

Chairman's Letter

To our clients and partners,

We would like to wish you all of you a happy and prosperous New Year. It has been a very good year for Nymex Consulting and we have you, our clients and our partners, to thank.

The year 2017 has been marked by the lingering impact of demonetisation and implementation of the goods and services tax – GST. A 30-notch jump up the World Bank's Ease of Doing Business ranking to 100 among 190 countries and a much –awaited sovereign credit rating upgrade by Moody's Investors Service confirmed the reform credentials of the current government.

Foreign direct investment inflows hit an all-time high of \$60.1 billion during the fiscal year 2016-2017 as Modi government eased rules to lure global conglomerates to set up shop in sectors such as defence and railways. In the last three years, the government has eased 87 FDI rules across 21 sectors to accelerate economic growth and boost jobs.

If 2017 was the year of disruption, 2018 shapes up as a year of consolidation. We expect economic growth to pick up in 2018, helped by a global recovery and a domestic manufacturing rebound. Recent indicators of exports, core sector data and the manufacturing Purchasing Managers' Index, indicate an economic recovery is underway.

At least two risks could derail the recovery. First, rising crude oil prices. The immediate worry is its inflationary impact! Secondly, the deteriorating fiscal situation. While rising crude oil prices will inflate the government's subsidy bill, a drop in indirect tax collections after implementation of GST and lower non-tax revenue may make it almost impossible to achieve the fiscal deficit target of 3.2% of gross domestic product (GDP) for 2017-18.

2017 was quite a year for all of us at Nymex Consulting. We have been through many developments, in sometimes less than favourable circumstances. But we have also achieved a huge amount. Within Food Department we have increased the number of products available in the Indian market with more than 100 new brands from France, UK, Germany, Switzerland and Italy. Within Beverage Department, wine has remained our core business with more than 50 new labels in the market from France, Italy, California and New Zealand.

Of course, there is still a lot of work ahead. In 2018 we want to open the Indian market to more countries and give an equal opportunity to all the producers and manufacturers to sell their products in the market. Understanding the Indian consumers' behaviour to maximise the quality of the results we provide show our dedication and our will to give you our best.

The current circumstances are all quite challenging to work in. But no matter what they are, we must not lose sight of our priority: to be strong and put the customer at the heart of everything we do. Showing our customers how we can support them in their conquest of the Indian market by providing the right advice and constant support to optimise their Return On Investment.

I would personally like to thank all our valued customers and partners for their continuous support and dedication – we couldn't have been where we are now without such a tremendous level of endorsement from all of you. I also would like to thank the team of Nymex Consulting for all the hard

work and incredible levels of enthusiasm ensuring that our customers and partners get the best from us

Yours Sincerely

David Abikzir
Chairman
Nymex Consulting