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COUNTRY DOSSIER

Singapore

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Country Dossier - Singapore

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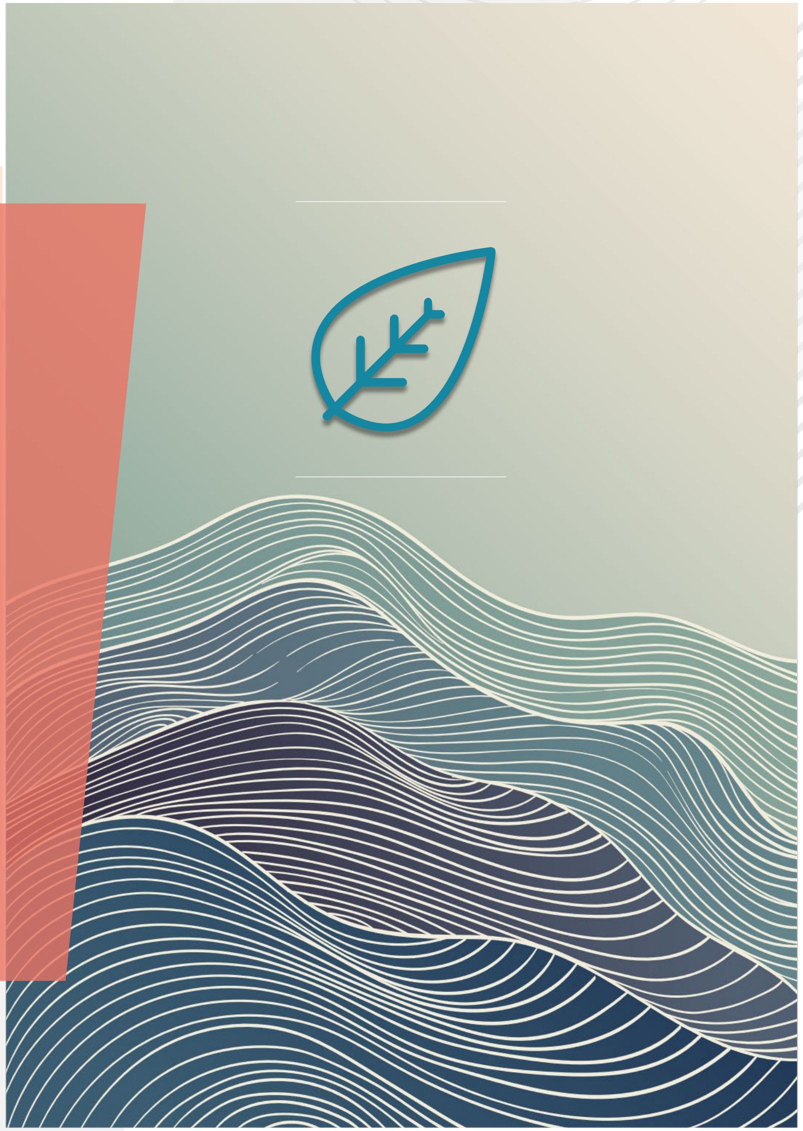
The India-Singapore relations, which showed resilience amid global downturn, have made significant progress in new areas like digital connectivity, fintech and green economy in 2022 through regular high-level in-person bilateral engagements. The highlight was the maiden India Singapore Ministerial Roundtable (ISMR) -- a new ministerial mechanism to chart a roadmap to take the bilateral ties to a new level. The ISMR helps focus on emerging areas such as digital connectivity, fintech, green economy, green hydrogen, skill development and food security between the two countries. Singapore is also strengthening India's connection with the ASEAN to further New Delhi's *Act East* policy and the shared commitment to international law and stability in the Indo-Pacific region. As per official data, Singapore was India's 6th largest trade partner in 2021-22, with a share of 2.9% of India’s overall trade. In 2021-22, the bilateral trade stood at USD 30.11 billion as compared to USD 21.98 billion during 2020-21. In the same period, FDI inflows from Singapore to India stood at USD 15.87 billion.



G2G initiatives

Strengthening of bilateral cooperation in green economy, fintech, renewable energy, infrastructure, skill development, digitalisation, health, pharmaceuticals and trade were on the top of the agenda of discussions between Prime Minister Narendra Modi and his Singapore's Lee Hsien Loong on the sidelines of the G-20 Summit in Bali.

Further, India would explore the development of a hydrogen hub with Singapore, which would pertain to the production of cheaper renewable energy for manufacturing green hydrogen, electrolyser manufacturing and hydrogen storage technologies.

Sectoral Synergies

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Mergers & Acquisitions

- The Tata group and Singapore Airlines (SIA) have agreed to merge Vistara with Air India to drive synergies and grab market share in the fast-growing aviation market. After the merger, brand Vistara will cease to exist and Air India will become India's second-largest domestic and largest international carrier, with a fleet of 218 aircraft. Recently Vistara received Rs 6.50 Billion as equity investment to meet its working capital requirements.
- Singapore's government-owned Temasek and Swedish buyout firm EQT AB are among a bunch of suitors in separate talks to acquire minority stake in J M Baxi Ports & Logistics. The company is planning to raise about Rs 30-33 billion including Rs 12- 15 billion by selling fresh shares.
- Pastel Ltd, an entity of Singtel, sold 1.59 % stake in Bharti Airtel for Rs 72.61 billion through an open market transaction. The stake has been picked by Bharti Airtel's promoter Bharti Telecom Ltd.
- Singapore's utilities firm Sembcorp Industries would divest its entire stake in Sembcorp Energy India Limited to Tanweer Infrastructure Pte for USD 1.47 billion. The deal underscores Sembcorp Industries' strategy to decarbonise its operations and shift to green energy generation.
- Sembcorp Industries, Petronas, and JSW Neo Energy are separately considering acquiring Continuum Green Energy (India) Pvt. Ltd in a potential deal that may have an enterprise value of USD 1.5 billion. The interest in Continuum comes amid India drawing up a plan to meet its commitment to net-zero carbon emissions.
- Sembcorp Industries has announced plans to acquire Vector Green Energy for Rs 27.80 billion to expand its renewable energy footprint in India to 3 gigawatts (GW). The completion of the acquisition will bring the Singapore-based group's gross renewable energy capacity to 8.5 GW, closer to its 2025 target of 10 GW of gross installed renewable capacity.

Energy

- For the first time, India is expected to export green energy from 2025 under an MoU that would explore opportunities in green hydrogen potential in India. This will entail Greenko group and Singapore's Keppel Infrastructure working towards a 250,000 tonne per annum contract to be supplied to Keppel's new 600Mw power plant in Singapore.
- Singapore based HBA, is closely monitoring the potential of producing wind energy in deep waters off Gujarat and Tamil Nadu as India progresses with its multi-billion-dollar renewable programme.

E-commerce

- DBS Bank India has partnered with Gofrugal Technologies Pvt. Ltd., a seller-centric platform as part of its endeavour to enable micro, small and medium enterprises to adopt Open Network for Digital Commerce (ONDC) and help them expand their digital commerce footprint.

Infrastructure/ Data centres

- Singapore-based data centre platform firm Digital Edge will invest USD 2 billion to set up its first data centre project in India. The company has partnered with National Investment and Infrastructure Fund (NIIF) and AGP DC InvestCo,. to develop a pan-India portfolio of hyperscale data centres.

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