first freight train between Bangladesh and India in the two nations' history arrived at Dhaka from Kolkata on March 27, carrying mainly apparel industry and consumer goods. On the other hand, truck transport per TEU from Kolkata to Dhaka costs \$800 and the transit time is about 22 to 25 day. Trucks must wait weeks in the Benapole Land Port area because of congestion and administrative procedures. Good transportation options increase the availability of goods to consumers at a cheap price. Bilateral trade between Bangladesh and India totaled \$7 billion in 2017. Bangladesh's primary imports from India are cotton, cotton yarn, cotton fabrics, vehicles, nuclear reactors, boilers, machinery and mechanical appliances, cereals, human-consumable vegetables, iron and steel, and consumer goods. Bangladesh's primary exports to India are woven garments, knitwear, home textiles, agri-products, frozen food, leather and leather products, footwear, raw jute, jute goods, and bicycles.

## **2. GOVERNMENT CIRCULARS AND POLICIES**

### **A) GOVT HALVES IMPORT DUTY ON TV PANEL PART TO 5 %**

The government has slashed the duty on a key component of TV panel to 5% from 10% at present, giving relief to companies. TV makers said the move will drive in affordability and lead to creation of manufacturing jobs. The 10% duty had been imposed on 'open cell', the most critical part in a TV panel. Companies said with the duty on open cell coming down, manufacturers would now look at assembling panels within the country. Around 1.7 crore TV sets are expected to be sold in India this fiscal, generating revenues of about Rs 25,000 crore. Nearly 11,000 people are estimated to be directly employed in TV manufacturing, while another 33,000 work indirectly.

## **3. GLOBAL BUZZ**

### **A) NAMIBIA RANKED FIFTH LEAST CORRUPT IN AFRICA**

Namibia was ranked 53<sup>rd</sup> out of 180 countries globally, and fifth on the African continent in corruption, scored of 51 out of 100. Due to its fight against corruption, good governance and its tolerance on freedom of the press, association and expression, Namibia has been ranked one of the least corrupt countries.

### **B) WORLD HAPPINESS INDEX 2018: FINLAND TOPS**

Fans of skiing, saunas and Santa Claus won't be surprised to hear Finland is the happiest place to live. The World Happiness Report ranked 156 countries by happiness levels, based on factors such as life expectancy, social support and corruption. Finland nudged neighboring Norway into second place. Rounding out the Top 10 are Denmark, Iceland, Switzerland, Netherlands, Canada, New Zealand, Sweden and Australia. The United States fell to 18th place from 14th last year. He said the happiness revealed in the survey derives from healthy amounts of both personal freedom and social security that outweigh residents having to pay "some of the highest taxes in the world."

**C) WORLD'S FIRST ATM MACHINE TURNS TO GOLD ON 50TH BIRTHDAY**

The brainchild of Scottish inventor Shepherd-Barron, the first ATM (automated teller machine) was opened on June 27, 1967 at a branch of Barclays bank in Enfield, north London, the first of six cash dispensers commissioned by the bank. To commemorate the anniversary, Barclays transformed the ATM at its Enfield branch into gold, added a commemorative plaque and placed a red carpet in front for its users. Now there are an estimated three million cash machines across the globe with some 70,000 cash machines in the UK alone which dispensed 175 billion pounds in 2016. The world's most northerly machine is at Longyearbyen, Svalbard, Norway and the most southerly located at the McMurdo station at the South Pole. English actor Reg Varney, was the first person to withdraw cash from the new machine.

**4. INDIA POSITIVE**

**A) WORLD'S LARGEST SOLAR PARK LAUNCHED IN KARNATAKA**

The world's largest solar park set up at an investment of Rs 16,500 crore was launched at Pavagada in Karnataka's Tumakuru district. The 2,000 MW park, named as 'Shakti Sthala', spans across 13,000 acres spread over five villages and is a benchmark in the unique people's participation in power model put on ground. The park's development is anchored by the Karnataka Solar Power Development Corp. Ltd (KSPDCL). The project has been executed within a record time of two years, with zero land acquisition. The park will create employment and act as an incentive for natives and farmers to explore new opportunities of socio-economic growth in the region.

**B) HELITAXI SHUTTLE SERVICE OPENS IN BENGALURU**

A helicopter shuttle service (HeliTaxi) was opened in Bengaluru for the public between the Bengaluru airport and the city. It is operated by Thumbay Aviation with a Bell 407 helicopter and a capacity of six passengers. A commuter can opt for the helicopter shuttle service between BIAL and Electronic City in the south (about 70 km from the airport), which is home to hundreds of technology firms including, Infosys and other multinationals, or Hindustan Aeronautics Limited (HAL) Airport in the city centre.

**C) INDIA PIPS GERMANY RANKS 4TH LARGEST AUTO MARKET**

India has overtaken Germany to become the fourth largest automobile market in the world. Automobile sales, including passenger and commercial vehicles, in Asia's third largest economy grew 9.5%, the fastest among major global markets, last year to more than 4 million units, outpacing Germany's 3.8-million vehicle sales, which rose by a modest 2.8% in the same period.

**D) MEGA FOOD PARK IN AJMER**

The first mega food park was inaugurated at Roopangarh village in Ajmer, Rajasthan. The food park is being set up at a cost of Rs 113.57 crore and will benefit around 25,000 farmers in Ajmer as well as neighbouring districts. The mega food park would leverage an additional investment of about Rs 250 crore in 25-30 food processing units in the park and would eventually lead to a turnover of about Rs 450-500 crore annually. The park will have a cold storage facility with a capacity of 5,000 tonnes, deep freeze unit of 2,550 tonnes, dry warehouse for raw materials and finished goods, pack house, silos, steam generator, among others.

**Disclaimer: This information has been collected through secondary research; IICCI is not responsible for any errors in the same.**

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