Europe India Chamber of Commerce

Newsletter

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EICC invites Indian Finance Minister Mr. Arun Jaitley to deliver Key Note address in the TIPS 2016

Chamber's Chairman Dr. Ravi Mehrotra has invited Finance Minister of India Mr. Arun Jaitley to address the Trade and Investment Partnership Summit 2016. In his letter Dr Mehrotra said "At the outset we would like to congratulate you for the passage of the much awaited Goods and Services (GST) Bill in the Rajya Sabha. This is a triumph of economic reforms initiated by your government and will change the face of Indian economy. Europe India Chamber of Commerce (EICC) is honored to invite you to deliver the Key Note address at the opening of its annual flagship event, the Trade and Investment Partnership Summit (TIPS) 2016 which will take place in Brussels on 8 November 2016. The Summit is dedicated to fostering bilateral trade, investment and economic relations between European Union and India around the theme **"India and the EU: Leve raging Economic Opportunities in Trade and Investment".** This is our Chamber's 8th Annual Business Summits and the 4th TIPS.

The EU retains its paramount significance for India despite UK's vote to leave the EU. The EU is not only one of the largest markets (GDP USD 16 trillion minus the UK), it is still our largest trading partner (Goods and Services close to USD 120 billion) and one of the largest source of technology and investment (about 1/4th of our total FDI).

During last two years, the present Government has taken several economic policy reforms aimed at attracting foreign investment in India and recently the government has introduced path-breaking reforms in the FDI regime. With these changes, India is now the most open economy in the world for FDI. The summit will discuss the current FDI regime in India and business opportunities for the European companies with focus on the following sectors: Defence, Pharmaceuticals, Smart Cities, Digital India, Food Processing and Civil Aviation".

The letter added "A Policy Roadshow within the TIPS is a joint initiative of the Embassy of India in Brussels and the EICC. TIPS is being organized in collaboration with important chambers of commerce, trade bodies and business organisations of Europe. A total of 200 participants from India and European countries will attend. The TIPS will provide opportunity to Indian and European companies to find potential partners for JVs.

The Europe India Chamber of Commerce (EICC) is recognized as the Apex Chamber of Europe which promotes bilateral trade between European Union and India. The EICC speaks for multilateral rule based trading system and improvement in European and Indian competitiveness. The chamber is realising its mission through high level strategic dialogue and debate in which trade and economic issues are intensively discussed."

The preparation for the TIPS is in full progress. This will offer India to cite policy changes like GST to woo investments from EU countries. Also in the TIPS will India will highlight the goods and services tax (GST) and other policy measures taken to boost ease of doing business in the country in its bid to get more investments from EU countries.

The objective of the Trade and Investment Partnership Summit (TIPS) is to create awareness on international business opportunities and feasibility of cross-border expansion for Indian and European business. The Summit will make comprehensive overview on the strategic fundamentals of India-EU bilateral relationship in content and context and will suggest ways to give it a strategic dimension through a full spectrum of presentations and debate. In this sense the TIPS 2016, a unique business and leadership platform, will bring together business leaders, thought leaders, policy makers, regulators, representatives of the European Commission and trade and business bodies and government representatives from Europe and India with an eye to create an innovative way to strengthen the existing trade and economic partnership between European Union and India.

During last two years the Government of India has taken several economic policy reforms aimed at inviting foreign investment in India and as recently as in June the government announced sweeping liberalization of the FDI rules. With these changes, India is now the most open economy in the world for FDI. In the summit, the Government of India will do a Roadshow about the current FDI regime in India and business opportunities for the European companies with focus on the following sectors: Defence, Pharmaceuticals, Smart Cities, Digital India, Food Processing and Civil Aviation. The TIPS 2016 will provide 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 will offer participants an opportunity to share their perspective on the economic reforms from their business and industry point of view and also their expectations from the government.

The Summit is being jointly organized with BusinessEurope and in association with the Embassy of India and in collaboration with important chambers of commerce, trade bodies and business organisations of Europe. BusinessEurope is the leading advocate for growth and competitiveness at European level, standing up for companies across the continent and campaigning on the issues that most influence their performance. BusinessEurope speaks for all-sized enterprises in 34 European countries whose national business federations are its direct members. A total of specially invited 200 participants from India and European countries will attend. Eurochambres, Europe India Foundation for Excellence, Friends of Europe, Belgo-Indian Chamber of Commerce and Industry together with Flanders Investment and Trade are the active partners of the Summit.

Britain's decision to exit from the EU has shaken the global market, trade and business and will have far reaching effect on Britain's trade relations with Europe. Europe has a central place in the history of India's engagement with the international community. Against the backdrop of an uncertain global economy, and impact of Brexit on the global trade, and how this will affect EU-India trade and economic relations, businesses need to remain ahead of the curve. In view of this extra ordinary development sweeping Europe, the EICC within the framework of the TIPS, will organize a Colloquium titled: EU, BREXIT and India – Changing Landscapes, to discuss the challenges and opportunities for Indian business in the new scenario. We are inviting business leaders, strategists, political personalities and Think Tanks to share their perspective. The Colloquium is being organized in partnership with the Think Tanks the Friends of Europe.

Chamber's Board of Directors and AGM meeting on 7 November 2016

The EICC Board of Directors meeting and the AGM which will be held in Brussels on 7 November. The venue of the meetings is **The Hotel "**Meeting Room : " 26.Three''
Boulevard de Waterloo 38, 1000 Brussels

- The Meeting the Board of Directors will start at 1500hrs and will end at 1700hrs. The Annual General Body Meeting will start immediately at 1700hrs and will end at 1830hrs followed by a cocktail**.**
- Only Board Members are invited to attend the Board meeting starting at 1500 hrs and those who are not the members of the Board but whose presence would be required will be individually communicated.
- The AGM is open to all members of the Chamber including the Board Members.
- This time around we have mentioned time line against all agenda items so that we are focused and are within the expected time slots.

The Meeting agenda has been circulated to the members. The coming Board Meeting is very important for our Chamber for various reasons. This is the first time that Board and AGM will meet after the BREXIT and what relations EICC should evolve with Britain due to Britain's exit from the European Union will be discussed and future course of action will be decided.

Also, owing to pressing business and other responsibilities some members of the Board have not been able to contribute, continue their association, participate or give any time to guide the Chamber's mission, they shall be leaving the membership of the Board. We shall definitely miss them but we shall continue to seek their cooperation and guidance.

India's Upper House the Rajya Sabha clears GST bill

The Upper House of Indian Parliament on 3rd August passed the Constitution (122nd amendment) Bill, an enabling legislation for the introduction of the Goods and Services Tax (GST) Bill, ending 10 years of acrimony between India's ruling and opposition parties.

The bill, which would pave way for most important tax reform in post-Independence India, was passed unanimously with all 203 members present backing it in the final voting, with 13 AIADMK members staging a walkout just before the voting.

The Congress and other opposition parties barring the 13 AIADMK MPs who walked out just before the bill was put to vote supported the legislation.

Finance minister Arun Jaitley hailed the ''broad consensus'' with various political parties, which enabled passage of the bill, saying it would pave way for one of the most significant tax reforms in India's recent history.

Prime Minister Narendra Modi thanked all political parties for extending their support to the ''truly historic'' piece of legislation and said, ''I would like to add that GST will also be the best example of cooperative federalism. Together, we will take India to new heights of progress.''

''Our MPs must be congratulated on their path-breaking decision to give India an indirect tax system for the 21st century...we continue to work with all parties and states to introduce a system that benefits all Indians and promotes a vibrant and unified national market,'' the PM said in a series of tweets.

If it was finance minister Arun Jaitley who piloted the bill in the House and P Chidambaram from the opposition side who steered the debate on the bill, with Chidambaram at one point terming the bill as ''clumsily drafted.'' This prompted a retort from Jaitley who quoted debates from the drafting of the Constitution.

Chidambaram strongly recommended capping the standard rate of GST at 18 per cent. He said GST is an indirect tax and indirect taxes are ''regressive'' in nature. The trend is to ''keep them as low as possible''. If the centre decided to keep them at a high of 24-25 per cent, then it will defeat the purpose of GST, he said.

Chidambaram also insisted on incorporating the GST rate in the Constitution Amendment Bill so that it can't be levied as per the whims and fancies of the executive.

Finance minister Arun Jaitley in his reply said the guiding principle would be to keep the rates as low as possible, certainly lower than what it is today. ''As we stand today, the political objective is very clear. The rate has to come down, the rate must be reasonable. We will try for the most reasonable rate,'' said Jaitley.

The debate on the bill went on for over seven-and-a-half hours and drew participation from over 40 speakers.

Derek O'Brien of Trinamool Congress said his was the only party that had consistently supported the bill even as he chided the ruling party for its shifting stands on GST.

Sharad Yadav of JD(U) supported the bill on the ground that it would help reduce corruption, as multiplicity of taxes often resulted in graft.

However, calling GST a regressive tax, CPM general secretary Sitaram Yechury asked Jaitley to assure that there would be enough flexibility so that states did not have to come with begging bowls for money. "Without the states, there is no India," he said. Yechury also cited Bhimrao Ambedkar as having said, "If we permit provinces to collect sales tax, a ceiling from the Centre will be a handicap."

Naresh Agrawal of Samajwadi Party said his party was supporting the bill as it did not want to be blamed for being an obstruction to the country's progress. He said the government's intention was "bad" and to raise taxes. "You are saying that we don't want inflation in the country. Then why not set a low rate such as 18 per cent now itself ?" he asked.

All opposition parties praised Chidambaram for articulating his view, while treasury benches credited Modi and Jaitley for the bill.

After the passage of the bill, Jaitley cut a cake in his chamber in the presence of ministers, party MPs and mediapersons.

The bill, first mooted in 2005 during the UPA regime, was introduced in Parliament in December 2014.

The Lok Sabha passed it in May 2015. It was then referred to the Select Committee after being introduced in the Rajya Sabha, where the government lacks a majority.

The bill was passed by two-third majority, with 443 members voting in its favour and none against in the final vote. AIADMK members in the Lok Sabha had earlier staged a walkout.

Intervening in the discussion earlier in the day, Prime Minister Narendra Modi described GST as a ''crucial step'' towards ending tax terrorism besides reducing corruption and black money and said the new regime of indirect taxation will make consumer the ''king

Modi described the GST as a ''Great Step by Team India,'' a ''Great Step Towards Transformation,'' and a ''Great Step Towards Transparency.''

The Prime Minister noted that it was on 8 August in 1942 that Mahatma Gandhi had given the call for the Quit India Movement. Today, he said, the country would begin its march towards freedom from tax terrorism.

He described the imminent passage of the bill as a victory not for any political party, but for Indian democracy.

Recalling the discussions and parleys on the Goods and Services Tax, the Prime Minister said that he had invited both Sonia Gandhi and former Prime Minister Manmohan Singh to discuss the same. He noted that one of them was a Lok Sabha MP and the other was a Rajya Sabha MP.

The prime minister said the consensus over GST is proving that Rashtraneeti is above Rajneeti (national issues are above politics) in India.

He described the GST as one more pearl in the necklace of Ek Bharat – much on the lines of the Railways, the All India Services, and visions such as Bharat Net and Sagarmala.

With GST, we intend to bring uniformity in taxation, said the prime minister, adding that the consumer would be supreme in the new dispensation. The prime minister mentioned the judicious use of man, money, machine, material and minutes (time) as an important principle of sound economic policy, and said GST would aid in achieving this.

He said the GST would also help bring in real time data, as its strength was in technology. He said most of the things that can impact consumer inflation have been kept out of the ambit of GST. It would help reduce corruption in collection, as well as the cost of collection.

The prime minister asserted that small businesses will also gain tremendously from GST, and will feel more secure with GST.

Nod to 100% FDI in commodity broking, other financial services

At present, 18 areas under NBFCs are allowed to attract 100 per cent foreign investment

Foreign investment will now be able to flow into financial services such as commodity broking and other such areas not covered in the 18 areas specified for non-banking financial companies (NBFCs).

The Cabinet on Wednesday approved amendments to the Foreign Exchange Management (Transfer or Issue of Security by the Person Resident Outside India) regulations on NBFCs to this effect. A proposal in this regard was made in the Budget for 2016-17 by Finance Minister Arun Jaitley.

FINANCIAL FREEDOM

• Cabinet permits foreign investment through automatic route in 'other financial services', if they are under regulators such as Sebi and RBI

• Present regulations stipulate that FDI would be allowed on automatic route for only 18 specified NBFC activities after fulfilling prescribed minimum capitalisation norms mentioned therein

• In June, the government had announced liberalisation in eight sectors, including defence and civil aviation sectors

As much as 100 per cent foreign investment can come into these services under the automatic route, if these services are regulated by financial sector regulators like the Reserve Bank of India, the Securities and Exchange Board of India, the Pension Fund Regulatory and Development Authority and the Insurance Regulatory and Development Authority.

Besides commodity broking, foreign investment would also be allowed to come into asset finance companies, depository participants and infrastructure debt funds, sources said. Minimum capital requirements would be the same as fixed by the regulators.

At present, 18 areas under NBFCs are allowed to attract 100 per cent foreign investment. These include merchant banking, underwriting, portfolio management services, investment advisory services, financial consultancy, stock broking and asset management.

Foreign investment can still come in to the activities not regulated by financial sector regulators, but only through the approved route. This means via the Foreign Investment Promotion Board or the Cabinet Committee on Economic Affairs.

"This will induce foreign investment and spurt economic activities. It will cover whole India and is not limited to any states or districts," the government said in a statement.

The move is continuation of liberalisation of the foreign investment regime by the government. In June this year, the government had announced liberalisation in eight sectors, including defence and civil aviation.

In 2015-16, foreign direct investment in India grew by 29 per cent year-on-year to $40 billion.

Foreign players investing Rs 10 crore eligible for residency

The scheme is expected to encourage foreign investment in India and facilitate the Make in India programme

Foreign investors bringing in at least Rs 10 crore capital will be eligible for residency status, easier visa regime and employment for family members among other benefits under a new policy approved by the Cabinet on 31st September to attract more overseas funds.

"A certain threshold if you invest in India, then there will be availability of visa, the availability of the right to purchase assets, the availability of employment for family members, there is a detailed policy that has been approved by the Cabinet today," Finance Minister Arun Jaitley said after the Cabinet meeting, chaired by Prime Minister Narendra Modi, in New Delhi.

The scheme is expected to encourage foreign investment in India and facilitate the Make in India programme. Under the scheme, suitable provisions will be incorporated in the Visa Manual to provide for the grant of permanent residency status to foreign investors.

An official statement said permanent residency status will be granted for a period of 10 years with multiple entries. This can be reviewed for another 10 years if the holder has not come to adverse notice.

The scheme will be applicable only to foreign investors fulfilling the prescribed eligibility conditions, his/her spouse and dependents.

"In order to avail this scheme, the foreign investor will have to invest a minimum of Rs 10 crore to be brought within 18 months or Rs 25 crore to be brought within 36 months. Further, the foreign investment should result in generating employment to at least 20 resident Indians every financial year," the statement said.

The permanent residency status will be granted for a period of 10 years initially with multiple entry facility, which can be renewed for another 10 years.

The status will serve as a multiple entry visa without any stay stipulation and holders will be exempted from the registration requirements.

This status holders will be allowed to purchase one residential property for dwelling purpose. The spouse/ dependents will be allowed to take up employment in private sector (in relaxation to salary stipulations for Employment Visa) and undertake studies in India.

India up 15 places in Global Innovation Index; here are its 5 pillars of strength

India has moved up as much as 15 places in the Global Innovation Index 2016 rankings. The country has scored a victory by moving up to the 66th rank, as against 81 last year.

India has moved up as much as 15 places in the Global Innovation Index 2016 rankings. The country has scored a victory by moving up to the 66th rank, as against 81 last year. This is the same position that it had in 2013. Not only that, India is the top-ranked economy in Central and Southern Asia. “It shows particular strengths in tertiary education and R&D, including global R&D intensive firms, the quality of its universities and scientific publications, its market sophistication and ICT service exports where it ranks first in the world,” says the The Global Innovation Index 2016 report. “India also over-performs in innovation relative to its GDP. It ranks second on innovation quality amongst middle-income economies, overtaking Brazil,” the report notes. That makes India second only to China in innovation quality among middle-income economies!

What are India’s achievements and what’s helped it leap 15 places to reach the 66th spot and 2nd in quality of innovation among middle-income economies? What are India’s pillars of strength?

1) According to the report, India is a good example of how policy is improving the innovation environment. In some dimensions — such as ICT services exports and creative goods exports — India is

starting to excel, the report lauds. China is the only middle-income country showing a comparable innovation quality. India comes in second among middle-income economies, it adds.

2) Within middle-income economies, India has swapped the 3rd for the 2nd position with Brazil. This the report credits to India's performance in university rankings, where the country comes in 2nd among middle-income economies and 20th overall; and in patent families, where—also because of methodological changes—it now ranks 3rd among middle-income economies and 37th overall for this indicator.

3) As stated above, in the Central and Southern Asia region, India continues to rank 1st. It ranks among the top 50 economies overall in two pillars: Market sophistication (33rd) and Knowledge and technology outputs (43rd). "The country maintains stable or improved rankings across all pillars, with the most significant improvements in Human capital and research (up 40 spots) and Business sophistication (up 59 spots)," the report states. "Within Human capital and research, India data coverage increased, specifically in graduates in sciences and engineering (ranked 8th overall in 2016, while this was a missing value in 2015), affecting the jump in its ranking. India's ranking in the Business sophistication pillar is affected most by a substantial improvement in Knowledge workers (up 46 spots) and Knowledge absorption (up 33 spots); India improves in the ranking of firms offering formal training by 56 spots to reach 42nd place," the report elaborates.

4) Making progress on multiple fronts, India moved up across all indicators within the Knowledge absorption sub-pillar. It has also exhibited a solid performance in the GII model's newly incorporated research talent in business enterprise, where it ranks 31st.

5) Additionally, India along with Brazil, and South Africa this year have scores in the quality of universities and number of citations that are close to those of China, and similar to or above the high-income group averages. Although India and Brazil still rank below China on the patent family metric, their scores are beginning to approach those of China and thus helping reduce this income group divide.

However, India shows weakness in two sub-pillars: Business environment (117th) and Education (118th). "In the former pillar, ease of starting a business (114th), and in the latter, the pupil-teacher ratio (103rd) and tertiary inbound mobility (99th) are three areas where India can seek improvement. Progress is also needed in environmental performance (110th) on the input side; on the output side, indicators measuring new businesses (101st), global entertainment and media market (59th), and printing and publishing manufactures (84th) all show room for improvement," the report suggests.

Team to improve India's innovation ranking

The government of India has announced that a team would be set up to advise on how to further improve India's ranking in the global index of countries in the sphere of innovations.
"I am announcing that from the department (of Commerce) a team would be formed that would look at repositioning India in the sphere of innovations," Commerce Minister Nirmala Sitharaman said in New Delhi.

He made the statement while releasing the Global Innovation Index 2016 Report at an event hosted jointly by the Niti Aayog, the Department of Industrial Policy and Promotion and Industry chamber CII.

"This team, which will include members from both the government and outside, will not reinvent the wheel, but will go into the report, identify challenges and weaknesses to India's innovation and what the government can do -- where it should step in and where it should step back and away," Sitharaman said.

India has this year improved its index ranking by 15 places over last year to 66th place in 2016, following five previous years of decline in position, the report said.

"I commit myself to the government's assistance and facilitation to improve India's innovation ranking next year," the minister said, adding the composition of the committee would be announced in a few days.

The Global Innovation Index ranks innovation performance of 128 countries based on 82 indicators.

The 2016 report said India showed weakness in the indices of business environment and education.

Noting that India ranks first in its region and second among BRICS emerging economies in innovation, the report co-editor and Dean of Cornell University in the US, Soumitra Dutta, said India needed to improve in the areas of branding and investment in the areas of R&D and in human capital.

"Branding currently emphasises India's strength in frugal innovation or 'jugaad'. Instead, the country should reposition as a leader in innovation, knowledge and technology," Dutta said.

Referring to "jugaad" in her address, Sitharaman said that "in a country where resources are scarce, you have to adapt to 'jugaad'."

Refuting observations about Indian innovation being capable of only "jugaad", the minister said: "I am sorry. No, that was only a survival technique."

Citing the example of India's Mars Orbiter Mission (MOM), also called Mangalyaan, she asked: "Isn't that frugal? Keep your expenses optimum, but also come out with something that is going to make a difference."

In his address at the event, Niti Aayog CEO Amitabh Kant said India was becoming a centre for innovation and in the last few years over 1,500 multinationals had relocated their R&D centres to places like Bengaluru, Hyderabad, Pune and Gurgaon.

"India needs innovation for providing things like drinking water, sewage and improved seeds and productivity in agriculture. India needs innovation to satisfy the needs of a billion people," he said.

Director General of the World Intellectual Property Organisation (WIPO) Francis Gurrey lauded India's efforts in innovation, particularly being a vast and diverse country, pointing out that the top ranked countries were mostly small compact economies with much lesser complexities and issues.

India-US annual trade crosses $105 bn

Bilateral trade between India and the US has gathered strength rising to more than $105 billion during the 2015-16 financial year, amidst an otherwise sluggish scenario in global trade, commerce and industry minister Nirmala Sitaraman said at the annual India-US strategic and commercial dialogue.

While this figure is much below the potential, as the trade complementarity between the two large democracies is very high, the minister said the improvement in trade volume speaks amply for India-US trade ties.

She said the two countries have been engaged in the use of institutional dialogues like Trade Policy Forum and Strategic and Commercial Dialogue to address the issues being faced by the trade and to look at broader economic policy initiatives and I must mention that such engagements have been highly productive from the point of view of both the countries. These mechanisms have provided appropriate platforms for sustained interaction between public and private sector to work together to identify newer areas of cooperation and to work around challenges and impediments to smoothen the flow of the relationship, she said.

The commercial track of S & CD was led by Nirmala Sitharaman on the Indian side and Penny Pritzker on the US side. The two ministers also presided over the CEO Forum along with Tata group chairman Cyrus Mistry, and Honeywell chairman Dave Cote, the two co-chairs from India and United States, respectively.

Sitaraman said Prime Minister Narendra Modi and US President Barrack Obama had set an ambitious target of taking the bilateral trade to levels around $500 billion and this would require both the sides to work in close cooperation and resolve impediments to trade.

''I would like to assure you that we remain strongly committed to make India a better place to do business and to progressively liberalise our economy to facilitate greater investment,'' she told the CEOs Forum.

She cited the numerous changes in FDI policy to bring more activities under the automatic route and easing conditionality for foreign investment. New sectors like defence, railways etc have been opened to foreign investments.

Reforms undertaken in the recent months have shown positive results and FDI inflows into India have increased at a time when globally, there is decline in the investment flows. ''Total FDI inflow into India which was at $36 billion during 2013-14 increased to $44.2 billion in 2014-15 and further to $55.4 billion during the year 2015-16.

FDI from the US has also shown a positive growth trend from $804 million in 2013-14 to $4.19 billion in 2015-16, Sitaraman pointed out.

India, she said, has been taking persistent efforts towards simplification of the tax regime and the passage of the GST Bill is expected to provide the required boost for a simplified indirect tax regime. The bipartisan support for this initiative augurs well for the Indian economy, she added.

Combined with initiatives like improving the ease of business the initiative in bringing about the insolvency and bankruptcy code that would overhaul the existing framework for dealing with insolvency of corporates, individuals, partnerships and other entities, introduction of Single Window Interface for

Facilitating Trade (SWIFT) which allows the importers/exporters to file a common declaration on the customs' ICEGATE portal, have resulted in slashing the documentation requirement for exporters and importers, she pointed out.

Bullish on expanding economic ties with India, the U.S. said bilateral trade has reached $109 billion and it will get a further boost from new reforms including GST even as it flagged persisting concerns American firms have on issues related to business climate in the fast-growing economy.
U.S. Commerce Secretary Penny Pritzker, who will be on a 3-day India visit from tomorrow, also said that travel and tourism and sub-national engagement have been identified as two new areas of focus to drive commercial cooperation between the two countries in 2017, under which the focus would shift from India and the U.S. to Chennai and Charleston.

She said the Obama Administration in the past seven-and- a-half years has made significant progress toward realising the potential of what could be one of the largest commercial relationships in the world.

"Our two countries enjoy a thriving trade and investment relationship. U.S.-India bilateral trade reached $109 billion in 2015, up from $37 billion in 2005.

"U.S. and Indian companies are also investing in each other's economies at record levels. In 2015, U.S. investment in India reached more than $28 billion and Indian investment in the United States reached more than $11 billion. In fact, U.S. affiliates of Indian-owned firms now employ more than 52,000 workers in the U.S.," Pritzker told PTI in an interview.

She exuded confidence that "India's rapidly growing economy and the Modi government's ambitious reform agenda, including the landmark Goods and Services Tax, passage of the recent national bankruptcy law, and liberalised foreign direct investment limits in key sectors, point toward a deeper economic relationship in the years ahead."

Asserting that there is a tremendous potential for the U.S. and India to achieve even more together, the Secretary said she is particularly excited over two new areas of focus that will drive their cooperation in the coming year -- travel and tourism and subnational engagement.
