



## POLICY UPDATE

- Indian Railways had recently invited for private sector participation in running of container trains. 12 proposals from private sector companies have received in-principle approval of the Ministry of Railways to start container operations. The model concession agreements for public-private partnership in container movement is under preparation by RITES. Indian Railways is also planning to build Dedicated Freight Corridors (DFC) to connect the four metropolis involving an investment of approx. \$5 bln. on public-private partnership. Further, development of integrated logistic parks, wagon investment scheme, development of rail side warehouse complexes etc. have been identified as other areas for private investments.
- Indian Parliament has passed Amendments in the Companies Act, 1956 to facilitate the implementation of MCA21 Project, a major e-Governance initiative of the Ministry of Company Affairs. The amendments make enabling provisions to support secured online electronic processes consistent with IT Act, 2000. *More...*
- Indian Department of Chemicals and Petrochemicals is studying the feasibility of setting up Mega Chemical Industrial Estates at different locations in the country. A Task Force on the Petroleum, Chemical and Petrochemical Investment Regions (PCPIR) has been set up in the Prime Minister's Office to expedite an appropriate policy framework for developing the investment regions. *More...*
- Pursuant to the Patents (Amendment) Act, 2005, the Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, has issued Patents (Amendment) Rules 2006 that further amends the Patents Rules, 2003, to introduce transparency, decentralize the functioning of Patent Offices, simplify the procedures and to make them user-friendly. *More...*
- The Securities and Exchange Board of India (SEBI) has allowed listed companies to raise funds from the domestic markets through Qualified Institutional Placement (QIP) of securities with no pre-issue filings with the regulator. *More...*

## NEWS HIGHLIGHTS

- Car exports from India recorded 47% growth in April 2006 as per the statistics released by Society of Indian Automobile Manufacturers. *More...*
- Net sales of FMCG companies in India increased by 11% to \$4.5 bln approx., while net profit increased by 22.4% to \$628 mln. approx. in 2005-06. *More...*
- As per AT Kearney's 2006 Global Retail Development Index, India is the world's most attractive destination for mass merchant and food retailing among 30 emerging markets. *More...*
- The global corporations have pledged investments of \$8.6 bln. in Indian telecom and Information Technology sectors in 2005-06. The largest being that of \$3bln. by a consortium of NRIs for Silicon

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Chip manufacturing facility near Hyderabad. The second largest of \$1.7 bln. from Microsoft on research and development, education, productivity and governance. The next on line are Intel and Cisco with 1 bln. investment pledge. [More...](#)

## Corporate News

- Levi's has opened its second largest store spread over 9,000 sq ft in Bangalore. [More...](#)
- ONGC Videsh Ltd. would sign a formal agreement with the Cuban Government at Havana on May 23, 2006 regarding acquiring 30 per cent stake in seven oil and gas blocks in Cuba. These gas blocks are estimated to hold more than 4 billion barrels of oil reserves. [More...](#)

## Visits & Events

- India hosted the 39th Annual Meeting of the Asian Development Bank on May 3-6, 2006 at Hyderabad. The Prime Minister Dr. Manmohan Singh addressed the opening session. Apart from ADB's operations, the meeting discussed a range of issues, including trends in the international economy and their implications for Asia - from Basel II norms to IT, labour and global capital market flows. [More...](#)
- Dr Michael Griffin, Administrator, NASA visited India to sign the Memoranda of Understanding between ISRO and NASA on inclusion of two US Scientific instruments in Chandrayaan-1, India's first unmanned scientific mission to moon. The two US instruments - Mini Synthetic Aperture Radar (Mini SAR) developed by Applied Physics Laboratory of the Johns Hopkins University and Moon Mineralogy Mapper (M3), jointly built by Brown University and Jet Propulsion Laboratory (JPL) of NASA, were selected on the basis of merit out of 16 firm proposals from all over the world. [More...](#)
- A Sub-Cabinet level meeting of the India-US Commercial dialogue took place in New Delhi on May 2, 2006. Mr. Franklin Lavin, Under Secretary for International Trade Administration, US Department of Commerce, led the US delegation whereas Indian side was led by Commerce Secretary Mr. S.N. Menon. [More...](#)
- Dr. Y.V. Reddy, Governor, Reserve Bank of India, delivered an address on "Global Imbalances- An Indian Perspective" at the UN, New York on May 11, 2006. [More...](#) Dr. Reddy also addressed Council on Foreign Relations on May 12 at New York on "Reflections on India's Economic Development. [More...](#)
- Indian Ministry of Power and the Confederation of Indian Industry (CII) in partnership with the USAID and the US Department of Energy held a conference on India-US Energy Efficiency Technology Cooperation at New Delhi on May 2-3, 2006. Over 280 public and private participants from both countries presented more than 50 papers at the conference. [More...](#)



*The President of ADB, Mr. Haruhiko Kuroda welcoming Indian Prime Minister Dr. Manmohan Singh for the opening session of the 39th Annual General Meeting of Asian Development Bank in Hyderabad on May 5, 2006. In the middle is seen the Indian Finance Minister Mr. P. Chidambaram. **Photo Credit: PIB***