

15 May 2017

BILATERAL

Singapore Consortium appointed master developer for Amaravati

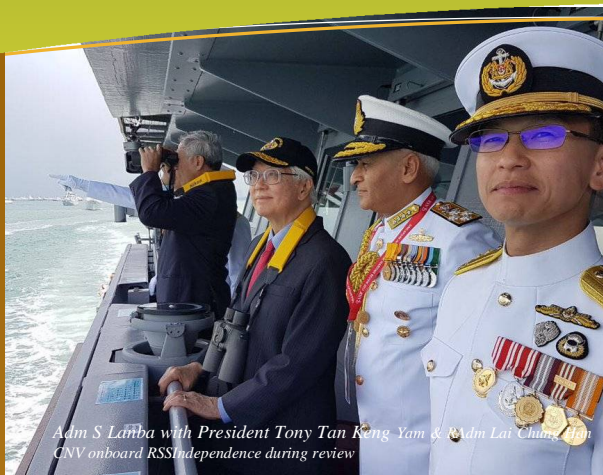
<http://www.connectedtoindia.com/singapore-consortium-appointed-master-developer-for-amaravati-1503.html>



[MoU signing ceremony with the Government of Singapore]

Singapore consortium comprising Ascendas-Singbridge and Sembcorp Development has been appointed by the Government of Andhra Pradesh to master develop the commercial core of Amaravati, the new capital of Andhra Pradesh. This latest milestone in the India-Singapore partnership was jointly announced today by Minister for Trade and Industry (Industry), S Iswaran and Chief Minister of Andhra Pradesh Chandrababu Naidu at the appointment ceremony in Amaravati. The Singapore Consortium, together with the Government of Andhra Pradesh's Amaravati Development Corporation, will form a Joint Venture called Amaravati Development Partners, to develop a 6.84 square kilometre start-up area in Amaravati. The start-up area is along the Southern bank of Krishna river and will be developed

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Adm S Lamba with President Tony Tan Keng Yam & Adm Lai Chang-hsin
CNV onboard RSS Independence during review

TOP NEWS

India to grow at 7.7 per cent in 2018-19, says IMF

PTI

India's growth is expected to rebound to 7.2 per cent in the 2017-18 fiscal and 7.7 per cent in 2018-19 after "disruptions" caused by demonetisation, the IMF said today, while recommending removal of long-standing "structural bottlenecks" to enhance market efficiency. The temporary disruptions (primarily to private consumption) caused by cash shortages accompanying the currency exchange initiative are expected to gradually dissipate in 2017 as cash shortages ease, the International Monetary Fund said in its regional economic outlook. Such disruptions would also be offset by tailwinds from a favourable monsoon season and continued progress in resolving supply-side bottlenecks, the IMF said.

The investment recovery is expected to remain modest and uneven across sectors as deleveraging takes place and industrial capacity utilisation picks up, it noted. "In India, growth is projected to rebound to 7.2 per cent in FY2017-18 and further to 7.7 per cent in FY2018-19," the IMF said. "Headwinds from weaknesses in India's bank and corporate balance sheets will also weigh on near-term credit growth. Confidence and policy credibility gains, including from continued fiscal consolidation and anti-inflationary monetary policy, continue to underpin macroeconomic stability," the IMF said.

The IMF maintains a positive outlook on the Indian economic growth and is confident that the Goods and Services Tax (GST) implementation will be smooth. "India is one of the countries that have excellently performing reforms and that is one of the major reasons for the country to maintain one of the highest economic growth rates (in the world)," said Changyong Rhee, director for Asia and Pacific Department at IMF at a press conference in Singapore after presenting Asia and Pacific Regional Outlook report. Touching on GST, he said, "We have been working very closely with India in preparing the introduction of GST. I am very confident that India has prepared the GST introduction in the past couple of years." He pointed out that implementation of such tax system remains very challenging especially preparation of system integration between the government and the business sectors.

He stressed that such implementation would not be easy and there would be hiccups, adding that the IT system has to be well prepared and well implemented. "But based on the Indian government's preparation for the last couple of years, we believe that it is going to be smooth," he said. He pointed out that there have been several countries that have implemented GST systems recently. On other sector's performance, the report noted that following the demonetisation, there has been a massive increase

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in liquidity in the banking system which can reduce banks' funding costs and lead to a decline in banking lend rates.

But it cautioned about further buildup of non-performing loans, including among private banks and elevated corporate sector vulnerabilities. It called for ensuring prudent support to the affected economic sectors in the country. According to the report, growth in Asia is forecast to accelerate to 5.5 per cent in 2017 from 5.3 per cent in 2016. Growth in China and Japan is revised upward for 2017 compared to the October 2016 World Economic Outlook, owing mainly to continued policy support and strong recent data.

ADB sees India growing 7.4% in 2017-18, says GST, bankruptcy law big positives

IBEF: May 04, 2017

The Indian economy will grow by 7.4 per cent in FY 2017-18 and by 7.6 per cent in FY 2018-19 on the back of an improving business environment created by reforms like the Goods and Services Tax (GST) and the new bankruptcy law, stated Mr Yasuyuki Sawada, Chief Economist, Asian Development Bank (ADB). A growth of more than 7 per cent is high compared to other emerging economies, including China. He further stated that the impact of demonetisation was short-term, and the Indian economy's growth will accelerate over the medium-term. He was also of the opinion that the appreciation of rupee against the dollar will not have a negative impact on exports and that India's overall export performance is positive.

India to grow 7.5% next year on higher infra spending, says UN

Press Trust of India / New Delhi May 9, 2017

The Indian economy will grow 7.5 per cent next year by virtue of consumption revival and higher infrastructure spending, says a report by the UNEconomic and Social Commission for Asia and the Pacific (ESCAP).

For 2017, India's economic growth is projected stable at 7.1 per cent before catapulting to 7.5 per cent going into the next year, the regional development arm of the United Nations said.

This forecast is "underpinned by higher private and public consumption and increased infrastruc-

ture spending," the report said.

The International Monetary Fund (IMF) last month projected the India's growth at 7.2 per cent in the fiscal 2017-18 and at 7.7 per cent for the next financial year.

While the Manila-headquartered Asian Development Bank sees the growth jumping to 7.4 per cent in 2017-18 and 7.6 per cent in the next.

Even at this rate, India will continue to clock a better growth than China, which is expected to grow at around 6.5 per cent in 2017.

"Meanwhile, inflation is projected to reach 5.3-5.5 per cent in 2017 and 2018, which is somewhat above the official target of 4.5-5 per cent," the ESCAP said.

These banks' gross non-performing assets as a percentage of gross advances hit almost 12 per cent in 2016. "This points to the need for bank recapitalisation."

On the demonetisation drive taken by the government during November-December last calendar, the UN report said the impact would be transient on the economy.

However, a slower-than-expected recovery would particularly diminish the outlook for cash-intensive sectors and supply chains for agricultural products.

In the medium-term, India will also benefit from recent reforms measures aimed at declogging supply side bottlenecks, it added.

Implementation of good and services tax (GST), amendment of a bankruptcy law and opening up of pharmaceuticals, defence and civil aviation sectors will help India in its economic growth, the report said.

On the trends in the Asia-Pacific region, the UN ESCAP has found growth in the region moderating in recent years compared to its historical trend and a rebound in 2010.

"The region's export-oriented economic growth strategy is under pressure amid prolonged weakness in external demand and global trade," the report said.

"China is both a transmitter and a source of the current economic slowdown, given its role as a hub in global value chains and it rebalanced towards consumption and services," it said.

Although the region's growth is commendable despite a modest recent past, given a struggling global economy, it added.

Core sector output up 5%, signals industrial recovery ary, ICRA said.

Business Standard: May 02, 2017

Core sector output rose by 5 per cent in March, recovering from the one-year low growth rate of 1 per cent in February.

The rebound was led primarily by robust growth in steel and coal output, supported by a stable rise in natural gas production.

The data released by the Commerce and Industry Ministry on Monday showed that the eight core industries — coal, crude oil, natural gas, refinery products, fertiliser, steel, cement, and electricity — had a cumulative growth rate of 4.5 per cent in FY17. This was higher than the 4 per cent rise in 2015-16.

Contributing 38 per cent to industrial production (index of industrial production), core sector output had dipped in February mainly due to a decline in production in a majority of sectors such as crude oil, natural gas, refinery products, fertilisers, and cement. In March, however, continuing the growth momentum, steel output rose by 11 per cent, up from the 8.7 per cent rise in February. The contraction in cement output slowed to 6.8 per cent from the 15.8 per cent contraction in February.

“Notwithstanding the considerable improvement relative to the previous month, the 6.8 per cent contraction in cement output in March signals that the construction sector is yet to fully recover from the disruption that had set in after the note ban,” said Aditi Nayar, principal economist, ICRA.

On the other hand, with its second-highest growth rate of 10 per cent, coal production has also improved over the 7.1 per cent growth seen in the previous month. This has fired up activity in coal-based electricity plants with power generation also up by 5.9 per cent as compared to the 1.9 per cent growth in February.

The position of both crude oil and refinery products also improved, though slowly. While crude oil turned in a positive growth rate of 0.9 per cent in March after a 3.4 per cent fall in the previous month, the production of refinery products fell by 0.3 per cent, slowing from the 2.3 per cent rate of fall earlier. Fertiliser production continued to fall for the fourth consecutive month, contracting by 0.8 per cent in March. A pickup in auto production, core sector output, and merchandise exports in March signals that IIP growth would revive relative to the 1.2 per cent contraction in Febru-

DIPP & WIPO to set up Technology and Innovation Support Centers

Press Information Bureau: May 08, 2017

New Delhi: The Department of Industrial Policy and Promotion (DIPP) and World Intellectual Property Organization (WIPO) have signed an agreement to establish Technology and Innovation Support Centers (TISC)

WIPO's Technology and Innovation Support Centers (TISC) program provides innovators in developing countries with access to locally based, high quality technology information and related services, helping them to exploit their innovative potential and to create, protect, and manage their intellectual property (IP) rights.

Services offered by TISCs may include:

- Access to online patent and non-patent (scientific and technical) resources and IP-related publications;
- Assistance in searching and retrieving technology information;
- Training in database search;
- On-demand searches (novelty, state-of-the-art and infringement);
- Monitoring technology and competitors;
- Basic information on industrial property laws, management and strategy, and technology commercialization and marketing.

The Cell for IPR Promotion and Management (CIPAM) is designated as the National Focal point for the TISC national network. As the national focal point, CIPAM shall identify potential host institutions, assess their capacities and support them in joining the TISC project. CIPAM will also act as the main intermediary between WIPO and TISC host institutions and coordinate all the activities of the national TISC network.

Over 500 TISCs operate worldwide and establishing TISC in India will give the host institutions access to the Global network. In upcoming years CIPAM is planning to establish TISC's in Universities, State Science Councils, R&D institutions etc. TISC will give an impetus to Knowledge sharing, sharing of best practices among the TISC's, capacity building, generation and commercialization of IPs.

NHAI Masala Bond Launched at London Stock Exchange

PIB

The Union Minister of Road Transport & Highways and Shipping Shri. Nitin Gadkari yesterday launched the NHAI Masala Bond issue at the London Stock Exchange. The NHAI issue witnessed an overwhelming response from a wide range of investors, some of them being first timers to participate in the Masala Bond market. The initial benchmarked issue of INR 1500 crore was upsized to INR 3000 crore by yesterday 3.00 PM (GMT) at a price yielding 7.30% annually in view of the highly positive response from the investor market. The transaction marks the largest ever 5 year issuance and the largest inaugural transaction in Masala Bond market. Some of the leading investors were still showing interest in the NHAI issue who may be brought into the fold in the near future.

It is interesting to note that the NHAI Masala Bond issue has attracted investors from across the spectrum with Asia contributing 60% of the subscription and the balance 40% coming from Europe. Further, 61% of the amount comes from the Fund Managers or Insurance, 18% from the Banks and 21% from the private banks. The spectrum of investors shows bright prospects of the Masala Bond as an instrument of raising rupee denominated resources internationally. On this occasion London Stock Exchange presented a Memento to Shri Nitin Gadkari.

Cabinet approves National Steel Policy 2017

Press Information Bureau: May 04, 2017

New Delhi: The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has given its approval for National Steel Policy (NSP) 2017.

The new Steel Policy enshrines the long term vision of the Government to give impetus to the steel sector. It seeks to enhance domestic steel consumption and ensure high quality steel production and create a technologically advanced and globally competitive steel industry.

Key features of the NSP 2017:

1. Create self-sufficiency in steel production by providing policy support & guidance to private manufacturers, MSME steel producers, CPSEs

2. Encourage adequate capacity additions,
3. Development of globally competitive steel manufacturing capabilities,
4. Cost-efficient production
5. Domestic availability of iron ore, coking coal & natural gas,
6. Facilitating foreign investment
7. Asset acquisitions of raw materials &
8. Enhancing the domestic steel demand.

The policy projects crude steel capacity of 300 million tonnes (MT), production of 255 MT and a robust finished steel per capita consumption of 158 Kgs by 2030 - 31, as against the current consumption of 61 Kgs. The policy also envisages to domestically meet the entire demand of high grade automotive steel, electrical steel, special steels and alloys for strategic applications and increase domestic availability of washed coking coal so as to reduce import dependence on coking coal from about 85% to around 65% by 2030-31.

Incubators, accelerators grow 40% in 2016, aiding start-up landscape: Nasscom

Livemint: May 08, 2017

New Delhi: Incubators and accelerators continue to play an important role in the growth of the Indian start-up ecosystem. The number of incubators and accelerators have grown by 40%, with more than 40 new ones added in 2016, according to a new report by Nasscom, titled 'Incubators/Accelerators (I/As) Driving the Growth of Indian Start-up Ecosystem-2017', which throws light on the critical role of I/As in the start-up landscape.

India has more than 140 I/As at present split across corporate (9%), independent (32%), academic (51%) and government supported (8%) categories. While incubators provide support across the start-up life cycle, accelerators are focussed on the growth and acceleration stage. According to the report, tier II and tier III cities are also seeing traction with 66% new incubators established in 2016. Also, more than 30 new academic incubators have been established in 2016, and corporate accelerators are growing 35% year-on-year with Bengaluru, NCR area and Mumbai the leading hubs. Most of the I/As have a technology (cloud, big data/analysis, and machine

learning/artificial intelligence) focus.

The report claims that the two most important trends in the Indian incubator and accelerator ecosystem are partnership-driven and sector-specific incubators and accelerators. Academia, industries and the government are coming together to set up sector-specific accelerators and incubators. For example, GE's global healthcare accelerator, Pfizer and IIT-D's incubation accelerator for healthcare start-ups, and SBI and IIT-B's incubator for fintech start-ups. Given the impetus by academia, government and corporates, the Indian incubator and accelerator ecosystem is expected to grow manifold over the next few years.

Initiatives by the Central and state governments will trigger the growth of incubators and accelerators in tier II and III cities, and with corporates eyeing start-ups for innovation, more and more sector-specific incubators and accelerators will emerge in the future.

The report also highlights the challenges faced by I/As like limited time period for Incubation/Acceleration. Three to four months to incubate/accelerate is not sufficient for a start-up to scale operations. Besides, the volume of start-up applications is quite high in India, making the process tedious and time consuming as compared to the US where benchmarks are well defined.

\$1.3-trillion housing boom to be India's next growth driver

Bloomberg | New Delhi/Singapore May 10, 2017

In a country where slums sit cheek-by-jowl next to palatial luxury — including what's been reported as the world's most expensive private home — India's unhoused may soon become a more potent economic growth driver.

Prime Minister Narendra Modi's drive to bring homes to the country's 1.3 billion people, rising incomes and the best affordability in two decades will unleash a \$1.3-trillion wave of investment in housing over the next seven years, according to CLSA India Pvt.

The firm expects 60 million new homes to be built between 2018 and 2024, creating about two million jobs annually and giving a tailwind of as much as 75 basis points to India's gross domestic product. The volume of social and affordable housing will rise almost 70 per cent to 10.5 million annually by 2024, exceeding the 33 per cent increase in the premium market.

"The housing sector is at a tipping point and will be the economy's next big growth driver," Mumbai-based analyst Mahesh Nandurkar and his colleagues wrote in a note last week. "The catalyst is the government's big push for an ambitious housing programme."

Modi has been on a mission to expand affordable housing in Asia's third-largest economy. In February, the government granted affordable-housing builders "infrastructure status," making them eligible for state incentives, subsidies, tax benefits and institutional funding. In June 2015, it announced a "Housing for All" programme which aims to construct 20 million homes across the country and in December it announced rebates and interest waivers for home loans under the programme.

That's not all that's expected to fan demand. In the past five years, mortgage rates have dropped about 275 basis points to about 8.5 per cent. Prices have remained stable while per-person incomes have posted a compound annual growth rate of about 10 per cent, according to the CLSA note.

While India's real estate industry extended a slump after Modi's sudden decision to ban 86 per cent of the nation's cash in November, affordable housing was growing the fastest before note ban and the whole market has shown signs of snapping back.

The report predates the latest reform to regulate India's notoriously unreliable property developers. Under laws that came into force 1 May 1 construction companies will have to use at least 70 per cent of sale proceeds to complete residential projects, rather than funnel money to other jobs. Developers will also no longer be allowed to start pre-selling apartments before all building approvals are obtained. Those who don't comply could face as many as three years in jail.

CLSA expects volume growth in new home construction to jump to a compound annual growth rate of about 8% over the next seven years from zero over the past five years.

So while luxury residences like 27-story "Antilia" owned by Reliance Industries Ltd chairman Mukesh D Ambani, and reported to worth anywhere from more than \$400 million to over a \$1 billion, have hogged Mumbai's skyline, more affordable options may soon be springing up.

Industry Minister Smt. Nirmala Sitharaman has said that mid-term review of Foreign Trade Policy would be completed early to synchronise its roll out with GST

Press Information Bureau: May 08, 2017

New Delhi: Commerce and Industry Minister Smt. Nirmala Sitharaman has said that the revised Foreign Trade Policy (FTP) would be released early to synchronise the same with roll out of GST. The core focus of the revised FTP would be promoting exports from the SMEs and high employment potential sectors. Smt. Nirmala Sitharaman was chairing a meeting on the Mid-Term review of the Foreign Trade Policy 2015-20 organised jointly by Department of Commerce and Research and Information System for the Developing Countries (RIS).

Commerce Secretary Ms Rita Teotia, Chairman RIS Shri Hardeep Singh Puri and DGFT Shri Ajay Bhalla also participated in discussions. The event was attended by the trade policy experts from the industry, academia, Research and Government.

Major suggestions discussed during the deliberations related to promoting Rupee Trade, facilitating not only exports but also imports and reducing cost of credit. Participant recommended harnessing the high foreign exchange earnings and large employment generation potential of services related to the Tourism, Education and Health sector. Such services fall under the WTO category of the Mode 2 Services, also called the 'Consumption Abroad' category. It was emphasised that promotion of mode2 in services sector shall contribute in domestic economic development and job creation.

Concerns were also raised on issues relating to GST and its impact on export. Minister said that Department of Commerce has already taken up these issues with Department of Revenue, and assured that it will again take up these issues With DoR for placing it before GST council to find a solution.

Critical role of Logistics sector for export competitiveness was also discussed; reducing the cost of credit in promoting exports, export basket diversification, strategy for promoting value added exports, agriculture exports and services exports were also deliberated.

It may be noted that while announcing the five year FTP, 2015-2020 on 01.04.2015, Hon'ble

Commerce & Industry Minister had announced that the policy would be reviewed on mid-term basis. The exercise has been initiated by Department of commerce in January 2017. DGFT has held consultation with a cross section of stakeholders.- Exporters, Traders, Export promotion Councils, Commodity Boards, Various Ministries of the Central Govt., State Governments, foreign missions of India and Industry Bodies- in this regard.

More FDI reforms to be rolled out over next 1 year: DIPP secy

Business Standard: May 01, 2017

New Delhi: Department of Industrial Policy and Promotion Secretary Ramesh Abhishek said on Saturday that the government is set to bring in a new set of foreign direct investment (FDI) policy reforms across sectors over the next one year. Speaking at the annual general meeting of the Confederation of Indian Industry, Abhishek, however, did not disclose the sectors that might see changes in investment rules, saying more than 90 per cent of all sectors are open.

Department of Industrial Policy and Promotion Secretary Ramesh Abhishek on Saturday said the government was set to bring in a new set of FDI (foreign direct investment) policy reforms across sectors over the next one year.

Speaking at the annual general meeting of the Confederation of Indian Industry, Abhishek, however, did not disclose the sectors that might see changes in investment rules, saying more than 90 per cent of all sectors are open.

In June last year, the government had relaxed FDI norms in single-brand retail, civil aviation, airports, pharmaceuticals, animal husbandry and food products.

The Centre had allowed up to 100 per cent FDI in defence through the approval route, 100 per cent FDI in greenfield pharma via the automatic route, 100 per cent in brownfield pharma — of which, 74 per cent will be through automatic route— 100 per cent FDI in scheduled airlines and up to 49 per cent FDI in airlines through automatic route.

The government may also be looking to include the contentious multi-brand retail segment to this list.

This may be done by allowing food retailers to generate around 20-25 per cent of their sales from non-food items such as kitchen-use products or basic household requirements like toothpaste.

Currently, FDI in multibrand retail trading is

permitted, subject to a range of stipulations. A total 100 per cent FDI is allowed in stores that sell only made-in-India food products or locally produced farm goods.

Apart from Amazon, which has committed to invest \$515 million over the next five years, there have been no takers for the food retail business so far. Also, with the dismantling of the Foreign Investment Promotion Board (FIPB), the entire policy architecture governing FDI also needs to be reviewed.

The rationale behind the move is that most FDI is now on the automatic approval trajectory. Only an estimated seven - eight per cent of all sectors are under the approval route.

Commerce and Industry Minister Nirmala Sitharaman had hinted in the absence of FIPB, departmental regulators might suffice to decide.

On the other hand, Abhishek believes administrative departments could also be considered for taking the final call.

More smartphone components to be included under Make in India to boost manufacturing

IBEF: May 08, 2017

New Delhi: The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets. The programme will help to create an indigenous mobile manufacturing ecosystem in India and also to meet a major share of the global handset demand over the coming years, stated Ms Aruna Sundararajan, Secretary, Ministry of Electronics and Information Technology, Government of India. The programme includes mechanics, die cut parts, microphone, receiver, keypad and USB cable for FY 2017-18; populated printed circuit boards, camera modules and connectors for FY 2018-19; and display assembly, touch panels, vibrator motor and ringer for FY 2019-20.

India Readies Policy To Select Private Firms For Defense Production Orders

<http://www.defenseworld.net/news/19257/>
In-

ia_Readies_Policy_To_Select_Private_Firms_For_Defense_Production_Orders#.WRpU2tycGM-

India's defence ministry has prepared its roadmap for the selection of private sector companies for military production orders, with a procedure spelt out in a new policy.

The ministry will unveil the elaborate procedure in a new policy soon, the Economic Times reported.

The defence ministry's new strategic policy (SP) model will create a pool of six Indian companies that will be accorded special status.

After the pool is created, the companies will be provided with the opportunity to bid for mega defence production orders, expected to be worth over \$20 billion.

The defence ministry has come up with a list of criteria that the private sector must fulfil. During the first stage, six Indian companies will qualify to bid for four upcoming projects - submarines for the navy, a single-engine fighter for the air force, helicopters and armoured vehicles for the army. The companies must have a minimum turnover of Rs 4,000 crore for the past three years.

The selection of Indian companies would also be based on financial capacity, technical ability and current infrastructure. The choice will be in a parallel process on technical and commercial grounds. Foreign partners will be taking part in four identified projects. This selection will be based on technical evaluations and field trials. Once the foreign vendors are shortlisted, the Indian pool will be invited to plan collaborations and present joint proposals that will be the basis of a final selection.



BUSINESS

DP World to invest \$1 bn more in India maritime infrastructure: CEO

PTI

Leading global operator of marine and inland terminals DP World today pledged \$1 billion investment in India's marine infrastructure. This will be in addition to its existing USD 1 billion investment here, DP World's Group Chairman and CEO Sultan Ahmed Bin Sulayem said.

The Dubai-based operator said it is looking at several investments in India in the logistic sector and online transactions of customs services. "India offers exciting opportunities to us. We

pledge \$1 billion investment here.

“Our expertise can help India grow faster in this space as millions of tonnes of wheat and thousands of tonnes of fruits and vegetables get wasted here in want of warehousing,” Sulayem said. He was addressing the inaugural session of the here.

Drawing a comparison between India and China, Sulayem said while these two economies have the maximum population, there is a huge difference in the amount of cargo handled in both the countries. “While China handles 100 million container cargo, India handles barely 10 million,” he said.

DP World can help India augment its marine infrastructure as it has helped Dubai, he added. He said Dubai has made its custom clearance processes online and around 10,000 transactions are completed in 100 days.

Traders in Dubai do not have to step out of their offices for any kind of custom clearances and everything is done online, he said. Being one of the strongest emerging economies in the world, it offers immense potential for growth in maritime and inland trade, Sulayem added.

DP World has invested in the development of five international gateway ports in India. There is also a great need to reach internal markets, invest in cold storage facilities and networks, as well as using coastal and inland waterways to increase efficiencies and lower costs, Sulayem noted.

He said by developing this transport infrastructure at existing ports, multi-modal transport including rail for freight and more use of waterways, there will be a direct economic impact benefiting manufacturing and agriculture sectors.

World Bank's IFC to invest \$200 million in HDFC

Livemint

International Finance Corp. (IFC) is planning to invest as much as \$200 million in India's largest mortgage lender Housing Development Finance Corp. Ltd (HDFC). The World Bank's private-sector investment arm said it will invest by buy-

ing five-year non-convertible debentures (NCDs) or masala bonds.

The funds will be used by HDFC for on-lending to developers of affordable housing projects across India.

“HDFC has additionally committed to allocate up to Rs42 billion (\$600 million equivalent) from its own resources for on lending to developers of affordable housing projects in India,” IFC said in a statement.

Mumbai-based HDFC currently has a customer base of 5.7 million and a loan portfolio of approximately Rs2.8 trillion as of December 2016.

Apart from HDFC, IFC has backed other mortgage lenders in the past including Dewan Housing Finance and PNB Housing Finance Ltd.

Affordable housing has received a lot of attention after finance minister Arun Jaitley in the 2017-18 budget said the government plans to accord infrastructure status to affordable housing and facilitate higher investments, in line with the government's aim to provide housing for all by 2022.

In April last year, IFC said it planned to invest up to \$38 million in three housing finance companies — Aspire Home Finance Corp., Micro Housing Finance Corp. and Aptus Value Housing Finance India Ltd. Last week, IFC said it plans to invest up to \$40 million in housing finance firm Aavas Financiers Ltd.

In a separate statement, IFC said that it plans to invest \$10 million in the first fund of early-stage venture capital firm Stellaris Venture Partners. Stellaris has a target corpus of \$100 million and made the first close of its fund — Stellaris Venture Partners India I — at \$50 million in January. The firm expects the next close in June.

Facebook brings Express WiFi to India, partners with Airtel for 700 hotspots

HT Business: May 05, 2017

New Delhi: Remember the cable guy? Carrying a roll of optical fibre cables on his shoulder that brought satellite TV to your homes before set top box relegated him to history.

He is coming back but only in the form of entrepreneurs who will set up WiFi hotspots courtesy Facebook to provide internet in public places ending India's poor connectivity problem.

Called Express WiFi, the new programme, which is a follow up of the banned Free Basics platform, ties up with entrepreneurs to help them set up

public WiFi hotspots and helping them provide internet to a lot of citizens in poor or no connectivity areas – the “intent” behind Free Basics platform.

“We were working with ISP and operator partners to test Express WiFi with public WiFi deployments in multiple pilot sites,” Munish Seth, head of connectivity solutions at Facebook’s Asia Pacific region, told HT, adding that now customers will be able to purchase fast, reliable and affordable data packs in four states (Uttarakhand, Gujarat, Rajasthan and Meghalaya) across 700 hotspots and 500 retailers. Express WiFi has been deployed in partnership with ISPs AirJaldi in Uttarakhand, LMES in Rajasthan, Tikona in Gujarat, and soon with Shaildhar in Meghalaya.

He also said that Facebook was working with Airtel to bring 20,000 more hotspots throughout the country. Express WiFi is currently live in Indonesia, Tanzania, Kenya and Nigeria.

Explaining how Express WiFi works, Seth said that Facebook is providing the software stack for the entrepreneurs, data analytics and in some cases some funds to help start operations. However, he said that the entrepreneur can choose any internet service provider (ISP) for bringing the WiFi to the hotspot.

“We will recommend ISPs based on our tests and usually the speed of the Wi-Fi has to be somewhat around 10mbps,” Seth said, adding, that if someone wants to use the WiFi, the person will buy a data card just like prepaid vouchers and use it on their devices.

“Anyone can access the Express WiFi network by signing up with an Express WiFi retailer and purchasing a daily, weekly or monthly data pack at a rate set by our partners. They will then be able to connect to the Express WiFi hotspot, register/create an account, login and start browsing or use any app on the entire internet,” Seth explained.

He also said that “this will kill the need of owning 4G devices and that will be immensely helpful for India where 4G is catching up fast but has a long way to go before it becomes mainstream.”

However, Seth didn’t clarify how Facebook would generate revenue streams but said that the company was providing the software stack and analytics free of cost to entrepreneurs.

Seth also said Facebook will have no control over data costs and individual suppliers will decide that. Now this means that you might be charged differently for the same amount of data in different public WiFi hotspots. However, Facebook said that the cost of data will be affordable.

“It is similar to the cybercafe model that thrived around a decade back,” Sanchit Vir Gogia, chief analyst at Greyhound Research said.

Currently, as per TRAI data only 390 million people are connected to the internet. However, Express WiFi launch comes a day after TRAI chairman RS Sharma said that the regulator will come out with its recommendations on net neutrality by the first half of July.

TRAI had struck down Facebook’s previous programme – Free Basics in India – that aimed to connect the “unconnected Indians” on the grounds of net neutrality. Net neutrality regulation ensures that all ISPs charge customers the same price for accessing all websites and services.

This also doesn’t mean Facebook is flouting net neutrality norms as Jio also offers data at lower prices than rivals.

Google and Microsoft also have been working on similar connectivity project. Google is already providing a free WiFi service in several railway stations in India in partnership with RailTel and the programme is expected to be scaled to 400 stations in the country.

Google also plans to extend Google Station to cafes, malls, universities and bus stations – a programme to offer high-speed browsing at any place that has a wired internet connection. However, it may not be a free service, with revenue being split between Google and the space owner.

The company is testing its Project Loon that will use balloons to take internet access to remote locations. It is also learnt to be looking at putting Google Accelerator boxes in cafes and restaurants.

Amazon to add 14 new warehouses, plans to double storage capacity in India

Livemint: May 03, 2017

New Delhi: Online marketplace Amazon said on Tuesday that it plans to double its storage capacity in India this year and will open at least 14 new warehouses across the country, including the seven that it recently opened to boost sales of large appliances and furniture.

Amazon India (Amazon Seller Services Pvt Ltd) said the new warehouses will be set up in Telangana, Haryana, Maharashtra, Madhya Pradesh, Uttar Pradesh and Andhra Pradesh and be fully operational by the end of June. The expansion

of its infrastructure is intended to ensure Amazon maintains its rapid sales growth. The company reported an increase in unit sales of 124% in calendar year 2016. In the first quarter of this year, it registered a jump in unit sales of 85%.

The new warehouses will cater to tier-2 and tier-3 cities across the country, as part of the company's efforts to reach more remote parts of the country. Amazon is also doubling the storage capacity of its warehouse in Ahmedabad and increasing the storage space of its warehouse in Delhi by six times to meet higher-than-expected demand.

Including the seven new warehouses, Amazon will have 41 warehouses across nearly 13 states in the country — far more than arch-rival Flipkart. In April, Amazon had said it would open seven new warehouses to boost sales of high-priced products such as televisions, refrigerators and furniture.

"We are seeing really strong growth here. We want to ensure that Indian customers can buy anything, anytime from anywhere in the country. With the additional capacity, we will serve more sellers better," said Akhil Saxena, vice president and head of supply chain at Amazon India.

Amazon, which over the past four years has made significant market share gains at the expense of local rivals Flipkart and Snapdeal in India's \$15-billion online retail market, will continue to invest in building more infrastructure as part of its rapid expansion plan across the country.

So far, Amazon has committed to spending at least \$5 billion to grow its India business. Of this it has already spent nearly \$2.5 billion.

India to be third largest solar market in 2017: report

Livemint:

With 8.8 gigawatt (GW) of capacity addition projected for the year ahead, India is set to become the third biggest solar market globally in 2017, overtaking Japan, according to the *India Solar Handbook 2017* released by Bridge to India (BTI) on Monday.

The report by BTI, a consulting firm in India's clean technology market, said solar capacity in the country is expected to touch 18.7GW by the end of 2017, which is about 5% of global solar capacity.

As of March 2017, India had installed 12.2GW of utility scale solar. In June 2015, the government had revised India's solar power target to 100GW from 20GW, by 2022.

The report said the "total new solar capacity addition in the next five years is expected at 56GW". This, however, implies that India would fall short of its 100GW target.

According to the BTI report, about 79GW of solar capacity is expected to be added globally in 2017, with Asian countries continuing to dominate the industry while Europe continues to fall in rankings.

In India, the states of Tamil Nadu, Andhra Pradesh and Telangana have emerged as the fastest growing in terms of solar power capacity addition. In 2017 nearly 60% of total new capacity addition is expected to come from the southern states, the report added.

"Indian solar market has grown by an average 72% in the last three years and is now worth approximately 8-9GW per annum. Growing market size and strong government commitment to the sector have attracted the world's leading private sector players as well as resulted in lower tariffs for consumers. As the sector matures, however, there is a formidable new challenge arising in the form of how to absorb rising share of intermittent energy into the grid," said Vinay Rustagi, managing director of BTI.

"There is more optimism about rooftop market with expectation of 12GW to be added by 2021. The biggest concern for the sector is grid integration of growing renewable capacity followed by poor financial condition of DISCOMs, notwithstanding the progress made on UDAY reform package," Rustagi added.

The report also included *Indian Solar CEO Survey* according to which about 45% of the respondents felt that poor net metering implementation remains a major challenge for growth of the rooftop solar market.

Xiaomi opens its first India store in Bengaluru

Business Standard: May 12, 2017

Bengaluru: Chinese smartphone giant Xiaomi has opened its first offline store 'Mi Home' in India as it looks to reach out to more offline customers and double its revenue to \$2 billion in the current fiscal.

Xiaomi recently became the second largest smartphone vendor in terms of sales in India, the fastest growing smartphone market in the world. The company's success here comes at a time when it has slipped to the fifth spot in China, beaten by rival Apple.

The Mi Home store located in Phoenix Market City, an upmarket mall in the Whitefield locality, will be owned and operated by Xiaomi, allowing the company to retain its margins. Xiaomi says its goal is to match the efficiencies of selling devices online with devices sold in its offline stores.

"In everything we do, there are two things which we want - great customer experience and profitability. While we're making significant investments in offline stores, that's not as important as the other two," said Manu Jain, managing director at Xiaomi India.

After Bengaluru, Xiaomi is planning to open Mi Home stores in Delhi, Mumbai, Hyderabad and Chennai in the coming months. The company plans to perfect the model and become profitable in selling devices offline, after which it says it will look to expand to 100 stores in the next two years.

While focusing on growing its own offline presence, Xiaomi says it will not stop partnering with offline retailers to sell its devices. Just as the company has its own e-commerce portal mi.com but still sells on Flipkart, Amazon and Paytm, it will look at a similar hybrid approach when it comes to selling devices offline.



BILATERAL

Singapore Consortium appointed master developer for Amaravati.. *Cont from P. 1*

as the financial district of the capital city. It is adjacent to the Government Core which will house the State Secretariat, Legislative and Judiciary buildings and the Governor's office. Highlighting the significance of the announcement, Iswaran said, "I am happy that Singapore and our companies can make a meaningful contribution to realising the vision of the Government and people of Andhra Pradesh, of Amaravati as the 'People's Capital'. SembCorp Development and Ascendas-Singbridge have a strong track record in developing industrial parks and townships across Asia, drawing investments and creating jobs for their host countries. This development will offer growth opportunities for Singapore companies not only in Amaravati city, but also in the state of Andhra Pradesh and the wider Indian market. I encourage Singapore companies to study and seize these opportunities as part of their internationalisation strategy."

Iswaran also signed a Memorandum of Under-

standing (MoU) with Naidu for greater collaboration between Singapore and Andhra Pradesh in



During the Joint Implementation Steering Committee (JISC) meeting today, co-chaired by the Minister of Trade & Industry, Singapore

two key areas. First, economic development through the identification of commercial opportunities for Singapore companies in Amaravati and Andhra Pradesh. Second, sharing institutional expertise in areas such as urban governance, security and education. Iswaran and Naidu will also co-chair a Joint Implementation Steering Committee (JISC), a high-level committee that will provide leadership and direction for the implementation of the Government-to-Government MoU between Andhra Pradesh and Singapore.

Indian Naval Ships visit Singapore



Flagship INS Sahyadri making approach towards her assigned berth at Singapore

Indian Navy warship INS Sahyadri arrived at Changi Naval Base of Singapore to take part in the Asia-Pacific Maritime Defence Show that will coincide with the 50-year anniversary celebrations of the Royal Singapore Navy (RSN)



High Commissioner Mr Jawed Ashraf onboard INS Sahyadri

Singapore International Indian Expo held in Singapore



The 6th edition of Singapore International Indian EXPO was held from 27th April -1st May 2017. The event was highly successful with 45,000 visitors visiting SIIEXPO over a period of 5 days . There were 130 booths with various Exhibitor categories such as Handicrafts, Gift items, Books, Jewellery, Apparels, Accessories, Pottery, Coir & Jute products, Toys, Spices, Coffee and Tea, Packaged Food, Ayurveda Products . The objective of this festival is to bring Indian products and services closer to the Singapore residents. It also aspires to showcase the uniqueness of Indian culture and provide the visitor with a choice of products from different corners of India. SIIEXPO provided a platform to Indian Exporters to meet South East Asian retail buyers and distributors.

Ustad Amjad Ali Khan, Amaan & Ayaan lit up the city with their performance



High Commissioner at Ustad Amjad Ali Khan Book Launch Ceremony in Singapore on 13 May 2017





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In India's Growth Story, You Write the Next Chapter

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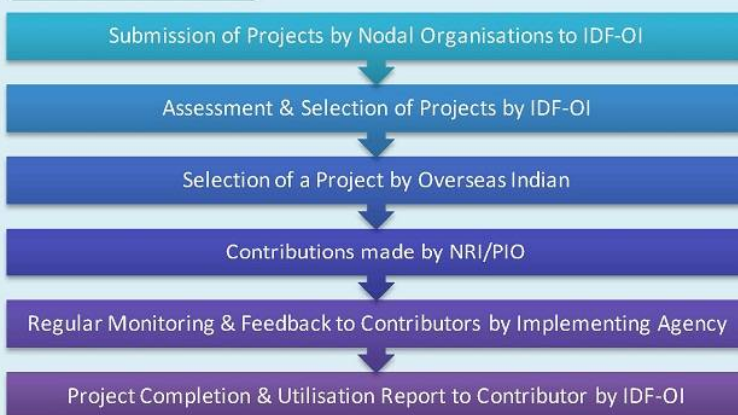


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"Although, the Indian Diaspora is a very heterogeneous group, there is a common factor which binds them- their desire to maintain their connection with their homeland and to contribute to the social and development efforts in India. We are seeking to strengthen and deepen our relationship through IDF-OI."

Smt. Sushma Swaraj
Hon'ble Minister of External
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Chairperson, IDF-OI

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Website: www.idfoi.org Contact: +91 11 26881052/24676210; Email: ceo.idf@mea.gov.in

FORTHCOMING EVENTS >>>> INDIA

I. 7th International Conference on Electricals and Electronics Manufacturing 2017

Date: 31 May, 2017

Venue: Hotel Leela, Chanakyapuri, New Delhi

Organizer: ASSOCHAM

Contact : Mr. Varun Aggarwal, Addl Director, M +91-9910613815, email: varun.aggarwal@assochem.com

Details: As per the Niti Ayog Report of May 2016, India's total Electronics Hardware Production in 2014-15 is estimated at US\$ 32.46 billion. This represents a share of about 1.5 %in world electronic hardware production. The domestic consumption of Electronic Hardware in 2014-15 was \$63.6 billion out of which 58% was fulfilled with Imports. With Demonetization adding to the demand for POS devices and mobile phones, this demand is going to increase manifolds. In this regard ASSOCHAM would like to invite a delegation from Singapore comprising electronic component manufacturers, telecom equipment, robotics, components manufacturers, consumer durable components, defence electronics, auto electronics, etc to participate in the conference.

II. World Food India 2017

Date: 3-5 November, 2017

Venue: New Delhi

Organizer: The Ministry of Food Processing Industries, Government of India

Contact : http://nmfp.gov.in/mofpi_web/wfs1.aspx

Details: The main objective of the summit is to showcase the vast investment opportunities available in India for all food processing and food retail players including food processors, technology providers, equipment manufacturers & suppliers, logistics providers & cold chain operators as also the food retailers. It would provide a platform to connect and collaborate with potential investors, suppliers, purchasers and joint venture partners. The event will have seminars, B2B/B2G/G2G sessions, besides an exhibition wherein state pavilions, sectoral pavilions and company stalls would be put up.

III. International Crop-Science Conference & Exhibition

Date: 9-10 November

Venue: Jaipur, India

Organizer: The Pesticide Manufacturer & Formulators Association of India (PMFAI)

Contact : www.pmfai.org

Details: The event will provide an excellent opportunity to meet and network with leading Indian agrochemical companies. There will be 55 booths exclusively for agri inputs (agrochemicals, fertilizers, biological pesticides and ancillary units).

Notifications

Securities and Exchange Board of India

Investments by FPIs in Government Securities

http://www.sebi.gov.in/cms/sebi_data/attachdocs/1491222641815.pdf

Investments by FPIs in Corporate Debt Securities

http://www.sebi.gov.in/cms/sebi_data/attachdocs/1488277921324.pdf

Ministry of Corporate Affairs

Companies (Incorporation) Third Amendment Rules, 2016

http://www.mca.gov.in/Ministry/pdf/CompaniesThridAmendementRules_28072016.pdf

Reserve Bank of India

Auction of Government of India Dated Securities

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10907&Mode=0>

Removal of limits on withdrawal of cash from Savings Bank Account

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10856&Mode=0>

Establishment of Branch Office (BO)/ Liaison Office (LO)/ Project Office (PO) in India by foreign entities - procedural guidelines

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10398&Mode=0>

Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10392&Mode=0>

Ministry of Finance

Clarification regarding Acquisition & Transfer of Immovable Property in India by Foreign Nationals

http://finmin.nic.in/press_room/2014/clarification_Acquist_Transfer_Property_foreignnationals.pdf

India's Geosynchronous Satellite Launch Vehicle (GSLV-F09) successfully launched the 2230 kg South Asia Satellite (GSAT-9) into its planned Geosynchronous Transfer Orbit (GTO) today (May 05, 2017). Today's launch of GSLV was its eleventh and took place from the Second Launch Pad at the Satish Dhawan Space Centre SHAR (SDSC SHAR), Sriharikota, the spaceport of India. This is the fourth consecutive success achieved by GSLV carrying indigenously developed Cryogenic Upper Stage. In its oval shaped GTO, the South Asia Satellite is now orbiting the Earth with a perigee (nearest point to Earth) of 169 km and an apogee (farthest point to Earth) of 36,105 km with an orbital inclination of 20.65 deg with respect to the equator. Few seconds before the launch count-down reached zero, the four liquid propellant strap-on motors of GSLV F09, each carrying 42 tons of liquid propellants, were ignited. At count zero and after confirming the normal performance of all the four strap-on motors, the 139 ton solid propellant first stage core motor was ignited and GSLV lifted off at 16:57 IST. The major phases of the flight occurred as scheduled. About seventeen minutes after lift-off, South Asia Satellite was successfully placed in GTO.

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

Q Whether an Indian company (owned and controlled by non-residents) investing in non-FDI compliant instruments issued by another Indian company will be considered as Indirect Foreign Investment for the investee company?

Answer: This investment shall not be considered as indirect foreign investment for the investee company.

Q Since the instructions were issued by RBI in 2013 for the period commencing from February 13, 2009, what is the status of investment made prior to the issue of the instructions?

Answer: Downstream investment made in accordance with the guidelines in existence prior to February 13, 2009 would not require any modification to conform to these regulations. All other investments, after the said date, would come under the ambit of these regulations. Downstream investments made between February 13, 2009 and June 21, 2013 which is not in conformity with these regulations should have been intimated to the Reserve Bank by October 3, 2013 for treating such cases as compliant with these regulations.

Source: RBI

For Feedback & Comments, please contact:

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