



POLICY UPDATE

- Finance Bill 2007 of India has been passed by the Indian Parliament. With this, the budget proposals presented on February 28, 2007 by the Indian Finance Minister Mr. P. Chidambaram, including the subsequent amendments introduced, have come into effect. Amendments relate to changes in direct and indirect taxes. Amendments in customs duty include reduction of duty on N-paraffin from 10% to 7.5%, on nickel and articles of nickel from 5% to 2%, on 'refrigerated motor vehicles' from 10% to Nil. Cut and polished diamonds have also been fully exempted from customs duty. **More...**
- Pension Fund Regulatory and Development Authority of India has invited Expression of Interest by May 25, 2007 for appointing Pension Fund Managers in India to manage the pension funds of the government employees under the New Pension Scheme. Sponsor(s) of a Pension Fund must have at least five years experience of fund management and have average assets under management of not less than Rs.10,000 crore (\$2.3 billion approx.) for the month of March 2007, excluding investment of its own assets. The selected sponsor(s) shall be required to incorporate the Pension fund as a separate public sector company in which direct or indirect foreign investment should not exceed 26% of the paid up share capital. Pension Fund(s) will be appointed for a period of three years on the basis of a technical and financial bid. **More...**
- Government of India has approved the Airports Economic Regulatory Authority Bill, 2007. The Bill will enable setting up of Airports Economic Regulatory Authority, which will fix, review and approve tariff structure for aeronautical services and also will monitor pre-set performance standards at Indian airports. **More...**

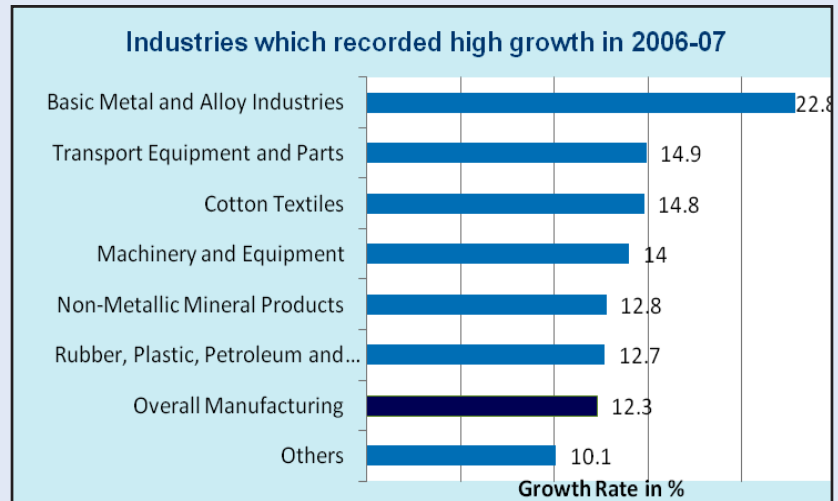
NEWS HIGHLIGHTS

- Foreign institutional investors have already invested \$6 billion in Indian equities during January 1 to May 8, 2007 as against \$8 billion invested in the whole year 2006. **More...**
- The Board of Approval for Special Economic Zones (SEZs) approved another 16 proposals for SEZs in India. These SEZs would be located in the states of Karnataka, Orissa, West Bengal, Tamil Nadu, and Gujarat for the sectors IT/ITES, Biotechnology, Chemicals, Aluminium, Machinery and high-tech engineering products and services. **More...**

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- Indian pharma companies have bagged 43 out of 186 original abbreviated new drug application (ANDA) approvals granted by the US Food and Drug Administration (FDA) during December 2006-April 2007. **More...**
- Manufacturing sector of India has recorded a growth of 12.3% in 2006-07, increased from 9.1% in 2005-06, and more than doubled compared to 6% in 2002-03. **More...**
- McKinsey Global Institute (MGI) says that India will become the world's fifth largest consumer market by 2025 from 12th largest now. **More ...**
- Ernst & Young have projected that India and China will become the most attractive countries for investment in renewable energy projects by 2012. **More...**
- Dabhol Power plant in India is under revival. Mechanical completion of the entire project is expected by end June 2007. **More...**



Corporate News

- Wckhardt of India has acquired Negma Laboratories of France for \$265 million. This is the third largest global acquisition by an Indian pharma company after Dr. Reddy's acquisition of Betapharm for \$578 million and Ranbaxy's acquisition of Terpia for \$335 million. Wockhardt earlier acquired Irish generic company Pinewood for \$150 million. **More...**
- India's largest wind turbine maker, Suzlon Energy Ltd. has won a 400 megawatt wind turbine contract from PPM Energy of US. **More...**
- United Breweries Group of India would acquire Scotch giant Whyte & Mackay of Glasgow for £615 million. **More...**
- Johnson & Johnson is making India a global hub of its research and development. McKinsey estimates that the global clinical trial outsourcing to India in the pharmaceutical industry would reach \$1.2 billion by 2010. **More...**
- Swiss cement maker Holcim raised its holding in India's ACC Ltd. to about 41 percent by buying another 3% stake at \$129 million approx. **More...**

Visits and Events

- Dr. Y.S. Rajasekhara Reddy, Chief Minister of the Indian state of Andhra Pradesh visited Chicago, St. Louis and San Francisco on May 5-10, 2006. He met California Governor Mr. Arnold Schwarzenegger, visited the Stanford University, and addressed The Indus Entrepreneurs at San Francisco, addressed the World Agricultural Forum at St. Louis and attended the events organized by American Telugu Association at Chicago.
- Ms. Vasundhara Raje, Chief Minister of Rajasthan State of India, visited New York. She received the "Women Together Award" at the United Nations headquarters in New York on May 15, 2007.