Monthly Policy Review

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Highlights of this Issue

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Macroeconomic Development

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Policy repo rate decreased to 6.25%

The Monetary Policy Committee released the fourth Bi-Monthly Monetary Policy Statement of 2016-17.[1] The policy repo rate (at which RBI lends money to commercial banks) was reduced from 6.5% to 6.25%. Other decisions of the Committee include:

- The reverse repo rate (at which RBI borrows money from commercial banks) is decreased to 5.75%.
- The marginal standing facility rate (under which scheduled commercial banks can borrow additional money) and bank rate (at which RBI buys or rediscounts bills of exchange) are decreased to 6.75%.

The Committee stated that its decision was in line with the inflation target of 4% (+/-2%) for the next three years. It expects to achieve 5% CPI inflation by the fourth quarter (January-March) of 2016-17.

Until September 2016, the RBI Governor was responsible for determining the policy repo rate, on the advice of a technical advisory committee in the RBI. This power has been transferred to the Monetary Policy Committee, which was notified in June 2016. The Committee is responsible for determining the policy repo rate which is required in order to meet an inflation target, which is set by the central government and RBI. For more information regarding the composition and mandate of the Committee, please see the Monthly Policy Review for June 2016 here.

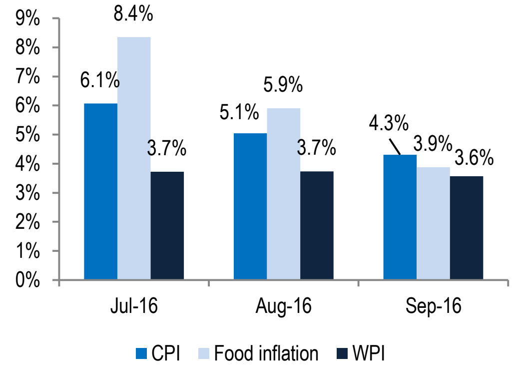
Retail inflation decreases by 1.8% during the second quarter of 2016-17

The Consumer Price Index (CPI) inflation (base year 2011-12) decreased from 6.1% to 4.3% during the second quarter of 2016-17 (July to September).[2] During this period, food inflation also decreased from 8.4% to 3.9%. The decrease in CPI inflation was mainly a result of a decrease in the prices of pulses and vegetables.

After increasing from 2.1% in June 2016 to 3.7% in July 2016, the Wholesale Price Index (WPI) inflation (base year 2004-05) stayed in the range of 3.6%-3.7% from July to September 2016.[3] Over this period, there was a decrease in the prices of food articles such as cereals, pulses, and vegetables, including onion. This decrease was offset by increases in the prices of potato, and fuels such as petrol and diesel.

The trend in CPI and WPI over the second quarter of 2016-17 is shown in Figure 1.

Figure 1: CPI and WPI inflation in Q2 of 2016-17 (year on year % change)



Sources: Ministry of Commerce and Industry; Ministry of Statistics and Programme Implementation; PRS.

Finance

GST Council discusses matters regarding implementation of GST

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The Goods and Services Tax (GST) Council met for four days in September and October, 2016. There is no official statement with regard to discussions at the GST Council. According to media reports, the Council has reached a consensus regarding the following deliberations:

- **Revenue loss compensation to states:** The centre will compensate states for any revenue loss due to GST. To calculate the revenue loss incurred, their tax revenue in 2015-16 will be used as the base, and an annual growth rate of 14% will be assumed for the next five years.[4]
- **Turnover limits**: The Council agreed on the thresholds below which businesses will be exempt from paying GST.[5,6] The Council proposed that businesses with an annual turnover of less than Rs 20 lakh will be exempt from paying taxes, except in the North Eastern states. For North Eastern states, this threshold was proposed to be Rs 10 lakh.
- **Assessing authorities**: The Council proposed that taxpayers under the GST with an annual turnover of less than Rs 1.5 crore will be assessed only by state authorities, while taxpayers above that threshold will be assessed either by the centre or state authorities.[5,6] The current service taxpayers will continue to be assessed by the central

authorities, irrespective of their annual turnover, until state officials are trained to handle service tax matters.

In addition, discussions on the following matters are ongoing:

- **Rate structure**: The centre proposed a multi-tiered rate structure which includes: (i) 4% tax on gold, (ii) 6% tax on essential goods, (iii) 12% and 18% tax rates on a majority of goods, and (iv) 26% on demerit goods such as luxury cars and tobacco.[7]
- The centre proposed the levy of an additional cess on demerit goods to fund the compensation to states. Some states opposed the levy of such a cess.[6]

The GST Council is scheduled to meet again on November 3 and 4 to hold further discussions on these matters.[8]

Public Debt Management Cell created under the Finance Ministry

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The Ministry of Finance constituted a Public Debt Management Cell within the Ministry.[9] The Cell will be an interim arrangement, which will be upgraded to a statutory Public Debt Management Agency in about two years. Note that Finance Bill, 2015 contained provisions to set up a statutory agency, which were dropped from the Bill before it was passed by Parliament.

Public debt refers to the loans and borrowings taken by the government, and may be broadly categorised as internal debt (borrowings from within the country) and external debt (borrowing from international sources). The Reserve Bank of India (RBI) manages the internal debt of the country, while the Finance Ministry manages the external debt. A Middle Office was created in the Ministry in 2008 to formulate a debt management strategy for the government.[10]

The Public Debt Management Cell will subsume the Middle Office, and carry out advisory functions on matters such as: (i) planning borrowings of the central government, (ii) managing central government liabilities, (iii) advising government departments on external borrowings, (iv) developing an integrated database for all government liabilities, and (v) undertaking preparatory work for establishing the Public Debt Management Agency.

The transition from the Cell to the Public Debt Management Agency will be implemented by a Joint Implementation Committee. The Committee would be comprised of members from the Finance Ministry and the RBI.

Draft rules under the Insolvency and Bankruptcy Code, 2016 released

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The Ministry of Corporate Affairs released three draft Rules under the Insolvency and Bankruptcy Code, 2016. These draft Rules relate to: (i) registration of insolvency professionals (IPs), (ii) registration of insolvency professional agencies (IPAs), (iii) model bye-laws for IPAs.[11,12,13]

The Code passed by Parliament in May 2016 creates a framework for resolving bankruptcy for companies and individuals in India.

Key features of the draft Rules include:

- **Registration as an IP:** An individual may apply for a certificate of transitional registration with the Insolvency and Bankruptcy Board if he has: (i) practiced as a chartered accountant, company secretary, lawyer, etc. for at least 15 years, or (ii) been engaged in debt restructuring, acquisition or sale of assets, liquidation, etc. for three out of the last 10 years. The certificate will be valid for a period of two years, and will allow the person to enrol with an IPA. To continue practicing, the IP will have to appear for an examination conducted by the Board, within the two-year period.

  The Board will grant the final certificate of registration upon the IP furnishing a proof of: (i) membership of an IPA, and (ii) successful completion of the examination.
- **Registration of an IPA:** To establish an IPA, a person would be required to obtain a provisional or transitional certificate from the Board, which will be followed by receiving a final certificate. The Board will grant a provisional or transitional certificate to the applicant after verifying all documents, including the adoption of the model bye-laws. A provisional or transitional certificate holder would then approach the Board to obtain a final certificate of registration. This final certificate will be valid for five years.
- **Model Bye-Laws of an IPA:** Every IPA will be required to adopt the Model Bye-Laws. These Bye-Laws may be amended by the Board, and will look at aspects such as: (i) duties of an IPA, (ii) functioning of the IPA's governing board, (iii) obtaining membership of an IPA, and (iv) disciplinary proceedings against IPA members.

Defence

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Judicial Committee on OROP submits report

The judicial Committee set up to examine issues related to implementation of the One Rank One Pension (OROP) scheme submitted its report.[14] The OROP scheme guarantees that uniform pension will be paid to armed forces personnel retiring at the same rank with the same length of service, irrespective of their date of retirement.

The Committee was set up on December 14, 2015 with one member, Justice L. Narasimha Reddy, retired Chief Justice of the Patna High Court. The findings and recommendations of the Committee are not known as yet, since a copy of the report is not available in the public domain.

For details regarding the terms of reference of the Committee, see the PRS Monthly Policy Review for December 2015.

Labour and Employment

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Draft amendment rules to the Employees' State Insurance Rules, 1950 released

The Ministry of Labour and Employment released two draft amendments to the Employees' State Insurance (Central) Rules, 1950.[15] The 1950 Rules have been framed under the Employees' State Insurance Act, 1948. The 1948 Act seeks to provide social security benefits to certain insured workers during sickness, maternity, disablement, etc.

Key features of the two draft amendment Rules include:

- **Wage limit for insured persons**: Under the Rules, the wage limit for coverage of an insured employee under the Act is Rs 15,000. The draft amendments increase this amount to Rs 20,000.
- **Maternity benefits**: Under the 1950 Rules, an insured woman is entitled to standard wages during the period of maternity leave, which would be up to 12 weeks. The draft amendments raise the period to 26 weeks. Under the Rules, this maternity benefit should not be availed before six weeks from the date of expected delivery. The draft amendments change this to eight weeks.
- These changes would not apply to a woman with two surviving children. Such a woman would be entitled to 12 weeks of benefits.
- The draft Rules amend the definition of insured woman to also include a mother commissioning a surrogate child and a woman who legally adopts a child of up to three months of age. The Rules specify that maternity benefits for adoptive and commissioning mothers will be up to a period of 12 weeks. This period will be calculated from the date the child is handed over to the mother.

Note that these amendments are similar to the provisions in the Maternity Benefits (Amendment) Bill, 2016 currently pending in Parliament. A PRS analysis of the Bill is available here.

Transport

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Ministry of Civil Aviation releases the Regional Connectivity Scheme

The Ministry of Civil Aviation released the Regional Connectivity Scheme (RCS) with the objective of facilitating regional air connectivity by making it affordable.[16]

Key features of the Scheme include:

- **Guiding principles:** RCS will be made operational only in states and at airports which are willing to provide concessions required under the Scheme. A Regional Connectivity Fund (RCF) will be created to subsidise operations under the RCS. The RCF will be funded by a levy or fee on certain domestic flights, at rates to be notified by the Ministry.
- **Tenure of Scheme:** Benefits under the Scheme will be available for a period of 10 years from the date of its notification.
- **Financial support:** Financial support to airlines will be provided in the form of (i) concessions by central and state governments (such as reducing excise duty on aviation fuel and VAT), (ii) concessions by airport operators (such as not levying landing and parking charges), and (iii) viability gap funding (VGF). VGF will be provided to the selected airline operators from RCF, and state governments will be required to reimburse the applicable share. VGF will be provided for three years from the date of commencement of operations of such RCS flights.

- **Applicability of Scheme:** The Scheme will be applicable to RCS airports and helipads. The list of RCS airports and helipads will be published after consultation with the state governments. If an airline operator wants to connect an airport not in the published list, they can approach the implementing agency (Airports Authority of India) with an expression of interest.
- **Airfare and other specifications:** The airfare per RCS seat will not exceed Rs 3,500 and will be determined based on the flight distance. Further, it will not be subject to any levies or charges imposed by the airport operators. The selected airlines will have to commit 50% of the seats on RCS flights as RCS seats. Further, the number of RCS flights to be operated in a week must be at least three and at most seven.

Vehicle manufacturers to provide emission and noise details for each vehicle

The Ministry of Road Transport and Highways released a notification requiring motor vehicle manufacturers to declare emission levels of vehicles manufactured.[17] This will be applicable from April 1, 2017.

Currently, manufacturers have to certify that a vehicle complies with provisions of the Motor Vehicles Act, 1988 and the Rules under it. This information is provided through Form 22 of the Central Motor Vehicles Rules, 1989. The notification amends these Rules to provide that manufacturers will also be required to provide emission details for each vehicle in Form 22.

Emission details will include levels of each pollutant such as carbon monoxide, hydro-carbon, non-methane hydro-carbon, etc. and sound levels for horns. The amended Rules will apply to all vehicles that run on petrol, compressed natural gas, liquefied petroleum gas, electricity, diesel and hybrid, including agricultural and construction vehicles, as well as e-rickshaws and e-carts.

Ministry of Civil Aviation releases draft Aircraft (Amendment) Bill, 2016

The Ministry of Civil Aviation released the draft Aircraft (Amendment) Bill, 2016.[18] It seeks to amend the Aircraft Act, 1934. The 1934 Act provides for the control of the manufacture, possession, use, operation, sale, import and export of aircraft. The Ministry is seeking comments on the draft Bill till November 17, 2016. Key features of the draft Bill include:

- **Safety and security oversight:** The draft Bill provides that the Director General of Civil Aviation will be appointed by the central government and will head the Directorate General of Civil Aviation. Under the 1934 Act, the Director General of Civil Aviation or any other officer appointed by the Central Government performs safety oversight functions. The draft Bill extends the functions of the Director General to add matters related to civil aviation security, and investigation of accidents.
- **Power of central government to make rules:** The 1934 Act provides for the central government to make rules with regard to several matters such as the (i) licensing, inspection and regulation of aerodromes, and (ii) registration and marking of aircraft. The draft Bill requires the central government to makes rules with regard to air navigation services also.
- **Penalties:** Under the 1934 Act, the penalty for contravening any provision with regard to (i) carrying of arms, explosives or other dangerous goods in the aircraft, or (ii) providing false information with regard to the carriage of such items, is imprisonment of up to two years, and a fine of up to Rs 10 lakh. The draft Bill seeks to extend the fine to one crore rupees.
- Under the 1934 Act, the penalty for contravening any provision with regard to (i) the prohibition of slaughtering of animals and (ii) depositing rubbish, filth and other polluted matter, within a radius of ten kilometres from the aerodrome reference point is imprisonment of up to three years, or a fine of up to Rs 10 lakh. The draft Bill seeks to extend the fine to one crore rupees.

Environment

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International agreement adopted on reducing Hydrofluorocarbon gases

An amendment to the Montreal Protocol was adopted by over 190 countries for the purpose of eliminating hydrofluorocarbon gases (HFCs) in Kigali, Rwanda.[19] The Montreal Protocol came into force in 1989 to reduce the production and consumption of substances that are causing depletion of the ozone layer of the earth.

While HFC gases do not cause depletion of the ozone layer, they contribute to global warming.[20] They are generally used in the air conditioner and refrigeration industries. The Kigali Amendment to the Montreal Protocol provides a roadmap for the elimination of HFCs, laying down different time schedules for developed and developing countries. It is a binding agreement and will come into force on January 1, 2019.

Education

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Draft UGC Guidelines & Regulations for establishment of World Class Institutions released

The Ministry of Human Resource and Development released the draft Guidelines and Regulations for establishment of world class institutions.[21] The draft Regulations aim to provide an enabling regulatory architecture to ten public and private institutions each to grow into world class teaching and research institutions in India. This is following the mention of a scheme for creation of world class institutions by the Finance Minister in the 2016-17 budget speech.

The draft Guidelines will be applicable to all government owned and controlled higher educational institutions. The Regulations will apply to privately owned and controlled institutions. Most of the Guidelines and Regulations overlap except for the financial arrangement. While the government institutions would be financed through a fund of five crore rupees, the private institutions would have an external sponsorship organisation.

Key features of the draft Guidelines and Regulations include:

- **Characteristics of world class institutions**: World class institutions are expected to have certain specific characteristics, including: (i) promotion of multi-disciplinary learning; (ii) a reasonable mix of Indian and foreign students and faculty; (iii) merit based admission process; (iv) freedom to fix fees according to internal policies; (v) accreditation by the National Assessment and Accreditation Council or an alternative version of the Council which conforms to UGC guidelines; and (vi) consideration in the top 500 institutions in any of the world renowned rankings within the first ten years of setting them up.
- **Empowered Experts Committee (EEC)**: The Committee will be involved in the scrutiny and appraisal of applications submitted to the Ministry by universities to become world class institutions. Additionally, it would also play an advisory role and monitor the implementation plans of these institutions.
- **Review and penalties**: The world class institutions will be reviewed once in three years regarding their adherence to the implementation plans. Yearly updates of the progress being made would have to be submitted to the EEC.
- The EEC will recommend certain penalties to be applied to world class institutions in case of non-performance in carrying out their implementation plans.

Cabinet approves establishment of National Academic Depository

The Union Cabinet has approved the establishment and operationalisation of a National Academic Depository (NAD) under the vision of Digital India.[22] The NAD would be operationalised within the next three months and rolled out throughout the country in 2017-18.

The NAD follows the Finance Minister's 2016-17 budget speech which outlined a ‘Digital Depository’ for school leaving certificates, degrees and other academic awards of higher education institutions.

NAD will provide a digital or a printed copy of the academic award to students or other authorised users. It will register educational institutions/boards/eligibility assessment bodies, students and other user entities like banks, employer companies and government agencies. Academic institutions would be responsible for the authenticity of data digitally uploaded by them into the system.

Requests for access to academic awards, from users such as potential employers and academic institutions would be only upon the consent of the student.

Women & Child Development

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Law Commission releases report on The Protection of Children (Inter-Country Removal and Retention) Bill, 2016

The Law Commission released a report on ‘The Protection of Children (Inter-Country Removal and Retention) Bill, 2016’.[23] The Bill is based on the provisions of the draft Civil Aspects of International Child Abduction Bill, 2016 which was released by the Ministry of Women and Child Development, earlier this year.

The Bill's provisions are on line with The Hague Convention, 1980, which came into force in 1983. The Convention seeks to achieve two objectives keeping the best interests of the child in mind. The objectives are, (i) protecting a child from the harmful effect of wrongful removal; and (ii) securing prompt return and re-integration of the child in an environment of his or her 'habitual residence'.

Health

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Cabinet approves amendments to the HIV and AIDS (Prevention and Control) Bill, 2014

The Union Cabinet has approved amendments to the HIV and AIDS (Prevention and Control) Bill, 2014.[24] The amendments have not been released in the public domain yet.

The Bill was introduced in Rajya Sabha on February 11, 2014. The Bill seeks to: (i) prevent and control the spread of the HIV and AIDS; (ii) prohibit discrimination against persons living with HIV and AIDS; (iii) provide for informed consent and confidentiality relating to treatment; (iv) place certain obligations on various establishments to safeguard the rights of persons living with HIV and AIDS; and (v) create grievance redressal mechanisms.

The Standing Committee on Health and Family Welfare (Chairperson: Mr. Brajesh Pathak) examining the Bill submitted its report on April 29, 2015.

For PRS summaries of the Bill and the Standing Committee Report, please see here and here.

Energy

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Cabinet approves revision of ethanol price for public sector oil marketing companies

The Cabinet Committee on Economic Affairs approved the revision of ethanol price for supply to public sector oil marketing companies (OMCs).[25] Blending ethanol with petrol helps reduce vehicle exhaust emissions and reduces the import burden for petroleum. The Ethanol Blended Petrol (EBP) Programme was launched in 2003 to promote the use of alternative and environment friendly fuels. However, since 2006 OMCs were not able to procure the required quantity of ethanol due to pricing issues of ethanol. In light of this, the government fixed the price of ethanol at OMC depots between Rs 48.5 per litre and Rs 49.5 per litre.

Key changes approved with the new revision include:

- Between December 1, 2016 and November 30, 2017 (ethanol supply period), the price of ethanol for the EBP programme will be Rs 39 per litre. This may be reviewed and revised at any time by the government during the supply period.
- In addition, ethanol suppliers will be paid excise duty, VAT/GST, and transportation charges as decided by the OMCs.
- An increase or decrease in the retail price of petrol would proportionately factor in the requirement of maintaining the purchasing cost of ethanol fixed during the ethanol supply period.

Inter-state transmission charges for solar and wind electricity waived

The Ministry of Power has waived inter-state transmission charges and losses on transmission of electricity generated through solar and wind.[26] This is to give effect to the revised tariff policy release in January 2016.[27] The revised tariff policy provided that in order to encourage renewable sources of energy, inter-state transmission charges and losses on the transmission of electricity generated from solar and wind energy sources may be waived by the central government.

The notification provides that for wind based generation projects commissioned till March 31, 2019, no inter-state transmission charges and losses will be levied. The waiver will be available for a period of 25 years from the date of commissioning of such projects. Such waiver will be available only for projects getting into power purchase agreements with electricity distribution companies to fulfil their renewable purchase obligations (RPOs). RPOs are purchase obligations set on electricity distribution companies to purchase certain amount of their energy requirements from renewable energy sources.

With regard to solar based generation, inter-state transmission charges and losses will be waived for projects commissioned till June 30, 2017. The waiver will be available for a period of 25 years from the date of commissioning of such projects. The waiver will be applicable only to the solar and wind projects awarded through competitive bidding.

Agriculture

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IMD releases South West Monsoon 2016 end of season report

The Indian Meteorological Department (IMD) released its end of season report for the South West Monsoon 2016.[28] The seasonal rainfall in the country was 97% of the long period average (LPA), showing a 3% deficiency. The seasonal rainfall in 2015 was 86% of the LPA.

Rainfall was 95% of the LPA over North West India, 106% over Central India, 92% over the Southern Peninsula and 89% over North East India. Table 1 shows the actual rainfall over different regions in this season.

Table 1: Rainfall in the country in the 2016 South West Monsoon season (in mm)

Region	LPA	Actual Rainfall	Season Rainfall (% of LPA)
North-West India	615.1	584.2	95%
Central India	975.3	1034.1	106%
South Peninsula	715.6	661.5	92%
North-East India	1437.8	1281.5	89%
All India	**887.5**	**862.0**	**97%**

Sources: Season (June to September Rainfall), IMD; PRS.

States with deficient rainfall (41% to 80% of LPA) include Karnataka, Kerala, Punjab, Haryana, Himachal Pradesh, Assam and Meghalaya. States with normal or excess rainfall (81% of LPA to more than 119% of LPA) include Rajasthan, Maharashtra, Madhya Pradesh, Uttar Pradesh, Odisha, Tamil Nadu, Bihar and West Bengal. No state witnessed scanty rainfall (less than 40% of LPA) during this season.

Telecom

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Draft Telecommunication (Broadcasting and Cable Services) (Addressable Systems) Tariff Order, 2016 released

The draft Telecommunication (Broadcasting and Cable Services) (Eighth) (Addressable Systems) Tariff Order, 2016 was released the by Telecom Regulatory Authority of India.[29] The Order seeks to introduce regulation of tariff structure of Television (TV) channels in addressable systems. Addressable systems are cable TV systems in which channels are transmitted in digital and encrypted form (example: Direct to Home services such as Tata Sky).

Key features of the draft Order include:

- **Offer of channels**: All TV channels should be offered separately on an individual basis by broadcasters to subscribers. The nature of the channels – free or paid should be specified by the broadcaster.
- In case of paid channels, the maximum retail price (MRP) of the channels in a geographic area should be specified.
- **Price regulation of bouquets**: In addition, the broadcasters may offer their channels by bundling them into bouquets. However, the price of a bouquet should not be less than 80% of the sum of the prices of individual channels in the bouquet combined.
- **Price regulation of high definition channels:** The price of a paid channel transmitted in high definition format shall not be more than three times the MRP of the corresponding channel transmitted in standard definition format. High definition channels are transmitted at a higher image quality than those of standard definition.
- **Genres of television channels:** Every broadcaster should categorise their channels into one of the following genres: (i) devotional, (ii) general entertainment, (iii) infotainment, (iv) kids, (v) movies, (vi) news and current affairs, and (vii) sports.

Draft Telecommunication (Broadcasting and Cable Services) Interconnection Regulations, 2016 released

The draft Telecommunication (Broadcasting and Cable Services) Interconnection Regulations, 2016 was released by Telecom Regulatory Authority of India.[30] The draft Regulations seek to regulate the interconnection standards used by TV broadcasters. Interconnection is the network provided by distributors (such as Tata Sky) to broadcasters (such as Star India) to transmit their TV channels.

Key features of the draft Regulations include:

- **Carriage fee**: Distributors charge a carriage fee to the broadcasters for using the interconnection network. This will be capped at 20 paisa/channel/subscriber every month. The carriage fee amount may decrease with increase in subscription of a broadcaster.

- No carriage fee is to be paid by a broadcaster if the subscription of the channel is more than or equal to 20% of the subscriber base.
- **Subscription reports and audits**: Every distributor should calculate the number of customers subscribing to every broadcaster. These numbers will be reported to the broadcaster on a monthly basis, based on which the carriage fee will be determined. In addition, the distributor should get the distribution systems audited by an auditor to verify the information provided in the subscription reports, on an annual basis.

External Affairs

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Eighth BRICS Summit held in India

The Eighth BRICS Summit was held in Goa, India from October 15-16, 2016.[31] The heads of state of the five BRICS member countries, Brazil, Russia, India, China and South Africa attended the summit. During the summit, three MoUs were signed among the BRICS countries on: (i) establishment of a common agricultural research platform, (ii) customs cooperation, and (iii) cooperation among diplomatic academies.[32]

The BRICS countries also held an outreach summit with leaders from BIMSTEC (Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation) member countries on October 16, 2016.[33] BIMSTEC member countries are Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand. The purpose of the initiative was to explore possibilities of expanding trade, commerce and investment, while advancing development, peace and democracy.

India signs bilateral agreements with Brazil, Myanmar, New Zealand, Russia and Singapore

India signed various bilateral agreements with countries like Brazil, Myanmar, New Zealand, Russia and Singapore. These include:

Brazil: India and Brazil entered into four MoUs on pharmaceutical regulation, investment cooperation, agriculture and animal husbandry, and genetic technologies on October 17, 2016.[34]

Myanmar: India and Myanmar signed three MoUs on cooperation with regard to supervision of banking activities, and the power and insurance sectors on October 19, 2016.[35]

New Zealand: India and New Zealand signed three agreements with regard to food safety cooperation, youth affairs and sports, and tax cooperation on October 26, 2016.[36]

Russia: India and Russia entered into 16 agreements across various sectors, including defence, oil and natural gas, smart cities, transport, space and information security on October 15, 2016. Key agreements include: (i) setting up a joint venture in India for manufacture of Ka-226 T helicopters, (ii) construction and purchase of four frigates (i.e. warships) through partnership between a Russian and an Indian shipyard, (iii) setting up of an investment fund by the National Infrastructure Investment Fund of India and the Russian Direct Investment Fund, (iv) a joint study of a gas pipeline to India, and (v) developing smart cities in Andhra Pradesh and Haryana.[37]

Singapore: India and Singapore signed three MoUs on skill development and industrial property on October 4, 2016.[38]

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