

15 September 2021

SIDELINES

28th Edition of Singapore- India Maritime Bilateral Exercise SIMBEX conducted during 02 to 04 September 21



Indian Navy & Republic of Singapore Navy (RSN) Warships & Maritime Patrol Aircraft participated in drills at sea. It was the longest uninterrupted bilateral maritime exercise with any foreign navy

Gnani Arts creation- showcased at HCI as part of India@75 Azadi-KaAmritMahotsav celebrations



This modern art sculpture showcases an artists quest for recycling and sustainability



SIMBEX 2021

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TOP NEWS

Cabinet approves major Reforms in Telecom Sector; Telecom Reforms to boost employment, growth, competition and consumer interests; Liquidity needs of Telecom Service Providers addressed

Press Information Bureau: September 16, 2021

The Union Cabinet, chaired by the Prime Minister Mr. Narendra Modi, on September 15, 2021, approved several structural and process reforms in the Telecom sector. These are expected to protect and generate employment opportunities, promote healthy competition, protect interests of consumers, infuse liquidity, encourage investment and reduce regulatory burden on Telecom Service Providers (TSPs).

In the backdrop of the outstanding performance of the Telecom Sector in meeting COVID-19 challenges, with huge surge in data consumption, online education, work from home, interpersonal connect through social media, virtual meetings etc., the Reform measures will further boost the proliferation and penetration of broadband and telecom connectivity. The Cabinet decision reinforces the Prime Minister's vision of a robust Telecom Sector. With competition and customer choice, antyodaya for inclusive development and bringing the marginalized areas into the mainstream and universal broadband access to connect the unconnected. The package is also expected to boost 4G proliferation, infuse liquidity and create an enabling environment for investment in 5G networks.

Nine structural reforms and Five procedural reforms plus relief measures for the Telecom Service Providers are as below:

Structural Reforms

- Rationalization of Adjusted Gross Revenue: Non-telecom revenue will be excluded on prospective basis from the definition of AGR.
- Bank Guarantees (BGs) rationalized: Huge reduction in BG requirements (80%) against License Fee (LF) and other similar Levies. No requirements for multiple BGs in different Licenced Service Areas (LSAs) regions in the country. Instead, One BG will be enough.
- Interest rates rationalized/ Penalties removed: From 1st October 2021, Delayed payments of License Fee (LF)/Spectrum Usage Charge (SUC) will attract interest rate of SBI's MCLR plus 2% instead of MCLR plus 4%; interest compounded annually instead of monthly; penalty and interest on penalty removed.
- For Auctions held henceforth, no BGs will be required to secure instalment payments. Industry has matured and the past practice of BG is no longer required.

- Spectrum Tenure: In future Auctions, tenure of spectrum increased from 20 to 30 years.
- Surrender of spectrum will be permitted after 10 years for spectrum acquired in the future auctions.
- No Spectrum Usage Charge (SUC) for spectrum acquired in future spectrum auctions.
- Spectrum sharing encouraged- additional SUC of 0.5% for spectrum sharing removed.
- To encourage investment, 100% Foreign Direct Investment (FDI) under automatic route permitted in Telecom Sector. All safeguards will apply.
- At the option of the Government, to convert the due amount pertaining to the said deferred payment by way of equity at the end of the Moratorium/Deferment period, guidelines for which will be finalized by the Ministry of Finance.
- The above will be applicable for all TSPs and will provide relief by easing liquidity and cash flow. This will also help various banks having substantial exposure to the Telecom sector.

Procedural Reforms

- Auction calendar fixed - Spectrum auctions to be normally held in the last quarter of every financial year.
- Ease of doing business promoted - cumbersome requirement of licenses under 1953 Customs Notification for wireless equipment removed. Replaced with self-declaration.
- Know Your Customers (KYC) reforms: Self-KYC (App based) permitted. E-KYC rate revised to only One Rupee. Shifting from Prepaid to Post-paid and vice-versa will not require fresh KYC.
- Paper Customer Acquisition Forms (CAF) will be replaced by digital storage of data. Nearly 300-400 crore paper CAFs lying in various warehouses of TSPs will not be required. Warehouse audit of CAF will not be required.
- SACFA clearance for telecom towers eased. DOT will accept data on a portal based on self-declaration basis. Portals of other Agencies (such as Civil Aviation) will be linked with DOT Portal.

Addressing Liquidity requirements of Telecom Service Providers

The Cabinet approved the following for all the Telecom Service Providers (TSPs):

- Moratorium/Deferment of up to four years in annual payments of dues arising out of the AGR judgement, with however, by protecting the Net Present Value (NPV) of the due amounts being protected.
- Moratorium/Deferment on due payments of spectrum purchased in past auctions (excluding the auction of 2021) for up to four years with NPV protected at the interest rate stipulated in the respective auctions.
- Option to the TSPs to pay the interest amount arising due to the said deferment of payment by way of equity.

Government has approved Production Linked Incentive (PLI) Scheme for Textiles. With this, India is poised to regain its dominance in Global Textiles Trade

Press Information Bureau: September 09, 2021

Taking steps forward towards the vision of an 'Aatmanirbhar Bharat', Government led by Hon'ble Prime Minister, Mr. Narendra Modi, has approved the PLI Scheme for Textiles for MMF Apparel, MMF Fabrics and 10 segments/ products of Technical Textiles with a budgetary outlay of Rs. 10,683 crore. PLI for Textiles along with RoSCTL, RoDTEP and other measures of Government in sector e.g., providing raw material at competitive prices, skill development etc will herald a new age in textiles manufacturing.

PLI scheme for Textiles is part of the overall announcement of PLI Schemes for 13 sectors made earlier during the Union Budget 2021-22, with an outlay of Rs. 1.97 lakh crore. With the announcement of PLI Schemes for 13 sectors, minimum production in India is expected to be around Rs. 37.5 lakh crore over 5 years and minimum expected employment over 5 years is nearly 1 crore. PLI scheme for Textiles will promote production of high value MMF Fabric, Garments and Technical Textiles in country. The incentive structure has been so formulated that industry will be encouraged to invest in fresh capacities in these segments. This will give a major push to growing high value MMF segment which will complement the efforts of cotton and other natural fibre-based textiles industry in generating new opportunities for employment and trade, resultantly helping India regain its historical dominant status in global textiles trade.

The Technical Textiles segment is a new age textile, whose application in several sectors of economy, including infrastructure, water, health and hygiene, defense, security, automobiles, aviation,

etc. will improve the efficiencies in those sectors of economy. Government has also launched a National Technical Textiles Mission in the past for promoting R&D efforts in that sector. PLI will help further, in attracting investment in this segment.

There are two types of investment possible with different set of incentive structure. Any person, (which includes firm / company) willing to invest minimum Rs. 300 Crore in Plant, Machinery, Equipment and Civil Works (excluding land and administrative building cost) to produce products of Notified lines (MMF Fabrics, Garment) and products of Technical Textiles, shall be eligible to apply for participation in first part of the scheme. In the second part any person, (which includes firm / company) willing to invest minimum Rs. 100 Crore shall be eligible to apply for participation in this part of the scheme. In addition, priority will be given for investment in Aspirational Districts, Tier 3, Tier 4 towns, and rural areas and due to this priority Industry will be incentivized to move to backward area. This scheme will positively impact especially States like Gujarat, UP, Maharashtra, Tamilnadu, Punjab, AP, Telangana, Odisha etc.

It is estimated that over the period of five years, the PLI Scheme for Textiles will lead to fresh investment of more than Rs.19,000 crore, cumulative turnover of over Rs.3 lakh crore will be achieved under this scheme and, will create additional employment opportunities of more than 7.5 lakh jobs in this sector and several lakhs more for supporting activities. The textiles industry predominantly employs women; therefore, the scheme will empower women and increase their participation in formal economy.

Government has approved Production Linked Incentive (PLI) Scheme for Auto Industry and Drone Industry to enhance India's manufacturing capabilities

Press Information Bureau: September 16, 2021

Taking steps forward towards the vision of an 'Aatmanirbhar Bharat', Government led by Hon'ble Prime Minister, Mr. Narendra Modi, has approved the PLI Scheme for Automobile Industry and Drone Industry with a budgetary outlay of Rs. 26,058 crore. The PLI scheme for the auto sector will incentivize high value Advanced Au-

tomotive Technology vehicles and products. It will herald a new age in higher technology, more efficient and green automotive manufacturing.

PLI Scheme for Automobile Industry and Drone Industry is part of the overall announcement of PLI Schemes for 13 sectors made earlier during the Union Budget 2021-22, with an outlay of Rs. 1.97 lakh crore. With the announcement of PLI Schemes for 13 sectors, minimum additional production in India is expected to be around Rs. 37.5 lakh crore over 5 years and minimum expected additional employment over 5 years is nearly 1 crore.

The PLI Scheme for the auto sector envisages to overcome the cost disabilities to the industry for manufacture of Advanced Automotive Technology products in India. The incentive structure will encourage industry to make fresh investments for indigenous global supply chain of Advanced Automotive Technology products. It is estimated that over a period of five years, the PLI Scheme for Automobile and Auto Components Industry will lead to fresh investment of over Rs. 42,500 crore, incremental production of over Rs. 2.3 lakh crore and will create additional employment opportunities of over 7.5 lakh jobs. Further this will increase India's share in global automotive trade.

The PLI Scheme for auto sector is open to existing automotive companies as well as new investors who are currently not in automobile or auto component manufacturing business. The scheme has two components viz Champion OEM Incentive Scheme and Component Champion Incentive Scheme. The Champion OEM Incentive scheme is a 'sales value linked' scheme, applicable on Battery Electric Vehicles and Hydrogen Fuel Cell Vehicles of all segments. The Component Champion Incentive scheme is a 'sales value linked' scheme, applicable on Advanced Automotive Technology components of vehicles, Completely Knocked Down (CKD)/ Semi Knocked Down (SKD) kits, Vehicle aggregates of 2-Wheelers, 3-Wheelers, passenger vehicles, commercial vehicles and tractors etc.

This PLI Scheme for automotive sector along with the already launched PLI scheme for Advanced Chemistry Cell (ACC) (Rs. 18,100 crore) and Faster Adaption of Manufacturing of Electric Vehicles (FAME) (Rs. 10,000 crore) will enable India to leapfrog from traditional fossil fuel-based automobile transportation system to environmentally cleaner, sustainable, advanced and more efficient Electric Vehicles (EV) based system.

The PLI Scheme for the Drones and Drone components industry addresses the strategic, tactical and operational uses of this revolutionary technology. A product specific PLI scheme for drones with clear revenue targets and focus on domestic value addition is key to building capacity and making these key drivers of India's growth strategy. The PLI for Drones and Drone components industry, will over a period of three years, lead to investments worth Rs. 5,000 Crore increase in eligible sales of Rs. 1500 crore and create additional employment of about 10,000 jobs.

India remains an attractive destination for investments: Deloitte survey

IBEF: September 15, 2021

According to a Deloitte survey, India remains an attractive destination for foreign direct investments (FDI) due to its robust economic development prospects and trained workforce.

According to the report, a substantial number of international business executives remain optimistic about India's short- and long-term prospects and are preparing to make extra and first-time investments in the country.

"The survey, which polled 1,200 executives from multinational corporations in the United States, the United Kingdom, Japan, and Singapore, found that India remains an attractive investment destination, scoring highly for its skilled workforce and economic growth prospects," the survey - India's FDI Opportunity - stated.

Textile and apparel, food processing, electronics, pharmaceuticals, vehicles and parts, chemicals, and capital goods are seven capital-intensive sectors that generated US\$ 181 billion in merchandise exports in 2020-21, according to the report.

According to the research, these seven industries have the essential potential, opportunity, and capacity to produce rapid results and create a worldwide precedent.

It further stated that, rather than utilising India as a springboard for exports, more business executives, particularly in Japan, are investing in India to get access to the local market.

"When compared to markets like China, Brazil, Mexico, and Vietnam, India has the strongest favourable perception in the United States. The US and UK business executives showed more trust in India's stability," it added.

According to the research, respondents from Ja-

pan and Singapore consider Vietnam to be their favourite investment location.

Despite recent changes aimed at making it easier to do business in India, the survey revealed that investor awareness is still low.

According to the report, business executives in Japan (16%) and Singapore (9%) were the least aware of efforts such as digitalisation of customs clearance and production-linked incentives for manufacturers.

"As a result, India was perceived as a more difficult environment to do business in than China and Vietnam," the report said, adding that while India is seen as politically and economically stable, it scored lower on institutional stability, which includes regulatory clarity and efficient judicial redress and mechanisms.

Inadequate infrastructure was also highlighted as a negative issue by existing and potential investors, according to the report.

"We believe the prognosis can only grow better because of India's improved ease of doing business, which includes fiscal advantages and other changes. These encouraging signs persuade me that India is on its way to achieving its goal of a US\$ 5 trillion GDP," said Deloitte Global CEO Mr. Punit Renjen.

According to Mr. N Venkatram, CEO of Deloitte India, focusing FDI into capital-intensive sectors is critical to the country's gross capital formation and strengthening its position as a global trading partner.

"As global companies seek alternative manufacturing destinations, India is well-positioned to take a disproportionate share of the shift," he added. "The country must continue to execute reforms and measures that promote progress, increasing trust in and competitiveness of India's economy."

India merchandise exports to grow 33% to \$98.45 bn in Q2 of FY22: Exim Bank

IBEF: September 13, 2021

The country's merchandise exports will grow 33% to amount to US\$ 98.45 billion in the second quarter of FY 2021-22, said India Exim Bank, joining a lot of institutions forecasting the economy to improve as coronavirus cases decrease.

Non-oil exports will amount to US\$ 85.63 billion, growing at 28.3% compared to the corresponding quarter in the financial year before. "The rise in

India's exports could be attributed largely to the low base effect, pick-up in growth in advanced economies and the resultant increase in global import demand," said the Bank.

An increase in commodity prices contributed to exports growing.

S&P Global Ratings said it expected India to post strong economic growth in coming quarters, even as inflation, led by food prices, is likely to remain elevated,

The economy is expected to clock 9.5% growth in the current fiscal year, followed by 7% expansion in the next year, it said,

number of deals were 38, valued at US\$ 7.3 billion, as compared to 17 deals valued at US\$ 67 million in August 2020 and 25 deals valued at US\$ 1.2 billion in July 2021.

Mr. Soni added, "As the vaccination coverage increases in the country, the anticipation for improved economic activity also rises, along with the hope of returning back to pre-pandemic normal. However, with a potential resurgence of the pandemic, there might be a risk of inflation and a potential rise in commodity prices (specially oil).

In August 2021, the total fundraises stood at US\$ 1.8 billion, as against US\$ 480 million in August 2020.



MARKETS

PE/VC investments rises to US\$ 10.7 billion in August 2021; IPOs drive surge in exits; Report

IBEF: September 16, 2021

As per a report published by IVCA and EY, on September 15, 2021, private equity and venture capital investments increased to US\$ 10.7 billion in August 2021, as compared to US\$ 2.2 billion in August 2020 and US\$ 9.7 billion in July 2021. The report states that in terms of volume, the number of transactions increased to 137 in August 2021, as compared to 83 in August 2020 and 77 in July 2021.

In August 2021, initial public offers (IPOs) such as Zomato led to exits worth US\$ 7.3 billion, taking the total number to US\$ 30.7 billion in 2021. EY's partner, Mr. Vivek Soni said, "In the first eight months of the year, there was significant growth in PE/VC funds, boosting both investments and exits towards growth."

He stated that in the first eight months of the year, the investments stood at US\$ 47.3 billion, at par with the figures of 2020, driven by rising activities in the start-up sector and increasing number of buyouts.

Mr. Soni stated that investment in the start-up sector is estimated at US\$ 15.3 billion in 2021, a growth of 31% as compared to 2019.

In 2021, e-commerce is estimated to account for a fourth of all investments, due to rising number of investor interest. Financial services and technology are the second and third-most attractive sector for investments in 2021.

As per the report, Exits have exceeded the previous year's record with 22 IPOs. In August 2021,



BUSINESS

India's fintech market to triple to Rs. 6.2 trillion by 2025: MoS Finance Karad

IBEF: September 09, 2021

The government's various initiatives have resulted in rapid growth in the fintech industry, which is expected to triple in value to Rs. 6,20,700 crore (US\$ 82.7 billion) by 2025, according to Minister of State for Finance Mr. Bhagwat K Karad.

India, he added, is a frontrunner among emerging economies in terms of financial technology adoption, with an adoption rate of 87% in March 2020, compared to a global average of 64%.

"The fintech market in India was valued at Rs. 1,920 billion (US\$ 26.09 billion) in 2019. It is predicted that by 2025, the market would have grown to Rs 6,207 billion (US\$ 82.7 billion). India's skilled manpower and technological ability make it an ideal location for financial technology development" he mentioned this while speaking at an Assocham virtual event.

He went on to say that India is the world leader in digital transactions, with total digital transactions exceeding US\$ 25 billion.

India has a great Fintech ecosystem, including access to bank accounts through the PM Jandhan Yojana, digilockers, and scalable platforms like UPI.

"The government is working to create a robust and secure digital environment, and we are optimistic that public-private partnerships can expand financial inclusion and deliver contemporary financial services to all Indians," he added.

He noted that modern technology may be the

most potent instrument for increasing financial inclusion, as seen by smooth cash transfers into crores of accounts at the click of a button during the pandemic period.

During the pandemic, financial inclusion played an essential role in providing cash transfers to the poor and vulnerable, he noted.

Xiaomi announces 100+ new exclusive retail stores in India

IBEF: September 16, 2021

On September 15, 2021, Xiaomi announced the launch of >100 retail stores across tier V and tier VI cities, to expand its reach in India.

The company plans to reach to the remote areas of the country and address the customer needs, leveraging technology and making it more accessible to citizens. The company also plans to generate employment opportunities for >200 families in the country and encourage entrepreneurship.

Mr. Muralikrishnan B, Chief Operating Officer, Xiaomi India, said, "Our aim with the expansion is to enhance the availability of Redmi and Xiaomi products across tier V and tier VI cities and offer a best-in-class experience in remote areas. We are assured that our retail stores would encourage the budding entrepreneurs in their journey and further create employment opportunity in India."

On August 15, 2018, Xiaomi India opened its first offline retail store in Bengaluru and so far, it has opened >3,000 offline retail store in the country, contributing to the generation of >6,000 jobs in India.

In March 2021, the company announced Grow with Mi Initiative, a plan to increase and double the number of offline retail store and exclusive retail stores, with its Grow with Mi Initiative.

Also, earlier this week, Xiaomi announced a new visual identity for its premium product range, to unify its brand presence worldwide. The new "Xiaomi" logo will now replace the company's premium "Mi" series products.

Along with the introduction of new brand identity, the company also plans to have two distinct product series under the parent corporate brand. The "Mi" logo will continue to represent the corporate brand.

Japan's NTT To Double Its Data Centre Presence in India

IBEF: September 02, 2021

NTT Ltd., a worldwide technology services company based in Japan, plans to more than double its data centre presence in India over the next three years, with six data centre parks expected to open.

NTT India's chief executive officer, Mr. Sharad Sanghi, said, "We have invested in six data centre parks around the country, and we are growing these. Five have already been signed, and building is underway in various stages, with the sixth one nearing completion."

NTT, the world's third largest data centre company, announced a US\$ 2 billion investment in new data centres, MIST cable, and renewable energy facilities around the world. India is likely to account for a major portion of this. In the country, the corporation currently has around 1.8 million square feet of floor area.

In Mumbai's Chandivali data centre park, one 85 MW data centre will be operational soon. Over the next 18 months, four new hyperscale data centre parks will open in India, two in Navi Mumbai and one each in Chennai and Delhi, with a total floor space of around 50,000 square metres (roughly 540,000 sq ft) and an IT load of around 133 MW. In 2021, 10 data centres across India will be interconnected, and submarine cable landing stations will be built in Mumbai and Chennai.

NTT said it has expanded its global data centre footprint by 20%. It has data centres across Europe, North America, Africa, and Asia, as well as a significant presence in India.

NTT is now building the 'MIST' large-capacity submarine cable system connecting Myanmar, Malaysia, India, and Singapore, in addition to expanding its data centre presence. The cable system, which would connect Mumbai and Chennai, will be 11,000 kilometres long—far longer than flying from New York to Tokyo via the United States and the Pacific Ocean. MIST is expected to be completed in the middle of 2023.

Transforming India: All Sectors



India Bounces Back Index of Industrial Production (IIP) Rises by 11.5%



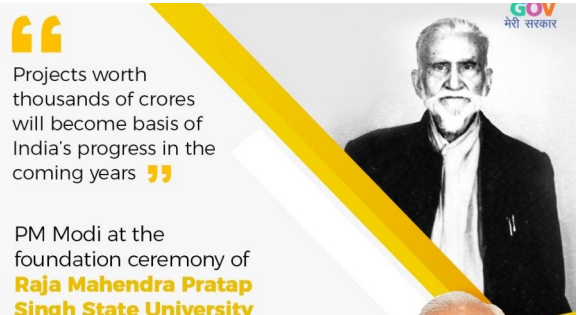
Mining output records growth of **10.5%**



Manufacturing production rises to **10.5%**



Electricity generation surges **11%**



Projects worth thousands of crores will become basis of India's progress in the coming years

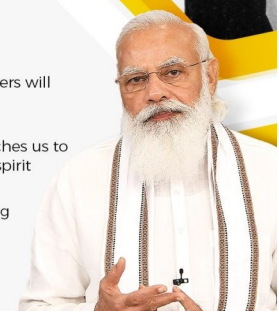
PM Modi at the foundation ceremony of **Raja Mahendra Pratap Singh State University**

The glorious tales of our freedom fighters will inspire generations to come

Raja Mahendra Pratap Singh's life teaches us to pursue our dreams with indomitable spirit

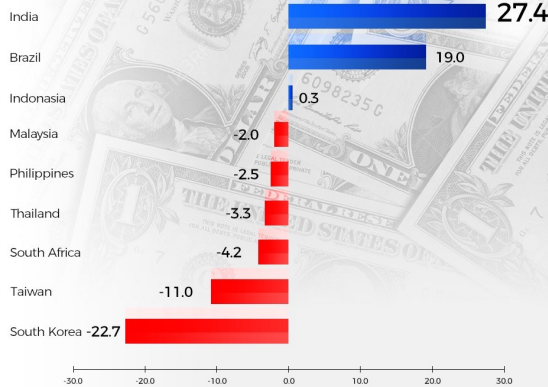
Today, UP is attracting every small & big investor of the country and the world

India is making a new identity as a defense exporter of the world



India Most Preferred Nation By Foreign Investors

More Than **27.4 Billion USD Foreign Portfolio Investment Inflow** in 12 Months



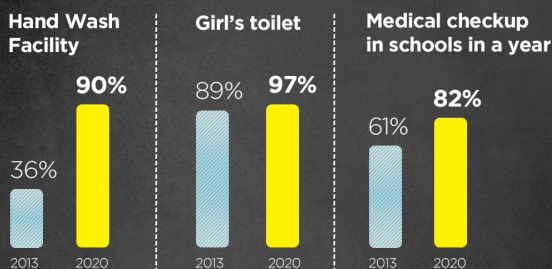
Foreign Portfolio Investment (in Billion USD) over April 2020 to March 2021



Investors express confidence in Indian money markets

NEW INFRA FOR CHILDREN OF NEW INDIA

Schools covered



PM Modi's remarks at the 13th BRICS Summit

- Must ensure that BRICS is more productive in the next 15 years
- First BRICS Digital Health Conference is an innovative step to increase health access with technology
- First time BRICS took a shared position on strengthening Multilateral Systems

FORTHCOMING EVENTS >>> INDIA

I. DIGITECH EXPO VIRTUAL EXCLUSIVE B2B MEETS BETWEEN ASEAN AND INDIAN ICT COMPANIES

Date & Venue: 6-7 October, 2021

Organizer: Electronics and Computer Software Export Promotion Council (ESC)

Contact: <https://bit.ly/3A1a2X9>

Details: As part of “Global Outreach Series”, the Council will be organizing Virtual ICT Business Meets between Indian and ASEAN companies during October 6 & 7, 2021. Being a focused Business Event, 30 Indian ICT SMEs will meet 60+ IT Buyers from ASEAN region on pre-assigned meeting slots.

II. INDO - ASEAN BUSINESS SUMMIT AND EXPO, 7- 8 OCTOBER 2021

Date & Venue: 7-8 October, 2021

Organizer: Confederation of Indian Industry(CII)

Contact: <https://www.ciihive.in/Login.aspx?EventId=INDOASEAN>

Details: Confederation of Indian Industry, in partnership with Ministry of External Affairs, Government of India are organising the Indo - ASEAN Business Summit and Expo: *Act East Policy in the Post Covid World* from 7- 8 October 2021, over a virtual Platform.

Notifications

Securities and Exchange Board of India

Circular on Investments by AIFs Incorporated in IFSC

https://www.sebi.gov.in/legal/circulars/aug-2019/circular-on-investments-by-aifs-incorporated-in-ifsc_43867.html

Guidelines for Liquidity Enhancement Scheme (LES) in Commodity Derivatives Contracts

https://www.sebi.gov.in/legal/circulars/jul-2019/guidelines-for-liquidity-enhancement-scheme-les-in-commodity-derivatives-contracts_43699.html

Ministry of Corporate Affairs

Companies Amendment Rules, 2018

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

Reserve Bank of India

Change in Bank Rate

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11705&Mode=0>

Priority Sector Lending (PSL) – Classification of Exports under priority Sector

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11692&Mode=0>

Expanding and Deepening of Digital Payments Ecosystem

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11707&Mode=0>

Department of Industrial Policy & Promotion

Industrial Policy Statement 1991

https://dipp.gov.in/sites/default/files/IndustrialPolicyStatement_1991_15July2019.pdf

Consolidated FDI Policy Circular of 2017

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

'India's first solar mission likely to launch next year': ISRO

[https://
www.hindustantimes.com/](https://www.hindustantimes.com/)

India's first solar mission, which was pushed from early 2020 due to the Covid-19 pandemic, is likely to be launched in the third quarter of 2022, when the country's second space observatory Xposat, aimed at helping astronomers study cosmic sources such as pulsars and supernova, will also be launched, senior officials from the Indian Space Research Organisation (ISRO) said. Talking about the purely scientific missions at a conference this week, director of human spaceflight centre, Dr Unnikrishnan Nair, said, "The solar mission Aditya L1 will be launched in the third quarter of next year (2022) and will provide more insights into the origin of the universe and many other unknowns."

The spacecraft in the Aditya L1 mission will be sent 1.5 million km away from the Earth to L1 Lagrangian, a point between the Earth and the Sun where the gravitational pull of both the bodies on the satellite is equal to the centripetal force needed to keep the satellite in orbit. It is like a parking area in space and is great for observing several phenomena without hindrances from eclipses.

Issue No 311, 15 September 2021

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*

III. Foreign Portfolio Investment

Q: What is an investment vehicle?

Answer: Investment Vehicle is an entity registered and regulated under relevant regulations framed by SEBI or any other authority designated for the purpose. For the purpose of Schedule 8 of FEMA 20(R), an Investment Vehicle is a Real Estate Investment Trust (REIT) governed by the SEBI (REITs) Regulations, 2014, an Infrastructure Investment Trust (InvIt) governed by the SEBI (InvIts) Regulations, 2014 and an Alternative Investment Fund (AIF) governed by the SEBI (AIFs) Regulations, 2012. It does not include a Venture Capital Fund registered under the erstwhile SEBI (Venture Capital Funds) Regulations, 1996.

Q: What are the provisions with regard to Downstream investment for an investment vehicle?

Answer: Investment made by an Investment Vehicle into an Indian company or an LLP will be indirect foreign investment for the investee company or the LLP, as the case may be, if either the Sponsor or the Manager or the Investment Manager (i) is not owned and not controlled by resident Indian citizens or (ii) is owned or controlled by persons resident outside India.

Source: RBI

For Feedback & Comments, please contact:

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