

15 January 2022

SIDELINES

Pongal Celebrations in Singapore

LISHA is celebrating a weeklong Pongal/ Sankranti celebration which was inaugurated by Minister S Iswaran, Minister for Transport & Minister in-charge for Trade Relations & Minister Alvin Tan, Minister of State, Ministry of Culture, Community and Youth & Ministry of Trade and Industry.



As part of the Pongal celebration, Acting High Commissioner of India to Singapore inaugurated the Kolam (Rangoli) competition for the Indian migrant workers organised by LISHA Singapore. Mdm Vijaya Mohan (Singapore Book of Records holder) oversaw the competition. Acting High Commissioner also visited the Art Gallery at Tekka place rooftop pavilion - art pieces were done by students from NPS International School.



TOP NEWS

India's share of global merchandise exports at an all-time high: Report

IBEF: January 14, 2022

According to a survey by Credit Suisse, India is increasing market share in manufacturing exports, and its share of global merchandise exports has reached an all-time high.

Commodity gains may not remain, but momentum in electronics and speciality chemicals (huge market size, prospects for share increases, regulatory backing) should continue (a decade of steady growth has brought scale to firms). Exports of textiles are increasing after a decade of stagnation, primarily in upstream yarn/fabric, although order books for garments are also improving. According to the paper, the opportunity in vehicles is both local (strong demand growth provides scale) and global (new OEMs, business models, and supply chains) in nature. Exports might enhance GDP by 2.4% in five years if they take up again, whether as a result of PLI programmes or otherwise. The increase in employment would be centred in the electronics and apparel industries.

Electronics have a lot of potential, not just because of their magnitude (30% of global goods exports), but also because of the opportunities for market share increases that have arisen as a result of geopolitical upheavals and China's diminishing industrial labour force. A critical mass looks to be forming, aided by legislative backing, with local and global corporations investing in India's capabilities (even those not gaining from PLI schemes).

Pre-Covid-19, India's share of manufactured goods was above average in jewellery (despite its low value-add) and textiles, but below average in electronics. While electrical and equipment exports account for US\$ 600 billion in world trade each year, India's opportunity would be predominantly in labor-intensive categories at first, with scale driving upstream integration later.

We need to see evidence of Indian companies investing in the value chain (like Tata Electronics, which has already invested US\$ 1 billion in its Hosur facility and plans to hire 40,000 workers) as well as foreign technology companies establishing operations in India to broaden and consolidate these share gains. Import substitution has caused significant increase in manufacturing in consumer electronics such as air conditioners, according to Credit Suisse. Exports of textiles and apparel from India have increased over the last year, as global garment markets have risen following a period when lockdowns hampered demand for new clothes. However, while rolling 12 million exports have surpassed the US\$

this issue

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35 billion mark that they had been locked at for much of the previous decade, increase was concentrated in upstream yarn and fabric, and downstream garment exports were lower than the earlier peak in May-2019.

Exports rise 33% to \$7.63 billion during Jan 1-7 period: Govt data

IBEF: January 12, 2022

According to preliminary figures from the commerce ministry, the country's exports increased by 33.16% to US\$ 7.63 billion from January 1 to 7, owing to strong performance in several industries such as engineering, petroleum, and gems and jewellery.

During the same period previous year, exports totalled US\$ 5.73 billion.

Imports increased by almost 33% to US\$ 11.60 billion in the first week of this month, compared to US\$ 8.72 billion in the same period in 2021.

According to the data, imports, excluding petroleum, climbed by 29.88% in the period under review compared to the same time in 2020-21.

The ministry is optimistic that the healthy growth rate would enable the country meet its aim of US\$ 400 billion in goods exports this fiscal year.

In December 2021, the country's merchandise exports increased by 37% year on year to US\$ 37.29 billion, the highest monthly figure ever.

Indian economy to grow 9.2% in FY22, fastest in world: Govt data

IBEF: January 10, 2022

The Indian economy is on course to reclaim its status as the world's fastest-growing major economy, according to government projections released on Friday, which put GDP growth at a moderate 9.2% this fiscal year, despite fears about the impact of a resurgent virus on the fragile recovery.

The National Statistical Office (NSO) forecasted 9.2% GDP growth in April 2021 to March 2022 fiscal year (FY 2021-22) in its first advance estimate, which compared to the Reserve Bank of India's (RBI) forecast of 9.5% growth last month.

An Omicron-led third wave poses a threat to the economy, since it has the potential to upend growth resurgence across sectors, particularly in the contact-intensive services industry.

"The growth in real GDP during 2021-22 is estimated at 9.2% as compared to the contraction of 7.3% in 2020-21," as per a statement by the NSO. The figure is lower than the International Monetary Fund (IMF) and Standard & Poor's (S&P) forecasts of 9.5%, while Moody's Investors Service recently put India's growth outlook at 9.3%. According to Fitch Ratings, the economy will grow by 8.7%.

The World Bank has forecasted an 8.3% growth rate, whereas the OECD has forecasted a 9.7% growth rate.

India is expected to grow at a faster rate than China, which is expected to grow at 8%.

As per NSO estimates, GDP in actual terms in 2021-22 will surpass the pre-COVID level of Rs 145.69 lakh crore (US\$ 1.95 trillion) in 2019-20.

The manufacturing sector is expected to rise by 12.5% this fiscal year, compared to a contraction of 7.2% the previous year.

Mining and quarrying (14.3%), as well as trade, hotels, transportation, communication, and broadcasting services (11.9%), are expected to develop significantly, according to the NSO.

Agriculture is expected to grow at a rate of 3.9% in FY2021-22, up from 3.6% in the previous fiscal year.

It had predicted that India would be one of the few countries to deliver strong productive growth in the medium term.

Britain and India aim to finalise FTA agreement by year-end

REUTERS

Britain and India formally launched free trade agreement talks in New Delhi on Thursday with the aim of wrapping up a deal by the end of the year that could boost annual bilateral trade by billions of pounds.

Britain has made a deal with India one of its post-Brexit priorities as, free from the European Union's common trade policy, ministers look to gear trade policy towards faster-growing economies around the Indo-Pacific region.

Meeting in New Delhi on Thursday, Indian trade minister Piyush Goyal and his British counterpart Anne-Marie Trevelyan said they would also launch an "early harvest" or a limited-scope interim trade agreement in the next few months, before finalising the free trade agreement.

"This is an opportunity that we must seize to steer our partnership along the track of mutual prosper-

ity for the decades to come," Trevelyan said. Britain said the deal could almost double British exports to India, and by 2035 boost total trade by 28 billion pounds (\$38.3 billion) per year. Total trade in 2019 was worth 23 billion pounds, according to British statistics.

India and former colonial power Britain already share strong trade ties, and more than a million people of Indian origin live in Britain after decades of migration.

India is seeking greater opportunities for Indians to live and work in Britain, and any trade deal could be contingent on relaxing rules and lowering fees for Indian students and professionals going to Britain.

However, Goyal said that sensitive issues will not be a roadblock as both countries will not make them a necessary condition for the trade deal.

"Nothing is necessarily a deal-breaker in this agreement," Goyal said.

"And I will not think there is any way for anybody to worry about issues which are sensitive to any country, because both sides have agreed that sensitive issues are not our priority," he added.

Ministers want to tap into the wealth of India's middle classes and their appetite for premium British products like Scotch Whisky. They also hope India can become a big customer of its green technology industry, and that existing service sector trade routes can be strengthened.

Government to launch Brand India Campaign to boost exports

IBEF: January 06, 2022

With outbound shipments expected to exceed \$400 billion in FY 22, the commerce ministry plans to begin the Brand India Campaign to boost service and product exports to new markets. This effort will function as an "umbrella campaign" for boosting India's exports of goods and services.

The campaign's initial focus will be on Indian exports in certain areas such as gems and jewellery, textiles, plantation products (tea, coffee, spices), education, healthcare, pharmaceuticals, and engineering. It would primarily be concerned with quality, heritage, technology, value, and innovation.

Piyush Goyal, the minister of commerce and industry, recently assessed the state of the India Brand Equity Foundation's Brand India Campaign (IBEF).

IBEF is a trust established by the Department of Commerce with the primary goal of promoting and raising international awareness of the "Made in India" label in international markets, as well as facilitating the spread of knowledge about Indian products and services.

Focused export-oriented messaging to both buyers and consumers; new prospective markets; Indian talent, tradition, and modernity; and promotional activities through digital platforms and international events would all be part of the campaign strategy.

Apart from the construction of a unified logo identity, a Branding Steering Committee will be formed for the goal of developing branding creatives (films, TVCs, print ads, digital banners).

Cabinet approves Rs 12,000 crore Green Corridors-II for RE uptake in states

IBEF: January 07, 2022

The Union Cabinet approved the second phase of the Green Energy Corridor (GEC) on Thursday in order to accelerate the penetration of renewable energy in the states. The projects under this phase would be set up in seven states to help with renewable energy transmission.

The Green Energy Corridor (GEC) is a transmission infrastructure for renewable energy (RE) power projects. The state-owned Power Grid Corporation of India (PGCIL) built inter-state transmission projects during the first phase of the Green Energy Corridor (GEC), while some projects were awarded to private entities through competitive bidding.

The second phase will add about 10,750 circuit kilometres (ckm) of transmission lines and roughly 27,500 Mega Volt-Amperes (MVA) of substation transformation capability. The current phase is expected to cost Rs 12,031.33 crore (US\$ 1.61 billion), with a Central Financial Assistance (CFA) of Rs 3,970.34 crore (US\$ 533.5 million) covering 33% of the project cost.

While the first two phases were intended at transmitting 175 Gw of renewable energy, the next two phases will be aimed at realising 450 Gw of renewable energy this decade. Projects in this phase will strive to improve state grids' power transmission capacity.

According to the Centre, the scheme will facilitate grid integration and power evacuation of about 20 GW of Renewable Energy (RE) power

projects in seven states, namely Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu, and Uttar Pradesh.

"The scheme will also contribute to long term energy security of the country and promote ecologically sustainable growth by reducing carbon footprint. It will generate large direct & indirect employment opportunities for both skilled and unskilled personnel in power and other related sectors," said the Centre's note.

Leading private businesses reduced project costs by 40-50% in the last phase of power transmission projects connecting renewable energy zones to the national grid in 2019.

These projects would be among 44 new power transmission projects costing Rs 41,369 crore (US\$ 5.55 billion) that were recently approved, according to this paper. This tranche of projects would evacuate close to 38 Gw of renewable energy from Western and Northern parts of the country.

Shri Nitin Gadkari lays Foundation Stone for 336 kms of 10 National Highway Projects worth Rs 14169 Crore in Uttar Pradesh

Press Information Bureau: January 10, 2022

Shri Nitin Gadkari, Union Minister for Road Transport and Highways, virtually laid the foundation stone for ten national highway projects totalling 336 kilometres and costing Rs 14,169 crores in Mathura, Uttar Pradesh. With the completion of the Mathura-Hathras-Budaun-Barielly Highway, traffic congestion at pilgrimage and tourism sites will be alleviated. The city of Agra will be free of traffic bottlenecks thanks to the development of a bypass connecting the Agra Inner Ring Road and the Yamuna Expressway. The development of the Agra-Jalesar-Etah road will benefit brass industry traders.

Today, Shri Gadkari also announced the development of Braj's 84 Kosi Parikrama Marg. This road will be designated as a new national highway and included in Phase II of the Bharatmala Project. He stated that this road will be built in the same manner as Ayodhya's 84 Kosi Parikrama Marg and will connect all of the main pilgrimage destinations in the area. Apart from Mathura, this road will run through Rajasthan and Haryana's border districts, he noted.

Overall, these developments will improve trade and make it easier to do business. The glass and

bangles industries would be given a boost. With the completion of these highway projects, there will be economic growth as well as an increase in job possibilities.

Textile sector exports increase by 41% in April- December 2021 as compared to last year

Press Information Bureau: January 13, 2022

The textile industry has consistently maintained a trade surplus, with exports far outnumbering imports. Textile exports slowed in FY 2020-21 due to a pandemic that disrupted the supply chain and demand.

However, hints of improvement can be seen in 2021-22. Textiles and apparel, including handicrafts, exports totaled US\$ 29.8 billion from April to December 2021, up from US\$ 21.2 billion in the same period last year. This translates to a robust 41% increase over previous year. Growth indicates that the economy is on the mend.

Even in comparison to the pre-pandemic year, 2019-20, textile sector exports (Textiles & Apparel including Handicrafts) climbed by 14.6% from April to December 2021 as compared to April to December 2019. Textiles saw a 31% increase in exports, Cotton Yarn/Fabrics/Made-ups, Handloom items, etc. saw a 43% increase, and Jute products saw a 33% increase from April to December 2021, compared to April to December 2019.

The government has set a target of US\$ 44 billion for Textiles and Apparel, including Handicrafts, with about 68% of the annual objective already met. The last quarter of the fiscal year is always busier than the previous quarters. As a result, the sector is optimistic that targets will be met.

Northeast will become major driver of India's growth: PM Modi in Manipur

IBEF: January 05, 2022

Prime Minister, Mr. Narendra Modi stated that the Northeastern states will become important drivers of India's economy in the next years, with Manipur serving as the country's primary source of growth.

PM Modi added that Manipur, which will celebrate 50 years of statehood on January 21, "will

become the main source of India's growth trajectory and will stretch its potential to other parts of India via enhanced road connectivity and infrastructure projects." Today, Prime Minister Modi inaugurated and lay the foundation stone for a number of development projects in this city.

"The Northeast, where Netaji Subhash Chandra Bose's army hoisted the flag for the first time calling it the gateway to India's independence, is now becoming the gateway to fulfil the dreams of New India," PM Modi said, adding that the Northeast is on track to become the country's "new gate of development."

PM Modi inaugurated 13 Projects worth over Rs 1,850 crores (US\$ 247.9 million) and laid the foundation stone for nine projects totalling Rs 2,950 crore (US\$ 395.4 million), spanning sectors such as road infrastructure, drinking water supply, health, urban development, information technology, and more.

He also lay the foundation stone for building five National Highway Projects totalling more than Rs 1,700 crore (US\$ 227.8 million) and spanning more than 110 kilometres.



BANKING & FINANCE

RBI proposes relaxing key investment class rules

Bloomberg

India's central bank has suggested changes to the valuation of bank investments, including relaxing rules on a key class of long-term investments that are shielded from frequent valuation changes, but tightening those on shifting securities between classes.

A Reserve Bank of India discussion paper released late Friday suggests removing caps on the Held-To-Maturity (HTM) class of securities, and allowing more types of instruments to be held within them. However banks will not be allowed to sell more than 5% of their investments in this class per year, barring specified exceptions, under the proposed rules.

The discussion paper proposed that the suggested framework come into effect from April 1, 2023.

It also recommended that the local accounting watchdog update its current strict rules on the treatment of derivatives, which the central bank will then ask banks to follow. The paper noted that current rules may have stunted the development of the rates and credit derivative markets.



BUSINESS

Indian streaming industry expected to grow \$13-15 bn over the next decade

PTI, 02 Jan 2022

NEW DELHI : The Indian OTT streaming industry is expected to grow to \$13-15 billion over the next decade at a CAGR of 22-25%, according to a joint report on media and entertainment.

The OTT (over-the-top) industry is constantly growing and is one of the most competitive amongst emerging markets with over 40 players representing all types of content providers, said the report from industry body CII and Boston Consulting Group (BCG).

This has been led by "strong tailwinds" from basic enablers being in place for digital video streaming such as affordable high-speed mobile internet, doubling of internet users in the last six years, increased adoption of digital payments.

Moreover, it has been also helped by India specific price points offered by global players here such as Netflix, Prime Video, Disney offering plans in India at 70-90% cheaper than the US.

Besides, the OTT sector is also witnessing a rise in investments in Indian original content. This has led to growth in hours of original content available to users.

"Strong content also helping capture eyeballs outside India," the report said, adding Indian OTT can cater to international demand by targeting the Indian diaspora and markets that have language similarities.

There has been a remarkable surge over SVOD (subscription video on demand) content over the last few years and is expected to overtake AVOD (advertising-based video on demand), it added.

"This strong growth in the subscription is due to various initiatives taken to expand the user base through bundling and pricing innovations, amply supported by significant investment in content," said the report titled "Blockbuster Script for the New Decade: Way Forward for Indian Media and Entertainment Industry".

The major players in the Indian OTT industry include - Netflix, Amazon Prime Video, SonyLIV, Alt Balaji, Zee5, Eros Now and Disney Hotstar Plus.

It has been additionally helped by a predominance of a younger population, with 50-55% pop-

ulation under the age of 30, it added.

"Indian OTT has progressed from early-stage to scaling stage with Transitioned from AVOD to SVOD model, growth in disposable income to drive subscription growth and investing in premium and original content," it said.

Now, it will enter into a mass stage, which will witness, Pay-TV cord cutting, high SVOD penetration with consumers subscribing to multiple services and live OTTs.

Moreover, the pricing of global streaming services in India has been made affordable to drive adoption.

The report expects that "the growth story will continue and accelerate Key drivers" such as increased content spends, pricing innovations and rise of alternate formats as short-form video".

"Short-form video grew at 150% CAGR, driven by Indian short-form video players post TikTok ban," it added.

Now the OTT players are creating content to cater to regional demand with a "strong focus due to untapped market potential".

"About 56% of the Indian population has a regional language as mother tongue, which is larger than the population of EU," the report said.

According to the report, the Indian Media & Entertainment industry has revived to pre-COVID levels and is expected to grow to \$55-70 billion by 2030 with a CAGR of 10 to 12%, driven mainly by strong growth in OTT, Gaming, Animation and VFX.

Transforming India: All Sectors

WORLD'S FASTEST-GROWING ECONOMY

To become world's third largest economy by 2030:
IHS Markit

- India's GDP to touch \$8.4 trillion by 2030 from \$2.7 trillion in 2021
- Consumption expenditure to double from \$1.5 trillion in 2020 to \$3 trillion by 2030

WORLD'S FASTEST-GROWING ECONOMY

GDP to grow at 9.2% in FY 2022:
NSO first advance estimates

- To be the fastest growth since 1988-89
- Nominal GDP including inflation estimated to grow at 17.6%
- The size of the economy estimated to be \$31 trillion
- Robust farm sector and strong recovery in manufacturing, construction & service sectors

MOBILE HONEY PROCESSING VAN
A STEP AHEAD IN NATION'S SWEET KRANTI

- Built at a cost of ₹15 lakh
- Process up to 300 KG of honey in 8 hours
- Equipped with a testing laboratory to examine the quality of honey
- Designed in-house by Khadi and Village

Towards a 'Faceless, Paperless, Cashless' Digital India:
88% growth in digital payments in 3 years

Year	Volume of digital transactions (in lakh)
2018	2.32 lakh
2019	3.4 lakh
2020	4.37 lakh

Unorganized Workers
e-SHRAM portal registers **20 crore workers**

- First national database of unorganized workers including migrant, gig, platform & construction workers
- UP ranks first with West Bengal & Bihar securing a second and third position in registration
- Will help in spreading the benefits of social security

India continues to be the world leader in driving the Largest Vaccination Drive
from testing to vaccinating people against COVID-19 despite our geographical & Cultural diversity

- PM Narendra Modi at the launch of Chittaranjan National Cancer Institute in Kolkata

- Enabled over 8,000 'Jan Aushadhi Kendras' for affordable medicines
- Over 2 crore 60 lakh patients received free treatment under PM-JAY



FORTHCOMING EVENTS >>>> INDIA

I. TELECOM 2022 – AN EXCLUSIVE INTERNATIONAL BUSINESS EXPO

Date & Venue: 8—10 February 2022

Organizer: Telecom Equipment & Services Export Promotion Council (TEPC)

Contact: tepc@telecomepc.in ; Tel: 91-11-23314611

Details: The event will provide a platform for potential buyers from across the globe to interact with quality telecom equipment manufacturers and ICT services solution providers from India.

Highlights:

- Country specific pavilions for interested exhibitors
- Conferences, Exhibitions, B2B Meetings
- Virtual visit to the manufacturing unit of Indian companies

TEPC cordially invites various telecom sector stakeholders from Singapore – telecom & internet service providers, regulators, other ICT stakeholders & potential buyers, to participate in the event. Delegate Registration link is : <https://www.india-telecom.in>

II. ASIA ECONOMIC DIALOGUE 2022

Date & Venue: 23rd, 24th, 25th February 2022

Organizer: Ministry of External Affairs (MEA) and Pune International Centre (PIC)

Contact: <https://aed.puneinternationalcentre.org>

Details: AED 2022 will also see more Fireside Chats with heads of state, industry leaders, and chiefs of international agencies. The event will be spread over 3 days and will include 12 sessions on various sub-topics in the post-pandemic context such as, international cooperation, prospects for firm-level growth, the coming digital world, protecting livelihoods and enhancing incomes, and even a panel discussion with young entrepreneurs from different countries on ‘From Ideas to IPOs’.

III. INDIASOFT 2022

Date & Venue: 23rd - 24th March 2022

Organizer: Electronics and Computer Software Export Promotion Council

Contact: <https://www.indiasoft.org/>

Details: INDIASOFT 2022 will have three parallel shows - the IT global exhibition and conferences, India IoT World and India Electronics Expo, which are keenly participated by international buyers and Indian exhibitors. An added feature of this year’s IndiaSoft (22nd edition) is that another ICT show- Convergence India Expo, India’s largest Tech and Infra show, is being organized parallelly to expand the bandwidth and utility of the shows. The three parallel shows will ensure presence of a large number of technology backed businesses and techpreneurs and mutually enrich each show and ensure increased footprints.

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

11 JAN 2022 by PIB Delhi

Defence Research and Development Organisation (DRDO) successfully flight tested the final deliverable configuration of Man Portable Anti-Tank Guided Missile (MPATGM) on January 11, 2022. The indigenously developed anti-tank missile is a low weight, fire & forget missile and is launched from a man portable launcher, integrated with thermal sight. The missile impacted the designated target and destroyed it. The final impact event was captured on camera and the test has validated the minimum range successfully.

The present test was to prove the consistent performance for the minimum range. All the mission objectives were met. The missile has miniaturised infrared imaging seeker and advanced avionics for on-board control and guidance. The missile performance has been proven for the maximum range in earlier test trials.

Raksha Mantri Shri Rajnath Singh has congratulated DRDO for the consistent performance of the anti-tank missile and said that this is an important step towards Atmanirbhar Bharat in advanced technology-based defence system development. Secretary Department of Defence R&D and Chairman DRDO Dr G Satheesh Reddy congratulated the team for the excellent performance of the missile during the test.

FAQs on Foreign Investments In India

The fortnightly FAQs will broadly cover the following areas

- I. Foreign Direct Investment*
- II. Foreign Technology Collaboration Agreement*
- III. Foreign Portfolio Investment*
- IV. Investment in Government Securities and Corporate debt*
- V. Foreign Venture Capital Investment*
- VI. Investment by QFIs*

I. Foreign Direct Investment

Q. What are the Capital instruments permitted for receiving foreign investment in an Indian company?

Answer: 'Capital Instruments' means equity shares, debentures, preference shares and share warrants issued by the Indian company.

Equity shares: Equity shares are those issued in accordance with the provisions of the Companies Act, 2013 and will include partly paid equity shares issued on or after July 8, 2014.

Share warrants: Share warrants issued on or after July 8, 2014 will be considered as capital instruments.

Debentures: 'Debentures' means fully, compulsorily and mandatorily convertible debentures.

Preference shares: 'Preference' shares means fully, compulsorily and mandatorily convertible preference shares.

Non-convertible/ optionally convertible/ partially convertible preference shares issued as on and up to April 30, 2007 and optionally convertible/ partially convertible debentures issued up to June 7, 2007 till their original maturity are reckoned to be FDI compliant capital instruments. Non-convertible/ optionally convertible/ partially convertible preference shares issued after April 30, 2007 and optionally convertible/ partially convertible debentures issued after June 7, 2007 shall be treated as debt and shall require conforming to External Commercial Borrowings guidelines regulated under Foreign Exchange Management (Borrowing and Lending in Foreign Exchange Regulations), 2000, as amended from time to time.

For Feedback & Comments, please contact:

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URL : www.hcisingapore.gov.in