



सत्यमेव जयते
Embassy of India
in Israel

Indian Economic and Business News Bulletin October-November 2013

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Indian Economy Trends

WATEC, Israel 2013

WATEC is the annual exhibition on water technologies organized by the Israel Export and International Cooperation Institute from 22 to 24 October, 2013 in Tel Aviv. A delegation of technical experts and senior officials from water utilities and Municipal Corporations in India visited Israel for a study tour on water technologies/water management under the aegis of the Administrative Staff College of India. They also visited the WATEC exhibition. Representatives from the Indian private sector also visited WATEC 2013.

Visit of Deputy Chief Minister of Goa

Mr. Francisco D'Souza, Deputy Chief Minister of Goa and Mr. Dilip Parulekar, Minister of Tourism of Goa accompanied by a business delegation under the aegis of the Goa Chambers of Commerce and Industry, visited Israel from 20-25 October, 2013. The delegation met the Israeli Minister of Tourism, Dr. Uzi Landau and discussed possibilities of cooperation in tourism. They visited several places/facilities in Israel to know more about Israel's capabilities in agriculture, water technologies, cooperative farming, etc. They visited WATEC exhibition and met some Israeli companies which offer water technologies.

FICCI Defense and Aerospace business delegation

A delegation of senior executives from Indian defense and aerospace companies led by Mr. Rahul Chaudhary, CEO, Tata Power SED and co-Chairman, FICCI Defense Committee visited Israel from 13 to 17 October, 2013 to explore possibilities of forging partnerships with Israel. The visit was organized under the aegis of the Federation of Indian Chambers of Commerce and Industry (FICCI).

Sixth meeting of India-Israel Forum

The sixth meeting of the private sector led Track-II Dialogue between India and Israel, India Israel Forum, met in Tel Aviv from 27-30 October, 2013. The Forum is organized jointly by the Confederation of Indian Industry (CII), ASPEN Institute India, and Tel Aviv University of Israel. This year, the Forum was co-chaired on the Indian side by Mr. Sam Pitroda, Adviser to the Prime Minister on Public Information Infrastructure and Innovation and Mr. Jamshyd Godrej, Chairman

and Managing Director of the Board, Godrej and Boyce Manufacturing Company Ltd. On the Israeli side, the co-chairs were Mr. Stanley Bergman, CEO & Chairman, Henry Schein Inc. and Mr. Aharon Fogel, Chairman, Migdal Insurance. The Forum met Mr. Shimon Peres, Hon'ble President of the State of Israel who advocated stronger economic ties between the two countries. On 29 October, an MOU was signed for an investment of US\$ 5 million by the Tata Group in Ramot Technology Transfer Centre in Tel Aviv University.

Israeli Minister of Economy, Mr. Naftali Bennett's visit to India

The Israeli Minister of Economy, Mr. Naftali Bennett, visited India from 6-10 October, 2013 accompanied by officials and business delegation focused on cooperation in IT. Mr. Bennett met Finance Minister Mr. P. Chidambaram, Commerce and Industry Minister Mr. Anand Sharma and Communications Minister Mr. Kapil Sibal. Minister Bennett also spoke with students at the Indian Institute of Technology (IIT) Delhi and visited the Centre of Excellence for Vegetables in Karnal, Haryana. In Mumbai, the Minister met Maharashtra Chief Minister Prithviraj Chavan. He addressed the Indian business community at events organized by CII Delhi and met senior captains of Industry in India including from Reliance Industries Ltd., Tata Group, Bharti Airtel and others.

Investments – FDI, FII

Reserve Bank of India allows investors to invest in credit enhanced bonds

The Reserve Bank of India (RBI) has decided to allow various investors to invest in the credit enhanced bonds up to a limit of \$5 billion within the overall limit of \$51 billion earmarked for corporate debt. These investors include Securities and Exchange Board of India (Sebi) registered Foreign Institutional Investors (FIIs), Qualified Foreign Investors (QFIs) and long term investors registered with Sebi – Sovereign Wealth Funds (SWFs), multilateral agencies, pension/ insurance/ endowment funds and foreign central banks. The present limits for investments by FIIs, QFIs and long term investors registered with Sebi in government securities and corporate debt stands at \$30 billion and \$51 billion respectively.

SIDBI to Establish Joint Investment Fund with Israeli Firm Kaenaat

According to reports Small Industries Development Bank of India (SIDBI) is seeking investments in Israel to establish a joint investment fund with 'Kaenaat', a company that deals with investments in emerging markets. The new fund will focus its operations on assisting small and medium Israeli companies looking to enter the Indian market, or expand their activity in India. SIDBI will provide investments, loans, risk insurance, and managerial and strategic support for companies following the investment.

Israel & World Bank establish a Joint Technology Fund

Israel and the World Bank agreed to develop their first joint technology fund, to promote Israeli technology in developing markets. Israel will invest an initial \$1 million in the fund. In September, the World Bank's private-sector arm, the International Finance Corporation, made its first two investments in an Israeli technology companies.

The first a \$5 million investment in 'DiViNetworks', an Israeli based company which provides network operators and internet service providers (ISPs) with cloud-based broadband solutions that significantly improve data delivery while saving costs. The second, an investment in Kaiima Bio-Agritech, is a seed-and-breeding technology company that multiplies plant genomes without compromising their integrity.

Ascendas to invest over Rs 3,000 crore in Indian cities

Singapore-based commercial space developer 'Ascendas Pte Ltd' launched the Ascendas India Growth Program, targeting an asset size of over Rs 3,000 crore (\$500 million) to invest in commercial space in major Indian cities. Singapore's sovereign wealth fund GIC Private Ltd is a principal investor in the program. The target investments include business space developments, which may have other complementary uses and completed business space assets in Bangalore, Chennai, Delhi-National Capital Region, Hyderabad, Mumbai and Pune.

Biotechnology / Pharmaceuticals / Medical Services / Science

Cabinet approved Pharmaceuticals Purchase Policy (PPP).

The Indian government approved a policy for procuring medicines produced by Central Public Sector Undertakings. The policy will be applicable to 103 medicines for five years and will be consumed by central government departments, Public Sector Undertakings and autonomous bodies. This move aims at optimum utilization of such units while ensuring availability of medicines at lower prices. The renewal of the Pharmaceuticals Purchase Policy aims at ensuring optimum utilization of the installed capacity of the pharma central public sector enterprise (CPSEs). It would not only provide necessary fillip in reviving these CPSEs, which are ailing but also ensure availability of quality medicines at low prices to the masses besides ensuring drug security of the nation.

Rs. 100crore (\$16 million) Science City Project in Hyderabad

The Andhra Pradesh State Council of Science and Technology, intends to set up a Rs 100 crore science city on the outskirts of Hyderabad. Hyderabad Metropolitan Development Authority (HMDA) has invited bids for the project coming up on a 25 to 30 acre site from the land bank available with it in different parts of the city. The proposed Science City will house interactive exhibits on various topics of science ranging from astronomy to biology, a planetarium and galleries. It will also act as a center and facilitator for inventors including research scholars and teachers.

Automobile Sector

John Deere inaugurates new Tractor Factory in Dewas

John Deere has set up its second tractor factory in India at Dewas, Madhya Pradesh to build agricultural tractors to meet requirements of small land holding customers in India and for export to other nearby markets. In 2011, Deere announced it will invest \$80 million for the new factory and broke ground in early 2012. Eventually the site could provide approximately 1,000 jobs.

Scania Company sets up Assembly Plant in India

Sweden's Scania Commercial Vehicles has set up an assembly plant in India to manufacture about 2,500 heavy haulage trucks besides 1,000 inter-city buses and coaches annually at a factory near Bangalore. Currently the localization is 18% for trucks and 100% for bus bodies. Initial investments will be Rs 250 crore (\$40.5million).

Information Technology and Telecom

Vodafone to invest Rs 10,141 crore (\$1.65 billion) in India arm

Vodafone's application to buy out its Indian subsidiary's partners has come within two months of the government allowing 100 % foreign ownership in an Indian telecom company. It is the second foreign telecom company seeking permission to do so. Singapore's SingTel recently received FIPB's approval to buy Bharti Airtel's 9.9 % stake in a joint venture. The British Telecom company also announced that it would consider providing additional funding to Vodafone India by subscribing to equity shares of the Indian entity, after it received 100% equity control.

India's Netizens set to be World's Second-Biggest Internet User Base

By June 2014, Indian internet users are to become the world's second-largest online community after China, said a report released by the Internet and Mobile Association of India (IAMAI) and market research firm IMRB International. According to the report India is expected to have 213 million internet users by December and 243 million by June 2014. Rural India has seen a 58 % year-on-year growth in the number of active internet users since June 2012. The rural base, 68 million in October, is estimated to reach 72 million by December. The most growth was seen in the working women segment, which grew 43 % over last year and accounted for a tenth of active internet users.

Dell Launches India Design Center

Dell Launches an India Design Center which will focus on developing software, integrating aspects involving back-up of emails and related storage in addition to working on upcoming technologies in

that area. The development center will help Dell to bring products faster to the market. The Bangalore center will consist of storage architects who will work with its other R&D centers in the US and Israel.

Renewable Energy and Clentech

CCEA approves Rs 500 crore for 'Green' Scheme for Textile Units

The Cabinet Committee on Economic Affairs (CCEA) has approved an Integrated Processing Development Scheme (IPDS) with a corpus of Rs 500 crore (\$81 million) to make textile processing units more environment-friendly and globally competitive. The fund will be used to set up four to six brownfield projects and three to five Greenfield projects over the 12th Plan period addressing environmental issues faced by textile processing units. Projects under the scheme would cover Common Effluent Treatment Plants, captive power generation, infrastructure (storm water management, necessary roads and pipelines for water & wastewater) and, facility for testing and R&D center. The scheme will support up gradation of existing processing clusters/centers in water and waste water management and encourage research and development work in the textiles processing sector.

Oil and Gas

EIL enters Nigerian refinery and petrochemical Sector

Engineers India Limited (EIL) has reached an understanding with Dangote Group in Nigeria for Project Management Consultancy (PMC) and Engineering, Procurement and Construction Management (EPCM) services for implementing a grass root 400,000 BPSD (20 MMTPA) Petroleum Refinery and 60,000 TPA Polypropylene Plant. This will be the largest ever single consultancy assignment for EIL. The main facilities of the project comprise of Crude Distillation Unit, Single train Residue Fluid Catalytic Cracking Unit, Diesel Hydrotreating Unit, CCR unit, Alkylation Unit, Poly-Propylene Unit etc., Utilities and Offsites.

BPCL to invest \$4 billion to raise refining capacity

Bharat Petroleum Corp Ltd (BPCL) has lined up investments worth \$4 billion to increase its refining capacity from the current 30.5 million ton a year to 47.5 mt by 2016-17. The three-day meet, a national conclave of petroleum refinery experts, opened with a call to enhance refinery performance to improve margin. The 18th RTM, jointly organized by the Centre for High Technology and BPCL will see the participation of around 700 delegates and international experts in the petroleum industry.

Retail Sector

Sequoia Capital invests in Indian company Zomato

Indian company Zomato, the popular restaurant search service, received a fresh round of funding of \$37 million from Sequoia Capital and existing investors Info Edge. Zomato announced the launch of its services in three new countries (Brazil, Turkey and Indonesia) and expanded its services within UK. Zomato updates menu cards every three months across all restaurants, and provides updated scanned menu cards for over 160,000 restaurants across the 11 countries of its presence. Users can access all this information on Zomato's website available at www.zomato.com.

Delhi packaging firm Uflex Ltd. Enters the Global Market

Uflex a Delhi-based Company offers finished packaging solutions to a wide variety of products such as food, beverages, dairy products, pharmaceuticals and contraceptives. It caters to over 140 countries with an impressive client list including Unilever, Pepsi, Wrigley, among others. It has decided to double the capacity of its existing 30,000 million ton polyester film unit in Poland to expand the company's market penetration across Europe. Currently listed in India, Uflex has five overseas facilities. The firm's expansion plans, which include new plants across India and overseas envisages an earmarked investment of around \$400 million.

Johnston & Murphy to open 15 Stores across India metros

The 163-year old American brand Johnston & Murphy plans to open 15 stores across Indian metros in four-five years and distribute its products through the wholesale channel. The \$2.2-billion Genesco has 2,455 stores across US, UK, Canada, etc. and owns the Dockers brand. The company plans to open 1,500-1,800-sq-ft stores in India and is targeting business of Rs 50crore (\$8 million) in three-four years.

Israeli companies participated in Global Innovation and Technology Alliance (GITA) Platform 2013

The Global Innovation and Technology Alliance Platform which took place in Delhi on 12-13 November 2013 was the largest forum for forging business alliances in Science Technology & Innovation in India. The forum brought together global technology providers, Investors, Indian industry, grass-root entrepreneurs & Innovators, scientists, academicians, senior government representatives etc., to explore opportunity for collaborations. MATIMOP, the Israeli Industry Center for R&D, led a delegation of seven Israeli companies to the conference and B2B event. The Israeli companies which participated in the conference were Aqwise, ESC BAZ Ltd., EnStorage Israel Ltd., Galam Ltd., Noa Systems, Dr. Ten, and Yahav&Co,

Forthcoming Events in India

<i>Event</i>	<i>Date</i>	<i>Source</i>
ELECRAMA 2014	8-12 January, 2014 Bangalore	http://www.elecrama.com
India International Travel and Tourism Exhibition	16-18 January, 2014 Mumbai	http://tourismfair.asia/
Tex Trends	20-22 January, 2014 New Delhi	http://www.textrendsindiafair.com
IESS 2014 - Indian Engineering Sourcing Show	22-24 January, 2014 Mumbai	http://www.eepcindia.org/
Asia Africa Agribusiness Forum (AAAF 2014)	4-6 February, 2014 New Delhi	http://www.ficci.com
Defexpo	6-9 February, 2014 New Delhi	http://defexpoindia.in/
Oil & Gas World Expo 2014	10-12 February, 2014 Mumbai	http://www.chemtech-online.com/events/oceantex/

Assistance for Investors

The Government of India has set up a joint venture company called “**Invest India**” in partnership with Federation of Indian Chambers of Commerce & Industry (FICCI) and State Governments to promote foreign investment in India in a comprehensive and structured manner. The company will provide support and assistance to investors guiding them through various procedures for investment and help them in setting up their business in India. Israeli companies which would like to invest / open a business in India, can contact “**Invest India**” to get assistance.

General Email: investindia@ficci.com Website: www.investindia.gov.in

<p>Mr. V K Topa Managing Director, Invest India Federation House, Tansen Marg, New Delhi 110001 Tel: +91-11-23765337 Fax: +91-11-23314373, 91-11-23329369 vtopa@ficci.com www.investindia.gov.in</p>	<p>Mr. Dushyant Thakor General Manager, Invest India & Additional Director FICCI, Federation House, Tansen Marg New Delhi 110001 Tel: +91-11-23765085 (D), 23738760-70 Ext 411 Fax: +91-11-23325158 dushyant.thakor@ficci.com www.investindia.gov.in</p>
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First Gov-to-Biz Portal launched in India – eBiz

The Department of Industrial Policy and Promotion (www.dipp.gov.in), under the Ministry of Commerce and Industry of India, launched 'eBiz' (www.ebiz.gov.in), India's first online government-to-business (G2B) portal to provide all investment and business related information and services securely in a single location. The portal will be a one-stop-shop for the investor and business communities in India, and will simplify the process by providing information about government requirements and allows users to apply licenses or approvals online. Users will be able to file tax returns, pay fees or duties electronically, track their status of their applications online or through SMS or email and obtain electronic copies of licenses and certificates.

Database of Indian Exporters / Suppliers

The Federation of Indian Export Organizations (FIEO) has prepared a database of around 12,000 members representing every product and service sector of India, which is updated on a weekly basis. The database can be accessed at <http://www.fieo.org>. Importers may use the "Search" business tool on the FIEO website to search for exporters of their desired products/services, select the Indian companies of their choice and forward trade queries directly to their selected companies using the tool. Electronic brochures of the exporting companies are also being made available on the website to facilitate better decision making by importing companies.

Contact Details:

Federation of India Export Organizations

Tel: +91-11-26150101-04/46042222

Fax: +91-11-26148194

Email: fieo@nda.vsnl.net.in

Website: <http://www.fieo.org>

Ashra – Trade Risks Insurance

ASHRA, the Israel Foreign Trade Risks Insurance Corporation Ltd, is a company fully owned by the Israeli government. ASHRA encourages Israeli exports by insuring medium and long term export credit transactions (one to ten years) and investments abroad. ASHRA was established in 1957 to encourage exports from Israel, to help minimize political and commercial risks, to raise export financing for the mid and long terms and to finance Israeli investments abroad. ASHRA's policies are fully backed by a state guarantee. ASHRA operates mainly in developing countries, characterized by a high level of commercial and political risks, concerns that agreements will not be honored, and suffering from claims and difficulties in the transfer of funds. The insurance coverage is up to 95% against political risks and up to 90% against commercial risks. The Company changed its name from IFTRIC to ASHRA in September 2005.

For more information visit: <http://www.ashra.gov.il>

Tel: 03-5631700 Fax: 03-5611937 Email: zvi@ashra.gov.il

Israel Desk set-up in Department of Electronics and IT, India

Mr. Kapil Sibal, India's Minister of IT and Communications had visited Israel in June 2013 to seek increased collaboration in the electronics, telecom and IT sectors. In follow-up to his visit, an Israel Desk has been set-up in the Department of Electronics and IT, in New Delhi. Israel Desk will help Israeli companies proposing to invest in the electronics sector. It will also provide guidance for interaction of Israeli companies with State Governments in India. **The Points of Contacts in the Israeli Desk are:**

1. Mr. O.P. Sharma, Director, Department of Electronics & IT (DeitY)
Electronics Niketan, New Delhi, India

Tel: 0091-11- 24301305
Email: opsharma@mit.gov.in

2. Mr. Anil Kaushik, Additional Director (Security Division)
Department of Electronics & IT (DeitY),
Electronics Niketan, New Delhi, India
Tel: 0091-11-2364803
Email: a.kaushik@nic.in
3. Mr. Manish Vashistha, Consultant, Department of Electronics & IT (DeitY)
Electronics Niketan, New Delhi, India
Tel: 0091-11- 24310779
Email: manish.vashistha@deity.gov.in

Business Offers for Israeli Companies

No	Company Details	Areas of Interest
1	CARYSIL Ltd Contact Person: Praduman Zala, Deputy General Manager (Exports) Tel: 91-79-26937082/91-79-40034112 Mob: 91-98-98067267/91-98-98614333 E-Mail: exports1@acrystal.com	Indian Manufacturer and Exporter of Composite Quartz, Modern Kitchen Sinks in Granite and Steel is Interested in Israeli serious importers or wholesalers of Tiles and Sanitary ware
2	M.B. Sugars & Pharmaceuticals Ltd Contact Person: Samyak V. Lodha, Director Marketing, Nitesh Bharat Bhagwat Mo:91-9326192191/91-9372415840 E-Mail: mbo@mbsugars.com	This Indian company keen to import sugar from Israel. They are interested in contacting Israeli exporters.
3	MTV Exports, Mumbai, India Contact Person: Vikram Nimbalkar Tel: 91-22-67103601/02/26763600 Fax: 91-22-26799662	Indian Company which Manufacturers & Exports Garments. Interested in Israeli importers of Garments.
4	Yogeeraj Industries, Nashik, Maharashtra, India Contact Person: Yogesh Amodkar Tel: 91-8446028887 E-Mail: yogeerajindustries@gmail.com	Indian company which manufacturers all types of Springs is interested in Israeli distributors / wholesalers / importers of Springs.
5	Cetra Oils, Jaipur, Rajasthan, India Contact Person: Ajay Saini Tel: 91-5644-238256 Fax: 91-5644-234321 E-Mail: cetraoils@gmail.com	An Indian manufacturer of Mustard Oil and exporters of Edible Oil, Palm Oil, Soybean Oil, Rapeseed Oil and Sunflower Oil is interested in Israel importers of edible oil.

For comments, suggestions, and responses please contact:

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