ISSUE
146
15 July 2014
FORTNIGHTLY
BIZ E– NEWSLETTER

India Focus


Shri Arun Jaitley, Finance Minister

this issue

BUSINESS

India, Singapore want economic partnership deal fast-tracked

The Hindu Business Line: *1st July, 2014*


External Affairs Minister Sushma Swaraj with Singapore Foreign Affairs and Minister for Law K. Shanmugam at a meeting in New Delhi

India and Singapore have asked their negotiators working on the Comprehensive Economic Partnership Agreement (CEPA) to show adequate flexibility to move ahead and have the review completed at the earliest.

This was agreed to at a meeting that the Singapore's visiting Foreign and Law Minister K Shanmugam, had with External Affairs Minister Sushma Swaraj in New Delhi.

"The focus of the discussion was largely economic. Singapore is the source of the largest foreign direct investment into India," the spokesman of the Ministry of External Affairs said.

Infra projects

The two leaders also had "prolonged and detailed" discussions on the possibility

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TOP NEWS » *ECONOMY*

HIGHLIGHTS

The Union Budget for 2014-15 has been announced by Mr Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on July 10, 2014.

Overview of the Economy

- Aiming at 7-8 per cent gross domestic product (GDP) growth in 3-4 years.
- Decline in fiscal deficit from 5.7 per cent in 2011-12 to 4.5 per cent in 2013-14 mainly achieved by reduction in expenditure rather than by way of realisation of higher revenue.
- Road map for fiscal consolidation outlines fiscal deficit of 3.6 per cent for 2015-16 and 3 per cent for 2016-17.
- Improvement in current account deficit (CAD) from 4.7 per cent in 2012-13 to year end level of 1.7 per cent mainly achieved through restriction on non-essential import and slow-down in overall aggregate demand.

Foreign Direct Investment (FDI)

- The composite cap in the insurance sector to be increased up to 49 per cent from 26 per cent with full Indian management and control through the FIPB route.
- Requirement of the built up area and capital conditions for FDI to be reduced from 50,000 square metres to 20,000 square metres and from US$ 10 million to US$ 5 million respectively for development of smart cities.

Bank Capitalization

- Requirement to infuse Rs 240,000 crore (US$ 40.09 billion) as equity by 2018 in our banks to be in line with Basel-III norms.

- Capital of banks to be raised by increasing the shareholding of the people in a phased manner.

PSU Capital Expenditure

- PSUs will invest through capital investment a total sum of Rs 247,941 crore (US$ 41.41 billion) in the current financial year.

Smart Cities

- A sum of Rs 7,060 crore (US$ 1.17 billion) is provided in the current fiscal for the project of developing 'one hundred Smart Cities'.

Infrastructure and Industry

- Central Government Departments and Ministries to integrate their services with the e-Biz—a single window IT platform—for services on priority by December 31, 2014.
- Rs 100 crore (US$ 16.68 million) provided for setting up a National Industrial Corridor Authority.
- Proposed to establish an Export promotion Mission to bring all stakeholders under one umbrella.
- An institution to provide support to mainstreaming PPPPs called 4PIndia to be set up with a corpus of Rs 500 crore (US$ 83.40 million).
- Rs 11,635 crore (US$ 1.94 billion) will be allocated for the development of Outer Harbour Project in Tuticorin for phase I.
- Scheme for development of new airports in Tier I and Tier II Cities to be launched.
- An investment of an amount of Rs 37,880 crore (US$ 6.31 billion) in NHAI and State Roads is proposed which includes Rs 3,000 crores (US$ 500.44 million) for the North East.
- Rs 100 crore (US$ 16.68 million) is allocated for a new scheme 'Ultra-Modern Super Critical Coal Based Thermal Power Technology'.
- Rs 500 crore (US$ 83.40 million) provided for Ultra Mega Solar Power Projects in Rajasthan, Gujarat, Tamil Nadu, Andhra Pradesh and Laddakh.
- For venture capital in the MSME sector, a Rs 10,000 crore (US$ 1.66 billion) fund to act as a catalyst to attract private Capital by way of providing equity , quasi equity, soft loans and other risk capital for start-up companies with suitable tax incentives to participating private funds to be established.
- Rs 500 crore (US$ 83.40 million) provided for developing 5 tourist circuits around specific themes.
- Sum of Rs 500 crore (US$ 83.40 million) for developing a Textile mega-cluster at Varanasi and six more at Bareilly, Lucknow, Surat, Kutch, Bhagalpur and Mysore.
- Pan India programme 'Digital India' to with an outlay of Rs 500 crore (US$ 83.40 million) to be launched.

Skill Development

- Skill India to be launched to skill the youth with an emphasis on employability and entrepreneur skills.
- A programme for the up gradation of skills and training in ancestral arts for development for the minorities 'Up gradation of Traditional Skills in Arts, Resources and Goods' to be launched.

Source: IBEF

Please visit http://indiabudget.nic.in/ub2014-15/bh/bh1.pdf for more details on the Union Budget 2014-15

ECONOMY

FM Arun Jaitley tables Economic Survey: Highlights

New Delhi | July 9, 2014, The Financial Express

Finance Minister Arun Jaitley tabled a report on the state of Indian economy on Wednesday, a day before Prime Minister Narendra Modi's new government presented its first budget.

The annual report was prepared by Ila Patnaik, a well-respected economist who was appointed as senior economic advisor to the finance ministry in April.

Following are highlights of the report:

FISCAL DEFICIT

* India needs sharp fiscal correction
* Fiscal situation of the central government is worse than it appears
* Need for subsidy reforms for fiscal consolidation
* Recommends raising tax-to-GDP ratio for fiscal consolidation
* Shortfall in revenues can be contained through better mobilisation and reforms
* External debt remains within manageable limits

GROWTH

* GDP growth seen at 5.4-5.9 pct in 2014/15
* Economic growth of 7-8 pct not seen before 2016/17
* Downward risk to economic growth due to poor monsoon, external factors

INFLATION

* Government needs to move towards low and stable inflation through fiscal consolidation
* Wholesale Price Index (WPI)inflation expected to moderate by end-2014
* Consumer Price Index (CPI) inflation showing signs of moderation
* Needs to create a competitive national market for food

BALANCE OF PAYMENTS

* Improvement in balance of payments position during late 2013-14 was swift thanks to import restrictions and economic slowdown
* Need to adjust to advanced economies' event exit from accommodative monetary policy stance

SUBSIDIES

* Rationalization of subsidies such as fertilizer and food essential
* Need to shift subsidy programme from price subsidies to income support

TAXATION

* Government needs to move towards simple tax regime, fewer tax exemptions, single rate of goods and services tax (GST)
* GST to play vital role in indirect tax reform

FOREX MARKET

* Intervention in forex market by Reserve Bank of India is behind accumulation of reserves "generally"

'Comprehensive GST regime a reality by year end'

The Hindu, Updated: July 14, 2014

Revenue Secretary Shaktikanta Das

The Centre is working towards making a comprehensive Goods and Services Tax (GST) regime a reality by the end of the year, Revenue Secretary Shaktikanta Das said here on Monday.

Efforts are underway to resolve the contentious issues of entry tax on petroleum and tobacco and arrive at a consensus on compensation to States, Mr. Das said.

The clarification assumes significance as a major criticism of the Union budget that the Modi government presented in Parliament last week was its silence on a possible time line for the introduction of the GST.

Mr. Das was speaking at a post-budget interactive session, organised by the Confederation of Indian Industry (CII), here.

Addressing the concerns of industry on General Anti-Avoidance Rules (GAAR), the Revenue Secretary said they had already been deferred till 2015, and the government would be reviewing them during the course of the year.

Urging industry and the private sector to work with the government for taking the country to a high-growth trajectory, Mr. Das said the tax and other incentives in the budget 2014-15 had thrown open tremendous opportunities for growth and development. The steps the government has taken for injecting buoyancy include the lowering of slab limit for investment allowance, correcting inverted duty structure, tax pass through status to REITS and investment trusts among others would promote growth in the economy.

Special emphasis

The budget had also laid special emphasis on ensuring predictability, stability and transparency in tax regime to allay the concerns of investors, Mr. Das said.

Industrial growth at 19-month high

***The Hindu BusinessLine**: July 14, 2014*

New Delhi: Industrial production was at a 19-month high, growing 4.7 per cent in May on improved performances across sectors, including the manufacturing, mining and power sectors.

A low base also helped push up the growth figures as industrial production in May 2013 had contracted by 2.5 per cent.

The Index of Industrial Production (IIP) for the April-May period grew 4 per cent over the comparable period last year, according to data released by the Central Statistics Office on Friday.

In April-May 2013 the IIP had contracted by 0.5 per cent. Basic goods, capital goods and consumer goods also posted growth under the use-based classification of industrial performance.

"The rise in industrial production for the second month in a row provides a glimmer of hope that the economy could be bottoming out and recovery could be on the anvil," CII Director-General Chandrajit Banerjee said.

Govt clears six FDI proposals

***The Hindu BusinessLine**: July 04, 2014*

New Delhi: The Finance Ministry has cleared six Foreign Direct Investment (FDI) proposals with estimated investments of Rs. 551 crore.

They include Mauritius-based Destimoney Enterprises Ltd's Rs. 489.99-crore proposal for subscribing to 3,76,92,300 partly paid equity shares of PNB Housing Finance Ltd.

The proposals were cleared by the Foreign Investment Promotion Board (FIPB) in its meeting last month, following which the Finance Ministry has given the go-ahead.

Amri India Private Ltd's proposal for fresh investment of $10 million from its parent company Albany Molecular Research, and Mauritius and Brunswick India Ltd's application for making 99.99 per cent investment in a Limited Liability Partnership in India have also been approved.

Foreign investments in telecom surged 4 times to $1.3 bn

Jul 09, 2014, 03.56 PM IST | Source: PTI

The telecom sector attracted over 4-fold growth in foreign investments at USD 1.3 billion during the financial year 2013-14.

The sector had attracted investment worth USD 304 million in 2012-13 - about 84 percent lower compared to 2011-12, the Economic Survey tabled in Parliament said.

India's telecom sector has registered phenomenal growth during the past few years and has become the second largest telephone network in the world, next only to China, it added. "A series of reform measures by the government, innovations in wireless technology and active participation by the private sector played an important role in the growth of the telecom sector in the country," the survey said.

The total telephone connections in the country increased to 933.02 million at the end of March 31, 2014 from 898.02 million a year ago. However, the total connections at the end of March 2012 were 951.35 million.

Foreign Direct Investment in telecom and computer sectors outshone other top key sectors such as financial/non-financial services, construction, hotels and tourism. The top 5 sectors cumulatively accounted for 45 percent of total investments in the country last fiscal.

India to become third largest economy by 2030: PwC

Source: PTI

India is set to become the third largest economy in the world by 2030, according to latest estimates by a PricewaterhouseCoopers (PwC) report.

The London-headquartered accountancy giant said the rapid rise of the Indian economy with its young workforce would push it up from being the 10th largest economy in 2013 to the third largest by 2030, pushing the UK back into sixth place.

"In the longer run, other emerging markets may overtake the UK, but only India looks set to do so before 2030 according to our latest projections," PwC said in its latest economic outlook.

China, the world's second largest economy, is expected to close the gap with America by 2030, while Mexico is predicted to be the 10th largest economy by 2030, above Canada and Italy, both G7 nations.

Only a couple of years ago there were forecasts that Britain would rapidly become a second-class economic power and would need to defer to the BRIC countries of Brazil, Russia, India and China in the near future.

China has ranked above Japan for a decade as the world's second-biggest economy.

By some calculations Brazil leapfrogged the UK in 2012, with Russia and India close behind.

Britain's fall was partly related to the costs of the banking crisis and the recession that followed, coupled with a sharp decline in the exchange rate, which knocked about a quarter off the country's value in relation to its main rivals.

But since the beginning of last year the economy has recovered all the lost ground from the recession and banks have begun lending again.

The pound has bounced back from about $ 1.40 in 2009 to $ 1.71 on Saturday.

Brazil, by contrast, has suffered a rocky couple of years that have slowed GDP growth and pushed down the value of the real.

Russia will close the gap on the top eight, but its reliance on the oil and gas industry for growth and its rapidly ageing population will prevent it jumping up the table as quickly as previously thought.

Only India will move ahead of the UK by 2030, though it will be sharing a projected GDP of $ 6.1 trillion among more than 1.5 billion people, only half as much again as the UK's predicted output of $ 4 trillion, produced by a population less than a 20th the size.

PwC urged policymakers in the UK to implement further structural reforms to ensure that it remained ahead of emerging markets.

India Inc's foreign investment limit eased

***Business Standard**: July 04, 2014*

Mumbai: India Inc could now find it easier to buy foreign assets, with the Reserve Bank of India (RBI) restoring the limit on their overseas direct investments (ODIs) under the automatic route to 400 per cent of net worth. The limit was cut by three-fourths to 100 per cent in August last year after the rupee touched an all-time low of 68.80 a dollar.

There is, however, a caveat. RBI said any financial commitment exceeding $1 billion or its equivalent in a financial year would still require a prior approval. RBI said funding of ODIs through external commercial borrowings would continue with the limit of 400 per cent of net worth.

The move is the latest in a series of steps taken by the central bank in recent months to relax the controls imposed in August. Last month, it had raised the Liberalised Remittance Scheme (LRS) limit to $125,000 without end-use restrictions, except for prohibited foreign exchange transactions like margin trading, etc.

State Bank of India Chief Economic Advisor S K Ghosh said though the measure might not immediately lead to higher investments by Indian companies abroad, it was a clear signal to the world that India's external-sector problems were behind. The foreign exchange reserves, at about $ 314 billion as of June, was comfortable, he added.

The CEO of an engineering company said the move would not have much impact, as there was not much appetite among Indian companies to invest in new projects or make large-scale acquisitions. "The cap would have had an impact if it had come earlier, when Indian companies were actively searching for foreign assets," he added.

ODIs by Indian corporates during April-August last year was $16.36 billion. This went up to $20.54 billion in the September-March period. In the current financial year till May, the total ODI was $7.18 billion, including guarantees and investments through equity and loan, according to RBI data.

FII inflows hit $20-billion mark in first half of 2014

PTI

Overseas investors have pumped in a staggering over-$20-billion into the Indian market in the first half of the year, mainly on hopes of a stable and reform-oriented government at the Centre.

The net investments by foreign investors into equity markets stood at $9.96 billion (Rs. 59,795 crore) during January-June 2014, while the same for debt markets was at $10.42 billion (Rs. 62,834 crore) taking the total to $20.4 billion (Rs. 1.23 lakh crore), latest data showed.

Market analysts believe that foreign investors have been betting on the Indian market mainly on hopes of a stable and reform-oriented government.

The inflows are expected to surge further as the verdict met overseas investors' expectations in the Lok Sabha polls.

"Moreover, foreign investors continued their positive bias towards Indian markets after elections as well primarily on reforms oriented decisions taken by the new government," an analyst said.

FIIs (Foreign institutional Investors), the main driver of the equity market, have helped in pushing up the benchmark BSE Sensex by over 20 per cent in the first six-month of the year.

Foreign investors had made a net investment of Rs. 62,288 crore into the country's securities market in 2013 (January-December). This included a net investment of Rs. 1.13 lakh crore in equities, while they pulled out a net amount of Rs. 50,848 crore.

From the beginning of June, FIIs along with sub-accounts and qualified foreign investors have been clubbed together by market regulator SEBI to create a new investor category called Foreign Portfolio Investors.

The strong inflows in the recent months have taken the cumulative net investments of foreign investors into India to $191 billion, while their investments in rupee terms is Rs. 9 lakh crore level.

This is based on the data since November 1992 when foreign investors began investing into Indian markets and includes about $156 billion investments into equities and further about $35 billion in debt markets.

Venture capital investments surge; reflects optimism about India's entrepreneurial ecosystem

***The Economic Times:** July 02, 2014*

Mumbai: Venture capital (VC) investments surged during the first half of 2014, reflecting optimism about India's entrepreneurial ecosystem and the potential of the country's market.

According to data from audit and advisory firm E&Y, investments in early-stage companies and startups rose nearly 40% to 121 deals with the transaction value jumping 66% to $605 million (Rs 3,630 crore), compared with the same period in 2013.

Venture capital investments are at their highest level for the first half since 2010, when $663 million (Rs 3,978 crore) was invested across 51 deals.

"The 15 years I have been involved in India, this is the most healthy venture ecosystem I have ever seen," said Avnish Bajaj of Matrix Partners India, who founded e-commerce venture Baazee in 2000 before becoming a VC in 2006.

He said that factors like a deep consumer market, hungry entrepreneurs and different business models are providing an interesting market for risk capital firms. VC investments in 2014 so far are close to overtaking the entire amount deployed in 2013, when $630 million (Rs 3,780 crore) was ploughed in across 179 deals.

VC investments had reached a high in 2011 when $1.3 billion (Rs 7,800 crore) was invested in 159 deals.

Govt plans Rs 2 lakh-cr solar and wind power projects in deserts

***Business Standard:** July 04, 2014*

The government has started work on a long-term plan to tap into India's solar and wind potential lying unexplored in its deserts. The plan could entail an investment of over Rs 2 lakh crore by 2022.

The idea is to set up renewable energy generation capacity, including both solar and wind, along with the associated evacuation infrastructure, at a mega scale in the four Indian deserts - Thar in Rajasthan, Rann of Kutch in Gujarat, Lahul & Spiti in Himachal Pradesh and Ladakh in Jammu & Kashmir.

The country's largest power transmission utility, Powergrid Corporation, has already submitted its report detailing the renewable potential available, cost of setting up the projects and their economic viability to the ministry of new and renewable energy (MNRE). "The informal report aims at sensitisation of the feasibility of the plan. Further work will have to be done by MNRE," a senior Powergrid official told *Business Standard*.

According to an estimate, implementing the scheme would require an investment of Rs 208,350 crore, including Rs 108,000 crore for setting up 11,100 Mw capacity generation projects (10,400 Mw of solar and 700 Mw of wind), Rs 19,800 crore for laying transmission lines and Rs 80,000 crore for balancing infrastructure (pumped and battery storage projects). The overall fund requirement would go up to Rs 16 lakh crore for extending the plan to 2032 and further Rs 43 lakh crore by 2050.

According to the implementation strategy, a National Desert Mission will have to be formulated with provision for single window clearance on the lines of conventional ultra mega power projects, arranging soft loans to tide over initial periods of low corridor utilisation and policy for indigenisation of equipment manufacturing.

However, economic viability would play a key role in deciding the success of the plan involving such a huge quantum of solar power potential. "Market analysts have broad consensus that utility scale solar photo-voltaic (PV) generation will achieve grid parity around 2016-17 based on the pace of reduction in cost of PV technology and the rise in conventional energy prices," Powergrid said in its report.

Central Electricity Authority and Power System Operation Corporation would work on the design and implementation of energy storage technologies while Central Electricity Regulatory Commission would have to work out regulations to govern the market design for flexible generation.

The plan requires setting up hybrid extra high voltage or alternating current high voltage direct current transmission systems for evacuation apart from transmission lines inter-connecting the desert corridors with major load centres in the states.

India's demand for power is likely to reach 890,000 Mw by 2050, requiring an installed generation capacity of 1300,000 Mw (as against 240,000 Mw, currently). Renewable power's contribution to this demand is likely to stand at 485,000 Mw by 2050. Of this, 300 Mw could be would be developed as part of the desert power plan. A bulk of this capacity - 223 Mw - is envisaged to be created in Thar desert alone.

BlackBerry plans healthcare services platform in India

***The Economic Times**: July 04, 2014*

Bangalore: After losing ground in the smartphone race, Canada's BlackBerry is attempting to make a dent in the internet of things space by launching a healthcare service that will integrate thousands of medical devices to enable early detection of illnesses.

The company will soon announce the launch of a connected healthcare service in partnership with US-based healthcare technology firm NantHealth as it looks beyond smartphones in the Indian market, one of the few where Black-Berry's revenue is still growing.

The NantHealth platform is currently installed at about 250 hospitals globally, and connects more than 16,000 medical devices collecting more than 3 billion vital signs annually.

"Work has started on it but we haven't finalised an official launch date," said Sunil Lalvani, managing director, Black-Berry India. "We are running trials with multiple hospitals in India. It includes integration with different hospital information systems as well as various medical equipment."

Healthcare providers in India are expected to spend $1.08 billion (about Rs 6,400 crore) on IT products and services in 2014, a 4 per cent increase over the previous year, according to brokerage Equentis Capital.

NantHealth's Clinical Operating System (cOS) platform integrates the knowledge base with the delivery and payment systems, and with BlackBerry's QNX embedded technology, it combines secure cloud-based and supercomputing services to provide data integration, decision support and analytics.

BlackBerry bought a minority stake in the privately held NantHealth in April to enter the connected healthcare space. Medical equipment, such as scanners, dopplers and ECG machines, are among thousands of medical devices that can be integrated using cOS along with BlackBerry's QNX. QNX, bought by BlackBerry in 2010, is an operating system, which the company used as a foundation for its revamped BB10 platform.

QNX commands a 53 per cent marketshare in automobile infotainment systems, where it has been used in over 200 models of cars, including those made by Ford, Mercedes, Audi and BMW, according to market research firm HIS. Apple's recently announced platform for cars, CarPlay, also utilises QNX.

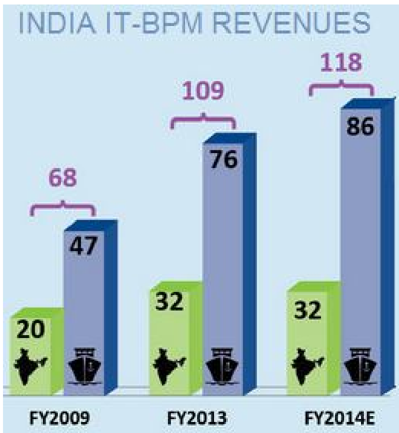
India, Singapore want economic partnership deal fast-tracked..*Cont from P. 1*

of Singaporean companies participating in infrastructure projects based in the Delhi-Mumbai industrial corridor, the Chennai-Mumbai corridor, in the North East and on the Buddhist circuit.

“The focus was principally on Singapore investments in urban development projects and efficient delivery of urban services,” the spokesman said.

India and Singapore will also exchange state visits as part of the year long 50th anniversary celebrations of establishment of diplomatic relations between them.

NEW

INFORMATION TECHNOLOGY & BUSINESS PROCESS MANAGEMENT (BPM)	FACTSHEET
India's strengths in this sector / reasons to invest	• IT-BPM sector has become one of the most significant growth catalysts for the Indian economy, contributing immensely to the country's GDP (8.1%) and public welfare. • India has captured a sizeable portion of the global technology sourcing business. The Indian IT industry's (including hardware) share in the global market stands at 7% and growth has been largely due to exports. • 60% firms use India for testing services before taking software products global • Expected growth – IT Services (~14% over FY2013); BPM (>11% over FY2013) • Savings of > USD 200 bn for clients in past 5 years • India has a rapidly growing urban infrastructure fostering several IT centers in the country; 50 cities for service delivery • India's workforce is relatively young - with half of the population below 25 years and quick to adopt new technologies.
Basic Facts of the sector (Statistics)	• IT-BPM revenues – USD 118 bn in 2014; • Exports – USD 86.4 bn in 2014 (estimated) (IT services – USD 52 bn; BPM – 20 bn; Engineering and R&D services (ER&D) and software products – USD 14 bn; Hardware – USD 0.4bn) • More than 15,000 firms; top 200 firms account for 80% of revenues • Largest private sector employer – 3.1 m jobs • Sector accounts for largest share in total services exports (38%) • ~ 600 offshore development centres (ODCs) of 78 countries  (Source: NASSCOM)
Growth Drivers	• Emerging geographies and verticals; non-linear growth due to platforms, products and automation • Revival in demand for IT services from US and Europe • Increasing adoption of technology and telecom by consumers and focused Government initiatives – leading to increased ICT adoption • High value client additions (> USD 1m) – highest in last 5 years (>13.5% growth)

	• Emerging verticals (retail; healthcare; utilities) driving growth (>14%) • SMAC (social, mobility, analytics, cloud) market to be USD 225 bn by 2020. • USD 1.6 bn spent annually on training workforce • Growing R&D spend; Government of India plans to set up 15 new laboratories for testing hardware and software products under public-private partnership (PPP) model. • National Optical Fibre Network (NOFN) is being laid down in phases to connect all the 2,50,000 Gram panchayats in the country
FDI Policy	• FDI upto 100% under the automatic route is allowed in data processing, software development and computer consultancy services; software supply services; business and management consultancy services, market research services, technical testing & analysis services.
Sector Policy	• National Policy on Information Technology 2012 aims to increase revenues of IT and BPM industry to US$ 300 billion by 2020 and expand exports to US$ 200 billion by 2020. The policy also seeks to achieve the twin goals of bringing the full power of Information and Communication Technology (ICT) within the reach of the whole of India and harnessing the capability and human resources of the country to enable India to emerge as the Global Hub and Destination for IT and BPM Services by 2020. • Other initiatives: Establishment of Software Technology Parks of India (STPIs) Special Economy Zones (SEZs) Policy National Task Force on IT and Software Development National e-Governance Plan (NeGP) • National Cyber Security Policy 2013
Financial Support (Incentives)	• **Export Incentives:** √ Export incentives under foreign trade policy. • **Areas based incentives:** √ Incentives for units in SEZ/NIMZ as specified in respective acts. • **State incentives:** √ Apart from above each state in India offers additional incentives for industrial projects. Some of the states also have separate policies for IT sector. Incentives in areas like rebated land cost; relaxation of stamp duty on sale/lease of land; power tariff incentives; concessional rate of interest on loans; investment subsidies / tax incentives; backward areas subsidies; special incentive packages for mega projects • **Tax benefits:** √ Units are eligible for weighted tax deduction at 200 per cent for the R&D expenditure incurred.
Investment Opportunities	• Setting up of IT service; BPM; software product companies; shared service centres • BPM – Fastest growing sectors - knowledge services; data analytics; legal services; Business Process as a Service (BPaaS)/ cloud based services • IT Services – Fastest growing sectors - Solutions and services around SMAC;IS outsourcing; IT consulting; software testing

	• ER&D – Fastest growing sectors - telecom & semiconductors
Important agencies (Ministry / sectoral chamber with website)	• Department of Electronics & Information Technology, Ministry of Communications & Information Technology, Government of India (http://deity.gov.in/) • National Association of Software and Services Companies (NASSCOM) (www.nasscom.in) • Indian Software Product Industry Round Table (iSPIRT) (www.ispirt.in) • Other Service Providers Association of India (OSPAI) (www.ospai.in) • Data Security Council of India (www.dsci.in)

As on 31 May, 2014

NEW

MEDIA & ENTERTAINMENT SECTOR	FACTSHEET

Sector Strengths	• Total market size of Indian entertainment industry stood at $15.1 billion in 2012, up from $9.2 billion in 2006 • The entertainment industry continues to be dominated by the television segment, accounting for 45% of market share in terms of revenues, which is expected to grow further to 51% by 2017 (estimated) • The entertainment industry is expected to develop at a CAGR of 15.1% during 2012–17 • India has one of the largest broadcasting industries in the world with approximately 800 satellite TV channels, 245 FM channels and more than 100 operational community radio networks • Growing outsourcing of animation, gaming to India due to cost effectiveness of Indian players
Basic Facts of the Sector (STATISTICS)	• The estimated size of market by 2017 is USD 31 billion • India with 146 million television households in 2011, India stood as the third-largest television market after the US and China • The Indian animation industry is expected to expand at a CAGR of 15.8% to $1.4 billion by 2017 from $650 million in 2012 • Television, print and films together account for 86% of market share
Growth Drivers	• Television and AGV (animation, gaming and VFX) segments expected to lead industry growth; opportunities in digital technologies as well • TV penetration in India about 66% and penetration is expected to reach 72% by 2017; digitisation of cable TV in India in four phases, which would be completed by end-2014; direct-to-home (DTH) subscriptions are growing rapidly driven by content innovation and product offerings • Growth in number and spread of multiplexes • Increasing liberalization and tariff relaxation • Measures such as digitisation of cable distribution to improve profitability and ease of institutional finance • Rising incomes and evolving lifestyles leading to higher demand for aspirational products and services • Higher penetration and a rapidly-growing young population coupled with increased usage of 3G and portable devices to augment demand
Investment Opportunities	• **Television:** √ Television is projected to garner a share of 51% in the media and entertainment pie by 2017 (as addressable digitisation is expected to cover the entire country by then) √ Television advertisement revenue is also expected to witness robust growth and increase from $2.3 billion in 2012 to $4.4 billion by 2017 • **Print:** √ The print industry was worth $4.1 million in 2012 and is expected to develop at a CAGR of 8.7% to $6.3 billion by 2017 √ Newspapers and niché magazines are likely to drive industry growth

	√ Accelerated growth is forecasted in regional print and local news segments • **Films:** √ Size of the Indian film industry is expected to touch \$3.6 billion by 2017, up from \$2.1 billion in 2012 √ Increasing digital screens and 3D films are expected to help industry growth • **Radio:** √ Size of the Indian radio industry is expected to reach \$503 million by 2017, up from \$234 million in 2012 √ Phase-III of e-auctions for FM radio licenses will provide an impetus to the segment • **Music:** √ Size of the music industry is expected to grow to \$413 million by 2017, up from \$195 million in 2012 √ Mobile VAS and arrival of 3G are likely to lead to a surge in paid digital downloads √ Phase-III radio licensing will also help in increasing music revenues from radio • **Animation & VFX:** √ The Indian animation industry was worth \$650 million in 2012 and is expected to expand at a CAGR of 15.8% to \$1.4 billion by 2017 √ Growth in international animation films, especially 3D productions, and subsequent work for Indian production houses will help growth in this segment
FDI Policy	(see table below)

Sub-Sector	% holding	Route
Broadcasting Carriage Services		
Teleports, direct-to-home, cable networks, mobile TV, headend in the sky	74%	Up to 49% automatic, government beyond 49% and up to 74%
Cable networks	49%	Automatic
Broadcasting Content Services		
FM radio	26%	Government
Up-linking of news and current affairs TV channels	26%	Government
Uplinking of non-news and current affairs TV channels/downlinking of TV channels	100%	Government
Print Media		
Publishing of newspapers and periodicals dealing with news and current affairs	26%	Government
Publication of Indian editions of foreign magazines dealing with news and current affairs	26%	Government
Publishing/printing of scientific and technical magazines/specialty journals/ periodicals	100%	Government
Publication of facsimile edition of foreign newspapers	100%	Government
Any other activity other than the above, such as movie production, gaming, etc.	100%	Automatic

	• Investments are subject to fulfilling security conditions, rules and regulations of Ministry of Information and Broadcasting, and all other relevant rules and regulations
Sector Policy	• In December 2011, the Indian government passed 'The Cable Television Networks (Regulation) Amendment Act' for digitisation of cable television networks by 2014; cable operators under the digitisation regime are legally bound to transmit only digital signals, while customers can access subscribed channels through a set-top box • Co- production treaties with various countries such as Italy, Brazil, UK and Germany to increase the export potential of the film industry • Granted industry status in 2001 for easy access to institutional finance • Private operators allowed to own multiple channels in a city, subject to a limit of 40% of total channels in the city • Private players allowed to carry news bulletins of All India Radio • Further boost may be given to the radio sector by charging licence fees on the basis of 'net income' so as to provide relief to loss-making radio players • Parliamentary approval on the Copyright Act (Amendment) Bill, 2012, which strengthens the royalty claims of musicians and lyricists • Policies are adopted against digital piracy and file-sharing; steps have been taken to block illegal music websites • Adoption of revenue sharing model by Copyright Board requiring FM radio companies to share 2% of their net advertising revenues with music companies • The government has carved out a National Film Policy to tap the potential of the film sector mainly for the animation segment
Financial Support (Incentives)	• Animation and gaming - Incentives for units in SEZ as specified in the act. • State incentives - Some of the incentives may be available depending upon the number of jobs created, area of investment etc.
Important agencies (Ministry / sectoral chamber with website)	• Ministry of Information & Broadcasting, Government of India (http://mib.nic.in/) • Industry associations √ Indian Motion Picture Producers' Association- (www.indianmotionpictures.com/imppa/index.html) √ The Film and Television Producers Guild of India- (www.filmtvguildindia.org) √ Newspaper Association of India-(www.naiindia.com) √ Association of Radio Operators of India-(www.aroi.in) √ The Indian Music Industry-(www.indianmi.org)

As on 31 May, 2014

NEW

AUTO COMPONENTS	FACTSHEET
India's strengths in this sector / reasons to invest	• India is emerging as global hub for auto component sourcing. • Relative to competitors, India is geographically closer to key automotive markets like the Middle East and Europe. • Overall costs lower by 10-25 per cent relative to operations in Europe and Latin America. • India is the fourth-largest producer of steel in the world and among the lowest-cost ones; the country is slated to become the second-largest steel producer by 2015 (Steel is a key raw material used in automobiles) • Major global OEMs are planning to make India a component sourcing hub for their global operations. • Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries.
Basic Facts of the Sector (STATISTICS)	• Turnover of the Indian auto component sector was USD 39.7 billion in FY2012–13; growth is likely to remain robust in coming years with the auto component industry expected to reach USD 113 billion by 2020. • The Indian automobile market is estimated to become the third largest in the world by 2016 and will account for more than 5 per cent of the global vehicle sales; India is expected to become the fourth largest automobiles producer globally by 2020 after China, US and Japan. • India's exports of auto components increased at a CAGR of 17.4 per cent to USD6.9 billion during FY07-12; Exports have further risen to USD 9.7 billion in 2012-13.
Growth Drivers	• Growing working population and expanding middle class are expected to remain key demand drivers. • Presence of a large pool of skilled and semi-skilled workforce amidst a strong educational system. • Increased investments in R&D operations and laboratories, which are being set up to conduct activities such as analysis and simulation, and engineering animations. • Reduction in excise duties in motor vehicle sector will spur demand for auto components. • The growth of global OEM sourcing from India and the increased indigenisation of global OEMs is turning the country into a preferred designing and manufacturing base.
Investment Opportunities	• Engine & Engine Parts: √ New technological changes in this segment include introduction of turbochargers and common rail systems √ The trend of outsourcing may gain traction in this segment in the short to medium term • Transmission & Steering Parts: √ Share of the replacement market in sub-segments such as clutches is likely to grow due to rising traffic density. √ The entry of global players is expected to intensify competition in sub-segments such as gears and clutches. • Suspension & Breaking Parts:

India's strengths in this sector / reasons to invest	√ The segment is estimated to witness high replacement demand, with players maintaining a diversified customer base in the replacement and OEM segments besides the export market. √ The entry of global players is likely to intensify competition in sub-segments such as shock absorbers. • Equipment: √ Companies operating in the replacement market are likely to focus on establishing a distribution network, brand image, product portfolio and pricing policy. • Electrical Parts: √ Manufacturers are expected to benefit from the growing demand for electric start mechanisms in the two-wheeler segment. • Others like sheet metal parts, body & chassis, fan belts, pressure die castings, hydraulic pneumatic instruments. Leading players in the sheet metal parts sub-segment are in the process of expanding their customer base. This sub-segment is expected to grow 10–11 per cent between 2010–15.
FDI Policy	• 100% FDI is allowed under the automatic route in auto components sector subject to all the applicable regulations and laws.
Sector Policy	• Auto Policy 2002: √ Automatic approval for 100 per cent foreign equity investment in auto component manufacturing facilities. √ Manufacturing and imports in this sector exempt from licensing and approvals. • Automotive Mission Plan 2006–16: √ Setting up of a technology modernisation fund focusing on small and medium enterprises. √ Establishment of automotive training institutes and auto design centres, special auto parks and auto component virtual SEZs. • National Automotive Testing and R&D Infrastructure Project (NATRiP): √ Set up at a total cost of USD 388.5 million to enable the industry to adopt and implement global performance standards. √ Focus on providing low-cost manufacturing and product development solutions. • Dept. of Heavy Industries & Public Enterprises: √ Created a USD 200 million fund to modernise the auto components industry by providing an interest subsidy on loans and investment in new plants and equipment. √ Provided export benefits to intermediate suppliers of auto components against the Duty Free Replenishment Certificate (DFRC).
Financial Support (Incentives)	**Tax incentives:** √ Units are eligible for weighted tax deduction at 200 per cent for the R&D expenditure incurred. √ Concessional excise duty of 6 per cent has been extended up to 31 March 2015 for manufacturers of batteries supplying to producers of electrically operated vehicles √ Exemption from basic customs duty on lithium-ion automotive batteries for manufacture of lithium-ion battery packs for supply to manufacturers of hybrid and electric vehicles.

	√ General excise duty rate on all machinery, equipment, appliances etc and parts thereof, (falling under Chapter 84 and Chapter 85 of the First Schedule to the Central Excise Tariff Act 1985) has been reduced from 12 per cent to 10 per cent. This concessional rate is available from 17 February 2014 to 30 June 2014. **State incentives:** √ Apart from the above, each state in India offers additional incentives for industrial projects. Incentives are in areas like rebated land cost; relaxation in stamp duty exemption on sale/ lease of land; power tariff incentives; concessional rate of interest on loans; investment subsidies / tax incentives; backward areas subsidies; special incentive packages for mega projects. **Export Incentives:** √ Export promotion capital goods scheme. √ Duty remission scheme. √ Focus product scheme, special focus product scheme, focus market scheme. **Areas based incentives:** √ Incentives for units in SEZ/NIMZ as specified in respective acts or setting up project in special areas like North East Region, Jammu & Kashmir, Himachal Pradesh & Uttarakhand.
Important agencies (Ministry / sectoral chamber with website)	• Department of Heavy Industries, Ministry of Heavy Industries & Public Enterprises (http://dhi.nic.in/) • Automotive Component Manufacturers Association of India (http://acma.in/)

As on 31 May, 2014

NEW

DAIRY SECTOR	FACTSHEET

Dairy Sector in India	India is the largest milk producing country in the world with the production of 132.4 million tons in 2012-13 (NDDB and Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, Government of India). The production of milk in 2011 constituted 17.2per cent of share in global milk production. The milk revolution in India has increased the milk production remarkably which had increased the per capita availability of milk from 124 gram/day in 1950-51 to 290 gram/day in 2011-12 (Basic Animal Husbandry & Fisheries Statistics-2013). The milk production has displayed a growth rate of 4.8 per cent during the period of 2009 to 2011.
Structure of Dairy Industry	Two major channels exist predominantly in India: The organized channel, which is mostly served by cooperatives and private dairies. Whereas in unorganized channel, traders procure the milk from rural areas and sell in urban areas
Market Scenario	The total dairy market in India is estimated to be INR 3,000 bn ($60 bn) in 2011 comprising nearly 40% of the total Food & Beverages market. Of this the organized dairy segment is currently just 20% or INR 600 bn., and represents a significant opportunity for growth for the next decade or more. The total dairy market is projected to grow by a CAGR of 10-11% to nearly INR 5,000 bn or ($82 bn) by 2016 (Source: AC Neilson and India Food Guide, Edelweiss, February 2012).
Key Dairy Products	Key dairy products include : processed/packaged milk, UHT milk, milk powder, and other dairy-based, value-added products like butter, cheese, curd, buttermilk, fruit yoghurts, etc. While the overall dairy industry is likely to grow at a CAGR of 8% over the next five years, processed dairy products are likely to grow at a faster rate, of 15%. Further, processed dairy products, which currently account for 24% in value terms of the dairy industry, are expected to contribute 30%, by 2016. The organized dairy market accounts for 30% of the total market, and is dominated by a large number of cooperative players. There are close to 30 dairy organizations that process more than 10 lakh litres of milk daily. Amul Group (including Gujarat Cooperative Milk Marketing Federation) had a turnover of INR 191 bn ($3.2 bn) in FY 2013 and holds nearly one-third share of the organized market. Once a net importer, India has now turned a net exporter of dairy products. The value of dairy exports is expected to be cross INR 5,000 crores by the end of fiscal 2013-14.
Dairy products trade position	Dairy products exported from India during 2012-13 accounts for total value of US $ 259 million. Butter and other milk fats accounted for the highest share in India's dairy exports in 2011-12. Saudi Arabia, Bangladesh, UAE, Egypt, Nepal, Singapore and Pakistan are among the top export destinations for dairy products from India. In the recent years, India's import of dairy products has also increased. During 2011-12 total dairy products imported by India accounts for US $ 250 million. Milk and cream concentrates are major products imported among dairy products. New Zealand, France and Australia are the major suppliers of dairy products to India.
Government Initiatives	The Intensive Dairy Development Programme, strengthening infrastructure for quality and clean milk production, Assistance to Cooperatives, and Dairy Entrepreneurship Development Scheme are some of the Indian Government's important schemes/programmes for meeting the growing demand for milk.

<table>
<tr><td>Opportunities in Dairy Sector</td><td>Dairy food processing holds immense potential for high returns. With the growth of the economy a shift is seen from the regular diet of cereals to a more varied and nutritious diet of fruit & vegetables, milk, fish, meat & poultry products. This change in food basket of the nation further highlights the need to build a robust production as well as supply chain network of milk products.</td></tr>
<tr><td>Growth drivers</td><td>Raw material availability
Growing domestic demand for safe, nutritious, and health-promoting convenience milk products
Governments Initiative
Technical innovation in milk processing
Growth in retail segment
Potential to catapult India as major dairy exporting country</td></tr>
<tr><td>Key Players</td><td><table>
<tr><td>Key Players</td><td>Brand</td></tr>
<tr><td>National</td><td></td></tr>
<tr><td>Gujrat Cooperative Milk Marketing Federation Ltd. (GCMMF)</td><td>Amul</td></tr>
<tr><td>Kwality Dairy India Limited</td><td>Kwality</td></tr>
<tr><td>Punjab Cooperatives</td><td>Verka</td></tr>
<tr><td>Mother Dairy India Limited</td><td>Mother Dairy</td></tr>
<tr><td>Vadilal Industries</td><td>Vadilal</td></tr>
<tr><td>Modern Dairies Limited</td><td>Modern Dairy</td></tr>
<tr><td>Parag Milk Foods</td><td>Parag</td></tr>
<tr><td>Dynamix dairy industries limited</td><td>Dynamix</td></tr>
<tr><td>Nestle India</td><td>Nestle</td></tr>
<tr><td>Dabone International Pvt. Ltd</td><td>Le Paneer</td></tr>
<tr><td>Britannia Industries Limited</td><td>Britannia</td></tr>
</table></td></tr>
<tr><td>Important agencies (Ministry / sectoral chamber with website)</td><td>Department of Animal Husbandry, Dairying & Fisheries (http://dahd.nic.in/dahd/default.aspx)</td></tr>
</table>

As on 31 May, 2014

INVESTMENT RELATED DEVELOPMENTS FOR JUNE 2014

RBI Initiatives

√ RBI announces Timelines for Regulatory Approvals and Citizens' Charter for Delivery of Services as part of implementation of the non-legislative recommendations of the Financial Sector Legislative Reforms Commission (FSLRC). The details of timelines of various regulatory approvals etc can be seen from the following link-(http://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=31467)

√ Exim Bank's Line of Credit of USD 46 million to the Government of the Republic of Mauritius-The details are available on the following link-(http://rbi.org.in/scripts/NotificationUser.aspx?Id=8917&Mode=0)

√ The limit under remittance scheme for resident Indians have been increased from USD 75000 to USD 125000-(http://rbi.org.in/scripts/NotificationUser.aspx?Id=8918&Mode=0)

√ RBI has allowed the non-resident to pledge their shares in listed company with NBFC. The loans raised has to be utilized for corporate purposes. The details are available on the following link-(http://rbi.org.in/scripts/NotificationUser.aspx?Id=8930&Mode=0)

√ The RBI has eased the process of transfer of assets of LO/BO/PO of foreign entity either to its wholly owned subsidiaries/joint ventures and others in India. The details are available in the following link-(http://rbi.org.in/scripts/NotificationUser.aspx?Id=8939&Mode=0)

√ RBI revises the form for annual return on foreign liabilities and assets reporting by an Indian company. The details are available on the following link-(http://rbi.org.in/scripts/NotificationUser.aspx?Id=8945&Mode=0)

√ RBI eases norms for foreign investors in currency derivatives: The Reserve Bank of India (RBI) has allowed foreign investors to participate in the domestic exchange-traded currency derivatives. With a view to improving the depth and liquidity in the domestic foreign exchange market, it has been decided to allow foreign portfolio investors to participate in the domestic exchange-traded currency derivatives market to the extent of their underlying exposures plus an additional USD 10 million. It has also been decided to allow domestic entities similar access to the exchange-traded currency derivatives market.

Investment Related Developments:

- √ DIPP releases press note on list of defence items requiring industrial license. Any items not included in the list would not require industrial license for defence purposes. (http://dipp.nic.in/English/acts_rules/Press_Notes/pn3_2014.pdf)

- √ DIPP switches over from NIC 1987 to 2008 for purpose of classification of activities in respect of industrial license/IEM proposal-(http://dipp.nic.in/English/acts_rules/Press_Notes/pn4_2014.pdf)

- √ Labour ministry okays new scheme for inspection: The Union labour ministry has approved a more liberal inspection scheme aimed at simplifying business regulations and bringing “transparency and accountability” in the system. For this purpose, a Central Analysis and Intelligence Unit (CAIU) will be set up to analyse and collect field data “for a transparent and accountable labour inspection system”. The scheme will be brought into effect from October 1 for the Employees Provident Fund Organisation (EPFO) and Employees State Insurance Corporation (ESIC), inspections under the ambit of the Chief Labour Commissioner (CLC) and the Directorate General of Mines Safety (DGMS).

- √ Online environment clearance: Environmental clearances: On June 5, the government initiated online environment clearances for industrial and infrastructure projects that have for long been stuck because of the slow pace of green approvals. The government is expected to announce the time limits for entire approve and stage-wise approvals soon. The Centre is also looking to working with state governments on clearing projects within 60 days. Penalties will be levied for any unexplained delays in granting clearances, and forest- and mining-related clearances are also expected to go online soon.

- √ Now, MHA has made another favourable move by introducing additional changes to the employment, business and project visa guidelines which include certain relaxations and grant of additional powers to the jurisdictional Foreigners’ Registration Office. The details are available on the following link-(http://mha1.nic.in/foreigDiv/OverviewVisa.html)

- √ Government clears seven projects worth USD 3.50 billion: GOVERNMENT has cleared seven investment projects worth USD 3.50 billion. This includes a project planned over 30 years back for setting up a 235 kilometer railway line that is critical to tap Chhattisgarh's second largest iron ore reserves and critical for the continued operations of Bhilai Steel Plant. Another forest clearance for USD 0.18 billion railway line between Dallirajhra and Jagdalpur in the Naxal-affected Bastar district has now been approved. Apart from these other projects approved include a 120-kilometre six-lane highway in Karnataka, a four million tonne iron ore processing plantin Chhattisgarh and three major power projects that could raise India's electricity generation capacity by over 3,500 MW.

√ In a major achievement, India becomes permanent Signatory to Washington Accord. Ministry of petroleum releases report on Auto Fuel Vision and Policy. The details policy can be downloaded from the following link-(http://petroleum.nic.in/autopol.pdf)

√ The government of India announces soaps for sugar industry. The measures include a) extending export soaps till September b) increase ethanol blending to 10% and c) increase in basic rate of duty on import of sugar to 40%

√ Commerce minister writes to State Governments to Ease Boiler Inspections (http://pib.nic.in/newsite/PrintRelease.aspx?relid=105335)

√ The last budget of excise duty cuts on auto sector is extended till December 31, 2014.

√ The state government of Rajasthan initiates steps on labor reforms.

Companies Act, 2013

√ Ministry of Corporate Affairs issues clarification related to foreign nationals/ companies:

√ Clarification No.1 Related pan requirements of foreign national at the time of company incorporation. The details can be seen from the following link-(http://www.mca.gov.in/Ministry/pdf/Circular_16_2014.pdf) and (http://www.mca.gov.in/Ministry/pdf/General%20circular%20no12-2014.pdf)

√ Clarification No.2 Clarification relating to incorporation of a company i.e. company Incorporated outside India (http://www.mca.gov.in/Ministry/pdf/General_Circular_23_2014.pdf)

√ Clarification No.3 Clarification on applicability of requirement for resident director-(http://www.mca.gov.in/Ministry/pdf/General_Circular_25_2014.pdf)

Notifications

Securities and Exchange Board of India

SEBI (Foreign Portfolio Investors) Regulations, 2014

http://www.sebi.gov.in/cms/sebi_data/attachdocs/1389083605384.pdf

Ministry of Corporate Affairs

Mapping of e forms prescribed under the Companies Act, 2013 with e forms prescribed under Companies Act , 1956

http://www.mca.gov.in/Ministry/pdf/eformsMapping.pdf

Notification relating to effective date of provisions of Section 135 and Schedule VII of Companies Act, 2013

http://www.mca.gov.in/Ministry/pdf/CompaniesActNotification1_2014.pdf

Reserve Bank of India

Foreign Portfolio Investor - investment under Portfolio Investment Scheme, Government and Corporate debt

http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8787&Mode=0

Foreign investment in India - participation by SEBI registered FIIs, QFIs and SEBI registered long term investors in credit enhanced bonds

http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=8563&Mode=0

Ministry of Finance, Dept of Economic Affairs

8% Savings (Taxable) Bonds 2003

http://www.finmin.nic.in/the_ministry/dept_eco_affairs/budget/8perSavingsBonds2003_21042014.pdf

Central Board of Excise and Customs

Notification seeking to levy definitive anti-dumping duty on imports of 'Vitamin A Palmitate ', originating in, or exported from, Switzerland and People's Republic of China for a further period of five years

http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-add2013/csadd-30-2013.htm

Circular regarding import of pets as baggage

http://www.cbec.gov.in/customs/cs-circulars/cs-circ13/circ15-2013-cs.htm

TENDER NOTICES >>>> *INDIA*

Tender invitation for:

Procurement of Brain mapping/Brain finger printing/Brain Electrical Oscillation Signature (BEOS) Profiling system

Ministry of Home Affairs, Govt of India , URL: http://mha.nic.in

Closing Date : 21 July, 2014

Tender invitation for

Hiring of NDT Inspection Services for tubular & equipment for various Assets/Basins of ONGC.

Oil and Natural Gas Corporation limited, URL: https://etender.ongc.co.in

Closing Date : 30 July, 2014

Tender invitation for:

Procurement of GC-HS with liquid auto sampler

Ministry of Home Affairs, Govt of India , URL: http://mha.nic.in

Closing Date : 12 August, 2014

FORTHCOMING EVENTS >>>> *INDIA*

Green Building Congress 2014

Date: 4-6 September, 2014

Venue: Hyderabad International Convention Centre (HICC), India

Organizer: CII-Indian Green Building Council (IGBC)

Contact: (i) Mr. Prasanna Pagoti (prasanna.pagoti@cii.in) ;(ii) Mr. K Raman (k.raman@cii.in) ;(iii) Ms. Sumbul Saleem (sumbul.saleem@cii.in)

Details: The event will feature three days of multiple conferences and a parallel exhibition showcasing Green Building Technologies, Products & Services. India would be hosting a Workshop and B2B Meeting for ASEM countries on *"Energy Efficiency Technologies in the Building Sector"* on September 5, 2014 at HICC as part of the *"Green Building Congress 2014"*. The Member countries could choose to participate at the Green Building Congress in the following ways:

1. Delegation:- An opportunity to attend the conference and visit the exhibition.
2. Exhibition:- Organizations may exhibit their products in the stalls. Layout with respective charges is also enclosed
3. Workshop & B2B Meetings

India Building World's Highest Railway Bridge

Agence France-Presse, July 11, 2014

Indian engineers are toiling in the Himalayas to build the world's highest railway bridge which is expected to be 35 metres taller than the Eiffel Tower when completed by 2016.

The arch-shaped steel structure is being constructed over the Chenab River to link sections of the spectacular mountainous region of India's northern Jammu and Kashmir state.

The bridge is expected to be 359 metres (1,177 feet) high when completed -- surpassing the world's current tallest railway bridge over the Beipanjiang River in China's Guizhou province, which stands at 275 metres high.

"It is an engineering marvel. We hope to get this bridge ready by December 2016," a senior Indian Railways official told AFP.

"The design would ensure that it withstands seismic activities and high wind speeds," he said Wednesday.
The estimated cost of the project, which is being handled by Konkan Railway Corporation, a subsidiary of state-owned Indian Railways, is $92 million.

FAQs on Foreign Investments In India

The fortnightly FAQs will broadly cover the following areas

I. ***Foreign Direct Investment***
II. ***Foreign Technology Collaboration Agreement***
III. ***Foreign Portfolio Investment***
IV. ***Investment in Government Securities and Corporate debt***
V. ***Foreign Venture Capital Investment***
VI. ***Investment by QFIs***

I. Foreign Direct Investment (FDI)

Q. What is the procedure to be followed after investment is made under the Automatic Route or with Government approval?

Ans. A two-stage reporting procedure has to be followed :

- On receipt of share application money (covered in the last issue)
- Upon issue of shares to non-resident investors:

Within 30 days from the date of issue of shares, a report in Form FC-GPR - PART A together with the following documents should be filed with the Foreign Exchange Department, Regional Office concerned of the Reserve Bank of India.

• Certificate from the Company Secretary of the company accepting investment from persons resident outside India certifying that:
The company has complied with the procedure for issue of shares as laid down under the FDI scheme as indicated in the Notification No. FEMA 20/2000-RB dated 3rd May 2000, as amended from time to time.

• The investment is within the sectoral cap / statutory ceiling permissible under the Automatic Route of the Reserve Bank and it fulfills all the conditions laid down for investments under the Automatic Route,

OR

• Shares have been issued in terms of SIA/FIPB approval No. --------------------- dated -------------------- (enclosing the FIPB approval copy)

• Certificate from Statutory Auditors/ SEBI registered Merchant Banker / Chartered Accountant indicating the manner of arriving at the price of the shares issued to the persons resident outside India.

Source:RBI

For Feedback & Comments, please contact:
Mr. Amitesh Bharat Singh, First Secretary (Commerce)
Trade Wing
High Commission of India
31 Grange Road, Singapore- 239702 Email : fscom@hcisingapore.org; hc@hcisingapore.org URL : www.hcisingapore.gov.in