

## India Business Newsletter, December 2023

### India likely to remain fastest growing major economy in 2024: Assocham

India is likely to remain the fastest-growing major economy in the world in 2024 on the back of strong consumer demand leading to a pickup in investment across sectors such as construction, hospitality and infrastructure including railways and aviation, Assocham said on Thursday. India retained the tag of the world's fastest-growing major economy, with its GDP expanding by a faster-than-expected rate of 7.6 per cent in the July-September quarter on booster shots from government spending and manufacturing.



**Source:** [https://www.business-standard.com/pti-stories/national/india-likely-to-remain-fastest-growing-major-economy-in-2024-assochem-123122800602\\_1.html](https://www.business-standard.com/pti-stories/national/india-likely-to-remain-fastest-growing-major-economy-in-2024-assochem-123122800602_1.html)

## **How does the US market influence the Indian stock market?**

The US market serves as a barometer for the global economy. Flagship bourses in the US like the Dow Jones Industrial Average, the S&P 500, the NASDAQ Composite, and bond yields, grab the attention of investors all over the world. As India's largest trading partner in 2022-2023, the US significantly impacts the Indian economy. The performance of the US market can forecast economic trends in India. The US Federal Reserve (Fed) meeting on December 13 maintained the federal fund rate at 5.25%-5.50%. Until recently, there had been an outflow of funds from Indian equities to the US bond market given the alluring returns, on offer, by the U.S 10-year benchmark treasury. However, with muted US inflation figures streaming in, strong market consensus is building up that the rate hike cycle is nearing completion. FIIs are major players in the Indian markets, and their investment decisions are often influenced by the performance and policies of the US market. Bullish trends in India can encourage FIIs to invest more in our markets, seeing it as an opportunity for growth. Conversely, bearish trends or instability in the US can lead to a pullback, causing FII outflows from Indian markets.



<https://www.livemint.com/market/stock-market-news/how-does-the-us-market-influence-the-indian-stock-market-11703069788322.html>

**Air India, Airbus in talks to set up Rs 3,500 crore pilot training facility**

Tata Group-owned Air India is in talks with Airbus to set up a pilot training facility, the largest in South Asia, The Economic Times (ET) reported on Thursday. The Rs 3,500 crore facility is expected to be formed under a joint venture between the two companies where each will have a 50 per cent stake. The report said that the facility will initially begin with six simulators for the Airbus A320 and A350 family of aircraft. It will later have the capacity to operate up to 20 simulators, making it one of the largest such facilities in South Asia.



**Source:** [https://www.business-standard.com/industry/news/air-india-airbus-in-talks-to-set-up-rs-3-500-crore-pilot-training-facility-123122800123\\_1.html](https://www.business-standard.com/industry/news/air-india-airbus-in-talks-to-set-up-rs-3-500-crore-pilot-training-facility-123122800123_1.html)

## **Gujarat signs deals worth \$86 billion ahead of Vibrant Gujarat summit**

India's Gujarat state on Wednesday signed initial investment agreements worth 7.17 trillion Indian rupees (\$86.07 billion) with 58 companies operating in sectors such as energy, oil and gas, and chemicals, its government said. The home state of Prime Minister Narendra Modi, Gujarat has been signing these agreements ahead of its biennial Vibrant Gujarat Global Summit, which is scheduled to take place in state capital Gandhinagar from Jan. 10 to Jan. 12.



**Source:** <https://www.reuters.com/world/india/indias-gujarat-state-signs-deals-worth-86-bln-ahead-investment-summit-2024-01-03/>

## **Tax collection to grow three times to over Rs 19 trillion in 10 years**

Personal income and corporate tax collections are likely to rise to more than Rs 19 trillion in 10 years of Prime Minister Narendra Modi-led government, providing more leeway to come out with people-friendly tax measures. Driven by the increasing income of individuals, net direct tax collections after adjusting for refunds increased from Rs 6.38 trillion in FY 2013-14 to Rs 16.61 trillion in FY 2022-23. In the current financial year, the collections from net direct taxes -- personal income tax and corporate tax -- have so far grown by 20 per cent and at this pace, the mop-up is likely to be around Rs 19 trillion in the fiscal ending on March 31, 2024.



**Source:** [https://www.business-standard.com/economy/news/tax-collection-to-grow-3-times-to-over-rs-19-trn-in-10-years-of-modi-govt-123122900200\\_1.html](https://www.business-standard.com/economy/news/tax-collection-to-grow-3-times-to-over-rs-19-trn-in-10-years-of-modi-govt-123122900200_1.html)

## **India plans more auctions to boost access to critical minerals in 2024**

India's Mines Ministry has upped the ante as it eyes securing supplies for critical minerals specially lithium and cobalt, among others. Beyond getting into global alliances and participating across select projects; discussions are currently underway with Lat-Am nations, like Argentina, Chile and Bolivia (also called global Lithium Triangle), and Australia for acquisition of mines. New connections are being developed with Eastern region countries like Mongolia.



**Source:** <https://www.thehindubusinessline.com/economy/india-plans-more-auctions-to-boost-access-to-critical-minerals-in-2024/article67699024.ece>

**Showcasing and Tasting of Indian Beverages: New York Whiskey Fest, 2023, December 9th, 2023.**

The Consulate participated in the renowned New York Whiskey Fest, held at Chelsea Industrial on 9th December 2023. In collaboration with Eastern Liquors USA Inc., they sponsored the event and showcased popular Indian beverages like Godawan Single Malt Whisky, Black Dog Scotch Whisky, Jamun Gin, and Old Monk Rum, emphasizing the country's exceptional offerings in the realm of whiskey and spirits. The event, attended by around 10,000 trade and consumer visitors, showcased an impressive collection of over 100 styles of whiskey and spirits from across the world. It attracted industry experts from the Northeast region and highlighted the Consulate's efforts in showcasing the growing international interest of the American audience in Indian whiskeys and beverages, emphasizing the promising potential for future business opportunities for Indian brands in the US market. The positive response from the audience reflects a growing interest in and appreciation for the diverse offerings of Indian beverages. These quality beverage products have sales potential in the US market, and more efforts can be made to promote them.



## **Webinar on Senior Travel in India, Saturday, December 16**

The Consulate General of India organised a webinar on "Senior Travel in India" on December 16, 2023, with an aim to raise awareness and discuss the available opportunities in India to facilitate easy and comfortable travel for senior citizens. Acting Consul General, Dr. Varun Jeph addressed the event and gave an overview of the tourism landscape in India and how it offers myriad tourism experiences for foreign travelers. He encouraged the audience to explore India for destination weddings and urged seniors to visit India with their grandchildren. The guest speaker and travel expert, Ms. Neha Arora, founder of Planet Abled, a globally recognized travel brand specializing in senior tourism and inclusive travel for the elderly and persons with disabilities, emphasized the importance of integrating accessibility into tourism frameworks. She provided valuable insights and tips for seniors to enhance their travel experiences in India. Various aspects of travel were discussed, including cultural experiences, nature (wildlife and mountains), heritage sites, beaches, spirituality, culinary delights, soft adventures, art and craft, cruises, festivals etc. She elaborated on popular Indian destinations for seniors and the professional care services. She also dwelt upon wellness and medical tourism available to them during their visits (wheelchair-accessible



vehicles), experienced carers for travel companionship, and sensitized hospitality professionals ready to welcome travelers with various accessibility needs.

