

30 September 2017

## BILATERAL

### Visit of Chief Minister of Maharashtra to Singapore

Mr Devendra Fadnavis, Hon'ble Chief Minister of Maharashtra visited Singapore during 28-29 September 2017 to promote economic partnership between Singapore and Maharashtra, one of the main hub of the Indian economy.



## TOP NEWS-ECONOMY

### GST a tectonic shift, takes India closer to 8% plus growth: WB

PTI: September 20, 2017



World Bank India chief Junaid Ahmad today described GST as a "tectonic shift" in the country's taxation policy which has increased the possibility of 8 per cent plus growth.

India recorded a growth rate of 7.1 per cent in 2016-17 and 5.7 per cent in the first quarter of the current fiscal.

"Today India is at the brink of a possibility of moving into 8 per cent plus growth rate. Why? Because India has made a very bold step in integrating internally its nation

into one market. So the shift into GST is a tectonic shift," World Bank Country Head in India Junaid Ahmad said at an industry event.

If the Goods and Services Tax (GST) is implemented efficiently, the growth boost India will get is going to be huge, he said while addressing members of PHD Chamber of Commerce and Industry here. The economic corridors of India will change and that will require change in transportation as well, he added.

"You (India) need systems of transport, particular multi- modal, in order to respond what GST is offering as one market.

If GST is implemented efficiently, the growth boost that you will get from internal movements of goods is going to be huge," he said.

Part of it (growth boost) lies in the implementation of the GST but it also depends on how the country invests in logistics, he added.

Ahmad said if integration of India's local markets are done correctly, the gains in next 5-8 years from the internal integration will outweigh those from global integration (of markets).

"And indeed the internal integration linked to your port system can change the nature of growth of India," he added.

However, he said it was pertinent for India to have a highly professional service delivery mechanism in every sphere of life, be it the water system, electricity, railway or solid waste management system. He said the optimal service delivery mechanism of basic infrastructure is one of the biggest challenges India faces today.

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Chief Minister with DPM Mr Tharman Shanmugaratnam—discussed collaboration in aviation sector and infra projects



Chief Minister with Trade & Industry Minister, Mr S Iswaran—discussed increased cooperation between Singapore & Maharashtra on port led development, some infrastructure projects, especially airports.



MoU signed between Changi Airport International Ltd and Maharashtra Airport Development Company (MADC) to establish an adequate framework to handle all cooperation in civil aviation sector. **Cont on P. 11**

## FM Arun Jaitley: Significant increase in number of taxpayers; direct tax revenue collections up 15.7 pct

FE Online | Published: September 29, 2017 6:42 PM



Jaitley said that the direct tax revenue collections up to 18th September in current FY 2017-18 rose to Rs. 3.7 lakh crore with a growth of 15.7 per cent. (IE)

Finance Minister Arun Jaitley today said that the direct tax revenue collections up to 18th September in current FY 2017-18 rose to Rs. 3.7 lakh crore with a growth of 15.7 per cent. The finance minister said that there has been a “significant” increase in the number of taxpayers from 4.72 crore in FY 2012-13 to 6.26 crore during the Financial Year 2016-17. “Income Tax Department takes various initiatives to bring about efficiency, transparency, and fairness in Tax Administration,” the Ministry of Finance tweeted quoting Jaitley. FM Jaitley has also maintained that the government is committed to widen the tax base by “encouraging and incentivising” the new tax payers.

Addressing the Foundation Day and Passing-Out Ceremony of 67th Batch of IRS (C&CE) at NACIN, Jaitley also highlighted the other initiatives of the Income Tax Department. He said that corporate tax was reduced to 25 per cent for companies with turnover up to Rs 50 crore thereby covering almost 96 per cent of the companies. The new manufacturing companies incorporated on or after 1st March 2016 were given an option to be taxed at 25 per cent without any deduction, he added

Giving out the details, the finance minister said that 97 per cent of the income tax returns were filed electronically this year, out of which 92% returns were processed within 60 days. Jaitley said that the Income Tax Department, which introduced Grievance Redressal System- E-

Nivaran, has solved 84 per cent of 4.65 lakh grievances so far. On black money, Jaitley said, after coming to power the government has enacted the Black Money Act, 2015, Comprehensive Amendments to the Benami Act 1988 and Operation Clean Money among others. Jaitley said, after demonetisation, between 9th November 2016 and 10th January, 2017, about 1100 searches. The searches resulted in seizure of Rs 610 crore including cash of Rs 513 crore. He said that undisclosed income of Rs. 5400 crore was detected and about 400 cases have been referred to ED and CBI for an appropriate action.

## Export growth hits 10% in Aug despite GST jitters

Business Standard: September 18, 2017

**New Delhi:** After single-digit growth in the previous three months, exports rose 10.29 per cent in August, up from 3.94 per cent in July, despite exporters’ woes over the goods and services tax (GST).

Rising global petroleum prices may have increased worries of retail customers, but it helped oil exports rise 36.4 per cent for August. Besides, engineering goods rose 19.53 per cent in the month, pushing up the overall outbound shipment that grew for the 12 straight months after contracting for more than a year.

Import growth also accelerated in August to \$35.46 billion, up 21 per cent as compared to the 15.42 per cent rise in July. This pushed up the trade deficit in August to \$11.64 billion from \$7.7 billion in August 2016. This may push up current account deficit further.

The first set of trade data released after Suresh Prabhu took charge as commerce and industry minister showed that export growth gathered pace in August after decelerating for four months since March, when it hit a high of 27 per cent. Exports grew 8 per cent in May and 4.39 per cent in June. Exporters have to pay integrated GST on import of goods and then claim refunds based on their scrips under the new indirect tax system.

Import of gold surged around 69 per cent and that of silver by over 100 per cent. Non-oil, non-gold imports rose over 20 per cent in August, but it is still not clear whether it would mean robust industrial recovery. The index of industrial production (IIP) remained more or less flat in July after contraction in June. The ray of hope is that project goods increased 26.5 per cent in August.

“The rebound in growth of non-oil merchandise

exports in August was dwarfed by the 20.7 per cent surge in non-oil non-gold imports, bloating the trade deficit by \$4 billion relative to August 2016," said Aditi Nayar, principal economist at ICRA.

Imports recorded a fairly broad-based upsurge in August. Besides, inbound shipment of precious metals and fuel such as crude oil and coal, electronic goods, iron and steel, and machinery increased significantly.

Cumulatively, imports were worth \$181.71 billion in the first five months of the current fiscal year, much more than \$143.50 billion in the same period of the previous year.

### India likely to be USD 6 trn economy in 10 yrs: Morgan Stanley

*PTI: September 28, 2017*

**Mumbai:** India is expected to be a USD 6 trillion economy -- the third largest in the world -- in the next 10 years, majorly helped by digitisation, says a report.

According to global brokerage Morgan Stanley, India's digitisation drive would provide a boost of 50-75 basis points to GDP growth in the coming decade.

"We estimate that digitisation will provide a boost of 50-75 basis points to GDP growth and forecast that India will grow to USD 6 trillion economy and achieve upper-middle income status by 2026-27," Morgan Stanley head India research and India equity strategist Ridham Desai told reporters here.

"We expect India's real and nominal GDP growth to compound annually by 7.1 per cent and 11.2 per cent respectively over the coming decade," he added.

Citing the report 'India's digital leap - The multi-trillion dollar opportunity' released today, Desai said apart from some short term teething problems including implementation of GST, there is scope for visible shifts in economic activity starting in 2018 which would eventually lead India to be the top five equity markets in the world with a market capitalisation of USD 6.1 trillion and the third-largest listed financial services sector around the globe with a market cap of USD 1.8 trillion by 2027.

India's consumer sectors is also likely to add about USD 1.5 trillion over the next ten years.

"We project gross FDI inflows amounting to USD 120 billion by FY'27, almost double the current 12-month trailing run rate of USD 64 bil-

lion," Desai said.

Accordingly, Desai also noted that stock markets are likely to remain robust as a stronger economic growth should drive stronger corporate earnings growth.

Desai also said the country is also likely to witness strong domestic participation in equities.

"We project equity saving of USD 420 billion USD 525 billion over the next ten years, versus the respective USD 60 billion and USD 120 billion that households and foreign portfolios invested over the previous ten years," he said.

While the report exudes confidence that India's growth story is to continue, it also identified certain risks.

These are with respect to political stability, privacy debate over Aadhaar, and implementation of GST, among others.

The report said that while the Supreme Court has made privacy a fundamental right in a recent judgement, private parties will likely continue to question whether Aadhaar violates privacy rights. "Any adverse judgement in the courts could derail one of the main anchors of our framework," it said.

Further, it noted that GST is expected to disrupt smaller businesses causing job losses and a general slowdown in economic growth, however, it is likely to lead to lower public debt to GDP subsequently.

### India likely to be 3rd largest economy by 2028: HSBC report

*HT Business: September 18, 2017*

**Mumbai:** India is likely to overtake Japan and Germany to become the third largest economy in the next 10 years but needs to be consistent in reforms and focus more on the social sector, British brokerage HSBC has said.

Social capital is "insufficient" in the country and spending on aspects like health and education "is not just desirable for its (India's) own sake, but is also central to economic growth and political stability", it said.

India also needs a lot of focus on ease of doing business and related aspects like contract enforcements.

"In over the next ten years, India will likely surpass Germany and Japan to become the world's third largest economy in nominal USD and the transition will happen even more quickly on a PPP (purchasing power parity) basis," its economists said in a note.

Demographics and macro stability were pointed out as key strengths for the country by the brokerage.

Its estimates show India will be a USD 7 trillion economy in 2028, as compared to less than USD 6 trillion and USD 5 trillion for Germany and Japan, respectively.

Presently, India's GDP is around USD 2.3 trillion (fiscal 2016-17). It stands at the fifth spot in global rankings.

## India improves on WEF's global competitiveness rankings

*Livemint: September 27, 2017*

**New Delhi:** India remains the most competitive country in South Asia, appearing at No. 40 in the global competitiveness ranking of 137 countries by the World Economic Forum (WEF). The ranking is one lower than last year's, but the two rankings are not comparable because of a change in the methodology, WEF said.

WEF said India's score is its highest ever according to the current methodology, which ranked Switzerland as the world's most competitive economy. India's competitiveness has improved, the report said. "Among the emerging markets seen as having great potential in the early 2000s, Brazil and Turkey have now lost much of the ground they gained before 2013, but China, India and Indonesia continue to improve."

The findings come at a time when India is looking to scale 40 spots to reach the 90th rank in 2017-18 in the World Bank's ease of doing business survey this year.

The report, however, cautioned against risks from uncertain global economic conditions. "Ten years on from the global financial crisis, the prospects for a sustained economic recovery remain at risk due to a widespread failure on the part of leaders and policymakers to put in place reforms necessary to underpin competitiveness," WEF said in a statement.

The report remained upbeat about India, which is planning massive funding to bankroll its new infrastructure programme. "India (40th) stabilizes this year after its big leap forward of the previous two years. The score improves across most pillars of competitiveness, particularly infrastructure (66th, up by two), higher education and training (75th, up by six), and technological readiness (107th, up by three), reflecting recent public investments in these areas," it said.

The WEF lauded India's efforts in the infor-

mation and communications technology (ICT) sector. "Performance also improves in ICT indicators, particularly Internet bandwidth per user, mobile phone and broadband subscriptions, and Internet access in schools," the report added.

This in turn can provide a boost for the internet economy. While the total number of mobile internet users is expected to grow to almost 650 million by 2020, the number of users with high-speed internet access is expected to be around 550 million, according to The Boston Consulting Group. Data consumption is set to expand to around 7-10GB per month per user by 2020 from the current 700MB.

However, concerns remain on doing business. "The private sector still considers corruption to be the most problematic factor for doing business in India," the report said.

"There is no doubt that there has been improvement in the business environment in India. However, much more needs to be done for the impact of policies to be felt on the ground," said Sanjaya Baru, secretary general of the Federation of Indian Chambers of Commerce and Industry, a lobby group.

## India tops A.T. Kearney's Global Services Location Index, extends lead over China

*Livemint: September 20, 2017*

**New Delhi:** India has topped management consulting firm A.T. Kearney's 2017 Global Services Location Index (GSLI) for the eighth consecutive year since its inception in 2004. This year, however, India has extended its lead over other countries, especially China which is ranked second. In 2016, India's lead was already significant at 0.47; in 2017 this has increased to 0.76.

What works in India's favour is English-speaking skilled labour that none of the other low-cost countries can match and an improved policy environment that adds to the country's overall financial competitiveness.

"Its attractiveness as a global services destination continues to increase with its growing cost advantage against the United States, and the improving performance of Indian students on standardised tests. The combination of these factors continues to strengthen India's position as the destination of choice for companies looking to outsource business processes," said Ajay Gupta, Partner at A.T. Kearney India.

## India Joins Race in 5G Ecosystem, Constitutes High Level Forum on 5G India 2020

Press Information Bureau: September 26, 2017

**New Delhi:** India is at the cusp of a next generation of wireless technology 5G. 5G has been conceived as a foundation for expanding the potential of the Networked Society. A digital transformation brought about through the power of connectivity is taking place in almost every industry. The landscape is expanding to include massive scale of “smart things” to be interconnected. Therefore, the manner in which future networks will cope with massively varied demands and a business landscape will be significantly different from today.

The economic benefits from the 5G technology are also quite immense. As per the OECD (Organization for Economic Cooperation and Development) Committee on Digital Economic Policy, it has been stated that 5G technologies rollout will help in,

- a) Increasing GDP
- b) Creating Employment
- c) Digitizing the economy.

For India, 5G provides an opportunity for industry to reach out to global markets, and consumers to gain with the economies of scale. Worldwide countries have launched similar Forums and thus, India has joined the race in 5G technologies. We are open for collaboration with them.

Government has constituted High Level 5G India 2020 Forum with three Secretaries of key Ministries/Departments Telecom, Meity and DST, and also comprising of renowned experts like Dr. A. Paulraj, Professor Emeritus, Stanford University, USA, Mr Gururaj Deshpande - Chairman of Sycamore Networks, Sandstone, USA, Indian industry led by CEOs of ICT industry, Telecom Standard Development Organisation of India (TSDSI), Professors from IIT Madras, IIT Mumbai, IIT Delhi, IIT Hyderabad, IISc Bengaluru, IT industry and stakeholders from industry associations.

The Term of Reference of the High Level Forum for 5G India 2020 shall be: -

- a) Vision Mission and Goals for the 5G India 2020, and
- b) Evaluate, approve roadmaps & action plans for 5G India 2020.

The primary goals of the forum are to achieve:

- early deployment of 5G in India
- a globally competitive product development and manufacturing ecosystem targeting 50% of India market and 10% of global market over next 5 to 7

years.

The forum will complement the eco-system by focused actions in the following areas:

- Research Ecosystem – for IPR development, standards development and proof of concepts through research projects, PPP projects, testbeds and pilot roll-outs.
- Regulatory Framework – including spectrum assignments and a start-up friendly regulatory environment to enable leap-frog and embracing of innovative technologies.

Inclusive Business environment – with special focus on investment incentives favourable to start-ups and innovators and enablement of Venture capitalists.

Forum will constitute a number of Steering Committees in different domains.

A vibrant eco-system of research built around 5G that encompasses Industry, Government and Academia will further strengthen the MAKE (& DESIGN) in INDIA initiatives to enable:

- Design and manufacture of 5G technologies, products and solutions in India;
- 5G start-ups that enable this design and manufacturing capabilities;
- Generation of IPR backing the above designs;
- India based companies should have some essential IPR in the 5G standard;
- Manufacture of 5G chipsets, this may require massive investments;
- Appropriate testbeds and technology platforms to enable and help Indian technical ecosystem to have an edge in 5G;

Accelerated deployment of next generation ubiquitous ultra-high broadband infrastructure with 100% coverage of 10 Gbps across urban India and 1 Gbps across Rural India.

## Govt unveils new PPP policy as part of push for affordable housing

Livemint: September 22, 2017

**Mumbai:** The central government on Thursday announced new public private partnerships (PPP) to promote private investments in affordable housing in line with its Housing for All target by 2022.

Speaking at the Real Estate and Infrastructure Investors Summit 2017, organized by real estate body National Real Estate Development Council (NAREDCO), minister of housing and urban af-

fairs Hardeep Singh introduced eight PPP options for the private sector to invest in affordable housing segment.

He said the policy seeks to assign risks among the government, developers and financial institutions, to “those who can manage them best, besides leveraging under-utilized and unutilized private and public lands.”

Singh said out of the eight PPP models, two involve extending central assistance of around Rs2.5 lakh per house to be built by private builders even on private land as interest subsidy on bank loans in upfront payment under the Credit Linked Subsidy Component (CLSS) component of the Pradhan Mantri Awas Yojana (Urban).

“Under the second option, central assistance of Rs1.50 lakh per each house to be built on private lands would be provided, in case the beneficiaries do not intend to take bank loan,” he said.

The other six options include promoting affordable housing with private investments using government land. A few of the models include allocating government land to private firms based on the least cost of construction.

“Under this option, private builders can design, build and transfer houses built on government lands to public authorities...Payment to builders will be made by the public authority based on progress of project as per agreed upon milestones and buyers will pay to the government,” Singh said. Under the six government land-based PPP models, beneficiaries can avail central assistance of Rs1 to 2.50 lakh per house as provisioned under different components of PMAY (Urban).

Beneficiaries will be identified as per the norms of PMAY (Urban). He said an online mechanism for time-bound approvals for building plans and construction permits has already been introduced in Mumbai and Delhi.

Similar initiatives would be announced soon in 53 cities with population of above one million each, he added.

Besides, the government is planning to announce a Model Tenancy Act and National Rental Housing Policy soon, Singh said.

### India will have 50,000 km highway network in 2 yrs: Govt

*PTI: September 28, 2017*

**New Delhi:** The highways network in the country will be of 50,000 kilometres over the next two years, the government said today.

The state-owned National Highway Authority of

India (NHAI) has constructed nearly 30,000 km world-class national highways, the Ministry of Road Transport and Highways said in a statement.

“NHAI, under the Ministry of Road Transport and Highways, has another 20,000 km scheduled for completion in the next couple of years. The sustained growth will ensure that Indian national highways network will measure approximately 50,000 km of highways in the next two years,” it said.

The focus of the government is on building highway operations for rendering world-class services to the highway users, it said adding NHAI has created a new Highway Operations Division.

This division will focus on all non-commercial highway operational activities for efficient network utilisation and providing hassle-free services, it said.

The Highway Operations Division at NHAI will be headed by Member (Administration) and assisted by a team of experienced officers.

The division will be in charge of the electronic tolling, wayside amenities, road safety and security, incident management helpline, tracking of ambulance, cranes on highways, highway traffic management system, Swachh Bharat Abhiyan, road lighting, wi-fi and other modern amenities on national highways, it added.

### Govt aims to triple India's food processing capacity: Harmsimrat Kaur Badal

*Livemint: September 15, 2017*

**Mumbai:** The Indian government aims to triple India’s food processing capacity from the current 10% of agricultural produce, a top government official said.

The government has committed to investing Rs6,000 crore in operating 42 sanctioned ‘mega food parks’ to help triple India’s food processing capacity, minister of food processing industries Harmsimrat Kaur Badal said at the World Food Expo on Thursday.

This is part of the ministry’s SAMPADA scheme announced in April this year which was set up to invest in boosting food processing capacity in India.

“From 2008 to 2014 when this government took over, I was very surprised to see that out of 42 (sanctioned) megaparks, only 2 had been operationalized,” Kaur said in a public address at the

expo. “We have now operationalized 6 (megaparks) in 2 years.”

Kaur added that as per ministry guidelines, it should take only 2 years to operationalize a sanctioned food park. The government is also betting on the 101 cold chain projects it sanctioned in March this year to help boost food processing capacity. “100 cold chains have been set up already and in the next 18-24 months, 101 more (cold chain projects) will be ready,” Kaur said.

The ministry expects these investments to add 334 million metric tonnes of processing capacity, worth nearly Rs1 lakh crore (Rs1 trillion), creating 5 lakh jobs, and helping 20 lakh farmers, Kaur said.

## **MARKETS**

### **PE investment in wind, solar up 47% in 2017**

*Business Standard: September 28, 2017*

**Chennai:** The renewable energy sector in India has witnessed a spike in private equity (PE) flows in 2017, despite facing challenges like plunging tariffs and policy modifications.

PE flows into wind and solar power jumped 47 per cent to \$920 million — involving nine deals — during January 1-September 25 this year, compared to \$630 million across 10 deals during the corresponding period last year, according to Venture Intelligence data. This is the second-best year in terms of PE flows into the sector after 2015, when it attracted \$979 million across 14 deals. Some of the major deals reported in 2017 include Macquarie’s \$250-million investment in Hindustan Powerprojects, \$200 million by IDFC Alternatives in First Solar, \$2500 million by JERA in ReNew Wind Power, \$108 million by Warburg Pincus in CleanMax Enviro Energy, and \$100 million by Abraaj Group in Engie Abraaj joint venture (JV). A senior representative of a fund, which invests in renewable energy, said investors were attracted by high growth prospects and supportive policy framework.

### **PE investments into real estate to cross US\$ 4 billion in 2017: Knight Frank**

*Livemint: September 19, 2017*

**Mumbai:** Private equity investments into India’s

real estate market is expected to cross \$4 billion this year, the highest since 2010, on the back of the government’s regulatory reforms in the last two years, said a report by property consultant firm Knight Frank India.

Investments from PE funds had almost stagnated between 2011 and 2014. However, there has been renewed interest following the Narendra Modi government assuming office in 2014 and the subsequent roll out of a battery of reforms, said the report.

The recent stake sale by Gurugram-based real estate firm DLF Ltd’s promoters to an affiliate of Singapore’s sovereign wealth fund GIC Pte Ltd for around Rs13,000 crore accounted for 56.4% of total investments, according to the report.

Indian real estate sector saw an average investment of \$2.1 billion between 2011 and 2014 from private equity investors. It rose by 57% to \$3.3 billion between 2015 and mid-September. Though the number of deals dwindled to 13 in 2017, the average investments per deal increased 10-fold to \$246 million, the report said.

“The dominance of institutional funds in the private equity investments’ pie reflects long-term confidence in India’s strong economic fundamentals. In line with the change in the investors’ profile we have observed a dramatic shift in capital movement from the residential sector to pre-leased office and retail assets,” said Samantak Das, chief economist and national director (research) Knight Frank India.

As per the report, share of private equity investments into residential projects nearly halved from 50% in 2011 to 28% in 2016 and further dropped to a meagre 4% in 2017. Currently, office market accounts around 66% of the total private equity investments as against 29% in 2011.

## **BUSINESS**

### **Temasek buys Rs 1k-cr Manipal stake**

*TNN | Sep 18, 2017, 04:00 IST*

**Mumbai:** Singapore’s Temasek Holding has agreed to acquire a Rs 1,000-crore stake in Manipal Hospitals in a deal that possibly turns the Bengaluru-based private healthcare network into an industry consolidator. Temasek’s investment committee last week approved a transaction to buy existing private equity investor True

North's 16% stake in Manipal Health Systems, which runs a hospital chain of around 5,000 beds. The move values Manipal at \$1 billion, or Rs 6,500 crore.

True North, a leading Indian private equity firm managing assets worth over \$2 billion, is exiting Manipal with a threefold gain on its five-year-old investment. Temasek joins another global investor TPG Capital, which owns 22%, as a significant minority shareholder in the Ranjan Pai-controlled Manipal Hospitals.

Last year, True North acquired controlling interest in KIMS Hospitals with a network in southern India and the Arabian Gulf. True North — a buyer of high-growth, mid-market Indian companies in financial services, consumer and healthcare sectors — also has minority shares in Aster DM Healthcare, which it plans to exit through an IPO later this fiscal.

In February this year, TOI reported that True North was seeking an exit from Manipal by either selling shares to Temasek or TPG. When contacted, Manipal and True North declined to comment, while Temasek could not be reached for comments immediately.

With TPG and Temasek jointly owning about 40%, Manipal could become an engine for consolidation in the hospitals business. TPG has been chasing acquisitions, notably that of Fortis Healthcare, though the deal-making has run into court rulings and diligence concerns. Temasek owns shares in other healthcare networks, including Naresh Trehan's Medanta.

India's healthcare industry is projected to grow at a compounded annual growth rate of 13%, hitting Rs 6.85 lakh crore by 2020, on the back of improving healthcare affordability, changing disease patterns, greater health awareness and rising insurance coverage.

The country has 1.3 million hospital beds, translating into nine beds per 10,000 people, which is well below WHO standards. The government runs 6.5 lakh beds, while nursing homes and neighbourhood clinics manage 4.2 lakh beds. About 1.8 lakh beds are with stand-alone private hospitals, with the top hospital chains owning just 60,000 beds, leaving the industry ripe for consolidation.

## Indian energy firms move up in Platts Top 250 rankings

**Business Standard:** September 26, 2017

**New Delhi:** Reliance Industries (RIL) and Indian

Oil Corporation (IOC) have made big leaps in the global energy sector this year, according to the latest S&P Global Platts Top 250 Global Energy Company Rankings, which saw Russia's Gazprom end American giant ExxonMobil's 12-year reign at No.1. Germany-based energy company E.ON SE ranked second.

While RIL improved its position by five places to third, IOC breached the top 10 for the first time and was placed seventh against last year's fourteenth. Significantly, 10 of the 14 Indian energy companies that made it to the S&P list this year improved their rankings. In 2016, the list included 15 Indian firms.

S&P Global Platts is the leading independent provider of information and benchmark prices for the commodities and energy markets. The Platts Top 250 Global Energy Company Rankings was launched in 2002 to recognise the top financial performers in the sector. Each company's ranking is calculated using its asset worth, revenues, profits, and return on invested capital.

Revenues of the top 10 companies surged more than 30 per cent to \$1.1 trillion from \$830.2 billion in the 2016 rankings. These companies posted combined profits of \$63.7 billion last year, 14 per cent lower than the \$74.3 billion posted the year before. The top 250 profit figures are adjusted for preferred dividends and exclude discontinued operations and extraordinary operations.

The two dozen biggest movers up included a range of companies from EMEA (Europe, Middle East & Africa) and the Americas, according to the review. The group was heavy with diversified utilities — which provide electricity and natural gas to residential, commercial and industrial users — and pipeline companies that carry oil and gas to the markets. Not surprisingly, both sectors rely on each other for supply and demand. Among the biggest losers in the rankings, by sector, were South American exploration companies and Chinese power providers, it said.

“Commodity price volatility, geopolitical shifts and industry consolidation made investors seek out safe havens in 2016 in the form of strong returns on invested capital, long-term fixed fees, regulatory stability, and access to regional and world markets,” Harry Weber, senior natural gas writer of S&P Global Platts, was quoted in the release as saying. “That helps explain why utilities and pipelines were able to differentiate themselves from other sectors, even as some operators struggled to boost revenue and underwent major transformations that included operational and

management changes.”

The bigger story this year is India’s Reliance Industries rising to No. 3 from No. 8 last year and France’s Total rising to No. 10 from No. 12 last year along with Indian Oil Corp that showed the strength of pipelines, said S&P Global Platts.

### China's GCL and Mysun partner for India's rooftop solar retail play

*Livemint: September 18, 2017*

**New Delhi:** Attracted by India’s solar rooftop market potential, GCL System Integration Technology Co. Ltd, one of China’s largest solar equipment maker, will partner with India’s MYSUN to tap the retail end of the market.

The plug and play model is being explored wherein the firms will finance, deliver, install, and service solar kits. These solar kits comprising of solar panels, lithium ion batteries and accessories, including fitments for installation, will be sold online.

While investors have been enthused by India’s ground mounted grid connected large solar parks, the firms are trying to target the retail end of the market which hasn’t gained much traction.

India, the world’s third-largest energy consumer after the US and China, plans to set up 175 gigawatt (GW) of renewable energy capacity by 2022 as part of its global climate change commitments. Of India’s plan to add 100GW of solar power capacity by 2022, 40GW is to come from rooftop projects.

Aware of the potential, the firms are looking at reducing the delivery and installation period for solar systems from around three months today to a week’s time.

“Staying true to our commitment to ‘retailisation’ of solar, we have introduced this unique product in the market to make the journey to solarisation easy, reliable and hassle free. We are excited to join hands with GCL, a global market leader, to offer advanced technology solar products to Indian consumers,” said Gagan Vermani, founder and chief executive officer of MYSUN, a roof top solar company and an online solar platform.

India’s solar rooftop market will grow if net-metering is implemented by the states. India offers a big opportunity given its 750GW potential as it records around 300 sunny days a year with an average solar radiation range of 4-7 per kilowatt-hour (kWh).

### France's Engie SA, Dubai's Abraaj to set up wind power platform in India

*Livemint: September 21, 2017*

**New Delhi:** French energy firm Engie SA and Dubai’s private equity firm Abraaj Group on Wednesday announced a partnership to build a wind power platform in India.

“Together, Abraaj and Engie have identified a robust pipeline of wind power projects representing over 1 GW (gigawatt) in several key states,” the companies said in a joint statement.

Foreign investments are crucial for India’s renewable energy industry as the lower cost of foreign capital and the size of the market has helped bring down tariffs.

“Energy demand is growing tremendously in India, and Engie is investing in green energy sources as part of supporting the country with its sustainable development plans,” said Sébastien Arbola, chief executive of Engie Middle East, South and Central Asia and Turkey in the note.

The National Democratic Alliance government has set an ambitious clean energy target of 175GW by 2022. Of this, 100GW is to be generated by solar projects and 60GW by wind projects.

Wednesday’s announcement comes in the backdrop of India’s wind sector transitioning from a feed-in tariff regime to tariff-based competitive auctions. While feed-in tariffs ensure a fixed price for wind power producers, wind power tariffs in India followed the solar route and hit a record low of Rs3.46 per kilowatt hour (kWh) in a February auction conducted by Solar Energy Corp. of India.

In such a scenario, obtaining finance at the lowest cost has become key to success, resulting in record low solar and wind energy tariffs.

“In line with our commitment to addressing the Sustainable Development Goals, our partnership with Engie marks Abraaj’s second investment in the clean energy sector in India,” said Saad Zaman, partner at Abraaj Group, in the statement while adding, “wind power generation is approaching grid parity and offers a competitive solution to lower average power pool prices.”

Prior to this joint venture, both Abraaj and Engie have had a presence in the Indian solar space. While the Abraaj Group with \$11 billion under management announced a partnership with the Aditya Birla group in October 2015 to build a

renewable energy platform focused on developing solar power plants, Engie with €6.6 billion in revenue has been trying to expand its presence in India's clean energy space.

## India to be hub of Isuzu's global manufacturing operations

PTI: September 22, 2017

**Vadodara:** Japanese auto maker Isuzu today launched its adventure utility vehicle D-MAX V-Cross in the city and said it plans to export its vehicles to countries such as the UAE, Bangladesh and Myanmar, among others.

Isuzu plans to make India a hub of its global manufacturing operations and export vehicles to nearly 20 countries as part of this plan, Isuzu Motors India deputy managing director Hitoshi Kono said at the launch.

"Isuzu has invested Rs 3,000 crore in setting up a manufacturing facility in Andhra Pradesh. We plan to export vehicles to the UAE and neighbouring countries such as Bangladesh and Myanmar, among others," he said.

The company also inaugurated its first showroom in the city, 'Torque Isuzu,' which is its third outlet in Gujarat after Ahmedabad and Rajkot.

Gujarat has been a very important market for Isuzu and the company sees huge potential for the Isuzu D-MAX pick-up trucks, he said.

Located in Sri City of Andhra Pradesh, the Isuzu manufacturing facility has an installed capacity of 50,000 units per annum and can be expanded to 1,20 lakh units per annum. The facility is already shipping vehicles to Nepal.

## Skechers eyes up to 500 stores in India in 5 yrs

PTI: September 25, 2017

**New Delhi:** American footwear major Skechers is looking at opening up to 400 more exclusive outlets in India within 5 years as it expands operations as well as launches apparel and accessories collection in the country.

It operates 100 exclusive outlets in the country that are company-owned as well as franchises.

"In the next five years, we should have 400-500 outlets in India. That's the journey we want to embark on. We should be adding anywhere between 25-35 more outlets by end of this year," Skechers South Asia Pvt Ltd CEO Rahul Vira told PTI.

Skechers, which entered India in 2012 through a

joint venture with Kishore Biyani-led Future Group, is also looking at launching apparel and accessories collection by the middle of next year. As a pilot project, the company had tested the market for its apparel line with a small range.

"We plan to launch apparel and accessories by mid of next calendar year. It will be full range in apparel and accessories such as bags, socks and caps," Vira said.

"Launch, however, depends on lot of things...such as our supply chain, structural changes at the stores -- which are primarily designed for selling shoes," he added.

The company, which follows calendar year as its financial year, is looking at closing the current year with sales of over Rs 500 crore.

"We are growing at the rate of 100 per cent year-on-year. In the first half of this year, we have already done sales of Rs 300 crore. We are looking at closing the year with sales of Rs 500 odd crore," Vira said.

## Danfoss India eyes up to 50% localisation by 2020

PTI: September 25, 2017

**Chennai:** With a focus on expanding its presence in India, Denmark-based heating, ventilation and air-conditioning (HVAC) major Danfoss is aiming to increase manufacturing localisation to up to 50 per cent and double its supplier base in the country by 2020.

"Our focus currently is on expanding our business in India. We have come a long way since the time we entered this market as a sales company to manufacturing products....," Danfoss India President Ravichandran Purshothaman told PTI here.

He said currently the company manufactures 20 per cent of its products locally while the rest are imported. "But now we want to increase the manufacturing localisation to 50 per cent and reduce our imports. We have invested a lot in the R&D in the last few years and will continue to further invest in innovation and technology so that we can manufacture the products locally, which we can even export to other markets," he said.

Danfoss has three manufacturing facilities in India, with the largest being in Chennai spread over 50 acres, which also houses four R&D labs.

## Luxury footwear brand Harrys of London to enter India

Livemint: September 26, 2017

**New Delhi:** British luxury men's footwear and accessories brand Harrys of London is entering India.

The designer leather brand is planning to open its first outlet in Delhi, followed by Mumbai by early 2018, a top executive at the company said.

Founded in 2001, Harrys of London is present in more than 20 countries. The company is looking for franchise partners in India.

"India is an important market for us. Our target group is businessmen and travellers between the age group of 25 and 60 years. Our collection ranges from contemporary London and formal footwear to sneakers and casual footwear," said Steven Newey, chief executive officer at Harrys of London.

Apart from footwear, the company also sells travel bags, wallets, shoe-care products, scarves and belts.

Over the next five years, Harrys of London is planning to open five to six stores in India and is expecting to earn 1 million pounds per store. "We have been growing at an annual rate of 20-25%. We sell 25 pairs of footwear every month, on an average. In five years, India (operations) will be able to earn 5-6 million pounds," said Newey, without divulging the overall revenue of the company.

A typical Harrys' store in India will be spread over 1000 square feet. The company also sells its products online through its own e-commerce platform [www.harrysoflondon.com](http://www.harrysoflondon.com).

Harrys footwear is designed in the UK and manufactured in Italy. Going forward, Harrys is also planning to enter New York by the end of this year. The branded footwear market in India is currently estimated at Rs 20,000 crore, 60% of which is men's segment, according to data from consulting firm KPMG.

India'.

"In Silicon Valley 51 per cent of new inventions are IT based and 14 per cent of those are created by Indian minds there. That is how India is emerging," Prasad said.

He said that young entrepreneurs are growing their businesses and raising hundreds of millions from investors.

"Every day we are adding 3-4 start-ups. They are IITians, they left their jobs in America and come back to India," Prasad said.

The minister complimented the Supreme Court for leveraging digital technology in expediting judicial processes.

"We have created digital data grid. Today we have got about six crore orders of judgements on the digital data grid and about 4 crore of pending cases are also there. At a click of button you can monitor it, how many of them have been disposed," Prasad said.

The minister said that the system can be used to check adjournments being given by district courts.

Prasad said that the government has started facilitating legal advice to people in rural with help of common service centres (CSCs) across country from June onwards.

"About 3,000 requests came and 2,100 have been given legal advice," he said.

The CSCs connect person seeking legal advice with lawyer empanelled with National Legal Services Authority.

The minister said that the government has announced plan to make 6 crore families in the country digital literate as part of the Digital India plan.



## BILATERAL

### 95 mobile companies set up plants in India: IT Minister

PTI: September 25, 2017

**New Delhi:** Law and IT Minister Ravi Shankar Prasad today said that 95 mobile manufacturing companies have set up their plants under the new government.

"Today 95 mobile manufacturing factories have come in India and India is becoming a big hub of electronics and mobile manufacturing. 32 have come in Noida and Greater Noida," Prasad said at Capital Foundation Annual Lecture.

He was speaking on 'Emerging Digital World In

### Visit of Chief Minister of Maharashtra to Singapore.. Cont from P. 1



High Commissioner hosted Maharashtra CM Fadnavis for productive Roundtable with top leaders from business, finance, infrastructure, chambers



Chief Minister delivered an address on 'Infrastructure led Growth: Maharashtra-India's Engine of Development' at ISAS, Singapore



Chief Minister at GIIS School, Singapore



Chief Minister interacted with students of GIIS School



Chief Minister interacted with Indian Community

## Singapore to set up Skill Center in Northeast: Dr Jitendra Singh

[http://www.business-standard.com/article/government-press-release/singapore-to-set-up-skill-center-in-northeast-dr-jitendra-singh-117091900652\\_1.html](http://www.business-standard.com/article/government-press-release/singapore-to-set-up-skill-center-in-northeast-dr-jitendra-singh-117091900652_1.html)

The Government of Singapore will set up a Skill Center at Guwahati which will cater to the entire North-Eastern region. This was stated here by Union Minister of State (Independent Charge) of the Ministry of Development of North Eastern Region (DoNER), MoS PMO, Personnel, Public Grievances & Pensions, Atomic Energy and

space, Dr Jitendra Singh after a meeting with a high-level delegation represented by the High Commissioner of Singapore, Mr Lim Thuan Kuan . The Indian side led by Dr Jitendra Singh, consisted of senior officers from the Ministry of DoNER, Department of Space and Ministry of Personnel, Public Grievances & Pensions, which are the three main areas where Singapore has expressed its keenness to collaborate with India. As far as Skill Centre at Guwahati, it was stated that an MoU has already been formalized between Singapore and the State Government of Assam. As a follow-up to this, a Skill Center is proposed to be set up at Guwahati by the year 2019 and the Ministry of DoNER will coordinate in this initiative. The Singapore delegation also expressed its preference to engage with India in the area of Space Technology for collaboration in peaceful uses of Outer Space". To this, Dr Jitendra Singh said that the issue will be followed up in an appropriate manner. The Singapore delegation also wanted to seek the experience and expertise of India's Ministry of Personnel, Public Grievances & Pensions to bring about value addition in public administration and governance in Singapore. Dr Jitendra Singh shared with them that there already exists an arrangement between Lal Bahadur Shastri National Academy of Administration (LBSNAA) Mussoorie with Singapore, wherein a certain number of passing out Civil Services/IAS officers, accompanied by two faculty members, regularly undertake a visit to Singapore. Dr Jitendra Singh said, India and Singapore have always been favourably inclined towards each other and referred to the recent visit of the Deputy Prime Minister of Singapore when a stimulating lecture by him was organized under the auspices of the NITI Aayog.

### Asia-Singapore Infrastructure Summit held in Singapore

Seventh edition of Asia-Singapore Infrastructure Roundtable (ASIR) was organized by IE Singapore under the theme "Building Smart and Sustainable Infrastructure in Asia". Two workshops were organized as part of the ASIR – Breakout Session on Andhra Pradesh titled 'Andhra Pradesh: Exploring opportunities in India's Sunrise State' and a Closed Door Discussion on Renewable Energy in India. From India, a delegation led by Mr Ajay Jain, Principal Secretary to Govern-

ment of Andhra Pradesh participated and updated Singapore audience about the development in Amaravati and opportunities for mutual collaboration, which existed for Singapore companies in Amaravati.

### SIDELINES

#### High Commissioner, H E Mr Jawed Ashraf with HE President Halimah Yacob & Md Abdullah at dinner hosted in her honour by Jamiyah Singapore.

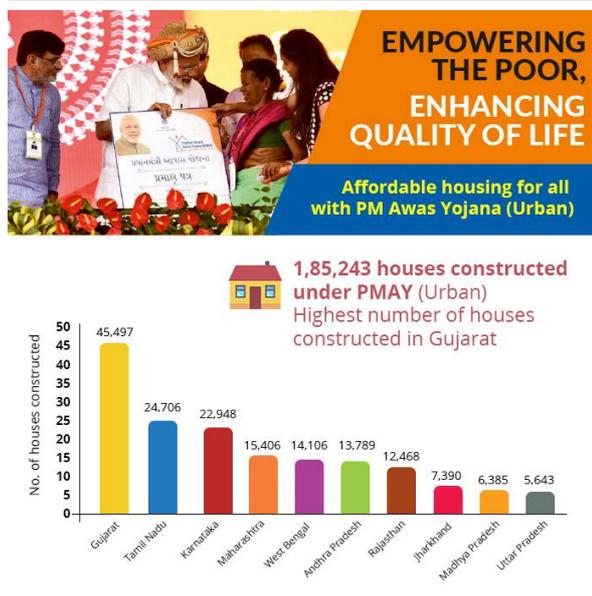
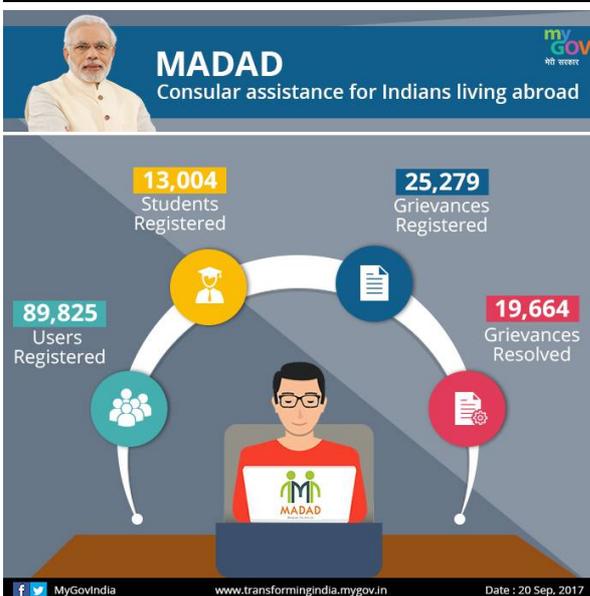
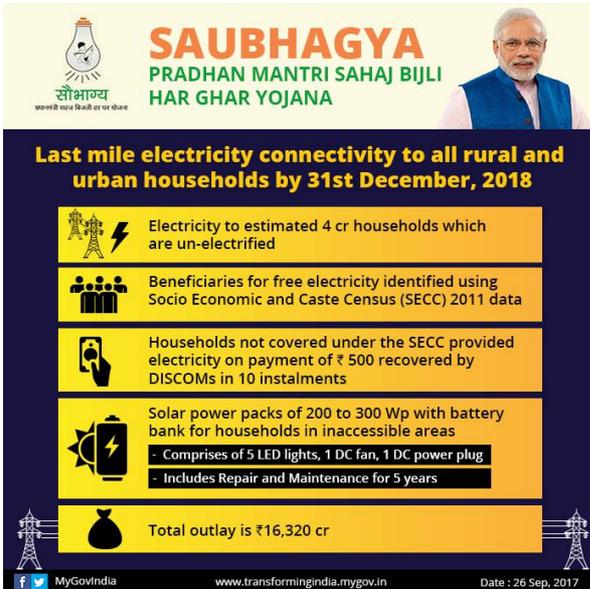
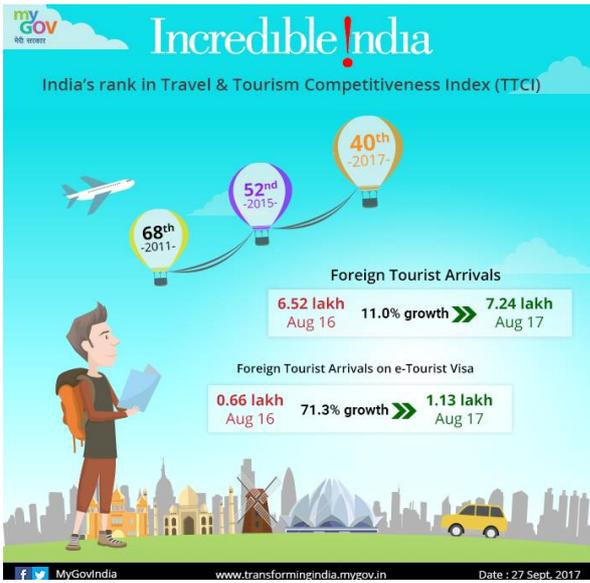


#### High Commissioner inaugurated the AMK Branch of Singapore SBI



High Commissioner mentioned that SBI & other Indian banks were important part of growing India-Singapore ties.

## Transforming India: All Sectors



## 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.

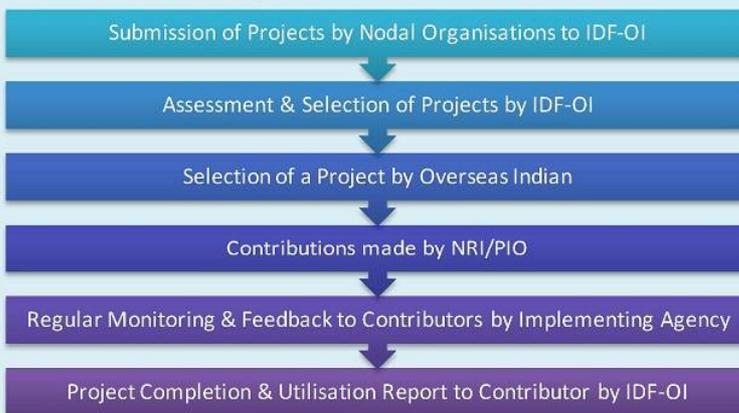


India Development Foundation  
of Overseas Indians

### Inviting Overseas Indians to Contribute to:

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

### How We Work



#### Contribute to Projects in

*Education, Sanitation, Women's Empowerment, Healthcare, and Sustainable Livelihood*

#### Projects available in

*Punjab, Kerala, Karnataka, Rajasthan, Madhya Pradesh, Maharashtra, West Bengal, Chhattisgarh, Uttarakhand, Mizoram, Sikkim, Bihar, Tamil Nadu, and Odisha*



*"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

### 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](http://www.idfoi.org)

Send your Contribution to  
'India Development Foundation of  
Overseas Indians'  
State Bank of India,  
Central Secretariat Branch,  
North Block, New Delhi 110001  
A/C no. 33819721882;  
IFSC code SBIN0000625;  
MICR 110002014

India Development Foundation of Overseas Indians

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

Website: [www.idfoi.org](http://www.idfoi.org) Contact: +91 11 26881052/24676210; Email: [ceo.idf@mea.gov.in](mailto:ceo.idf@mea.gov.in)

## FORTHCOMING EVENTS >>>> INDIA

### I. 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](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.

### II. 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](http://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).

### III. Asean Natural & Organic Show

**Date:** 15-17 December, 2017

**Venue:** Kolkata

**Organizer:** ASSOCHAM supported by Ministry of Commerce and Industry, Government of India

**Details:** A three-day mega show and an International Buyer Seller Meet focussed on markets of (Singapore, Thailand, Malaysia, Indonesia, Vietnam) during 15-17 December, 2017 in Kolkata, India. In this regard, ASSOCHAM would like to invite prominent Singapore based sourcing agents/marketing firms/ manufacturers to attend this fair. The following facilities would be provided to the overseas participants on complimentary basis

- Economy class air ticket
- Hotel accommodation on twin sharing basis for two nights
- Airport and Hotel Transfer with lunch and dinner arrangements

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

### Ministry of Corporate Affairs

*Companies (Incorporation) Second Amendment Rules, 2017*

<http://www.mca.gov.in/Ministry/pdf/CompaniesIncorporationSecondAmendmentRules2017.pdf>

### Reserve Bank of India

*Auction of Government of India Dated Securities*

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11072&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](http://finmin.nic.in/press_room/2014/clarification_Acquist_Transfer_Property_foreignnationals.pdf)

## 2 years into space, Astrosat detects younger stars, records birth of more black holes

Indian Express

Astrosat was launched by ISRO on September 28, 2015.

Two years after its launch, Astrosat — India's first multi-wavelength space-based astronomical observatory — has confirmed the presence of younger stars hidden in globular clusters, which were believed to have housed only old stars. Launched on September 28, 2015, the satellite began performing full-scale scientific operations in April 2016. The first six months were devoted to performance verification and calibration of all payloads — Cadmium Zinc Telluride Imager (CZTI), Ultraviolet Imaging Telescope (UVIT), Scanning Sky Monitor (SSM), Large Area X-Ray Proportional Counters (LAXPC) Soft X-ray Telescope (SXT), along with Charged Particle Monitor (CPM).

A unique finding, which astronomers working with Astrosat data suggest, is the presence of much younger stars in globular clusters.

Issue No 223, 30 September 2017

### 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*

#### ***V. Foreign Venture Capital Investment***

**Q : How can the FVCI make payment for the investment?**

**Answer:** The amount of consideration for all investment by an FVCI has to be made through inward remittance from abroad through banking channels or out of funds held in a foreign currency account and/ or a Special Non-Resident Rupee (SNRR) account maintained by the FVCI with an AD bank in India. The foreign currency account and SNRR account shall be used only and exclusively for transactions under the relevant Schedule.

**Q : How can the sale/ maturity proceeds taken by the FVCI?**

**Answer:** The sale/ maturity proceeds (net of taxes) of the securities may be remitted outside India or credited to the foreign currency account or a Special Non-resident Rupee Account of the FVCI maintained.

*Source: RBI*

**For Feedback & Comments, please contact:**

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

**Email :** [ma@hcsingapore.org](mailto:ma@hcsingapore.org) ; [com1.singapore@mea.gov.in](mailto:com1.singapore@mea.gov.in)

**URL :** [www.hcsingapore.gov.in](http://www.hcsingapore.gov.in)