

15 December 2018

India Focus

SIDELINES

High Commissioner at the launch of direct Singapore Pune flight by Jet Airways



At the Singapore Global Convention organised by Institute of Directors, India, High Commissioner gave two addresses to Indian and Singapore corporate leaders on "Corporate Ethics and Risk Strategies in Turbulent Times"



High Commissioner speaking at the Singapore Global Convention

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TOP NEWS

India's growth 'very solid': IMF Chief Economist

PTI: December 10, 2018

Washington: India's growth has been "very solid" over the past four years, IMF's Chief Economist Maurice Obstfeld on Sunday said, praising the fundamental economic reforms like the GST and the Insolvency and Bankruptcy Code carried out by the government.

Obstfeld, 66, -- who is set to retire this month-end -- will be succeeded by Gita Gopinath, the second Indian to be appointed to the position. Former RBI Governor Raghuram Rajan had served as Chief Economist of the International Monetary Fund.

"India under the government of Prime Minister Narendra Modi has carried out some really fundamental reforms. These include the Goods and Services Tax (GST), the Insolvency and Bankruptcy Code...A lot of what they have done on financial inclusion has been really important," Obstfeld told a group of journalists here.

Summing up his impression of India's economy in the last four-and-a-half years of the Modi government, the top IMF economist said the country's "growth performance has been very solid".

"I mean, not so much in the third quarter of this year, but generally it has been quite solid," he said.

"There are important vulnerabilities, so it is important for the reform momentum to be maintained even as an election comes up and for the path of fiscal adjustment to be maintained," Obstfeld added.

He said one risk that has become much more evident in the last few years has been non-bank finance, usually called shadow banking.

"There is a big challenge of stricter oversight," the economist said.

Noting that there has long been a legacy of corporate debt associated with bad infrastructure projects in India, Obstfeld said it has been very concentrated in banking system.

"But as the government is trying to better oversee the banking system, these loans have migrated to shadow banking and that is an area where more needs to be done to contain financial pressures, which we are beginning to see in India," he said.

However, with an upcoming election in the country, there is a reluctance to do anything that would slow the economy, Obstfeld said, observing, "But the lesson of experiences is that financial vulnerabilities can go south very quickly".

Obstfeld, who has served in the post of Chief Economist for more than three years, will return to the Department of Economics at the University of California, Berkeley.

Manufacturing PMI jumps to 11-month high of 54 in November on strong demand

Business Standard: December 04, 2018

New Delhi: Growth in manufacturing activity hit an 11-month high in November as new orders and output rose at a slower pace, according to purchasing managers' index (PMI).

The PMI in November continued its northward climb for the third month, going up to 54 from 53.1 in October. A reading above 50 shows expansion in the sector. Overall, manufacturing conditions improved for the 16th consecutive month in November.

The boost in output came from a surge in new orders, that rose at the second-fastest rate in over two years, slower only than that seen in December 2017, the PMI report said. Companies suggested that marketing efforts bore fruit, while stronger demand too boosted sales. Intermediate goods makers also fronted the upturn. Growth of new export work quickened to the fastest in just under four years, as producers reportedly received bulk orders from clients in key export destinations.

Consequently, manufacturers increased production at the second quickest pace since October 2016. The rise was led by intermediate goods firms, although robust growth was also seen in the consumer and capital goods categories, according to the report.

The expansion in total new orders was supported by greater sales to international markets. Growth of new export work quickened to the fastest in just under four years, as producers reportedly received bulk orders from clients in key export destinations.

Meanwhile, manufacturing companies continued raising their pre-production inventories as firms stepped up input buying.

Firms continued to raise staff levels, even as recruitment slowed in November. The increase in employment softened slightly since October, but was among the fastest seen in six years, the report said.

Goods producers created jobs in November. The increase in employment softened slightly since October, but was nonetheless among the fastest in six years.

"Signs of rising confidence in the upturn were also provided by the trend for employment, which continued to grow at one of the quickest rates seen in six years. Supply-chain pressures

remained weak, however, which supported a softer rise in input prices," Pollyanna De Lima, principal economist at HIS Markit and author of the report, said.

On the price side, a smaller share of Indian manufacturers faced higher input costs in November. Exactly 7 per cent of companies noted greater expenses, citing higher chemical, energy, metal, plastic and textile prices. The remaining firms reported no change in input prices since October, the report stated.

Overall, cost inflation eased to a seven-month low in November. Despite this, firms hiked their charges, amid an improved demand environment. China saw its manufacturing performance improve in November as a rise in domestic demand offset a contraction in foreign order.

In India, business sentiment improved from October's 20-month low, with Indian manufacturers forecasting better market conditions in the coming 12 months.

India to increase public health spending to 2.5 pc of GDP: PM

PTI: December 13, 2018

New Delhi: India is set to increase its public health spending to 2.5 per cent of its GDP by 2025, Prime Minister Narendra Modi said Wednesday, as he asserted that women, children and youth will continue to remain at the heart of every policy, programme and initiative of the government.

Addressing the 2018 Partners' Forum here, Modi said the high out-of-pocket expenditure incurred by families to avail medical care in India worried his government and to address the issue, it launched the Ayushman Bharat Yojana, which has a two-fold strategy.

The Pradhan Mantri Jan Arogya Yojana provides cashless health insurance cover up to Rs 5 lakh per family per year, covering 500 million poor citizens.

"This number is almost equal to the population of Canada, Mexico and the US taken together. We have already provided free treatment worth Rs 700 crore to 5 lakh families under this scheme within 10 weeks of its launch," Modi said.

The other arm of Ayushman Bharat, Modi said, is the provision of providing comprehensive primary care at a facility near the community, for which the Centre will start 1.5 lakh health and wellness centres by 2022.

The community will also be able to receive free

screening and care for common diseases including hyper-tension, diabetes and three common cancers -- of breast, cervix and oral. The patients will receive free medicines and diagnostic support close to their homes, he said.

At the event, Modi said the government is set to increase its spending on public health to 2.5 per cent of the gross domestic product (GDP).

As of now, the country spends 1.15 per cent of the GDP on health.

"This will mean an actual increase of 345 per cent over the current share, in just eight years. We will continue to work for the betterment of people. Women, children and youth will continue to remain at the heart of every policy, programme or initiative," he said.

Modi informed that India's immunisation programme, "Mission Indradhanush", will be featured as a success story, among 12 others from all over the world, in the two-day forum.

Under "Mission Indradhanush", he said the government reached 32.8 million children and 8.4 million pregnant women over the last three years while the number of vaccines has been increased from 7 to 12.

"Today, being Global Universal Health Coverage Day, I again state that we will continue to work towards providing universal health coverage to all," he said.

He said India's story was one of "hope. Hope that roadblocks can be overcome. Hope that behavioural change can be ensured. Hope that rapid progress can be achieved".

The prime minister said that India was one of the first countries, to advocate focused attention on adolescence and implement an extensive health promotion and prevention programme for adolescents.

"Our effort ensured that they get their due recognition in the Global Strategy for Women's, Children's and Adolescents' Health adopted in 2015," he mentioned.

Modi said when his government assumed office in 2014, "India was losing more than 44,000 mothers". The Centre then launched the Pradhan Mantri Surakshit Matritva Abhiyan as part of which doctors pledged one day of service per month to this campaign and 16 million ante-natal care check-ups were performed.

"The country has 25 million newborns. Our robust facility-based newborn care system, which provides care to more than 1 million babies through 794 state-of-the-art special newborn care units, has served as a successful model. As a re-

sult of our interventions, 840 additional lives of children under five are being saved each day in India as compared to four years ago," he said.

Modi said that to deal with the issue of malnutrition among children, the government has launched POSHAN Abhiyan and is also implementing Rashtriya Bal Swasthya Karyakram, which has provided 800 million health screening check-ups and free referral treatment to 20 million children in the last four years.

"Some states and districts have performed at par with developed countries. Others have their work cut out. I instructed my officials to identify 117 'aspirational districts'. Each such district has been entrusted to a team that works across sectors like education, water and sanitation, rural development with top-most priority to health and nutrition," he said.

About the government's work in the women health sector, Modi said more than half of Indian women did not have access to clean fuel for cooking till 2015. The Ujjwala Yojana provided cleaner cooking options to 58 million women.

He said that the sanitation coverage in rural areas has increased from 39 to 95 pc in the last four years after the launch of the Swachh Bharat Mission which aims to make India open defecation free by 2019.

"We all know the saying: If you educate a man, you educate an individual; but if you educate a woman you educate an entire family. We have translated that into Beti Bachao Beti Padhao, a programme that focuses on the girl child and on giving her the best quality of life and education.

"In addition, the government has devised a small deposit savings scheme for girls called Sukanya Samriddhi Yojana. With more than 12.6 million accounts opened, this scheme is helping secure the future of the girl child," he said.

Modi said that the Pradhan Mantri Matru Vandana Yojana is expected to benefit more than 50 million pregnant women and lactating mothers.

He also talked about increasing the maternity leave to 26 weeks, from the 12 weeks earlier, as a significant step towards improving women's health.

India to see USD 300-bn investment in energy in coming decade: Pradhan

PTI: December 12, 2018

New Delhi: India will see an investment of about

USD 300 billion over the next decade in setting up of refineries, oil and gas pipelines and expansion of city gas distribution network as it builds infrastructure to cope with the massive demand surge, Oil Minister Dharmendra Pradhan said Tuesday.

Speaking at KPMG's ENRich 2018 energy conference here, he said India is the third largest energy consumer in the world after the US and China and its energy demand will grow three-fold by 2040.

According to BP Energy Outlook, India will be the key driver of global energy demand in the next 25 years.

To meet the massive demand, it is building world's largest oil refinery in Maharashtra at a cost of USD 40 billion, he said adding about USD 3 billion is being spent on laying gas pipelines to connect the eastern part of the country to the gas grid.

Also, liquefied natural gas (LNG) receipt terminals at Ennore in Tamil Nadu and Dhamra in Odisha are being set up at a cost of Rs 10,000 crore for supplying imported gas to eastern and southern states, he said.

City gas distribution network to supply CNG to automobiles and piped natural gas to households is being expanded to cover 70 per cent of the population in the next 2-3 years. "Up to 2014, only 66 districts in the country were covered under city gas distribution. Work on 174 districts has begun which will further expand to cover over 400 districts in the next 2-3 years covering 70 per cent of the population and 52 per cent of geography," he said.

To promote clean energy, the government has launched a scheme to produce bio-CNG from agri waste by setting up 5,000 plants in the next five years. "These plants will not only help tackle the problem of agricultural waste burning but also bring monetary benefits to farmers," he said.

Remunerative price for ethanol extracted from sugarcane has led to availability for blending in petrol increasing from 38 crore litres in 2013-14 to 150 crore litres in 2017-18, he said. "Work is also underway to establish 12 modern bio-refineries at a cost of Rs 10,000 crore to produce 2nd generation ethanol," he said.

While India leaps to Bharat Stage-VI or Euro-VI grade fuel from current Euro-IV fuel by 2020, it is investing in countries such as Russia to secure its oil needs, he said.

India is 83 per cent dependant on imports to meet its oil needs and investing in oil and gas fields

abroad gives it security of supplies.

"Our dwindling domestic oil and gas production is a concern," Pradhan said adding the government has sought to address these through several policy and regulatory changes including moving to a revenue-sharing regime for oil and gas production, open acreage licensing policy and incentivising investments in techniques for raising output from old and stagnant fields.

Marketing and pricing freedom has been allowed for acreage being auctioned under the new policy and as a next step, a gas trading hub would be set up soon to evolve an indigenous pricing.

"The global investor industry is today keenly looking at Indian energy sector as an attractive investment destination," he said. "About USD 300 billion would be invested in the coming decade."

Pradhan said although the global economy has got a lot of traction on the path of recovery, the momentum in the recent past has been affected by the headwinds of trade war, geopolitical risks, political fractures, debt-related risks and vulnerabilities in the financial markets.

"Given this context, it is encouraging to see a strong spurt in India's growth supported by a slew of policy measures and structural reforms undertaken to address the critical problems of stimulating and stabilizing the economy," he said.

"We strongly believe that the Indian growth story remains credible riding on the back of political stability, a commitment to fiscal consolidation and key structural reforms that have made India a bright spot in the global landscape."

India's installed renewable capacity reaches 73.35 GW

PTI: December 06, 2018

New Delhi: India has already installed 73.35 GW of renewable power generation capacity and projects of 21.5 GW are under various stage of implementation, said a senior official.

"Today India is leading the growth in renewable energy on the world map. We have already installed 73.35 GW, projects worth 21.5 GW are under various stages of implementation and projects amounting to another 25 GW are under various stages of bidding," Anand Kumar, Secretary, Ministry of New and Renewable Energy, said at SKOTCH Summit here.

The Ministry of New & Renewable Energy re-

ceived the SKOCH Award for outstanding performance in the summit.

Commenting on receiving award Kumar said: "On this occasion, when Ministry of New & Renewable Energy has been recognised as one of the major player in power sector, we feel humble. We accept this award with a deep sense of gratitude. India made a commitment to the world that by 2030, 40 per cent of our electric capacity would come from non-fossil fuels and we will install 175 GW of Renewable Capacity by 2022". The good sign is that the emotional capital is increasing and there is more acceptance and effort towards adopting renewable energy. Renewable energy has brought about disruption in the sector especially in terms of pricing, project sizing, etc," B P Yadav, Joint Secretary, Ministry of New & Renewable Energy said.

Electricity demand in the country is rising rapidly and in order to meet this demand, massive capacity addition is required. Emerging innovations and technologies like IoT and Analytics will play a huge role in making the country power-sufficient. The Summit also discussed the significance of innovation in the power sector, digital transformation, cyber security challenges and the future of energy.

Cabinet clears agri export policy to take shipments to USD 60 bn by 2022

PTI: December 07, 2018

New Delhi: Seeking to double agricultural export to USD 60 billion by 2022, the Union Cabinet Thursday approved a maiden export policy for the farm sector that imposes no restrictions on export of all organic and processed products.

However, export policy for primary agricultural products, like onion, would reviewed periodically on a case-to-case basis depending on price-supply situation, said Commerce Minister Suresh Prabhu after the Cabinet meet.

"The policy aims at doubling agricultural shipments to over USD 60 billion by 2022," he said, adding that achieving the target was "doable". He said the farm exports have grown by 20 per cent in a year.

Agricultural exports are currently estimated at USD 30 billion.

Prabhu said there was a time when India used to import agricultural products, but now it is exporting in a big way.

He rued India had no export policy for agri prod-

ucts despite a major producer.

Prabhu said the first ever 'Agriculture Export Policy, 2018' would help the government in achieving the target of doubling farmers' income.

The policy aims to boost exports of agriculture commodities such as tea, coffee and rice and increase the country's share in global agri-trade.

The policy would focus on all aspects of agricultural exports including modernising infrastructure, standardisation of products, streamlining regulations, curtailing knee-jerk decisions, and focusing on research and development activities.

It will also seek to remove all kinds of export restrictions on organic products, the minister added. The implementation of the policy will have an estimated financial implication of over Rs 1,400 crore.

As per an official release, the objective of the policy is to diversify export basket, destinations and boost high value and value added agricultural exports.

It will also provide an institutional mechanism for pursuing market access, tackling barriers and deal with sanitary and phyto-sanitary issues.

Other objectives of the policy is to strive to double India's share in world agri exports by integrating with global value chain at the earliest and enable farmers to get benefit of export opportunities in overseas market.

Prabhu said the policy has arrived at after consultation with state governments. He said states have also agreed to remove 'mandi tax' and reforms in Agriculture Produce Marketing Committee (APMC) norms.

To operationalise the policy, the government would focus on creating agri clusters, promote value added shipments, attract private investment and infrastructure development.

PM reviews steps taken to improve Ease of Doing Business

Press Information Bureau: December 14, 2018

New Delhi: The Prime Minister, Shri Narendra Modi, today chaired a high-level meeting to review progress with regard to "Ease of Doing Business."

The meeting was attended by senior Union Ministers related to economic matters; Maharashtra Chief Minister Shri Devendra Fadnavis; Lieutenant Governor of Delhi Shri Anil Bajaj; and senior officials from the Union Government, Maharashtra Government and Delhi Government.

The Prime Minister was briefed on progress being made on various parameters related to Ease of Doing Business. Subjects such as construction permits, enforcement of contracts, registering property, starting a business, getting electricity, getting credit, and resolving insolvency came up for discussion.

India's rise in the World Bank "Doing Business" rankings from 142 to 77, over the last four years, was taken note of.

Officials explained the steps being taken to plug shortcomings and resolve bottlenecks in implementing business reforms.

The Prime Minister stressed on the need to improve last mile delivery, and focus on streamlining procedures, which would improve not just the "Doing Business" rankings, but also increase the "Ease of Living" for small businesses and the common man. He said this is extremely important for India, as an emerging and vibrant economy. He also spoke of the tremendous global interest about the rise in India's "Doing Business" rankings.

Indian Ports Association launches 'PCS 1x' to increase ease of doing business

PTI: December 12, 2018

New Delhi: The Indian Ports Association (IPA) has launched the port community system 'PCS1x', a cloud-based technology that offers services like notification, work-flow and track and trace, the government said Tuesday.

It is estimated that this feature alone will reduce up to 2 days in the life of a transaction.

This system will enable trade to have an improved communication with the customs as they have also embarked on an Application Programming Interface (API) based architecture, thereby enabling real time interaction, the Ministry of Shipping said in a statement.

"IPA, under the guidance of Ministry of Shipping launched the Port Community System 'PCS1x'... 'PCS 1x' is a cloud based new generation technology, with user-friendly interface. This system seamlessly integrates 8 new stakeholders besides the 19 existing stakeholders from the maritime trade on a single platform," the statement said.

The platform offers value added services such as notification engine, work-flow, mobile applica-

tion, track and trace, better user interface, better security features, improved inclusion by offering dashboard for those with no IT capability, it said.

A unique feature of 'PCS1x' is that it can latch on to third party software which provides services to the maritime industry thereby enabling the stakeholders to access wide network of services, it said.

The system enables single sign on facility to provide one stop interface to all the functionalities across all stakeholders, it said, and added that another major feature is the deployment of a world class state of the art payment aggregator solution which removes dependency on bank specific payment ecosystem.

The statement said the system offers a database that acts as a single data point to all transactions. It captures and stores data on its first occurrence thereby reducing manual intervention, the need to enter transaction data at various points and thereby reducing errors in the process.

"The application will have a cascading effect in reducing dwell time and overall cost of transaction. The platform has the potential to revolutionize maritime trade in India and bring it at par with global best practices and pave the way to improve the Ease of Doing Business world ranking and Logistics Performance Index (LPI) ranks," the statement said.

It added that the system is also an initiative that supports green initiatives by reducing dependency on paper. The web-based platform has been developed indigenously and is a part of the 'Make in India' and 'Digital India' initiative.



Sebi panel votes for overseas listing of Indian companies

Livemint: December 04, 2018

New Delhi: A panel appointed by the Securities and Exchange Board of India (Sebi) on Tuesday batted for overseas listing of Indian companies without a local listing, but with caveats.

In its 26-page report filed Tuesday, the Sebi panel suggested several changes in the prevailing regulatory framework, including those in the The Securities and Exchange Board of India Act, 1992, The Companies Act, 2013, and Foreign Exchange Management Act, 1999 (Fema) and tax laws, to allow Indian companies to list overseas.

The proposals included having minimum capital threshold for listing overseas and recommended 10 overseas jurisdiction based on strong Anti-Money laundering policies.

Here is the low down of what the panel proposed:

Identifying jurisdictions and suitable foreign exchanges

Companies would be allowed to list in jurisdictions which has treaty obligations to share information and cooperate with Indian authorities in the event of any investigation. Is a member of Board of International Organization of Securities Commissions ("IOSCO") and Financial Action Task Force (FATF).

Regulatory interplay

To allow Indian companies to go public on overseas exchanges would need changes in Companies Act, Fema, Sebi Act, among others.

Fema

Fema, at present, does not specifically lay down issuance of equity shares by an Indian company listed overseas to a person residing outside India. The panel recommended a regulatory framework for purchase of shares by foreign investors of Indian companies but only listed overseas. This however would be allowed only in permissible jurisdictions.

Companies Act

The Companies Act and related rules will not apply to listing of equity shares of companies incorporated in India on foreign stock exchanges.

Sebi Act

Listing of equity shares of unlisted companies incorporated in India on foreign stock exchanges would be governed by the listing framework of the concerned jurisdiction. As far as possible would also need to comply with regulations, disclosures as applicable for companies listed in India.

Taxation

As per the current provisions income earned from transfer of equity shares of an unlisted Indian company listed on a foreign stock exchange would be subject to capital gains tax in India.

The panel recommended that the matter of taxation should be taken up with department of revenue. As per the tax laws, the tax liability depends of fair market value of the company. But due to overseas listing, the fair market value (FMV) may not be reliable the committee noted.

"Since the price at which shares would be issued on the foreign stock exchanges would be determined by the market forces in the respective ju-

risdiction pertaining to the particular shares, it is quite possible that the shares may be issued at a price which is less than the FMV of the shares," said the panel in its report.

Issue size and minimum float

To ensure adequate liquidity and reduce scope for manipulation the committee recommended that only high quality companies get listed. Based on that the panel said that minimum 10% of paid-up capital may be listed on Indian stock exchanges (s). Further, the issue size should be at least ₹1,000 crore and allotment should be made to at least 200 investors.

FPIs inflow hit 10 months high of Rs 12,260-cr in Nov

PTI: December 03, 2018

New Delhi: Overseas investors have pumped Rs 12,260 crore into the Indian capital markets in November, making it the highest inflow in 10 months due to falling crude oil prices and sharp rupee appreciation.

The inflow comes following a net withdrawal of close to Rs 60,000 crore from the capital markets (equity and debt together) in the preceding two months (September and October).

Prior to that, FPIs had invested Rs 7,300 crore during July and August.

According to the latest depository data, foreign portfolio investors (FPIs) invested a net sum of Rs 6,913 crore in equities in November and Rs 5,347 crore in the debt market, taking the total to Rs 12,260 crore.

This was the highest inflow since January, when FPIs had put in Rs 22,240 crore in the capital markets.

FPIs have been net sellers almost throughout this year barring January, March, July and August. In these four months, overseas investors have put funds totalling over Rs 32,000 crore.

Selling by FIIs intensified towards the end of September, when they had pulled out over Rs 21,000 crore and has continued unabated in October too, with a withdrawal of Rs 38,900 crore.

"Hike in rates by the US Fed, rising crude oil prices, depreciating rupee, worsening current account deficit, uncertainty over the government's ability to meet fiscal deficit and the impact of these factors on the country's macro-economic condition led FPIs to withdraw their investments from the Indian markets in September and October," said Himanshu Srivastava, senior analyst

manager research at Morningstar.

But with the improvement in some of the underlying factors, FPIs made a comeback in November into the Indian markets. Falling crude prices, sharp appreciation in rupee against the US dollar and improvement in liquidity situation alleviated some of the key headwinds to Indian macro-economic environment, he added.

So far this year, FPIs have pulled out over Rs 88,000 crore from the capital markets. This includes over Rs 35,000 crore from equities and close to Rs 53,000 crore from the debt markets.



BUSINESS

Singapore's Ascendas-Singbridge to set up co-working spaces in India

<https://www.dealstreetasia.com/stories/ascendas-singbridge-co-working-113937/>

Singapore-based Ascendas-Singbridge Group aims to double its commercial office portfolio in India in the next 4-5 years, besides launching its co-working brand 'thebridge', said a top company executive, adding that the investor-developer plans to ramp up and diversify its presence in the country. In the last 20 years, Ascendas-Singbridge has built 16 million sq. ft of office assets across information technology (IT) parks in six cities in India. Now, it intends to step up the pace and add another 14-15 million sq ft. Currently, it has 2.5 billion Singapore dollars of assets under management (AUM) here. From being a pure commercial office developer, the firm had diversified into logistics and industrial real estate in 2017, when it partnered with Indian industrial real estate firm Firstspace. The venture is also funded by Temasek Holdings. In a bid to further expand the scope of its business, Ascendas-Singbridge plans to set up co-working spaces under 'thebridge' brand, which it had launched in Singapore in 2017. The brand has set up centres in Shanghai and Hangzhou, in China, as well. "We were the first foreign developer to enter India and spent the first 20 years in building a strong foundation. Now, we are ready to take the leap to the next level in terms of size and profitability of our business, or the offerings we will make, be it setting up data centres or co-working spaces," Vinamra Srivastava, CEO for Ascendas' India operations, and private funds, said in an

interview. The portfolio expansion will include acquisition of fresh land and greenfield projects, maximising development potential in existing land, as well as acquiring ready assets off the market. "We are also increasingly entering into forward purchase agreements, where the land owners build the project according to our specifications," Srivastava said. Ascendas-Singbridge has three main funding vehicles for projects in India: Its balance sheet, private funds and Ascendas India Trust, which is a listed real estate investment trust (REIT) in Singapore. The REIT holds the income-generating stabilised assets. Co-working or shared working spaces have picked up momentum in the last two years and large office developers, such as Embassy Group and RMZ Corp., have spun off individual businesses. RMZ set up Cowrks and WeWork in India is backed by Embassy. "People are still figuring out what's the right price point, structure to make the co-working business viable. The demand and size of the market is so big, that there is enough for all leading players in India," said Srivastava. Though the residential business has largely remained unsettled in the last few years, logistics and co-working have emerged as the new favourite developers, attracting even foreign investors to the country. "Diversification of portfolios, whether logistics or co-working, makes sense if one knows the market well already and has operating teams. Office developers, both global and domestic, are looking for the next round of yield generating assets they want. Co-working is asset light and brings in decent returns and early movers will clearly have an advantage," said Shashank Jain, partner, transaction services, PwC India.

Singapore's Mapletree to invest in logistics assets in India

<https://www.dealstreetasia.com/stories/mapletree-logistics-india-113341/>

In its second innings in India, Singapore-based real estate asset manager Mapletree Investment Pte. Ltd is gearing up to invest in the logistics space, apart from core office assets, said three people familiar with the plans. Logistics development is a strategic call for Mapletree, which is looking at creating a long-term investment and development portfolio across key cities. The firm has appointed Souvik Mukherjee to head logistics development in the country and for office investments, and Hardeep Dayal as head of investments and asset management. Mapletree has just con-

cluded the acquisition of Chennai-based information technology park SP Infocity for around ₹2,400 crore, marking its return seven years after it had made its first and only investment in the country. The IT park was co-owned by Canada Pension Plan Investment Board (CPPIB) and Shapoorji Pallonji Investment Advisors. Mapletree had in 2011 focused on the commercial office sector by acquiring Assetz Global Technology Park in Bengaluru for ₹800 crore through its real estate fund Mapletree India China Fund. This time, it is looking at a diversified investment portfolio, and logistics was a natural choice. “Mapletree will adopt a bottom-up approach where it will start by creating a portfolio on its own. As an institutional investor, it typically looks at large acquisitions. In India, it will do a mix of acquisitions as well as work on brownfield or greenfield projects with select developer partners,” said the first person, who didn’t want to be named. In October, Mapletree acquired a 16.5 million sqft. logistics portfolio for \$1.1 billion from Prologis, Inc in a bid to increase its global footprint as a logistics real estate provider and to venture beyond Asia — a strategy it has been executing since 2014. Mapletree Logistics Trust is Singapore’s first Asia-focused logistics real estate investment trust. A Mapletree spokesperson didn’t respond to queries. The two years through 2019 are expected to see substantial increase in the supply of warehouse stock owing to the implementation of the goods and services tax (GST) which will have a positive effect on warehousing activities in India due to diminishing state boundaries, according to a 2018 report by JLL India. Implementation of GST has made way for cost and operationally efficient hub & spoke (transportation) model of warehousing and has shifted the end-user demand and developer supply from inefficient, low-quality redundant warehouses to large box, good quality Grade A warehouses, said Chandranath Dey, senior vice-president, head-industrial consulting, JLL India.

Agri-tech firm Ninjacart raises \$35 million from Accel US, Syngenta

Business Standard: December 13, 2018

Bengaluru: Ninjacart, a business-to-business marketing and supply chain platform for agricultural produce, has raised Rs 2.5 billion (approx \$35 million) in a fresh funding round led by Accel US and Syngenta Ventures. This is by far the largest single investment round in the agri-tech

space in India.

The Bengaluru-based startup will utilise the capital to expand into new geographies and setup infrastructure, apart from expanding its team. In a statement, Ninjacart said it aims to expand its service in over 10 cities and open over 200 distribution centres across the country, without giving a specific timeline.

“Our focus will be on expanding to new markets and continue to innovate on behalf of our farmers and customers - and this will come from continued investments in talent, technology and supply chain infrastructure,” said Thirukumaran Nagarajan, co-founder and CEO of Ninjacart.

Including the latest infusion, Ninjacart has so far raised Rs 3.1 billion making it one of the most well-funded startups in the country’s agri-tech space. Recently, Cropin, a full-stack software-as-a-service company for farmers and agriculture related jobs, raised \$8 million (approx Rs 575 million) from Chiratae Ventures (formerly IDG Ventures India) and the Bill & Melinda Gates Foundation Strategic Investment Fund.

According to data compiled by Venture Intelligence, investments worth \$37 million (around Rs 2.5 billion) were pumped into the sector in 2017. In the first six months of 2018, the combined investments in the space had already reached \$32 million, showing a new-found interest by the investors in startups supporting agriculture.

Ninjacart, which was started in 2015, leverages technology to allow merchants and retailers source produce directly from farmers at competitive prices. The company says, by controlling the supply chain, it can reduce wastage, helping farmers earn more and merchants pay less for fresh fruits and vegetables.

Currently, Ninjacart only operates in Bengaluru, Hyderabad and Chennai. It sources produce from over 3,000 farmers from across South India and supplies it to over 4,000 retailers. The company also claims that its supply chain is optimised to get the produce from the farmer to the retailer in less than 12 hours.

“Ninjacart has been attempting to alleviate major issues in India’s fruit and veggies supply chain over the past several years. The team has managed to get into a clear leadership position in that ecosystem, especially around South Indian cities,” said Subrata Mitra, Partner at Accel India.

Apart from Accel US and Syngenta Ventures, Ninjacart’s Series B round also saw participation from Neoplux (South Korea), Jo Hirao (Founder of ZIGExN), HR Capital (Russia) and Trifecta

Capital. Existing investors Accel India, Nandan Nilekani, Mistletoe and Qualcomm Ventures also participated in the latest funding round.

GLP can build up to \$30 billion business in India: CEO

Livemint: December 14, 2018

Mumbai: In an exclusive interaction with Mint, Ming Mei, co-founder and CEO of alternate asset management firm GLP, and Sameer Sain, co-founder and CEO of Everstone Group, share their plans for the logistics real estate joint venture. GLP is a global provider of modern logistics facilities and technology-led solutions, with \$60 billion in assets under management across its real estate and private equity segments. The company's real estate fund platform is one of the largest in the world, spanning approximately 720 million sq. ft.

What is your plan for the \$1.2 billion logistics real estate fund?

Mei: Two separate strategies: First, focus on hard asset real estate and infrastructure. The other one is technology and operating companies that support logistics efficiencies.

Sain: Think of one as real estate, which is \$1.2 billion IndoSpace Logistic Parks III fund, and the other is private equity, which is a \$500 million commitment between Everstone and GLP for building a logistics ecosystem in India.

Mei: We are committed to building logistical infrastructure throughout India. For me, it goes beyond building spaces and includes automation, robotics and transportation. I believe that technology is getting cheaper to adapt and use. I am excited to start here as we believe that GLP is pretty good at scaling businesses. Logistics will go from a function to a service. It is transforming daily and, when that happens, pricing is no more a function, but becomes a value. The efficiency is getting better six times for the good. We have signed the \$500 million deal with Everstone to create a platform to bring technology to India.

Is India a priority market for you?

Mei: In the long-term, China and India make more than half of the world's GDP. Our vision is that China and India take the top positions in the world. India as a market cannot be ignored given the population and the economic position. I always had a keen interest to be in India. Just like China, India has different challenges in doing business, such as understanding the culture, tal-

ent, the people and how to build scalable businesses. It is very important to find the right partner and make good judgement calls, and you must be in India to do that. I found Sameer has similar values and judgement calls like me. We set up our focus on logistical infrastructure and real estate. When we entered into partnership, we thought we can partner for more like building a logistics ecosystem in India and leveraging things we have done over the last few years in China.

How significant will India be in the overall scheme of things for GLP?

Mei: We went to China and started from scratch. We have little over \$20 billion there, and \$60 billion globally. We can build a similar scale and size in India and it can be \$20-30 billion of business in my mind. There is no reason why we cannot be a \$100-200 billion business in China. We started after the financial crisis, we went from zero to \$10 billion by 2014. From 2014 till today, we are \$60 billion. That is six times in the last four years.

In how many years can you do that in India?

Mei: I am confident that the market opportunity is big enough. We have the resources and the experience of the team on the ground. I don't want to commit a number and be practical about it. First \$5 billion may take half the time and the rest \$15 billion may take half the time.

Will Everstone be your go-to partner in India?

Mei: Partnership is like marriage. One wife is enough. Our partnership will force us to take decisions and come to an agreement.

Sain: Across the world, GLP holds 100% and is a stand-alone entity. In India, we are JV partners, and are equal partners, and we will collectively explore our partnerships. There is chemistry, alignment, ecosystem and friendship between Everstone and GLP.



SIDELINES

High Commissioner spoke on “India's Economic and Foreign Policies: Opportunities and Challenges in a Changing Global Environment at RSIS, NTU



Engaging discussions over two hours with a full house of think tank academicians, professors and Researchers.

High Commissioner inaugurated Varnam 2018, an art exhibition of 15 artist organised by Singapore Malayalee Association. Artists had earlier also raised money for the Kerala Flood Relief Fund.



High Commissioner shared his thoughts on “Disruptions, Challenges and Transformations” at the Amity Global Institute 9th International Conference at NUS, Singapore



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

The India Development Foundation of Overseas Indians (IDF-OI) is a not-for-profit Trust established by Government of India which enables Overseas Indians to contribute to social and development projects in India. The Trust is exempt from the provisions of Foreign Contribution Regulation Act, 2010. The Trust is chaired by Smt. Sushma Swaraj, Hon'ble Minister of External Affairs. Other Board members are prominent Overseas Indians, Eminent Resident Indians and Senior Government of India officials.

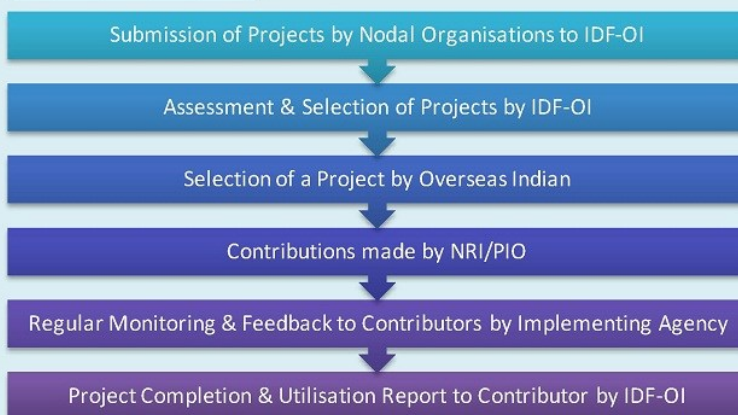


India Development Foundation
of Overseas Indians

Inviting Overseas Indians to Contribute to:

- *Swachh Bharat Mission*
- *Clean Ganga Mission*
- *State Govt Projects*

How We Work



Contribute to Projects in

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Engage With Us

- You can Fund One Unit or Several Units of any Project as an individual or as an association.
- IDF-OI does not charge any Administrative Cost from Contributions Received.
- Detailed Project Information: www.idfoi.org



"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
Affairs &
Chairperson, IDF-OI

Send your Contribution to

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India Development Foundation of Overseas Indians

927, Ministry of External Affairs, Akbar Bhawan, Satya Marg, Chanakyaपुरi, New Delhi- 110021

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

FORTHCOMING EVENTS >>>> INDIA

I. Nasscom International SME Conclave

Date: 10-11 January, 2019

Venue: Kolkata, India

Organizer: NASSCOM

Contact : <https://www.smeconclave.in/>

Details: The focus of the event is to set up a thriving environ for all the participants, visitors, delegates and attendees to team up and work together for the much-required upgrade of the SME sector on the global scale. The theme for 2019 is 'Future is Now'.

II. Indus Food (Mega food and beverage industry trade show)

Date: 14-15 January, 2019

Venue: Greater Noida

Organizer: Trade Promotion Council of India (TPCI) supported by Department of Commerce, Government of India

Contact : Ms. Nupur Kumaria, Asst Director, Email: nupur.k@tpci.in

Details: The Council under the Hosted Buyer Program would like to invite buyers and would be providing the following benefits: -Partial/Full Airfare Reimbursement (Pre-fixed as per Country of Region) -3 Nights of 4/5 Star hotel accommodation with complimentary breakfast -App based business matchmaking-Invitation to Gala Networking Dinner-Interpreters on request-Online Registration fees is INR 17,500(Approx. USD250) + 18% GST per Hosted Buyer is non-refundable.

III. 4th India-ASEAN Expo and Summit

Date: 21-23 February, 2019

Venue: New Delhi

Organizer: Federation of Indian Chambers of Commerce & Industry (FICCI), with the support of Department of Commerce, Ministry of Commerce and Industry, Government of India

Contact : Mr Gaurav Vats from FICCI at gaurav.vats@ficci.com

Details: The Expo and Summit will focus on key sectors including Agri & Food Processing, Agri Machinery & Equipment's, Artificial Intelligence, Auto & Auto Components, Banking & Financial Technologies, Chemical & Petrochemicals, Construction & Infrastructure, Education & Skill, Gems & Jewellery, Handicrafts, Carpet Leather & accessories, Healthcare & Medical Device, Information & Communication Technology (ICT), Logistics, Warehousing & Transportation, Manufacturing, Pharmaceuticals, Renewable Energy, Science & Technology, Innovation, Sports Goods, Textiles & Textile machinery and Tourism. In this regard, the organizers would provide a complimentary economy class airfare and stay in Delhi from 21-23 February 2019 to selected foreign delegates.

Notifications

Securities and Exchange Board of India

Online Filing System for Alternative Investment Funds

http://www.sebi.gov.in/legal/circulars/jul-2017/online-filing-system-for-alternative-investment-funds_35480.html

Online Filing System for Foreign Venture Capital Investors

http://www.sebi.gov.in/legal/circulars/jul-2017/online-filing-system-for-foreign-venture-capital-investors_35246.html

Ministry of Corporate Affairs

Companies Amendment Rules, 2018

http://www.mca.gov.in/Ministry/pdf/CompaniesXBRL0803rule_15032018.pdf

Reserve Bank of India

Discontinuance of Letters of Undertaking (LoUs) and Letters of Comfort (LoCs) for Trade Credits

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11227&Mode=0>

Risk Management and Inter-bank Dealings: Revised guidelines relating to participation of a person resident in India and Foreign Portfolio Investor (FPI) in the Exchange Traded Currency Derivatives (ETCD) Market

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11222&Mode=0>

Separate limit of Interest Rate Futures (IRFs) for Foreign Portfolio Investors (FPIs)

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11225&Mode=0>

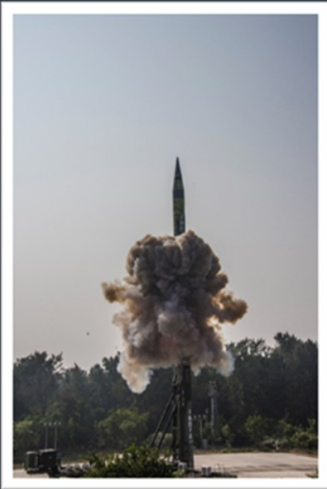
Department of Industrial Policy & Promotion

Consolidated FDI Policy Circular of 2017

http://dipp.nic.in/sites/default/files/CFPC_2017_FINAL_RELEASED_28.8.17_0.pdf

Successful Test Firing of Long-Range Missile Agni V

PIB Delhi



Agni V, a long-range surface-to-surface Nuclear Capable Ballistic missile, was successfully launched from a canister on a road mobile launcher at the Dr Abdul Kalam Island off the coast of Odisha, today.

The launch operations were carried out and monitored by the Strategic Forces Command (SFC) in presence of Scientists from Defence Research and Development Organisation (DRDO) and other associated officials.

All the mission objectives were successfully achieved. This launch comes after a series of successful launches of the missile. It further strengthens the country's deterrence capability, which has been developed indigenously

Issue No 252, 15 December 2018

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. What are the instructions for transfer of shares against deferred payment?

Answer: In case of transfer of shares between a resident buyer and a non-resident seller or vice-versa, not more than twenty five per cent of the total consideration can be paid by the buyer on a deferred basis, within a period not exceeding eighteen months from the date of the transfer agreement. The amount deferred can also be either in the form of an indemnity or an Escrow. In all cases, the pricing guidelines should be complied with.

Q. In case of transfer of capital instruments between a person resident in India and a person resident outside India on deferred payment basis, at which stage the form FC-TRS is required to be filed?

Answer: Form FC-TRS has to be filed with the AD bank on receipt of every tranche of payment. The onus of reporting shall be on the resident transferor/transferee.

Source: RBI

For Feedback & Comments, please contact:

**High Commission of India,
31 Grange Road, Singapore- 239702.**

Email : com2.singapore@mea.gov.in ; com.singapore@mea.gov.in

URL : www.hcisingapore.gov.in