

**POLICY UPDATE**

- Ministry of Company Affairs has issued directions for mandatory e-filing of Annual Return, Balance Sheet and Profit and Loss Account of companies in India with effect from September 16, 2006. All electronic filings would require Director Identification Number (DIN) to be furnished as part of the e-Forms. DIN is mandatory for all existing directors and those intending to be directors. One can apply online for DIN. **More...**
- India has reduced the customs duty on import of wheat by private traders from 5 percent to zero percent with immediate effect up to 31st December, 2006. vide Notification No. 97/2006-Customs dated 09.09.2006. Private parties were allowed to import wheat in India at a concessional tariff of 5 per cent against the normal import duty for wheat at 50 per cent with effect from 28 June 2006. Imports by private parties were allowed under Open General License at same quality standards as notified for the imports through government contracts under the State Trading Corporation (STC). The STC has so far placed an order for 3.8 million tonnes of wheat and invited bids from global suppliers for another 1.6 million tonnes. India is importing wheat in the current year after a gap of six years to augment government stocks and to stabilize prices of wheat in the domestic market.. **More...**
- India has received 165 bids for exploration of 52 oil blocks offered under New Exploration Licensing Policy VI. In total 55 blocks were offered of which no bid received for 3 blocks. 35 foreign companies have submitted their bids of which 20 have participated for the first time in India. Evaluation of bids will now be undertaken by the government and the blocks are expected to be awarded by November 15, 2006. **More...**
- Oil Marketing companies in India have been directed to issue tenders to procure ethanol to move forward the programme of blending 5% ethanol with petrol on a national scale. **More...**
- The Securities and Exchange Board of India has widened the scope of international entities that can invest in Indian stock market as registered foreign institutional investors. In its circular No. IMD/FII&C/22/2006 issued on September 12, 2006 an amendment has been made in the Sebi Foreign Institutional Investors (Second Amendment) Regulations, '06 to treat overseas-registered or incorporated pension funds, mutual funds, investment trusts, insurance companies, reinsurance companies, international or multilateral agencies, foreign governmental agency or a foreign central bank as FIIs (Foreign Institutional Investors). Previously, some of these entities had been investing through the FII sub-account route. **More...**

A publication of the Embassy of India, Washington, DC

NEWS HIGHLIGHTS

- The strong rising trend in the number of new telecom subscribers continued in India in the month of August 2006 with a net addition of over 6 million phones. The total number of telephones in the country crossed 164 million with a growth of 48% in August 2006 over August 2005. With this overall teledensity improved further to 14.6% in August 2006 from 9.98% in August, 2005. Since January 2006 to August 2006, India has added more than 34 million telecom subscribers against 32 million subscribers added in the full calendar year 2005. *[More...](#)*
- India's industrial production expanded 12.4% in July 2006, the fastest monthly growth in the last decade. *[More...](#)*
- Mergers and acquisition deals in India totaled \$13 billion in January-August 2006. *[More...](#)*

Corporate News

- Automobile companies from all over the world are planning large investments in India. Japan's Suzuki Motor Corporation and Korean carmaker Hyundai are lining up their investment plans of \$1.5 billion and \$700 million respectively. Volkswagen would set up a Greenfield car manufacturing plant in Pune. Delphi, an auto component manufacturer is planning to make India its R&D hub.
- Dell signed an agreement with the Tamil Nadu government for establishing a hi-tech park at Sriperumbudur near Chennai for manufacturing desktop computers. *[More...](#)*
- GE is planning to increase its revenues in India to \$8 billion by 2010 from \$1 billion in 2005. *[More...](#)*
- Infosys Technologies with a \$25 billion market capitalisation of American Depository Receipts ranks 98 on the Nasdaq and is set to enter the Nasdaq-100 when the index comes up for review in December, 2006. *[More...](#)*
- Lehman Brothers would partly finance two power projects of 1,000MW and 250 MW in Chhatisgarh and Jharkhand respectively. *[More...](#)*
- S Kumars is bidding for American Pacific, one of the largest American home furnishing manufacturing and distribution companies, for around \$100-\$120 million. *[More...](#)*

Visits and Events

- The Indian Council of Agricultural Research and the Foreign Agricultural Service of the US Department of Agriculture are holding a Joint Planning Workshop on water management in New Delhi on September 20-22, 2006 under the auspices of the US-India Agricultural Knowledge Initiative. The workshop will develop the technical program and identify funding sources for all five elements under the water management focus area of the US-India Knowledge Initiative in Agriculture.