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India Inc. in ASEAN: Reclaiming its Receding Footprint

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ABSTRACT Has India's free trade agreement with the 10-member Association of South-east Asian Nations (ASEAN) spurred India Inc.'s globalising drive eastwards? This region, after all, has recently emerged as a major destination for investments from Japan – which is widening its options due to its conflicts with China – and the US, with its so-called 'pivot to Asia'. India's Free Trade Agreement (FTA) with ASEAN, which kicked off in January 2010, is perhaps the country's most important trade agreement and is integral to its 'Act East' policy of integration with the Indo-Pacific region. This paper examines whether India has indeed succeeded in extending its Foreign Direct Investments (FDI) imprint in a highly important region.

INTRODUCTION

ASEAN's combined GDP of $2.6 trillion approximates India's $2 trillion. In 2010 India began a Free Trade Agreement (FTA) with ASEAN, and this has resulted in a rise in their trade in goods, reaching the $65 billion mark in 2015-16. This was, however, much lower than expectations that the level could cross $100 billion by 2015. Trade between India and ASEAN has, in fact, been trending lower than the peak level of $78.9 billion registered in 2011-12. The services and investment component of this deal was signed by the NDA government on 9 September 2014. There is no doubt that bilateral trade volumes will be boosted if India, Inc. widens its reach in ASEAN through investments in the manufacturing and services sectors.

A positive development is that the handicap of inverted duty structures has been addressed by the NDA government in its budget for 2015-16. However, there is a perception within the government that the country has gained little from this FTA, if at all. While India's exports of goods have risen, imports have grown much more, resulting in a ballooning trade deficit with ASEAN. However, instead of correcting this imbalance through defensive trade measures, India will get more out of this agreement if two-way trade can be stepped up through investments.

For a sense of perspective, India Inc. has been in the region since the late 1960s when the $40-billion Aditya Birla Group made its pioneering forays into Thailand with the setting up of Indo Thai Synthetics Company in 1969. Analysts consider this as part of a first wave of investments by India Inc. in Asia during the pre-liberalisation period. Today Thailand exports, for example, carbon black to Japan; it used to import from Japan. This shift owes to the activities of Aditya Birla. Thailand also used to import epoxy resin from Japan; they have stopped doing so. Japan was a large exporter of viscose fibre, but as the Group's facilities began capturing a large segment of the ASEAN market, Japan's clout in this area has dwindled. Japan has had no choice but to scrap 30 percent of its viscose fibre capacity.

In another part of ASEAN, in Indonesia, the Group's first venture was in the form of PT Elegant Textiles in 1973. PT Indo Bharat Rayon also pioneered viscose stable production in Indonesia in 1982. In the Philippines, it was a joint venture for spun yarn set up in 1975. The Group also built the world's largest single-location palm oil refinery in Malaysia in 1977. PT Indo Bharat Rayon set up PT Indo Liberty Textiles for yarn in 1996.[1]

Forty years since the Aditya Birla Group first set foot in Thailand, the question is whether other Indian companies have followed the trail, especially since the Indo-ASEAN FTA was inked in 2010. There is also the prospect of a mega FTA in the form of the Regional Comprehensive Economic Partnership (RCEP) which includes the ASEAN countries and South Korea, Japan, China, India, Australia and New Zealand. ASEAN receives more foreign investments as a share of GDP than any other developing area. FDI inflows to ASEAN have increased from $99 billion in 2010 to $136.2 billion in 2014, according to the UN Conference on Trade and Development (UNCTAD). Within ASEAN, the member-states are also investing in one another; the value of such investments has risen from $19.4 billion in 2013 to $24.4 billion in 2014.

INDIA'S FDI IN ASEAN

It would appear that ASEAN is a significant destination for India—at least according to data on India Inc.'s forays in the form of equity, loans and guarantees provided by the Reserve Bank of India (RBI). (These data are provided month-wise from July 2007 as reported by foreign

Table 1: India's overseas investments (US $ million, FY 2009 – FY 2016)

Year	Singapore	ASEAN	Total
2008-09	4137	4443	17147
2009-10	6787	7158	17987
2010-11	11856	12128	43929
2011-12	5946	6565	30863
2012-13	4504	4768	26872
2013-14	5058	5294	36900
2014-15	7109	7429	30920
2015-16	3752	4385	22017

Source: Reserve Bank of India

exchange dealers and also whether these investments are in the form of joint ventures or subsidiaries.) ASEAN attracted one-fifths of India's total investments of $22 billion in 2015-16 (See Table 1). India's cumulative FDI to ASEAN was $52 billion from 2008-09 to 2015-16. If these numbers are any indication, then it is apt to say that India Inc. has shifted gears to advance its business interests in South-east Asia.

However, some analysts[2] also note that the RBI's data are limited, as they identify only the immediate recipients of the outbound FDI – typically shell companies – rather than the actual targets of such investments. Within ASEAN, the favourite destination of Indian investors is the city-state of Singapore. With its enabling environment for business, strong air connectivity, and the presence of a large Indian community, Singapore has emerged as a logistics and financial hub for India Inc. Is the huge inflow of Indian investments also related to Singapore being a tax haven?[3] Or is it simply a good base to foray into the rest of ASEAN? The World Bank's *East Asia and Pacific Updat*e for April 2014 states that Singapore's role as a global financial centre creates challenges in tracing the ultimate destination of FDI to and from Singapore, given the number of foreign affiliates and holding companies based in the city-state that invest in other countries in the region. For instance, many Japanese manufacturing companies set up headquarters in Singapore to oversee their factories in various parts of ASEAN.

Two-way FDI flows between Singapore and India are substantial and fast-growing. The city-state is not just a major recipient of Indian FDI but is also a source of the largest equity inflows into India from ASEAN. It dominates India-ASEAN outflows and inflows of foreign investments. According to the Department of Industrial Policy & Promotion, inflows from ASEAN to India amounted to $47.7 billion from April 2000 to March 2016, of which $45.9 billion is from Singapore alone. This relative importance has led researchers to investigate whether such two-way flows entail round-tripping (or leaving India and returning as FDI.)

Rao and Dhar also mention the possibility of domestic savings being drawn out of the Indian economy.[4] For example, the outward FDI of Orient Green Power Co. Ltd. (OGP), an associate of Shriram EPC group, was much larger than what its parent brought into India from 2007 to 2011. OGP is a subsidiary of Orient Green Power Pte Ltd., Singapore, which was initially promoted as a subsidiary of Shriram EPC Singapore Pte Ltd., itself an overseas wholly-owned subsidiary of Shriram EPC Ltd., Chennai. OGP's outward FDI from India totaled $792.7 million whereas the FDI it received from the Singapore parent was $42.2 million.

From Singapore, these Indian investments are later re-routed out of the region through multiple layers of holding subsidiaries, including step-down subsidiaries. A case in point is JaguarLandRover Limited which is a step-down subsidiary of TML Holdings Pte Ltd. which, in turn, is a wholly-owned subsidiary of Tata Motors Ltd. Such a structure adds more nuance to efforts to study India Inc.'s investment plans in the city-state, even if one focuses on FDI in big-ticket manufacturing (defined as above $20 million) to indicate serious business intent.

Tata Motors Ltd. has, in fact, made India's largest equity investments in Singapore, especially from March 2008 to October 2011, in its wholly-owned subsidiary TML Holding Pte Ltd.. Such investments do not appear to be for vehicle assembly facilities for the ASEAN market although India's auto giant does have major plans to sell its vehicles in Thailand, Malaysia, Vietnam, Philippines and Indonesia. In 2013, however, the company decided to postpone building such a green-field plant either in Thailand or Indonesia as the sales volumes were not large enough.

As noted earlier, TML Holdings has a wholly-owned subsidiary, JaguarLandRover, in the UK. Tata Motors sought to acquire Jaguar and Land Rover in mid-2007 but the deal was clinched only in early 2008. Tata Motors' equity investments in this holding company clearly followed this successful takeover bid. A short-term bridge loan of $3 billion was taken to part-finance this big-ticket acquisition. Tata Motors' investments prepaid a part of the short-term loan taken by Jaguar Land Rover.[5] The equity investments from Tata Motors in India to its holding company in Singapore have thus been invested in its UK subsidiary.

This is not to suggest that Tata Motors' sole interest in ASEAN is to route its investments to the Jaguar Land Rover Ltd. The fact is that it remains keen to sell its vehicles although it has not had a "successful innings in South–east Asia," according to Anmar Master, senior market analyst (for ASEAN and India) of LMC Automotive. It made a mistake in choosing Thailand for its entry point to sell pick-up trucks in 2008 as competition was fierce from other manufacturing companies like Toyota, Isuzu, Mitsubishi, Mazda and Nissan. Tata's Indian vendors also refused to locate in Thailand as volumes were low. Tata decided against local assembly in 2013.

Tata Motors has since shifted its focus to Indonesia. The company also entered the Philippines in April 2014 and Malaysia in January 2015, and soon will set up in Vietnam. Analysts like Master[6] believe that a two-hub strategy is necessary for the company to succeed in the region – Thailand should continue to be a base for pick-up trucks while Indonesia could be developed over the medium term for passenger cars, MPVs and SUVs. A call will have to be made on local assembly which is not viable unless sales volumes reach the critical mass of 20,000 units.

Other Indian auto giants are no different in making largely defensive plays in ASEAN. India's two-wheeler manufacturers have been facing the heat from Japanese rivals like Honda, Kawasaki, Yamaha and Suzuki. Bajaj Auto forayed solo into the Indonesian market in 2007 but did not meet with success. It was only after it tied up with Kawasaki that it managed to sell more of its motorcycles in markets like the Philippines. Its total investments in its Indonesian subsidiary totaled $25 million as of March 2012. TVS Motors is on a steep learning curve in Indonesia.

The upshot is that these companies are not as bold as the Aditya Birla Group in the unfolding ASEAN drama and rather prefer to export vehicles from India as volumes are relatively low. Even if they have set up a few facilities, these are haemorrhaging. None of them (including Tata Motors) have so far made big-ticket investments only for ASEAN. To be sure, there are big gains if they decide to deepen their manufacturing presence as imports within the region do not attract import taxes. Vehicles can therefore be priced competitively. There are considerable advantages in tying up with the Japanese.

Tata Motors' investment plans represent the largest investments made by India Inc. in Singapore and ASEAN. Overall, India Inc.'s manufacturing investments in Singapore has hit a downtrend since 2009-10, falling by more than three-quarters to $784 million in 2015-16. Tata Motors' equity investments in Jaguar Land Rover Ltd through TML Holdings from March 2008 to October 2011 alone account for 44 percent of India's manufacturing investments (or 58 percent of big-ticket manufacturing investments) in Singapore from July 2007 to March 2016. (See Appendix Tables 2 to 4)

India's big-ticket manufacturing investments in excess of $20 million in the city-state have sharply plunged from the Jaguar Land Rover-driven peak of $3.2 billion in 2009-10, by as much as 85 percent to $462.3 million in 2015-16. The ground for concern is that even these lower investments did not entail an outflow of resources as 83 percent of it is on the basis of guarantees. This is not a good augury for India to leverage the full benefit of its FTA with ASEAN. If two-way investments are tax haven-related or for other purposes outside of ASEAN, how will they boost two-way FTA trade volumes?

Flying Geese Over ASEAN

If India Inc.'s largest FDI so far in Singapore is destined for UK, its FDI imprint in ASEAN is limited to seize the opportunities thrown up by a $2.6-trillion economic entity. Japan and the US, for their part, are taking this region far more seriously than India. The ongoing FDI boom in ASEAN was initially triggered by the relocation of Japanese manufacturing following the Plaza Accord of 1985. As per the "flying geese model",[7] ASEAN nations are expected to catch up with the West as textiles and automobiles continuously move from the lead goose like Japan, to less advanced goslings.

After South Korea, Taiwan and Singapore industrialised, the advantage then shifted to developing countries like Thailand, Vietnam, Philippines and Indonesia. Since the 1990s, China has become the dominant power amidst a dense network of trade and investments. For example, Apple's best-selling iPhones involve nine companies located in China, South Korea, Japan, Germany and the US, which provide the parts and components that are assembled in Shenzhen. The dragon, thus, became the factory of the world. China's labour surpluses in the countryside, however, have dried up and wages are fast rising.

Industries are going deeper into the mainland for cheaper labour. Relocating traditional labour-intensive industries (like textiles) to neighbouring ASEAN countries where wages are much lower is an idea whose time has come: when compared to the average Chinese factory worker's wage of $27.5 per day, Indonesia's averages $8.6 per day while in Vietnam it is even lower at $6.7 per day according to the *Economist*.[8] The garments sector had been first to relocate to cheap labour destinations like Bangladesh and Myanmar, whose global clothing exports have spurted much more than what India has achieved.

Even advanced manufacturing and electronics has begun to gradually shift to countries like Thailand, Indonesia and Vietnam; as a result, they are increasingly exporting high-technology goods which require R&D intensity. Vietnam is considered a "frontier economy" benefiting from rising costs in China: "Thanks to multi-billion-dollar investments from companies such as Samsung Electronics Co. and Intel, exports of smartphones and other electronics now have eclipsed old standbys such as textiles and footwear, leaving the country higher up the value ladder than Cambodia or Bangladesh."[9]

Owing to its troubles with China, Japan has become even more focused on ASEAN, with its investments amounting to $20 billion in 2015 that were more than double its investments in China according to the Japan External Trade Organization. Vietnam and Indonesia are big beneficiaries of such inflows. For example, Mitsui, OSK Lines are involved in a billion-dollar container port expansion according to the

Financial Times. According to Rajiv Biswas, Asia-Pacific chief economist at IHS Global Investments, Mitsui's moves fitted closely with a rethink on investment plans amid forecasts that ASEAN's GDP would rise to $5.8 trillion by 2025.

Big-ticket infrastructure is Japan's current top priority. Japan Bank for International Cooperation's (JBIC) loan, guarantee and equity commitments in ASEAN reached 13.15 trillion yen till FY 2014, or roughly 20 percent of its entire global portfolio. Indonesia accounts for 5.7 trillion yen of this expansion and is a major beneficiary of JBIC's portfolio. India, for its part, accounts for only 1.3 trillion yen or 1.9 percent of JBIC's global portfolio although these numbers would be slightly higher after Japanese Prime Minister's Shinzo Abe's 2015 visit to India in which a bullet train deal with India was inked.

US investors, too, are eager to participate in ASEAN after US President Barack Obama's 'pivot to Asia'. In 2015, the US committed one-third of its investments to this bloc, more than its combined investments in China, India, South Korea, Hong Kong, Taiwan and New Zealand.[10] Leading US companies, like General Electric whose business has slumped in India, doubled their business in South-east Asia between 2012 and 2013. ASEAN has become more important for FDI for such countries than India.

Despite the importance of FDI to ASEAN's growth, however, many countries restrict foreign ownership. Thailand is the most restrictive, followed by the Philippines and Malaysia.[11] Cambodia allows 100-percent foreign ownership in most sectors and is the most open country in the region, followed by Singapore according to the World Bank. For all its openness, Cambodia does not attract inflows exceeding $1. 7 billion while Thailand's FDI rose from $9.1 billion in 2010 to $12.6 billion in 2014. There is also significant variation among sectors, with manufacturing being the most open and services, most protected.

EXPANDING WITHIN ASEAN

Where does India Inc. go from here? The Singapore route is bound to go the way of Mauritius[12] as the double taxation avoidance agreement will soon be amended. The need is to avoid missing out on opportunities in ASEAN. India must take advantage of easier conditions for doing business in ASEAN than at home. India's ranking in ease of doing business—at 130 out of 189 countries ranked by the World Bank in 2016—is only a tad better than Laos (134) and Myanmar (167). At the other end, Singapore (1) leads the way, followed by Malaysia (18), Thailand (49), Brunei (84), Vietnam (90), and Indonesia (109).

However, India has a slight edge than Vietnam in getting an electricity connection: it takes five procedures and 53 days in India while in Vietnam it takes six procedures and 59 days. Indonesia's problems regarding legal uncertainties, corruption, inflexible labour laws and appalling roads, seaports and infrastructure are also akin to those faced by India. There are also cumbersome labour laws which prevent companies from shifting their personnel like, say, Google's engineers from Malaysia to Thailand as the process of securing permits takes a lot more time.

To spearhead the country's integration with Asia, India Inc. must no longer seek protection through tariffs and prepare for the brave new world of global integration. It must be more pro-active in forming more joint ventures or strategic alliances with local entrepreneurs like the Bhumiputras of Malaysia or the overseas

Chinese. In automobiles, no headway can be made unless they partner with the Japanese. On the face of it, this should not be difficult as the Japanese have partnered with Indian manufacturers back home, like Bajaj with Kawasaki and TVS with Suzuki.

Industry needs to deal with such rivals to penetrate ASEAN markets. The most formidable rival of all is the overseas Chinese Diaspora. To seize the bustling business opportunities in ASEAN, managers must better understand the competitive implications arising from this economic dominance in the region by overseas Chinese businessmen. To be sure, the entrenched presence of the overseas Chinese does provide a strategic advantage to China. There are, after all, over 20 million of them living in this region, and their networks serve as a valuable bridge for China's integration with ASEAN.

Forty families, mostly overseas Chinese, dominate the economies of South-east Asia and create formidable barriers of entry for Indian businessmen who want to penetrate the region. They are hardy competitors and are mostly medium-size in scale. They have also acquired big stakes in China's booming economy. India Inc. must have alliances with this Diaspora if it is to succeed investing in ASEAN. A more feasible option perhaps is relying on the Indian Diaspora, including building alliances with local non-Chinese elites in Malaysia and Indonesia, who resent the dominance of the Chinese according to several reports that have appeared in publications like the *Financial Times* over the years.

India Inc.'s best bet is also to move away from a Singapore-centric tax haven focus towards engaging with other ASEAN members like Cambodia, Myanmar, Laos and Vietnam (or CMLV). The Aditya Birla Group's early successes indicate the way forward. CMLV covers one-third of ASEAN's geographical spread and accounted for 11.2 percent of the grouping's GDP in 2014. These countries have been undergoing a transition from centrally planned to market-friendly economies. A generational change in leadership is likely to be seen in 2017 in Laos and Vietnam.

CMLV's prospects are indeed bright as they are experiencing booming growth as never before. The projections for 2016 and beyond are no different. They registered much higher growth than the ASEAN average of 4.4 percent in 2014. The fastest growth was registered by Myanmar at 8.5 percent in 2015, followed by Laos (7.5 percent), Cambodia (7 percent) and Vietnam (6 percent). The CMLV grouping are not only the fastest growing economies in ASEAN, they have also attracted significant FDI ranging from $913 million in Laos to $9.2 billion in Vietnam in 2014, according to data from UNCTAD.

India's union budget for 2015-16 sought to catalyse investments from the Indian private sector in this region. According to the official proposal, a Project Development Company will, through separate Special Purpose Vehicles (SPVs), set up manufacturing hubs in Cambodia, Myanmar, Laos and Vietnam. The Indian government will initially put in $100 million in the proposed company as the private sector does not want to take the first step because it is not confident about the stability of that market. The government is setting up a mechanism to create a project development firm under the Exim Bank.

"It makes a lot of sense for countries with whom we want to develop our value chains. The proposal is to have as many SPVs as we want. As the SPVs go on parceling out plots to entities, the money will be recouped. The government will make capital available for a short term, till the market takes over. The government is taking a risk till the parcel of land is sold out," said India's commerce secretary Rajeev Kher in 2015.[13] Giving an example, he said if India develops an SEZ in Vietnam, exports yarn to that country and gets apparel made there, then it can access the US market through the proposed Trans-Pacific Partnership route and take duty benefits that will accrue to Vietnam.

According to World Bank's *East Asia and Pacific Update* for October 2014, Vietnam today has a total accumulated FDI commitment of around $242 billion in a broad and diversified range of businesses; that the foreign-invested sector contributes to almost 20 percent of Vietnam's GDP, 25 percent of total investment, two-thirds of total exports and, directly and indirectly, millions of jobs; that foreign investors have generally held a positive view of Vietnam's investment climate, appreciating the country's political stability and improved macroeconomic stability. For such reasons, India Inc. must invest more in the CMLV grouping.

CONCLUSION

Bilateral trade has been below par after India's FTA with ASEAN. Boosting two-way trading volumes, however, requires more two-way FDI. This paper noted crucial problems with the existing database to track India's FDI imprint in ASEAN: for example, RBI data that indicate $52 billion of cumulative investments, with the bulk going to Singapore, may not be very credible as they identify only the immediate recipients and not the ultimate beneficiaries. Thus it is observed that India's largest investments in ASEAN by the Tatas were ultimately destined for its UK-based subsidiary.

India Inc.'s imprint in the region is receding just when Japan and the US are ramping up their investments manifold. ASEAN is FDI-driven and gets more investments than any other developing region. India cannot afford to miss out on these opportunities and must harness its comprehensive economic cooperation agreement with ASEAN and similar arrangements with Singapore and Malaysia. The priority must go beyond the tax-haven related advantages of the city-state[14] and use it instead as a base to foray into the rest of ASEAN, much like what other MNCs are doing including the Japanese.

According to the Indian High Commission in Singapore, 6,000-odd Indian companies are registered in this city-state. India Inc.'s big business group companies like Reliance, Tata Motors, Bharti Airtel lead the way with investments. Small and medium-size companies, too, have located their subsidiaries there. This can be ramped up to exploit the ASEAN market. The good news is that Malaysia is also fast emerging as a major manufacturing hub for India's pharmaceutical companies for exports to South-east Asia. Thailand and Indonesia are important markets for India's two-wheeler auto companies.

Vietnam is projected to be the next frontier, too. India Inc. must set up outposts in the CMLV grouping or form joint ventures and alliances with local businessmen to penetrate a dynamic market of 600 million consumers. India Inc. must consider Myanmar, Laos and Cambodia—they are not only the fastest growing ASEAN countries but are also attracting FDI. The Indian government's efforts to incentivise investments in CMLV should help India Inc. move beyond a city-state-centric thrust to seize the booming opportunities of a $2.6-trillion regional grouping. Indian industry must lead the charge as did the Aditya Birla Group earlier in India's integration with this all-important grouping.

APPENDIX TABLES

Table 2: Tata Motors investments in Singapore (US $ million)

	Equity	Loans	Guarantees	Total
Mar-08	100.00	0.00	0.00	100.00
Jun-08	117.78	0.00	0.00	117.78
Nov-08	100.00	0.00	0.00	100.00
Dec-08	1019.00	0.00	0.00	1019.00
Jan-09	26.50	0.00	0.00	26.50
May-09	150.00	0.00	0.00	150.00
Jun-09	906.00	0.00	0.00	906.00
Jul-09	237.45	0.00	0.00	237.45
Oct-09	154.18	0.00	1250.00	1404.18
Nov-09	347.36	0.00	0.00	347.36
Oct-11	0.00	202.00	0.00	202.00

Source: Reserve Bank of India

Table 3: Indian manufacturing FDI (US million)

Year	ASEAN	Singapore	Overall
2007-08	376.52	275.82	4136.95
2008-09	1967.64	1779.76	9048.12
2009-10	3360.01	3302.08	7250.17
2010-11	1016.94	865.97	14731.98
2011-12	1235.19	802.47	9720.4
2012-13	788.86	653.68	9201.93
2013-14	1192.39	1100.2	9008.1
2014-15	1116.09	960.7	8198
2015-16	1313.34	783.91	8526.3

Source: Reserve Bank of India

Table 4: India's manufacturing investments in excess of $20 million

Year	ASEAN	Singapore
2007-08	246.37	170.13
2008-09	1652.14	1540.14
2009-10	3203.95	3176.95
2010-11	616.02	508.03
2011-12	935.19	580.69
2012-13	288.69	222.5
2013-14	784.92	751.57
2014-15	499.78	499.78
2015-16	902.28	462.28

Source: Reserve Bank of India

ABOUT THE AUTHOR

N Chandra Mohan is an economist based in New Delhi. He wishes to acknowledge two anonymous referees, and Prof. Chalapati Rao of the Institute for Studies in Industrial Development, for their valuable comments on the early draft of this paper.

ENDNOTES

1. The group continued to add facilities in Thailand in 1974, 1978, 1984, 1987, 1989, 1992, 1995, 1998. It acquired Pan Century Surfactants in the Philippines in 2005.
2. Professor Chalapati Rao, Biswajit Dhar and Kannan Kasturi, to name a few.
3. Dhar, former DG of RIS, quoted in an article, "Banking imbroglio holds up India, Singapore trade pact review," Business Standard, August 19, 2014. He said, "Singapore is a classic tax haven where they expect all our private funds which are then routed back to India, but they don't let our banks operate professionally there."
4. Chalapati Rao and Biswajit Dhar, "Formulating India's FDI policy: Waiting for Godot", Alternative Economic Survey 2011.
5. This is clear from the TTM 6-K filed in September 2008 that states that a sum of $894 million invested by Tata Motors Ltd into its wholly owned subsidiary TML Holdings Pte Ltd would be invested in its step-down subsidiary, Jaguar LandRover Limited, to prepay part of the short-term bridge loan of $3 billion.
6. Anmar Master, "Tata needs two-hub strategy in ASEAN", Business Line, July 21, 2014.
7. According to this model, Asian nations led by Japan will catch up with the West as the production of labour-intensive goods like textiles continuously move from the lead gosling to the less advanced countries.
8. "Future of factory Asia", The Economist, March 14, 2015.
9. James Hookway, Wall Street Journal, April 30, 2015.
10. Jeremy Grant, "ASEAN: Long on Optimism", Financial Times, July 21, 2014.
11. This is according to the World Bank.
12. Mauritius' tax haven status has been amended and negotiations are on to do the same for Singapore.
13. Asit Ranjan Mishra, "Govt plans investment channel for CLMV region" Mint, 23 March 2015.
14. "A notable characteristic that is evident in the pattern of Indian ODI has been the continuous and consistent significance of countries providing tax benefits for attracting investments" noted Export-Import Bank of India's occasional paper number 65, "Outward direct investment from India: Trends, Objectives and Policy Perspectives", May 2014.

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