Europe India Chamber of Commerce

Newsletter

Issue: 111 Volume: 12 January 2018

A very Happy New Year and best wishes for a prosperous and healthy 2018!

The year 2017 has been an incredible journey for the Europe India Chamber of Commerce. Having said farewell to 2017, EICC opens the year with well wishes to one and all. Given EICC's role in the European Union - India context, its undertakings in 2017 is required to determine the success of the EICC direction followed through 2018. Yes, we did. The EICC Board Meeting on 4 December took some innovative steps and took important decisions in this direction. In this respect if 2017 was about igniting that spark and building confidence, then 2018 will be when we get down to seriously implement those decisions. As our leaders prepare to take on the historic opportunity—and responsibility—that lies ahead, the EICC will work with them to push real solutions across the finish line. We will be rolling out our detailed agenda of priorities and actions for 2018 in the coming weeks. In fact we have already started a new journey ina new direction with proposal to host a technical conference on India's flagship programme the Clean Ganga Mission.

EICC Chairman Dr. Mehrotra in a letter to Shri Nitin Gadkari, Minister of Road Transport and Highways, Water Resources, River Development and Ganga Rejuvenation Government of India has proposed that EICC plans to to host a Conference in Brussels in June this year. In the letter Chairman has said that EICC has been organising its annual flagship events, the Trade and Investment Partnership Summit (TIPS) for last several years and has championed the interest of Indian business in the European headquarters in Brussels. Within the framework of TIPS, EICC is proposing to organise an exclusive high-level Seminar titled "Building Europe - India Partnerships in India's Clean Ganga Mission".

The conference is intended to address the policy and programmes of the Government on Clean Ganga Mission, and to discuss the viable solutions, strategies for international collaboration on a sustainable Clean Ganga mission. The conference is envisaged to provide a forum for the interaction with European industrial experts, urban sanitation specialists, European technology providers, environmentalists, researchers, consultants and professionals associated with water security & waste water management. Available technological, financial, and social solutions and relevant policy and initiatives will also be discussed in-depth. This will be a pan European event and EICC shall invite European companies who are already present in India and are associated with Clean Ganga Mission and enterprises - private and government - to participate.

Chamber will keep its stakeholders informed of the developments on this new inititiave.

In our organization, we will again face new opportunities to expand and strengthen our position, as we keep exploring various paths in the current environment. Last year we stayed busy with traditional business event Trade and Investment Partnership Summit - it would have been extremely

difficult to host our flagship TIPS without you - and we will again offer an exciting programme line-up with plenty opportunities for networking, learning and discussing.

EICC has changed greatly in the last 14 years as we have learned that we can use the best resource we have-- our people-- to improve and impact on the broader EU-India trade and ecobnomic relations. Over the years we have faced challenges, but I want us to be able to look back and say we are better because of the challenges we overcame together to make EICC a great organisation what it is today. Throughout it all, the Chamber has been an encouragement and resource to lead the way for the future of Europe in India and India in Europe. To face the challenges of BREXIT and its impact on our organisation, we have taken some extraordinary steps to change some aspects of our Constitution which will serve well our aims and objectives.

We have looked back, and now, to build upon the successes that we have achieved, I want us to "Launch into the Future." To start, let's reflect on ourselves personally and professionally. Where are we? Have we put down our anchor and held on for dear life out of fear and desperation? Do we need to look towards the members of our Chamber and community that can be lighthouses to guide us into the future? Have we already launched our ships and --sailing in the right direction-- need to help those coming behind us? This kind of self-evaluation isn't always easy, but as past chair Gary Hewitt said last year, "We're All in this Together."

Looking internally – I am delighted at the renewed vigour with which our members have supported and cooperated the network meetings. Whether new members or long standing ones, you have all got involved – thank you. I am also so pleased to see the increased variety of our membership, by all sorts of measures. As a business promotion organization, the chamber is here to help you to be successful. For us, our business is helping your business is more than just a slogan. It is a principle that guides us and one that our organization lives by. Whatever we can do to help, just give us a call.

As we grow and succeed individually, we build our community together. Together we can continue to make EICC the best organization to remain connected with. In conclusion, the near future will be important years for our community and the Chamber. We will continue to strive to be one of the best Chambers in the nation and stand behind our members to make their businesses flourish. We hope you join us and enjoy the many benefits of membership and support of our mission.

I look forward to working alongside each of you. I will be reaching out to many of you this year to get your opinions because I sincerely want to hear them. All then that is left for me to say, is thank you, all of you. On behalf of myself and all the Board Members, we look forward to seeing as many of you as possible through 2018. Please contact me with your concerns and suggestions at Sunil.Prasad@Coditel.net

Wishing you and your loved ones the very best for the new year!

Important decisions taken at the EICC Board and AGM held on 4 December in Brussels

The Board of Directors is the governing body of the Europe India Chamber of Commerce between annual or special meetings of the membership. It is mandated to conduct the business of the EICC and to oversee its activities. The Board of Directors is also responsible for the implementation, interpretation and promotion of policies approved by the membership.

The Board and AGM was held on 4 December and was hosted by Crowell & Moring.

Amendments to Constitution - Approval to change part of the EICC “Article of Association”
The AGM has done away with the word “EU” and replaced this with “Europe”. The new Constitution will be placed on our website for all to see. the next Meeting. As the proposal had already been approved through electronic communication, the Board reiterated its approval and the meeting unanimously approved the proposed changes. It was mentioned that this was major change in the article of association of the chamber in its 14 years of history and agreed that with the changing scenarios in the European structure leading to new circumstances, the decision was in the right spirit and in right direction.

The Board and GB unanimously re-appointed Dr. Ravi K Mehrotra as the Chairman of the Chamber.
Financial Advisory Committee: The Board of Directors decided to to form a Financial Advisory Committee, or any other type of committee to advise and assist the chamber in the preparation of the Annual Financial Report of the Chamber and the Board accepted her suggestion. The committee will be comprised of Ms. Regina Llopis, Mr. Geert Bogaert, Mr. Abhinav Kumar and the Secretary General.
Strategic Committee: In an effort to enhance its strategic role in business community in EU and India and to protect the successes of the Chamber including larger and better visibility and maximum connectivity and to reach out the key target stakeholders, the Chamber Board of Directors decided to constitute a Strategic Committee with the intent to serve as a roadmap for increasing its visibility. The goals and objectives of the committee is intended to ensure that the Chamber remains relevant; the unmistakable voice of the business community. It was also observed that EICC needs to create new pathways to strategic business contacts and new ideas. For this purpose, the Board and GB decided to form a five member “Strategic Committee” comprising of Ms. Regina Llopis, Mr. Abhinav Kumar, Mr. Geert Bogaert, and Chairman and Secretary General.

It was unanimously agrred to dissolve the current Board of Directors of the Chamber and appoint a new board. Accordingly a new Board was reconstituted with the following members: Dr. Ravi K Mehrotra, Mr. Sanjay Dalmia, Ms. Regina Llopis, Mr. Abhinav Kumar, Mr. Shishir K Bajoria, Mr. Geert Bogaert, Dr. Daniel Sharma, Mr. Vibhav Kapoor, Mr. Yatindra Sharma, Mr. Rosario Zacca, Mr. Jorge Marti and Mr. Mathias Lommers.

The Board and General Body welcomed a proposal received from Mr. Sanjay Dalmia about holding of EICC TIPS 2018 in New Delhi. The Meeting felt that it was important to organize TIPS 2018 or any other business event in India and requested if Mr. Dalmia to identify and find a suitable trade body as partner with whom EICC could collaborate.

EICC flagship event TIPS 2018 successfully organised

Europe India Chamber of Commerce organized its Trade and Investment Partnership Summit (TIPS) 2017 on 5 December 2017. The TIPS, flagship of our prestigious events, was held in the Auditorium of Palace of the Academies, Brussels.

The Summit was dedicated to fostering bilateral trade, investment and economic relations between European Union and India. In the context of EU-India relations, during the last two decades, both EU and India have undergone dramatic economic, social and political changes. While EU has become an important player in the international stage with its economic might, India with its 1.3 billion citizens has undergone dramatic economic and social reforms and is has achieved unprecedented economic growth. The vast trade and business potential of India transforms it into an attractive and reliable business partner on international affairs. While the business and political establishment in India and Europe attempt to deepen their ties, cultural links between Europe and India have also been rapidly taking shape. India has its own unique past, a very different present, and is charting out its relations with global actors. To meet the suffocating international challenge and the EU being a major economic player, EU and India need to develop a much more comprehensive dialogue than it has done so far. Taking into account the current economic and political environment in the context of EU-India relations, and against a backdrop of dramatic global geo-political and economic developments, this year the signature theme of the TIPS 2017 is titled as **EU-India – Seeking a Transformative Moment in a New World Order.**

Speakers during the opening of the Summit shared their vision and thoughts on the dynamics of the current state of EU-India relations and the challenges both EU and India face in the emerging economic, social and political developments.

Mr. Pieter De Crem, Secretary of State for Foreign Trade, Government of Belgium delivered the key note address during the opening session.

The Summit made comprehensive overview on the strategic fundamentals of India-EU bilateral relationship in content and context and suggested ways to give it a strategic dimension through a full spectrum of debate and inter-active discussions. In this sense, as business and leadership platform, the TIPS 2017 brought together business and thought leaders, policy makers, regulators, representatives of the European Commission and trade and business bodies with an eye to create innovative ways to strengthen the existing trade and economic partnership between European Union and India.

During last three years, the Government of India has taken several major economic policy reforms aimed at inviting foreign investment in India and announced sweeping liberalization of the FDI rules including the historic implementation of GST as from 1 July. With these changes, India is now the most open economy in the world for FDI with the aim of addressing investors' concern and offers huge business opportunities for the European companies. The TIPS 2017 thus provided business leaders and decision makers with the opportunity to discover and analyze how Indian companies and firms can serve as potential partners of European businesses.

The Summit was jointly organized in association with the Embassy of India, trade body the EUROCHAMBRES, Flanders Investment and Trade, and in collaboration with important Brussels based Think Tanks Friends of Europe and European Institute for Asian Studies. A total of specially invited 160 participants from India and European countries participated.

In addition to discussing the main theme, the TIPS 2017 also took up technical issues such as the implementation of Goods and Services Tax (GST) and how this is helping trade and investment; India's revolution in digital economy and business opportunities including bridging the skill miss-match that hinders the development; the uncertain future of BREXIT and how it is Impacting the EU-India-UK trade and business; etc.

As the event was live streamed, readers can watch the whole sessions of the summit in the You Tube by writing **EICC Tips 2017 . The programme of the TIPS is appended below:**

Europe India Chamber of Commerce
Trade and Investment Partnership Summit (TIPS) 2017
"EU-INDIA – SEEKING A TRANSFORMATIVE MOMENT IN A NEW WORLD ORDER"
5 DECEMBER 2017 (TUESDAY)
Palace of the Academies, rue Ducale / Hertogsstraat 1 1000 Brussels
Registration: 0800hrs – 09h00hrs

Opening of the Summit

09.15hrs – 10.45hrs
Opening Address
Welcome by Dr. Ravi K Mehrotra, CBE, Chairman, EICC & Executive Chairman, Foresight Ltd. UK
Her Excellency Ms. Gaitri Issar Kumar, Ambassador of India to Belgium & Luxembourg and the Mission to the European Union
Mr. Geoffrey Van Orden, MEP and President of European Parliament Delegation for Relations with India
Key-Note Speaker: Mr. Pieter De Crem, Secretary of State for Foreign Trade, Government of Belgium
Mr. Arnaldo Abruzzini, Secretary-General, EUROCHAMBRES
Mr. Samir Saran, Vice President, Observer Research Foundation, India
Mr. Eddy Laurijssen, Vice Chairman, European Institute for Asian Studies

Q&A

Session 1: EU-India Trade: Making up for a Lost Decade

10.45hrs - 12.15hrs

EU-India economic relations in the form of bilateral investment and trade constitute the most important element in EU-India bilateral relations. An ambitious, balanced and comprehensive Free Trade Agreement (FTA) – officially known as Broad-based Trade and Investment Agreement (BTIA) which is under negotiation since 2007, can deliver significant economic benefits and economic growth for European Union (EU) member states and India. A free trade agreement between European Union and India would build on the existing strong relations between them to simultaneously boost more than a decade of strategic relations. A free trade agreement would encourage greater innovation and manufacturing efficiencies by stimulating joint technological development, practical applications and new cooperative ventures. The EU and India should prioritize the need to advance the multilateral trading system. The BTIA will be the most comprehensive agreement between many of the great democracies. Both the European Commission and the Government of India will have to make every effort to capitalise on opportunities to give fresh vitality to the European and Indian economies and move rapidly to the completion of the EU-India FTA.

The FTA despite the differences between the EU's and India's negotiating agendas in a tough economic climate, both partners will need to show the determination in negotiating mega-regional agreements. A fresh impetus from both sides is urgently required to reinvigorate EU–India trade talks, which have been languishing for over ten years. Problems notwithstanding, the proposed agreement is critical for both the EU and India. Given both sides' reluctance to agree to the other's demands, they should begin by negotiating less difficult sectors. This will demonstrate willingness to get back to the negotiating table and send a clear signal that both sides want to talk further. Reaching an agreement that will bring mutual benefit to both the EU and India has been a long journey, but, despite several missed deadlines, it is not out of reach. This was demonstrated during the EU-India Summit held in October in New Delhi when both parties agreed to speed up the negotiations.

*Moderated by**: Mr. Pradeep S. Mehta, Secretary General, CUTS International, India***
Opening Statements by:
***Ms. Regina Llopis**, Chairperson, AIA Group, Spain*
***Mr Peter Berz**, Head of Unit, Directorate General for Trade, European Commission*
***Ms. Madi Sharma**, Entrepreneur and Member, European Economic & Social Committee*
Interactive session

Special Presentation on General Data Protection Regulation (GDPR) - "GDPR: why should Indian companies care?" by Mr. Maarten Stassen, Crowell & Moring LLP

12.15hrs -12.45hrs

The European Union's General Data Protection Regulation (GDPR) is one of the most lobbied EU regulations. The GDPR will apply from 25 May 2018 and it will replace both the current EU Directive which dates back to 1995, as well as the national data protection laws implementing that Directive.

Special Presentation by Mr. Christoffer Hamin, CEO, D-Rail AB, Sweden

12.45hrs -13.00hrs

1300hrs – 1400hrs - Networking Lunch hosted by Flanders Investment and Trade, Tata Consultancy Services, Foresight Group

Session 2: Goods and Services Tax (GST) the game changer: A boon for India's economy and Ease of Doing Business in India

14.00hrs -15.15hrs

India's biggest tax reform is now a reality. Goods & Service Tax (GST) makes India a single seamless market by removing cascading impact of taxes and brings transparency in compliance enabling about 2% increase in the Country`s economic growth. GST is a game changing reform - most ambitious & biggest ever tax reform since independence - by developing a common Indian market and reducing the cascading effect of tax on the cost of goods and services. Indian Prime Minister has termed the successful implementation of GST as the spirit of cooperative federalism and the nation has come together to support GST. It will have impact the Tax Structure, Tax Incidence, Tax Computation, Tax Payment, Compliance, Credit Utilization and Reporting leading to a complete overhaul of the current indirect tax system. The implementation of GST is expected to bring in the much-needed boost to the nation's economy. It is expected that implementation of the new tax structure will address concerns of the foreign investors doing business in India and attract more Foreign Direct Investment (FDI) and increase tax compliance. This is expected to improve business transparency which will create a trust-worthy bond between corporates and the government.

Moderated by: ***Dr. Jean-Joseph Boillot****, Co-Chairman, Euro-India Economic and Business Group, France*
Opening Statements by:
Mr. Vincent van Noord*, Associate Director, European Business and Technology Center, India*
Mr. Ryan Tewari*, Chairman, The Netherlands India Chamber of Commerce & Trade*
Mr. Gour Saraff, *Director, EICC Spain*
Interactive Session

Session 3: India, Europe and Brexit: Living in uncertain times

15.15hrs -16.30hrs

Britain and the European Union have started the long and painful negotiations on Britain's exit from the Union – but the outcome of the Brexit talks remains uncertain. EU policymakers have voiced frustration at Britain's negotiating stance on key issues such as the rights of EU citizens living in Britain and the so-called "financial settlement" or the Brexit bill while Britain's pro-Brexit politicians and press have accused the EU of being too rigid and inflexible. While her officials do battle in Brussels and London, British Prime Minister Theresa May is seeking to consolidate old and new partnerships for her "Global Britain" agenda of international free trade deals to compensate for any fall in trade with the EU27. Given the lack of clarity on the outcome of the negotiations – and fears that Britain may in the end leave the EU without a deal – many businesses have started to move from Britain to new headquarters in Europe. In this scenario, India has a stake as both UK and India are keen to start a free trade agreement.

- What opportunities and challenge does India see in Brexit?
- Six months after the start of Brexit negotiations, are we getting any clarity regarding the future of EU-UK-India relations?
- Will Germany replace the UK as India's gateway to the European Union?

Moderated by Ms. Shada Islam, Director for Europe and Geopolitics, Friends of Europe
Opening statements by:
***Mr. Pratik Dattani**, Former Director, FICCI, UK and Managing Director, EPG Economic and Strategy Consulting, UK*
***Mr. Charles De Jager**, International Trade Expert, Crowell & Moring*
***Mr. John Verzeele**, Director, Flanders Investment and Trade*
***Ms. Caroline Vinot**, Head of Division – ASIAPAC1 (South Asia – Regional Affairs), European External Action Service*
Interactive Session

16.30hrs – 16.45hrs – Tea / Coffee Break

Session 4: Opportunities for India and EU in the Digital Economy: Dealing with the Skills Mismatch and other Challenges

16.45hrs -18.00hrs

The Indian government is focused on developing a 'Digital India' - an enabler for a digital economy. Building inclusive digital economies requires the collective action of governments, industry, financiers, and civil society. Before speeding ahead, India needs to build the infrastructure, align the policies, and create the tools that will enable the poor to comfortably board the digital train. India's challenge to becoming a digital economy remains formidable. The government has announced a slew of new initiatives: Digital India; Make in India; Start-up India; Smart Cities, and innovative applications of Aadhaar such as JAM (Jan-Dhan Yojana-Aadhaar-Mobile trinity) and Digital Lockers. Successful and accelerated implementation of these programmes can make up for some of the lost time. But India also needs to do more by strengthening the basic foundations of its digital economy. However, there are several challenges peculiar to India that may constrain a full-scale digital transition in the foreseeable future. Why did India, which has had the remarkable achievement of being the largest exporter of information technology services and skilled manpower among developing countries, fall behind in digitally transforming its economy? The challenge lies not only with regard to fresh skilling and reskilling. The need is digital skills for all Indians, not just those encompassing the IT and ITES industry. If India is to be the most sought after digital marketplace, effective Small and Medium Enterprises (SME) participation is an absolute must. For India to become the powerhouse of digital innovation, it needs to foster a strong youth talent pipeline, encourage workforce upskilling to enhance digital adoption, build on digital literacy and digital skills, Cultivate digital entrepreneurship, etc.

*Moderated by: **Prof. Dr. Idesbald Goddeeris**, Director, Leuven Centre for Global Governance Studies, Belgium*

Opening Statements by:
***Ms. Vidhya Sampath**, TCS, Europe*
***Mr. Rajendra Shende**, Chairman TERRE Policy Centre, India*
***Mr. Ranvir Nayar**, Managing Director, Media India Group, India*
***Ms. Julia Jasinska**, DIGITALEUROPE*
Interactive Session

18.00hrs. - Closing of the Summit

India to overtake France, UK as world's 5th biggest economy next year

India looks set to overtake Britain and France in 2018 to become the world's fifth-largest economy in dollar terms, according to a report.

The Centre for Economics and Business Research (Cebr) consultancy's 2018 World Economic League Table showed an upbeat view of the global economy, boosted by cheap energy and technology prices. The Cebr report predicts the UK will overhaul closest rival France by 2020 to retake sixth place when the effect of Brexit proves to be not as bad as feared.

But emerging giant India will overtake both Britain and France next year to become the world's fifth largest economy.

Judging on the trajectory set by this year's national performances, it projects that soaring Asian powerhouse India's ascent will push Britain down to seventh in the world league table in 2018, but only for two years.

The CEBR thinks Britain will hold sixth place once it regains it in 2020 for almost another decade. Then another emerging 'BRIC' nation – Brazil – will overtake us in 2028.

India's spectacular climb will also see it overhaul Germany by 2027, meaning three out of the world's four largest economies will be Asian by then – the others being China, Japan and the US.

The think tank's senior economist Oliver Kolodseike said, ''The interesting trend emerging is that by 2032, five of the 10 largest economies will be in Asia while European economies are falling down the ranking and the USA loses its top spot.

''Technology and urbanisation will be important factors transforming the world economy over the next 15 years.''

India's rise is part of a trend that will see Asian economies increasingly dominate the top 10 largest economies over the next 15 years.

"India's economy has caught up with that of France and the UK and in 2018 will have overtaken them both to become the world's fifth largest economy in dollar terms," said Douglas McWilliams, Cebr deputy chairman.

McWilliams said India's growth had been slowed temporarily because of major economic reforms, including restrictions on high-value banknotes (demonetisation) and a new national sales tax (GST), a view shared by economists polled by Reuters.

China is likely to overtake the United States as the world's top economy in 2032, Cebr said. "Because the impact of President Trump on trade has been less severe than expected, the US will retain its global crown a year longer than we anticipated in the last report," the report said.

Russia was vulnerable to low oil prices and too reliant on the energy sector, and looked likely to fall to 17th place among the world's largest economies by 2032, from 11th now.

A Reuters poll of economists in late October suggested global economic growth in 2018 looks likely to quicken slightly to 3.6 per cent from 3.5 per cent this year - with risks to that forecast lying on the upside.

Indian economy may reach 7% growth in 2018: Assocham

According to the Assocham outlook, while the underlying bullish sentiment should continue to prevail in the Indian stock market in 2018, the returns on equity may not be as robust as in 2017. With government policies set to tilt more towards the "stress-ridden rural landscape" next year in the run-up to the 2019 Lok Sabha elections, the Indian economy may reach a 7 per cent growth in 2018 while recovering from the lingering effects of demonetisation and GST, industry chamber Assocham said.

"After 'disruptions' from the lingering effects of demonetisation and GST roll-out, the Indian economy may reach a 7 per cent growth in 2018 with government policies tilting towards the stress-ridden rural landscape in the penultimate year before the Lok Sabha elections," according to the industry body's "Year-Ahead Outlook".

"Against GDP growth of 6.3 per cent in the second quarter of 2017-18, the economic expansion may reach the crucial 7 per cent mark by the end of September 2018 quarter, while inflation may range between 4-5.5 per cent towards the second half of the next calendar year with the monsoon being a key imponderable," it said.

Assocham President Sandeep Jajodia said the projections were based on the assumption of stability in government policies, good monsoons, pick-up in industrial activity and credit growth as also stability in the foreign exchange rates.

"The worries on account of crude oil shooting up are likely to abate, if there are no fresh geo-political shockers."

According to the Assocham outlook, while the underlying bullish sentiment should continue to prevail in the Indian stock market in 2018, the returns on equity may not be as robust as in 2017.

"This is because the 2017 bull run has already factored in the return of growth steadiness in 2018 and the corporate earnings witnessing a pick-up," it said.

The industry lobby said in the run-up to state assembly elections in several politically important states, the political economy is set to tilt towards the farm sector "which has been witnessing some stress".

"The stress in the agriculture sector is traceable to lack of reforms in the rural economy. Despite political promises, several of the states have not been able to reform the APMC Act, which restricts farmers to sell their produce to a particular set of cartels."

Assocham expects the forthcoming Union Budget to be "heavily tilted" towards the farmers while the industrial focus would be on sectors which create jobs.

"A realisation seems to be dawning that growth per se is not enough, the benefits must be seen in the form of higher employment. The year 2018 would see policies in this direction", the statement added.

India has 0.7% share in world's richest 1%, but 92.3% remain poor

India has 3,40,000 adults in the top 1 per cent of global wealth holders, which is a 0.7 per cent share, according to a Credit Suisse report released recently.

There are 1,820 adults with wealth of over $50 million (Rs325 crore), while 760 have more than $100 million (Rs650 crore).

The Credit Suisse Global Wealth Report also said India is home to 2,45,000 millionaires and has a total household wealth of $5 trillion.

But while wealth has been rising in India, the growth is lopsided, as 92.3 per cent of Indian adults are at the bottom of the pyramid, with wealth less than $10,000.

Above that, 7.2 per cent of Indian adults are in the $10,000 to $100,000 bracket, while only 0.5 per cent of Indians have wealth over $100,000. However, given India's large population, this O.5 per cent translates into 4.2 million people.

The upper limit of the bottom bracket ($10,000) is very high by Indian standards because median wealth in India is a mere $1,295 per adult.

The number of ultra rich in the country is expected to reach 3,72,000 by 2022, while the total household income is likely to grow by 7.5 per cent annually to touch $7.1 trillion, the report says. Since 2000, wealth in India has grown 9.9 per cent per annum, faster than the global average of 6 per cent even after taking into account population growth of 2.2 per cent annually.

Moreover, India's wealth growth of $451 billion represents the 8th largest wealth gain globally by country. There is still considerable wealth poverty as 92 per cent of the adult population has below $10,000, the report said.

According to the report, personal wealth in India is dominated by property and other real assets, which make up 86 per cent of estimated household assets. Personal debts are estimated to be just 9 per cent of gross assets, overall household debt as a proportion of assets in India is lower than in most developed countries.

Although indebtedness is a severe problem for many poor people in India, overall household debt as a proportion of assets in India is lower than in most developed countries, the report showed. According to the eighth edition of the Global Wealth Report, in the year to mid-2017, total global wealth rose at a rate of 6.4 per cent, the fastest pace since 2012, reaching $280 trillion. The rise in global wealth reflected widespread gains in equity markets and similar rises in non-financial assets. The report noted fluctuations in asset prices and exchange rates account for much of the change in household wealth across regions and countries in the short run. Most of these influences have been positive during past 12 months, including in India, where market capitalisation rose by close to 30 per cent, house prices by around 10 per cent, while Indian rupee rose 4 per cent against the US dollar. Globally, Switzerland remains the richest nation with $537,600 wealth per adult in 2017, followed by Australia ($402,600) and the United States ($388,000), the report said.

India software market to grow at 11.9% to reach $.1 bn by 2018

India Software Market is expected to grow with a year-on-year (y-o-y) growth rate of 11.9 per cent and touch $5.1 billion by the end of 2018, according to a study by market research firm IDC.

The Indian Software market continues to be one of the fastest growing and dynamic markets within the APeJ (Asia Pacific excluding Japan) region.

Digital Transformation initiatives and the drive for application modernisation have led the growth story for the software market over the last 12 months, and are expected to attract sustained investments by Indian enterprises in 2018 as well, IDC's latest Asia / Pacific Semiannual Software Tracker, 1H 2017, said. "Organisations across all industry verticals and segments have jumped on the digital bandwagon, resulting in spend on software such as Collaborative Applications, Enterprise Resource Management (ERM) and Customer Relationship Management (CRM) to optimise their business processes and enhance customer engagement,'' said Sandeep Kumar Sharma, Associate Research Manager (Software & IT Services) at IDC India.

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enhance customer engagement,'' said Sandeep Kumar Sharma, Associate Research Manager (Software & IT Services) at IDC India.

TCS-Nielsen deal is a thumbs up for Indian IT, says Nasscom

TCS, India's largest software services exporter, bagged a renewal deal worth $2.25 billion spread over five years.

Tata Consultancy ServicesBSE -0.60 % (TCSBSE -0.60 %) from market research firm Nielsen, which constituted nearly 50% digital technology work, reaffirms the confidence of clients in Indian IT industry, said R Chandrasekhar, president of Nasscom.

Nasscom, the lobby for IT services companies in India, bullish that global businesses who relied on Indian IT industry for their technology work in the past would continue to offer opportunities for their digital transformation as well.

TCS, India's largest software services exporter, bagged a renewal deal worth $2.25 billion spread over five years and a senior executive told ET that close to half of the scope of work with Nielsen this time would involve use of digital technologies such as automation and data analytics.

"They (clients of Indian IT industry) are slowly moving a lot of the traditional spend into newer technology areas on the digital side and since those decisions are not easy to take and particularly difficult for a nontechnology company, they prefer to do it with their partners who are tried and trusted," Chandrasekhar told ET, adding that their IT services partners are well-placed to pivot the digital technology transformation across businesses.

The $154 billion Indian ITBPM industry is seeing higher demand for services that can simplify customer experience, operations using emerging technologies such as cloud computing, artificial intelligence and machine learning.

"Indian IT industry has been their partners in technology (implementation) in the past and they have built a certain level of confidence in the client, they understand the business and the processes and therefore they are very wellplaced to really help them (clients) to strategise how to take maximum advantage of the new and disruptive technology to boost business," he added. Companies such as InfosysBSE -0.32 %, TCS, HCL Technologies and Tech Mahindra saw digital technology services largely making up to 17% to 22% of the total revenues in the past year. WiproBSE -0.26 % said it got 24.1% revenue from digital technology. There may be, however, some catching up to do since larger peers such as Accenture garner more than half of the revenue from digital. This has forced IT services firms such as TCS, Infosys, Wipro, HCL Tech, Accenture and IBM to pivot the traditional model of service delivery to serve customers to cloud-based service delivery.

An Indian CEO Earns 229 Times More Than Average Worker In Same Company

CEOs of the biggest publicly traded U.S. companies averaged $14.3 million in annual pay, more than double that of their Canadian counterparts and 10 times greater than those in India, according to a Bloomberg analysis that used benchmark stock indexes in 22 nations.

Chief executive officers in the U.S. are paid much better than their peers abroad, and the gap between their compensation and that of average American workers is wider than in other countries.

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CEOs of companies listed in India's Sensex Index still earn 229 times more than the average worker there, the second-biggest gap worldwide after the U.S.'s ratio of 265, according to a separate Bloomberg ranking. Norway and Austria have among the smallest margins. CEOs of companies in the Norwegian OBX Index got on average $1.28 million, roughly equal to the income generated by 20 people.

A company listed on a U.S. exchange must disclose the ratio between a CEO's compensation and the pay of its median worker for any fiscal year starting on or after Jan. 1, 2017. Peter Simon, a German lawmaker in the European Parliament, proposed a similar ratio for banks, aiming to bring executive pay to a "more appropriate level."
There are myriad reasons for compensation discrepancies between executives. The U.S. is home to several of the world's largest corporations, which tend to pay more. Cost of living is often higher in North America and Western Europe than some parts of Asia. And even the mere disclosure of detailed figures can push pay higher as boards set CEOs' compensation in line with their peers, said Tim Quigley, associate professor of management at the University of Georgia.

Bloomberg's ranking of CEO pay against earnings across society bases income generated per person on gross domestic product per capita, adjusted for price-level differences between countries. It's not a perfect measure: GDP measures just the value of goods and services produced, not how they were distributed.

Each country's compensation figure is based on the average CEO pay package for companies in one major stock index, weighted by market capitalization. The pay, disclosed in public filings, includes salary, bonuses, perquisites and non-cash pay such as equity awards, deferred-compensation programs and pensions. Markets with pay data from fewer than 100 public companies or less than 50 percent of the benchmark index members were excluded.
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