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India Focus


India, Singapore reaffirm importance of RCEP

this issue

BILATERAL

India, Singapore reaffirm importance of RCEP

The Straits Times

India and Singapore reaffirmed the importance of the Regional Comprehensive Economic Partnership (RCEP) during Minister-in-charge of Trade Relations S. Iswaran's visit to India.

Cont on P. 10

6th RCEP Intersessional Ministerial Meeting held in Singapore

Cont on P. 11

Inaugural celebrations for 150th Birth Anniversary of Mahatma Gandhi took place in Singapore

TOP NEWS

IMF projects India's growth at 7.3 per cent in 2018 & at 7.4 per cent in 2019

PTI: October 09, 2018

Washington: The International Monetary Fund (IMF) on Tuesday forecast a growth rate of 7.3 per cent for India in the current year of 2018 and that of 7.4 per cent in 2019.

In 2017, India had clocked a 6.7 per cent growth rate.

"India's growth is expected to increase to 7.3 per cent in 2018 and to 7.4 per cent in 2019 (slightly lower than in the April 2018 World Economic Outlook [WEO] for 2019, given the recent increase in oil prices and the tightening of global financial conditions), up from 6.7 per cent in 2017," the IMF said in its latest World Economic Outlook report.

This acceleration, the world body said, reflected a rebound from transitory shocks (the currency exchange initiative and implementation of the national Goods and Services Tax), with strengthening investment and robust private consumption.

India's medium-term growth prospects remain strong at 7 per cent, benefiting from ongoing structural reform, but have been marked down by just under percentage point relative to the April 2018 WEO, it said.

If projections are true, then India would regain the tag of fastest growing major economies of the world, crossing China with more than 0.7 percentage point in 2018 and an impressive 1.2 percentage point growth lead in 2019.

China was the fastest growing economy in 2017 as it was ahead of India by 0.2 percentage points. For the record, the IMF has lowered the growth projections for both India and China by 0.4 per cent and 0.32 per cent, respectively, from its annual April's World Economic Outlook.

Released in Bali during the annual meeting of the IMF and the World Bank, the IMF's flagship World Economic Outlook said its 2019 growth projection for China is lower than in April, given the latest round of US tariffs on Chinese imports, as are its projections for India.

In China, growth is projected to moderate from 6.9 per cent in 2017 to 6.6 per cent in 2018 and 6.2 per cent in 2019, reflecting a slowing external demand growth and necessary financial regulatory tightening, the report said.

The 0.2 percentage point downgrade to the 2019 growth forecast is attributable to the negative effect of recent tariff actions, assumed to be partially offset by policy stimulus, it said.

Over the medium term, growth is expected to gradually slow to 5.6 per cent as the economy

continues to make the transition to a more sustainable growth path with continued financial de-risking and environmental controls, it noted.

"Owing to these changes, our international growth projections for both this year and next are downgraded to 3.7 per cent, 0.2 percentage point below our last assessments and the same rate achieved in 2017," the report said.

The growth rate of United States for 2018 is 2.9 per cent and that of 2019 has been powered to 2.5 per cent.

In India, the report said, important reforms have been implemented in the recent years, including the Goods and Services Tax, the inflation-targeting framework, the Insolvency and Bankruptcy Code, and steps to liberalise foreign investment and make it easier to do business.

"Looking ahead, renewed impetus to reform labour and land markets, along with further improvements to the business climate, are also crucial," it said.

According to the World Economic Outlook, in India, reform priorities include reviving bank credit and enhancing the efficiency of credit provision by accelerating the cleanup of bank and corporate balance sheets and improving the governance of public sector banks.

In India, a high interest burden and risks from rising yields require continued focus on debt reduction to establish policy credibility and build buffers.

"These efforts should be supported by further reductions in subsidies and enhanced compliance with the Goods and Services Tax," the IMF report said.

It also said inflation in India is on the rise, estimated at 3.6 per cent in fiscal year 2017/18 and projected at 4.7 per cent in fiscal year 2018/19, compared with 4.5 per cent in fiscal year 2016/17, amid accelerating demand and rising fuel prices.

The report said that aggregate growth in the emerging market and developing economy group stabilised in the first half of 2018.

Emerging Asia continued to register strong growth, supported by a domestic demand-led pickup in the Indian economy from a four-year-low pace of expansion in 2017, even as activity in China moderated in the second quarter in response to regulatory tightening of the property sector and nonbank financial intermediation, it said.

Growth in India firming up, projected to accelerate further, says World Bank

PTI: October 08, 2018

Washington: Growth in India is firming up and projected to accelerate to 7.3 per cent in the 2018 -19 fiscal and 7.5 per cent in the next two years, the World Bank said Sunday.

The global lender said that the Indian economy appears to have recovered from the temporary disruptions caused by demonetisation and the introduction of the Goods and Services Tax (GST).

However, domestic risks and a less benign external environment impact the macro-economic outlook, it said.

Growth reached 6.7 per cent in fiscal year 2017/18, with a significant acceleration in recent months, it said.

"Prompted by the adoption of the 'Goods and Services Tax' (GST) and the recapitalisation of banks, growth in India is firming up and it is projected to accelerate further," the World bank said in its latest report on South Asia.

Growth in India, it said, is expected to rise to 7.3 per cent in fiscal year 2018/19, and to 7.5 per cent in the following two years, with stronger private spending and export growth as the key drivers.

On the production side, the turnaround in the second half was led by manufacturing (that grew at 8.8 per cent versus 2.7 per cent in the first half). Agriculture growth improved, and services growth held steady at 7.7 per cent, the report said.

On the demand side, the pick-up in growth was reflected in a sharp acceleration in gross fixed capital formation to 11.7 per cent in the second half, from 3.4 per cent in the first.

Consumption, growing at seven per cent in the second half, remained the major driver of growth, the report said.

Observing that the external situation has become less favourable and the current account balance has deteriorated, the Bank said that a worsening trade deficit has led the current account deficit to widen -- on the back of a strong import demand, higher oil prices and exchange rate depreciation -- from a benign 0.7 per cent of the GDP in fiscal year 2016/17 to 1.9 per cent in fiscal year 2017/18.

External headwinds - monetary policy 'normalisation' in the US coupled with recent stress in some Emerging Market and Developing

Economies have triggered portfolio outflows from April 2018 onwards, the report said.

It said that as a result, the nominal exchange rate depreciated by about 12 per cent from January to September 2018, and foreign reserves declined by over 5 per cent since March, while remaining comfortable at about nine months of imports.

Of the view that India faces continued internal and external risks, the World Bank said that high oil prices and an uncertain global trade environment may pose challenges for the current account.

"A widening trade deficit is likely to lead to a current account deficit of around 2.6 per cent of the GDP in fiscal year 2018/19, and tighter global financing conditions will put added emphasis on India's ability to attract Foreign Direct Investment (FDI)," it said.

Fiscal consolidation is expected to resume in fiscal year 2018/19, but slippages could happen on both the revenue side (as the GST is still stabilising) and the expenditure side (ahead of state and federal elections), it said.

"Elevated oil prices, a recent hike in agricultural support prices and further exchange rate depreciation could keep the inflation outlook challenging, possibly resulting in further monetary policy actions," the report added.

India set to become engine of world's growth, says PM Narendra Modi

Business Standard: October 08, 2018

Dehradun: Prime Minister Narendra Modi on Sunday said India has emerged as the best destination for investment in the world.

At the inauguration of the "Uttarakhand Investors Summit" here, the Prime Minister said more than 10,000 measures had been taken by the Centre and the state governments to make the environment conducive for investments.

Skirting the issue of the falling rupee, Modi said India is all set to become the main engine of the world's growth. "Fiscal deficit has come down. Inflation is under control. The middle class in India is rising," he said.

India has climbed 42 points in the ease of doing business rankings, he said, adding the infrastructure in the country is also strengthening. "We are working to provide air connectivity to all tier-II and tier-III cities in the country for which we are building 100 new airports and helipads," he said.

The government is developing more than 100 national waterways and modernising 400 railway stations. All these steps are being taken to strengthen the economy of the country, he said.

In the coming years, the Prime Minister said investment in the medical sector will increase mainly through the Ayushman Bharat yojana. "We will see big hospitals and medical colleges in the tier-II and tier-III cities," he said.

Referring to the "Destination Uttarkhand" initiative launched by the state government, Modi said the Centre would render all help in this regard. "New India is the best destination for investment and Uttarakhand is its shining part," Modi said.

For giving boost to the micro, small & medium enterprises (MSME) sector, also being considered as the backbone of Uttarakhand's economy, the Prime Minister said the Centre has taken various steps like higher credit, support capital, lower tax, interest subsidy and innovations. For the MSME sector, loans up to Rs10 million will be easier to procure, he said.

He also lauded the efforts of the Trivendra Singh Rawat government to initiate various steps for the ease of doing business. He said the Centre is helping the state in boosting connectivity through the development of the mega Chardham highways and Rishikesh-Karanprayag rail projects.

Another Milestone in the direction of "Ease of Doing Business": Incorporation of Limited Liability Partnership (LLP) through a complete online system made a reality

Press Information Bureau: October 03, 2018

New Delhi: Today, one can start business by incorporating a company through an on-line process without visiting any Government office. This was achieved in January, 2016 by establishing Central Registry Centre (CRC) for on-line incorporation of the company and reserving its unique name. Two on-line forms that were introduced for the purpose, are Simplified Proforma for Incorporating Company Electronically (SPICe) and Reserve Unique Name (RUN). Today, as part of online process for company incorporation, PAN and TAN are issued on near real time basis by integrating online process with the department of Income Tax. Through process re-engineering, DIN is also allotted to the individuals at the time of their appointment as Director in the Company.

Every week, 2700 number of companies are incorporated through online company incorporation system.

Ministry of Corporate Affairs has thus contributed significantly towards 'Ease of Doing Business' in the country as today, a company can be incorporated in less than two days along with allotment of PAN, TAN, DIN and Unique Name through the online process. Our endeavors is that very soon, this entire process doesn't take more than one day.

Today, Ministry of Corporate Affairs has launched another process re-engineering by making incorporation of Limited Liability Partnership (LLP) through a complete online system. From today onwards through a web service titled "RUN -LLP (Reserve Unique Name – Limited Liability Partnership)". Name can also be allotted to LLP through an e-form titled "FiLiP (Form for incorporation of Limited Liability Partnership).

The Limited Liability Partnership Rules have been amended on 18th September 2018 which would come into effect from 02nd October 2018. The said amendment rules contain changes as detailed below:

(i) Introduction of a Web Service titled 'RUN-LLP (Reserve Unique Name – Limited Liability Partnership)' replacing the erstwhile Form 1 (Application for reservation or change of name).

(ii) Introduction of a new integrated Form christened FiLLiP (Form for incorporation of Limited Liability Partnership) replacing the erstwhile Form 2 (Incorporation document and subscriber's statement) combining therein 3 services i.e.,

a) Name reservation.

b) Allotment of Designated Partner Identification Number (DPIN/DIN).

c) Incorporation of the LLP.

Proposed new industrial policy to be approved soon: Prabhu

PTI: October 12, 2018

New Delhi: The new industrial policy, which aims at promoting manufacturing, attracting investments and creating jobs, is ready and will soon be approved by the Union Cabinet, Commerce and Industry Minister Suresh Prabhu said Thursday.

He said the policy is in sync with the challenges and opportunities to be brought up by the 'fourth industrial revolution'.

"The new industrial policy is ready for a while. It has to be approved by the Prime Minister," Prabhu said at an event here.

With changing technologies in the manufacturing sector, the world is talking about the fourth industrial revolution. It includes artificial intelligence, robotics, internet of things, block chain and machine learning.

India too is gearing itself to use these modern technologies to boost its manufacturing sector and increase its share in the country's gross domestic product (GDP).

The proposed policy would look at ways to reduce regulatory hurdles and encourage adoption of frontier technologies such as robotics and artificial intelligence.

The Department of Industrial Policy and Promotion (DIPP), under the commerce and industry ministry, in August last year floated a draft industrial policy with an aim to create jobs for the next two decades, promote foreign technology transfer and attract USD 100 billion FDI annually.

The new policy will replace the industrial policy of 1991 which was prepared in the backdrop of balance of payment crisis.

The ministry is also considering to set up industrial health clinics to deal with sickness in the micro, small and medium enterprises (MSMEs) as part of the proposed policy.

Prabhu pointed out that the fourth industrial revolution is going to displace jobs so "we need to reskill our workforce".

Speaking at the event, Niti Aayog CEO Amitabh Kant said that India need to make it's workforce multi skilled.

Comm Min focusing on 9 sectors to boost exports; eyes 16% growth this fiscal

PTI: October 03, 2018

New Delhi: The Commerce Ministry is focusing on nine sectors, including pharma, food processing and textiles, to boost exports in the current fiscal, an official said.

The ministry is targeting a minimum growth rate of 16 per cent in exports this fiscal.

Commerce and Industry Minister Suresh Prabhu Monday held inter-ministerial consultations with different departments to work on ways to promote the exports from these segments.

"The ministry is targeting nine sectors as part of their strategy to boost exports. The minister held discussions on strategy with line ministries," the

official said.
Gems and jewellery, textiles, leather, engineering, electronics, defence, pharma, agri and marine products are the sectors.
To push exports, the ministry has suggested several steps including demanding priority sector lending to exporters.
During the meeting, the Defence Ministry sought cooperation of the Commerce Ministry to boost defence exports from Rs 5,000 crore to Rs 35,000 crore in the coming years.
All other departments and ministries suggested steps to boost overseas shipments.
Ministry of Electronics and IT suggested formulating a strategy to attract companies that are shifting their manufacturing bases from China due to high wages.
The Department of Chemicals stated that they are looking at new countries for exports and raised delay in environmental clearance for agro-chemical sector.
Since 2011-12, India's exports have been hovering at around USD 300 billion. During 2017-18, the shipments grew by about 10 per cent to USD 303 billion.

Draft electronics policy aims US$ 400 bn manufacturing ecosystem turnover by 2025

PTI: October 11, 2018

New Delhi: The IT ministry looks to create a USD 400 billion electronics manufacturing industry by 2025 with mobile devices segment accounting for three-fourths of the production, according to the draft electronics policy.
"Promote domestic manufacturing in the entire value-chain of ESDM (electronic system design and manufacturing) for economic development to achieve a turnover of USD 400 billion by 2025," the draft National Policy on Electronics (NPE) released by the Ministry of Electronics and IT on Wednesday proposes.
The proposed policy aims to double target of mobile phone production from 500 million units in 2019 to 1 billion by 2025 to meet the objective.
"This (USD 400 billion turnover) shall include targeted production of 1.0 Billion mobile handsets by 2025, valued at USD 190 billion (approximately Rs 13 lakh crore), including 600 Million mobile handsets valued at USD 110 Billion (approximately Rs 7 lakh crore) for export," the draft said.
According to the draft, the government plans to end modified special incentive scheme with with schemes that it will find easier to implement such as interest subsidy and credit default guarantee etc.
Modified Special Incentive Package scheme (M-SIPS) was launched in 2012 which provided for capital subsidy of 25 per cent for Electronics Industry located in non-SEZ area and 20 per cent for those in SEZ areas.
As on September 30, 2018, 265 applications with proposed investment of Rs 61,925 crore have been received under M-SIPS, out of which 188 applications with proposed investment of Rs 40,922 crore have been approved and the investment of Rs 8,335 crore has been made by 139 applicants, the draft said.
The current NPE in place had proposed creation of 200 electronic manufacturing clusters (EMCs) by 2020 that will house entire ecosystem for development and production of specific category of products.
According to the draft, 20 greenfield EMCs and three brownfield EMC projects have been sanctioned with the project outlay of Rs 3,898 crore, including Rs. 1,577 crore from the Government of India.
The policy proposes to push development of core competencies in all the sub-sectors of electronics including electronic components and semiconductors, defence electronics, automotive electronics, industrial electronics, strategic Electronics etc.
The draft proposes suitable direct tax benefits, including inter-alia investment-linked deduction under Income Tax Act for electronics manufacturing sector, for setting up of a new manufacturing unit or expansion of an existing unit.
The proposal includes increasing tax benefits on expenditure incurred on research and development, enhancing rate of duty drawback for electronics sector, reimbursement of State levies and other levies for which input tax credit is not available, allowing duty free import of second-hand capital goods for electronics hardware manufacturing etc.

India targeting 40% of power generation from non-fossil fuel by 2030: PM

PTI: October 03, 2018

New Delhi: India is targeting 40 per cent of elec-

tricity generation from non-fossil fuel-based resources by 2030 as it looks to tap vast solar and wind potential to replace reliance on polluting coal to meet its energy needs, Prime Minister Narendra Modi said Tuesday.

Modi said he saw the 121-country International Solar Alliance as the future OPEC for meeting energy needs of the world.

Oil cartel OPEC led by Saudi Arabia currently meets close to half of the world's oil needs.

Speaking at the first Assembly of the ISA here, he said the solar power will play the same role that oil wells have played over the past few decades in meeting global energy needs.

Humans have in the last 150-200 years relied on resources trapped below the earth's surface for meeting energy needs. But for a secure future, resources available above the ground like solar and wind energy need to be harnessed, he said.

Stating that the focus must be on renewable sources for meeting energy needs, he said India wants to bring all UN members on board of ISA.

Modi said 50 GW of renewable energy will be soon added to existing capacity and non-hydro renewable will contribute 20 per cent of total energy.

"This is the right time to invest in solar manufacturing," he said adding he saw an investment potential of USD 70-80 billion in solar manufacturing.

The prime minister said 31 crore LED bulbs save 40,000 million units of electricity and Rs 16,000 crore in a year.

He said 28 lakh solar pumps can save 10 GW of electricity every year.

India moves up to 28th rank in govt e-payment adoption: Survey

PTI: October 04, 2018

Mumbai: India's overall ranking on the government's adoption of e-payments has moved up to 28th in 2018, from 36th in 2011, but it needs to do more on digital infrastructure access and socio -economic factors, a survey said Wednesday.

The country is taking "rapid strides" in advancing government e-payments capabilities and is is one of the top- performing countries in terms of citizen-to-government (C2G), business-to-government (B2G) and government-to-business (G2B) transactions, the survey by The Economist Intelligence Unit commissioned by payments company Visa said.

The country holds the top ranking on B2G and G2B, and comes third on C2G jointly with Argentina.

Norway leads the pack in the 73-country ranking, followed by France and Denmark.

The 73-country survey, which was last conducted in 2011, looks at availability of government electronic transaction services and the underlying environment of mechanisms that support digitisation for all transactions in a market, such as policy and infrastructure.

"(India) could further improve its standing by focusing on expanding access to digital infrastructure, investing in socio-economic development, and promoting a healthy, competitive market," the survey said.

India is at the 58th place for digital infrastructure and lags significantly in the development of digital infrastructure and socio-economic conditions, according to the survey.

"Substantial pockets of communities" lack reliable access to the Internet, it said, acknowledging the government efforts to deepen penetration.

The same is also the case with payment acceptance infrastructure, where the country lags behind despite the government efforts.

India is placed 60th among the 73 countries surveyed on socio-economic development, which underscores the need to focus efforts on building awareness for digital payments, as well as its citizens' and businesses' engagement with Internet-enabled services, it said.

The country was also found to be lacking in the policy context, at the 40th rank, the survey said, specifically pointing out that work on protecting intellectual property rights can improve the ranking.

Foreign firms also face restrictions ability to access funding from domestic sources, which could create another barrier to entry, it said.

The survey said while the country has done well on financial inclusion, its overall performance in inclusiveness dropped due to a lack of government integration of the informal economy.

Without mentioning the specifics, the survey also said that the government incentives on digital payments adoption is restricted to certain specific types of digital payment methods, which limits its efficacy.

MARKETS

PE investments zoom in Jul-Sep, making 2018 the best year yet for India

Business Standard: October 04, 2018

Chennai: Private equity (PE) players' investments in Indian companies in the quarter ended September 2018 increased 60 per cent over the same quarter last year to stand at $9.2 billion across 154 deals, according to Venture Intelligence data. With a total of $23.7 billion in the first nine months, calendar year 2018 has already reached the level seen in full-year 2017 to become the best ever for Indian companies' PE inflows.

The third-quarter numbers were 11 per cent higher than the second, which had seen an investment of $8.3 billion across 191 transactions and was the best quarter ever for PE investments. When compared with the same quarter last year, the September quarter saw a significant increase over the $5.8 billion clocked across 146 transactions in the same quarter of 2017. The figures include venture capital investments, but exclude PE investments in real estate.

The surge in PE investments in the September quarter of 2018 was mainly on account of a few mega-sized deals — at least three of them valued at more than $1 billion each.

The biggest was ADIA-TPG's $1.2-billion equity investment in UPL Ltd (formerly United Phosphorus Limited) for a combined 22 per cent stake. The SoftBank Vision Fund-led investment in hotel chain OYO and the investment of WestBridge Capital, Madison India, Rare Enterprises and others in Star Health Insurance were the other $1-billion transactions.

Besides, international investors, attracted to Indian internet and mobile companies after the recent Walmart-Flipkart deal, continued to show interest in this space.

India VC market saw investments of over USD 2 bn in Q3: KPMG

PTI: October 15, 2018

New Delhi: India's venture capital market saw large sequential growth during the third quarter of 2018 with over USD 2 billion being invested, according to a report by KPMG.

"More than doubling the tally observed in Q2, the Indian venture ecosystem saw well over USD 2 billion invested last quarter, even as aggregate volume remains subdued," KPMG said in its Venture Pulse Q3 2018 report.

It added that hotel booking company Oyo Rooms alone accounted for USD 1 billion of this. The funding round -- led by SoftBank Investment Advisers (SBIA) through SoftBank Vision Fund -- had positioned it as India's second most valuable technology start-up after Paytm. Oyo has now leapt well into unicorn status with a USD 5 billion valuation.

Even though OYO's fund raise comprised a large share of that, it suggests that India's ongoing focus on consumer-oriented enterprises is still going strong, the report said.

India also saw several USD 100 million-plus mega deals this quarter, including USD 225 million by Udaan, USD 120 million by CureFit and USD 100 million by BookMyShow, it added.

Besides, online marketplaces continued to gain a lot of traction during the quarter under review, with second-hand car company Cars24 raising USD 50 million.

The top 10 financing rounds in the third quarter in the Asia Pacific region were Singapore's ride-sharing platform Grab that raised USD 2 billion, followed by Bitmain from Beijing and Oyo Rooms, with each raising USD 1 billion each.

Xpeng from Guangzhou and Ximalaya from Shanghai raised USD 596.2 million each in the said quarter, the report noted.

KPMG in India Partner and National Leader Private Equity Nitish Poddar said Internet commerce is at a very exciting stage in India.

"Mobile penetration driven by strong demographics is what will drive the growth in the industry. Given the working age proportion of population in the country, consumer-led internet businesses will continue to see significant growth in the near future," he added.

These, he pointed out, include food, travel, auto and commerce.

"Fintech is also at a very exciting stage in the country -- the government's push to electronic money coupled with growth in internet commerce will see a significant growth in this space - payment gateways, online insurance and micro loans will stand to benefit," Poddar said.

The report said India's M&A market had soared to a "record annual high" during Q3 2018, reaching above the USD 100 billion mark for the first

time in history.
"While some industry consolidation has helped spur the M&A activity, the tech market has played a large part in the rise," it added.
It cited the example of Walmart acquiring 77 per cent stake in India's e-commerce company Flipkart in a massive USD 16 billion deal and said market activity is expected to "remain very high, heading into Q4'19 and well into next year".

India INX launches Global Access with connectivity to CME Group of exchanges

PTI: October 03, 2018

New Delhi: BSE-owned India International Exchange (India INX) Wednesday announced the launch of a special purpose vehicle which will facilitate hedgers, traders and investors access international exchanges through a single centralised platform.
The special purpose vehicle -- India INX Global Access IFSC Global Access -- will offer access to products traded on international exchanges.
Besides, it will provide its customers a single-window interface for trading on CME group exchanges, thereby decreasing their overall costs of accessing global markets from IFSC GIFT City, India INX said in a statement.
Global Access is aiming to become the leading financial services provider in IFSC GIFT City in the coming years by facilitating a centralised access to international financial markets for its customers.
The company said the platform will provide a single-window access to multiple international exchange markets beginning with CME, CBOT, NYMEX, COMEX through remote connect.
"Today markets are highly integrated and as an offshore exchange, offering convenience to access markets globally at low cost is important. As India INX, we have taken the first step in that direction by offering unified marketplace that will service access to international markets," V Bala Managing Director, CEO of India INX, and Chairman of India INX Global Access.
"CME group of exchanges' depth of liquidity across wide spectrum of asset class has been made accessible through India INX Global Access to all our participants. As trading and settlement at GIFT IFSC is US dollar based, the process will be frictionless for our participants," he added.
BSE's India INX is India's first International Exchange set up at GIFT City.

BUSINESS

India continues to be world's largest BPM base, generated US$ 32.5 bn revenue: Nasscom

PTI: October 05, 2018

New Delhi: body Nasscom Thursday said India continues to be the largest BPM (business process management) base in the world, generating close to USD 32.5 billion in revenue with an employee strength of 1.2 million.
The Indian BPM industry is estimated to now account for over 37 per cent share in global sourcing and is witnessing a 1.7X revenue growth. This is set to grow from USD 154 billion to a projected USD 167 billion in FY18, an increase of almost 8 per cent, Nasscom said in a statement.
"As digital technologies reshape businesses, this industry with its foundation in domain and process expertise, is increasingly innovating to emerge as the hub for digital solutions. Upskilling for digital, acquiring competencies through acquisitions or partnerships, building platforms and products, and leveraging centers of excellence in new technologies are some of the key priorities of companies in the BPM industry," Nasscom Vice-Chairman and WNS CEO Keshav R Murugesh said.
Nasscom, which hosted its BPM Strategy Summit 2018 in Bengaluru, highlighted that the industry is taking advantage of emerging technologies such as Robotic process automation (RPA), artificial intelligence (AI), digital communications, Internet of Things (IoT), cognitive computing and more, to improve profitability, collaboration and competitiveness.
"The major row over data privacy needs to be addressed and compliance with the European Union's GDPR (General Data Protection Regulation) as a regulatory requirement. Adoption of technologies like Blockchain and AI have shown how security, speed, and operational efficiencies can be enhanced," the statement said.

Temasek to form IT and cloud joint venture with Infosys

https://www.straitstimes.com/business/companies-markets/temasek-to-form-it-and-cloud-joint-venture-with-infosys

SINGAPORE - Temasek Holdings will partner with digital services and consulting firm Infosys to form a joint venture to support Temasek's digital transformation journey, the two companies announced on Friday (Sept 7).

The joint venture will integrate teams from Infosys and the operations of Temasek's wholly owned subsidiary in Singapore, Trusted Source, which currently delivers IT services to Temasek and a number of other clients. Temasek is a Singapore government-owned investment firm.

As part of the transaction, Infosys will acquire a 60 per cent stake in the joint venture and Temasek will hold 40 per cent. The agreement was signed by the parties on Thursday night and is effective immediately.

Trusted Source will provide Temasek and its other clients in the region solutions and technologies across Cloud, Data & Analytics, Cybersecurity, Digital Experiences and AI & automation, and more. It will bolster Temasek's digitalisation by managing a complex cloud migration program that will enable Temasek to host its applications on a cloud platform.

Infosys and Temasek have named Infosys' Southeast Asia regional head Shveta Arora as chief executive officer of the new venture.

The joint venture will be headquartered in Singapore, and more than 200 employees and contractors from Trusted Source will be part of it on establishment, in addition to Infosys staff who will join over time.

Jon Allaway, chief technology officer of Temasek, said "We warmly welcome the opportunity to build this joint venture with Infosys, and provide those who support our business, at Trusted Source, the ability to further develop their careers with one of the world's leading technology service providers. The partnership will also help unlock new capabilities and technology platforms that help Temasek as the organisation continues our growth as a Singapore-headquartered investor, with a global presence."

The move came shortfly after Temasek announced a new cyber security joint venture with Singapore telco Starhub. The Temasek-Starhub unit will be called Ensign InfoSecurity, and it brings together the cyber security units of Starhub and Temasek's Certis group.

MG Motor to drive in electric SUV in India by first half of 2020

PTI: October 15, 2018

Shanghai: MG Motor India, a wholly-owned arm of China's SAIC Motor Corp, will roll out a locally manufactured pure-electric SUV by first half of 2020, within one year of its first product launch in the country, a top company official said Monday.

The company is all set to drive in its first product, a mid-sized SUV with petrol and diesel powertrains, in the second quarter of 2019.

MG Motor would manufacture both the products at its Halol plant in Gujarat, which it acquired from General Motors last year.

"MG will launch a globally-competitive pure-electric SUV in India to make our contribution to India's energy and environmental strategies," SAIC Motor Executive Director International Business Michael Yang told reporters here.

Yang, however, did not share details regarding the size as well as range of the electric SUV.

MG Motor India President and Managing Director Rajeev Chaba said SAIC has proven technology in terms of EVs and the company is gearing up for a long haul in India in terms of environmental friendly products.

"It (electric SUV) is just the first product. We have proven capability in terms of EVs. Depending upon the policy and regulations scenario in India, we would take a call on launching more of such products in the country," he added.

When asked if lack of policy for EVs in India could be a deterrent for the company, Yang said "globally, there is a trend to move towards environment friendly vehicles. Indian government is pretty clear that electric is the way forward. There is no policy at the moment but we are not there (India) for short term. We are looking at the country with a long term perspective."

Terming India as an important market for SAIC, Yang said the company would try to enhance localisation content in products for Indian market keeping in mind local conditions and customer requirements.

Chaba added that the company will launch one new model in the country every year going ahead.

On plans to expand Halol plant, Chaba said manufacturing capacity at the facility could be aug-

mented to 2 lakh units per annum from 80,000 units currently, depending upon market demand.
"We are investing USD 500 million in India by next year for the first phase. As we are in for a long term we will expand to second phase as well," he said adding this should be enough for first 3-4 years before going in for the second phase of expansion.
On the launch of its first product in India next year, Chaba said the company is ramping up all pre-launch activities, beginning with product road shows for consumers in India next month.
"This will be followed by various brand-awareness initiatives to get closer to our prospective customers. All our products will be designed and engineered in the UK and China with the support of Indian engineers," he added.
The models would be heavily localised and manufactured at Halol conforming to global quality standards and validated and customised for India to suit the Indian road and driving conditions, Chaba said.
MG Motor has also lined up around Rs 100 crore to build its own office in Gurgaon, he said adding that the premises would also have a brand store.
The automaker also plans to hire close to 1,500 employees by the end of 2019, compared with a strength of 300 employees at present.
SAIC sells over 6.5 million vehicles annually around the world. MG Motor sells a range of products, including hatchback MG3 and SUV MG GS in the European market.

TCL Electronics to invest Rs 2,000 crore at Tirupati unit

PTI: October 08, 2018

New Delhi: China-based TV and consumer electronics maker TCL Electronics would invest around Rs 2,000 crore in its proposed new manufacturing facility at Tirupati, Andhra Pradesh in the first phase, a top company official said Monday.
The company expects to start manufacturing from its first facility in India by October 2019. The unit will have a capacity to roll out 3 million TVs per year.
TCL expects that the AP unit would also help it to strengthen its presence in the highly competitive Indian TV market, as it expects to sell around one million units in 2019.
"In the first phase, we are investing Rs 20 billion (2,000 crore) at our Tirupati plant," TCL India Country Manager Mike Chen told PTI.
He further said:"We can expect that by Diwali next year, the product would come out from there. The factory would manufacture panel and full units of TV. It would be not just an assembling unit".
According to him, this would be a true "make-in-India" plant as the company would manufacture TV and panel parts here.
He informed that only glass cutting for the panels would be done in China while rest of the work would be done at the Tirupati unit.
Last week, TCL announced that it has inked a pact with the Andhra Pradesh government to set up a manufacturing facility at Tirupati.
Besides, the company is also looking to foray into segments such as washing machine, refrigerator and airconditioners next year as part of expansion of its product portfolio.
"We would also include washing machine, refrigertaor, airconditioners and mobile phone," Chen said adding "we have not decided yet as which product we would start."
When asked about the timeline for the second phase at the Tirupati plant, he said TCL would wait for the market response and then decide its future course.
TCL would also cater to the OEM segment here from its Tirupati plant.
Besides, TCL would expand its retail network and increase point of sales going ahead.
As part of expansion of LED TV range, TCL today introduced google certified range of Android QLED 65X4.
TCL has a physical presence in over 80 countries. During January-June 2018, TCL's global LCD TV sales volume reached over 13.17 million, growing 37.2 per cent year-on-year.

BILATERAL

India, Singapore reaffirm importance of RCEP.. *Cont from P. 1*

Mr Iswaran met Indian Prime Minister Narendra Modi yesterday on the sidelines of the inaugural Destination Uttarakhand: Investors Summit in Dehradun in the state of Uttarakhand..
Prime Minister Modi and Mr Iswaran reaffirmed the strengthening bilateral relations between Singapore and India, and the importance of regional cooperation through agreements such as the

RCEP," Singapore's Ministry of Trade and Industry (MTI) said in a statement. The RCEP is a free trade deal being negotiated between the 10 Asean states and Australia, China, India, Japan, South Korea and New Zealand. For India, there are reservations within certain sections of the government and industry over the trade deal because it would mean opening up to China.

Mr Modi and Mr Iswaran also discussed opportunities for greater collaboration in the digital economy under the third review of the Comprehensive Economic Cooperation Agreement, and enhancing air connectivity to support business flows, said the MTI. Mr Iswaran, who delivered an address at the summit, reiterated Singapore's commitment to continue engaging states across India to explore meaningful opportunities for collaboration, it added.

Cabinet gives ex-post facto approval to 2nd protocol amending India-Singapore FTA

PTI | New Delhi | October 3, 2018 11:29 PM

Cabinet gives ex-post facto approval to 2nd protocol amending India-Singapore FTA

The Union Cabinet Wednesday gave an ex-post facto approval to the second protocol amending the free trade agreement between India and Singapore. The free trade agreement, officially dubbed as Comprehensive Economic Cooperation Agreement (CECA), between the two countries came into force in August 2005.

"Signing of the second protocol will enhance bilateral trade and will deepen the Economic Cooperation between India and Singapore. It will also improve utilisation of CECA," an official statement said.

The decision was taken by the Union Cabinet chaired by Prime Minister Narendra Modi here.

6th RCEP Intersessional Ministerial Meeting held in Singapore .. *Cont from P. 1*

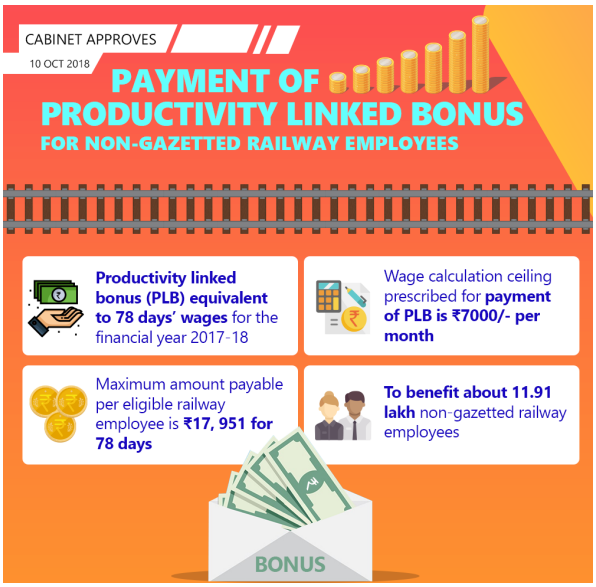
Shri C.R.Chaudhary, MOS, Ministry of Commerce & Industry attended the 6th RCEP Intersessional Ministerial Meeting in Singapore on 13 October 2018. He also held bilateral meetings with Australia, China, Singapore & New Zealand. Singapore's Minister for Trade & Industry Mr Chan Chun Sing highlights the importance for Asean and its FTA partners to reaffirm open and free trade so as to drive business and investments for the benefit of everyone.

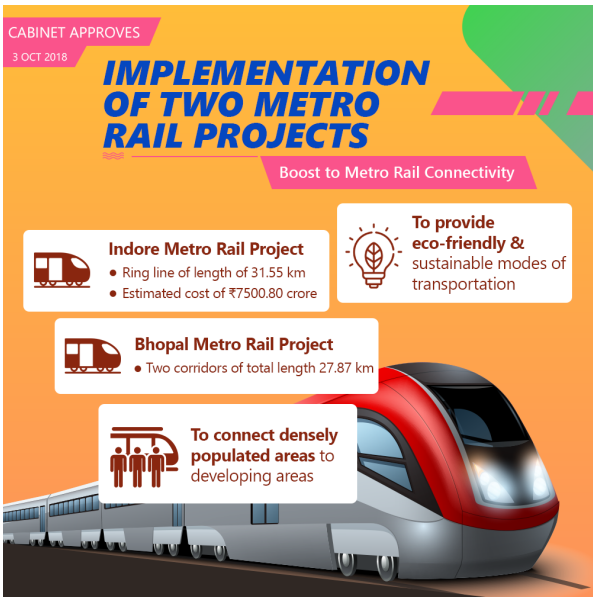
Visit by Gujarat Delegation from 1 October – 2 October

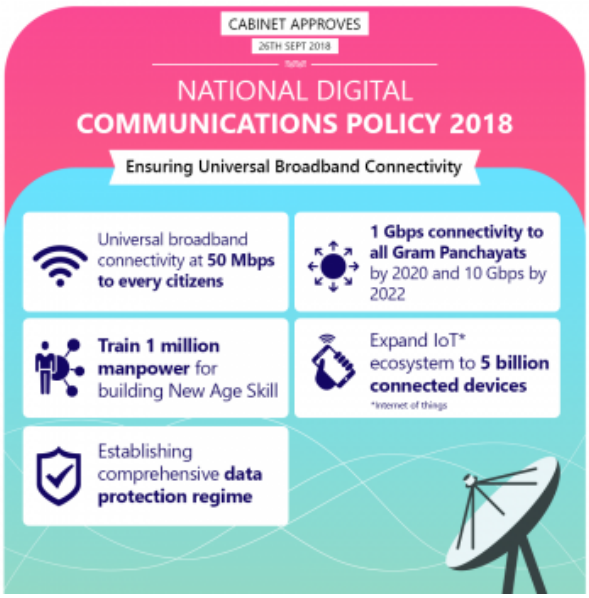
An 11 member delegation led by Mr Rajkumar Beniwal, MD, Indextb (Nodal Investment agency of Government of Gujarat) visited Singapore from 30 September – 2 October 2018, to promote the Vibrant Gujarat 2019 Summit.

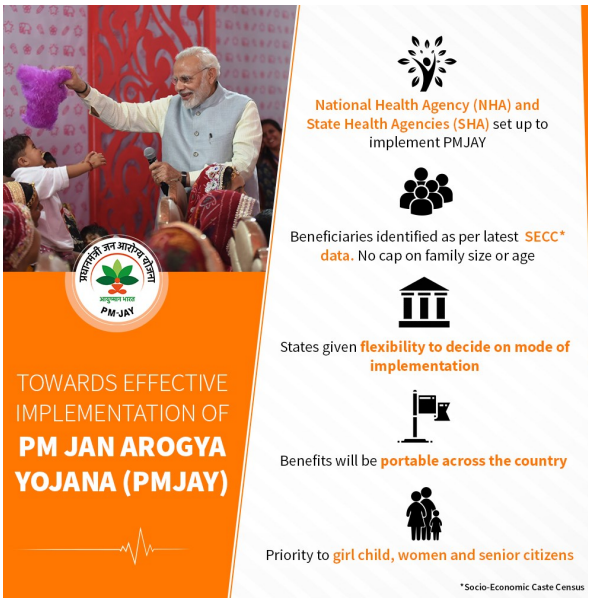
The purpose of the visit was to promote Vibrant Gujarat 2019 and interact with the business and investor community in Singapore to showcase opportunities in Gujarat. A roadshow on 'Vibrant Gujarat 2019' was organized by High Commission of India and FICCI, on behalf of Govt of Gujarat which was attended by 160 people. Two roundtables on Startups & Financial services along with many other meetings were organized in Singapore. High Commissioner Jawed Ashraf delivered the welcome remarks giving an overview of India's growth story and the development in Gujarat. Presentation on Vibrant Gujarat was made by Mr Rajkumar Beniwal, MD, Indextb and GIFT city by Mr Sandip Shah followed by a very interactive Q & A session with the participants.

Transforming India: *All Sectors*









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

India Development Foundation of Overseas Indians

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.

Inviting Overseas Indians to Contribute to:

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

How We Work

Submission of Projects by Nodal Organisations to IDF-OI
↓
Assessment & Selection of Projects by IDF-OI
↓
Selection of a Project by Overseas Indian
↓
Contributions made by NRI/PIO
↓
Regular Monitoring & Feedback to Contributors by Implementing Agency
↓
Project Completion & Utilisation Report to Contributor by IDF-OI

"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

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

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

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, Chanakyapuri, New Delhi- 110021
Website: www.idfoi.org Contact: +91 11 26881052/24676210; Email: ceo.idf@mea.gov.in

FORTHCOMING EVENTS >>>> *INDIA*

I. 11th Urban Mobility India Conference & Exhibition

Date: 2-4 November 2018

Venue: Nagpur, India

Organizer: Ministry of Urban Development, Government of India

Contact : http://urbanmobilityindia.in/Index.aspx or contact Ms Reena Arora Srivastava, Manager (UMI), Institute of Urban Transport, tel 91-11-66578700 ; email umi@iutindia.org

Details: The genesis of UMI is from the National Urban Transport Policy of the Government of India, 2006 (NUTP), which lays a very strong emphasis on building capabilities at the State and city level to address the problems associated with urban transport and undertake the task of developing sustainable urban transport systems. The event essentially has four components: Conference, Exhibition, Research Symposium & Awards for Excellence in Urban Transport

II. 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, delegators 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'.

III. 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.

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

ISRO opens first of its six planned incubation centres

Deccan Herald

The Indian Space Research Organisation (ISRO) on Tuesday opened the first of its six planned Technology Incubation Centres at Agartala, a strategic move aimed at leveraging the huge untapped potential of academia-industry partnerships.

The space agency will allocate Rs 2 crore to build the necessary facilities for the incubation centre, to be set up at the National Institute of Technology (NIT), Agartala. ISRO chairman, K Sivan, offered to buy back the space mission prototypes built by the Centre. "These could be linked to aerodynamics, propulsion systems or any area," he said.

Over the next months, five more incubation centres will be launched, all in locations with zero space activity but with a strong presence of academic institutions and the industry. On ISRO's agenda are centres in Jalandhar, Nagpur, Indore, Bhubaneswar and Tiruchirapalli, all to be established through academia tieups and industry partnerships.

Issue No 248, 15 October 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 is meant by FDI linked performance conditions?

Answer: FDI linked performance conditions are the sector specific conditions stipulated in regulation 16 of FEMA 20(R) for companies receiving foreign investment

Q. Can a foreigner set up a partnership/ proprietorship concern in India?

Answer: Only NRIs/ OCIs are allowed to invest in partnership/ proprietorship concerns in India on non-repatriation basis.

Source: RBI

For Feedback & Comments, please contact:
High Commission of India,
31 Grange Road, Singapore- 239702.
Email : ma@hcisingapore.org ; com.singapore@mea.gov.in
URL : www.hcisingapore.gov.in