

India celebrated 60th independence day

On the Occasion of Independence Day, the President of India, Dr. A.P.J. Abdul Kalam, called for transforming India into a safe and economically developed nation before the year 2020. Citing the examples of innovative efforts made in different parts of the country and success stories in agriculture and farming, education, healthcare, and information technology, the President expressed confidence that it was feasible to enhance food-grain output from the existing 200 million tonnes per annum to nearly 360 million tonnes per annum before 2020; to realise near 100 percent literacy, and to achieve the mission of providing effective, affordable and quality healthcare services to all the people. The President called for formulating an Energy independence Bill. He emphasized the need for enhancing production of coal and clean coal technologies to increase fossil fuel supply, and promoting bio-diesel, solar energy and nano-technology to harness potential renewable energies. **More...**

The Prime Minister, Dr. Manmohan Singh, said that the rapid growth of more than 8% over three successive years was unprecedented in Indian history. The growth of the manufacturing industry touched 11% in the last quarter. The Industry and services sectors were effectively competing with the rest of the world. He highlighted the ongoing infrastructure building work. The PM mentioned that India succeeded in creating an international environment that supported its development aspirations. India's relations with the US, Russia, China, Japan, and the European Union, had never been better and that India's engagement became truly global. **More...**



Ambassador Ronen Sen unfurling the Indian national flag in Washington, DC on August 15, 2006

NEWS HIGHLIGHTS

- The Prime Minister's Economic Advisory Council (EAC) assesses Indian economy to grow at 7.9% during 2006/07 – agriculture to grow at 1.5%, industry at 9.7% and services at 9.5%. The Economic Outlook 2006-07 brought out by the Council emphasizes the need for better infrastructure as a necessary condition for sustaining these high rates of growth. FDI inflows have been projected to increase to \$8.5 billion in 2006-07 from \$5.7 billion in 2005-06. The current account deficit at \$11.1 billion in 2006-07 is expected to remain almost same as a ratio of GDP at around 1.2%. **More...**

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- Fitch Ratings has upgraded India's long-term foreign and local currency rating to investment grade. Fitch views that fiscal consolidation is at last taking hold in India and that the combined fiscal deficit of Centre and states has declined from 10.1% of GDP in 2001-02 to 7.5% in 2005-06. [More...](#)
- The 854 Indian companies have shown a 31 per cent rise in net profit, and a 30.4 per cent rise in net sales in April-June 2006. While the net profit is the highest in the last four quarters, the net sales have touched a five-quarter high. [More...](#)
- Merchandise exports from India in April-July 2006 has increased by 34%. [More...](#)
- FDI (equity capital) inflow into India has shown a record increase of nearly 47% during the first quarter(April-June) of the current financial year 2006-07. [More...](#)
- The tele-density in India improved from 13.68% in June 2006 to 14.12% in July 2006 with net addition of 5.14 million phones in July almost entirely in the wireless segment with 0.08 million in the fixed segment. [More...](#)
- Power generation in India increased by 8.6% to 216.5 Billion unit during April-July 2006, surpassing the generation target set for the period. The generation in all the categories, namely thermal, nuclear and hydro exceeded target, registering growth ranging from 3.5% to 13.5% during the period. [More...](#)
- Software and services exports from India, including IT enabled services (ITeS), have increased by 32.29% to \$6.3 billion during April-June 2006. [More...](#)

Corporate News

- German software maker SAP will invest US \$1 billion over the next five years to expand its operations in India. This was announced by Mr Henning Kagermann, CEO and Executive Board Member of SAP while inaugurating the company's new office in Gurgaon. SAP becomes the sixth major global IT company to have announced \$1 billion investment plans in India in the last few months. The other 5 companies are IBM (\$6 billion), Microsoft (\$1.7 billion), Intel (1 billion), AMD (3 billion), and Cisco (1.1 billion). [More...](#)
- General Motors have signed a MOU with Maharashtra government for setting up a manufacturing plant at an investment of \$279.4 million at Talegaon, near Pune to produce its small car – Chevrolet Spark in India. The plant, with an initial capacity to make 45,000 cars, will be ready for production by 2009. [More...](#)
- Lotus India AMC, a joint venture between Fullerton Fund Management Group and Sabre Capital Worldwide, has received regulatory approval from the Securities and Exchange Board of India for starting its mutual fund operations in India. [More...](#)
- Warburg Pincus has picked up an approximate 27 per cent stake in Delhi-based mid-price range hotel chain, Lemon Tree, for US \$60.2 million. [More...](#) The company has also invested about \$63 million to pick up over 9 per cent stake in auto parts maker Amtek Auto. [More...](#)

Visits and events

- California based US Asia Business Forum and FICCI with the support of the Mayor of the City of Los Angeles is organizing "US-India Investment Seminar & Business Expo 2006" on August 21-22, 2006 at Los Angeles. The main objective of this mega event is to project the Indian opportunity to the US companies. [More...](#)
- A high-level delegation from Indian state of Karnataka led by the Chief Minister – Hon. H D Kumaraswamy will visit the US from September 1-9, 2006 with the objective of promoting Karnataka as foreign investment destination. The delegation will consist of 3 other cabinet ministers of Karnataka, Secretaries to the Govt. of Karnataka and corporate leaders from the state. The delegations will have various business meetings and hold road shows at Baltimore, New York, Los Angeles, and Santa Clara.