

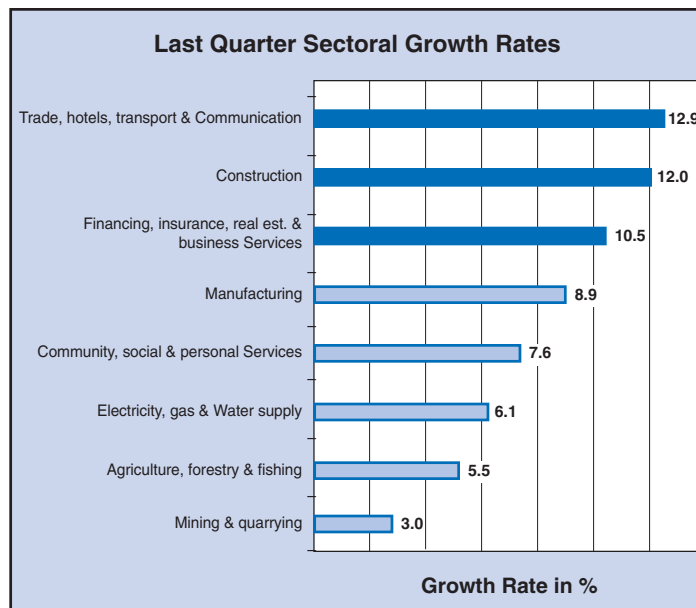


9.3% GDP Growth in the last quarter increased Indian growth rate to 8.4% in 2005-06

Indian economy has grown at a rate of 8.4% in 2005-06 as against 8.1% projected earlier in the advanced estimates released in February 2006. Manufacturing sector has recorded a growth rate of 9% in 2005-06 as against 8.1% in 2004-05. The overall growth rate has gone up resulting from more than expected growth achieved in the last quarter January-March 2005-06. Agricultural sector during this quarter has grown by 5.5% raising the annual growth rate of agricultural sector to 3.9% from 2.3% predicted in the advance estimates released in February 2006. **More...**

POLICY UPDATE

- Genetic Engineering Approval Committee (GEAC) of India has approved (i) import of Genetically Modified Soybean oil, and (ii) commercial release and large scale trials of Bt Cotton hybrids. These include some Bt Cotton hybrids that were developed by M/s Mahyco Monsanto Biotech Ltd. and were commercially cultivated in India. Also a sub-Committee on Bt cotton has been constituted to rationalize the regulatory procedure and facilitate introduction of new technology. M/s Mahyco has also produced transgenic brinjal plants which is under consideration of the GEAC. **More...**
- India has approved the Draft National Environment Policy. The policy will serve as a guide to action plans, programmes and projects for environmental conservation. **More...**
- Indian government has given its approval for carrying out Amendments to the Banking Companies (Acquisition and Transfer of Undertakings) and Financial Institutions Laws (Amendment) Bill, 2005 with a view to enhance flexibility of the Boards of Directors and improve corporate governance. The amendment Bill will bring the operations of nationalized banks in tune with the modern business practices. The Bill is yet to be passed by the Parliament. **More...**



NEWS HIGHLIGHTS

- Commodity futures trade in India has increased by 244% in 2005-06. The three national-level commodity exchanges in India viz., National Multi-Commodity Exchange of India, Ahmedabad; Multi Commodity Exchange of India Ltd., Mumbai; and National Commodity and Derivatives Exchange Ltd., Mumbai (NCDEX) were set up in 2002 and 2003. There are 21 other regional Exchanges. At present, futures trading in India is permitted in 103 commodities. **More...**

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- Indian stock market has been experiencing volatility during the past two weeks. The BSE Sensex after reaching an all time high of 12671 on May 11, 2006 declined to 10,398 on May 31, 2006. Net sales of Foreign Institutional Investors in this period was about \$2.4 billion. [More...](#)

Resulting from the emerging markets shares sell off Indian rupee has been experiencing depreciation. The rate of Indian Rupee which was varying between Rs 44.50 to Rs. 45.00 per US dollar reached at Rs. 46.17 on June 1, 2006.

- Merchandise exports from India recorded a growth of 27% in April 2006. [More...](#)
- As per International Institute of Management Development of Switzerland, India's rank in the World Competitiveness has improved to 29 in 2006 from 39 in 2005 out of a total of 61 countries including the most advanced nations. [More...](#)
- A US Census Bureau Report brought out recently indicates that Asian owned business in the United States increased 24% between 1997 and 2002. Asian Indian-owned (231,179) constitute 37% of the total Asian-owned businesses in the US. [More...](#)
- Indian PC market registered a growth of 30 per cent in 2005-06 as per IDC, the premier global provider of market intelligence and advisory services for the information technology. [More...](#)

Corporate News

- Goldman Sachs would launch a \$1 bln. India-dedicated proprietary fund. The fund will essentially concentrate on real estate, private equity across sectors and derivatives. [More...](#)
- Dell would set up a manufacturing base to produce Desktops and Notebooks in India. The plant will be operational by the end of this year. Dell's revenue was \$270 million in India in the last 4 quarters.
- General Motors (GM) would roll out its Chevy Spark compact car in India in the first quarter of 2007. [More...](#)

Visits and Events

- Intel Corporation President and CEO Paul Otellini visited Bangalore on May 23, 2006. Intel's development-cum-R&D facility in Bangalore recently launched Centrino duo chip, also known as NAPA. Otellini announced that Intel would also set up an assembly-cum-testing plant in India. [More...](#)
- GE Chairman and CEO Jeffrey Immelt visited India on May 30-31, 2006. During his visit he announced that GE targets eight-fold increase in its revenue to \$8 billion from its India operations by 2010. Immelt has also announced that GE would invest \$250 million in infrastructure and healthcare projects in India. [More...](#)
- The Indo-US Gas Conference sponsored by Ministry of Petroleum and Natural Gas, Government of India and US Department of Energy under the aegis of the India-US Energy Dialogue was held at New Delhi on May 17, 2006. [More...](#)
- A sub-cabinet level meeting of the US-India Trade Policy Forum was held in New Delhi on May 30, 2006. The meeting was co-chaired by Ambassador Karan Bhatia, Deputy United States Trade Representative (DUSTR) and Mr. S.N. Menon, Commerce Secretary.
- The next Ministerial level meeting of the Trade Policy Forum will be held at Washington DC on June 22, 2006 when Commerce Minister Mr. Kamal Nath will visit US. [More...](#)